**LEADERSHIP, STAKEHOLDERS AND DATA ANALYTICS CODE: EG 7068**

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# Area 5) Innovation and improvement

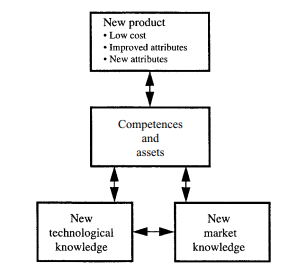
## How Rolls Royce encourages innovation

Rolls Royce is a brand of innovation, their motor cars start where other manufacturers stop. The company creates new realities from a world of inspiration. Rolls Royce has embodied innovation and excellence to support development and success. The luxury car manufacturing brand tends to innovation their motor cars in a way to make consumers obsessed with their products. Charles Rolls and Henry Royce agreed to set global standards for innovation to lead the car manufacturing industry and uphold their legacy as the originators of the world's best cars. The company envisions technology and complies with innovation ahead of consumers' needs. It has been identified that the company each year invests over £1.3bn in research and development which fuels innovation in their workplace (Rolls-royce.com, 2022). Rolls Royce encourages their employees to meet the needs of the consumers and to ensure society’s needs for sustainable power.

Effective designers and manufacturers of Rolls Royce deliver handmade orders exclusively for their consumers. Rolls Royce innovation strategy is to reduce fuel oil usage by 30%, 65% noise reduction or 15db noise loss (Rolls Royce, 2019). Innovation has become the middle name of the company. Rolls Royce first manufactured a 10hp machine and introduced their first innovative model with an excellent machine (Press.rolls-roycemotorcars.com, 2019). The company ensures proper implementation of AI technology to ensure safety and delivers their top three models such as; Phantom, Ghost and Cullinan. EX models of Rolls Royce tend to include certain innovative experimental factors that helped the company to first get the look of a Phantom Drophead Coupé. Furthermore, the company encourages their employees as well to bring innovation in their thoughts through increasing their personal effectiveness through training and knowledge development to uphold the position of an originator of innovation in the motor car manufacturing industry.

## Can innovation be managed?

Innovation is a prime factor for businesses and organisations that helps companies to perceive success and majorly helps in gaining competitive advantage. Innovation needs to be managed in companies in order to gain profitable outcomes and to gain long-term sustainability. Innovation can be managed in organisations through increasing the effective deployment of advanced technologies and increasing the skill set of the employees to brainstorm effective solutions and ideas. Based on the study of Afuah (2020), innovation management refers to the process and practices of a company to consider innovative factors and support continuous development to perceive growth. In this case, Rolls Royce has significantly obtained innovation strategy from the very first day of their company operation. Furthermore, it helps the company to become the leader of the car manufacturing industry.



**Figure 1: Innovation**

(Source: Afuah, 2020)

## Recommended OM tools for Rolls Royce to improve their operations

Rolls Royce being the leader of the automobile industry is mainly perceived as a luxury brand with unaffordable prices. The excellent use of innovative technologies such as; “additive layer manufacturing (ALM)” and “electron beam melting technology (EBM)” increases the price of their products. Therefore, the company is mostly seen as the rich people brand. Furthermore, the company has a total number of 44,000 employees (Forbes.com, 2022). Therefore, effective collaboration for the employees and enhancing team working capabilities needs to be incorporated to perceive better results. Therefore, using operational management tools can help in enhancing productivity of the company’s workers. OM tools such as; *Basecamp* and *Connetinbot* can be implemented by Rolls Royce to enhance their productivity and automation and these can also help the company to mitigate their issues regarding employee communication and collaboration. Basecamp is software which can help Rolls Royce to manage their projects and build effective communication between team members. It has major features of conversations, to-do-lists and as it is a web-based software, it can be accessed from anywhere.

Connetinbot is another effective operational management tool which can be implemented on the Rolls Royce company operation to enhance their billing system. As imposed by the consumers that Rolls Royce is a luxurious brand and their cars cost a fortune (Cnbc.com, 2017). Therefore, the company needs to enhance their billing factors to provide utmost clarity and efficacy to gain trust of the consumers. This tool can majorly help the company to make the billing process easier and save time.

## How these could be implemented (Implementation Plan)

The implementation plan of incorporating with Basecamp and Connetinbot for Rolls Royse is given below;

| **Objectives** | **Strategies** | **Expected outcome** | **Duration** |
| --- | --- | --- | --- |
| To implement Basecamp and Connetinbot software | * Deploying effective IT professionals to implement OM tools. * Providing effective training to their employees in order to adapt the technology functions. | Enhanced teamwork and communication | 2 weeks |
| To reduce costs and expenses | Identifying alternative cheaper resources to reduce costs and expenses | Manufacturing affordable cars for every type of consumer | 2 weeks |
| To increase team collaborations | Increasing motivation level of the employees through providing rewards and incentives | Enhanced team productivity | 2 weeks |

## Explanation on lean or agile company organisation

Lean work flow defines team models that help in increasing workflow by focusing on limiting work-in-progress. Agile management emphasises on the small batches to deliver quickly. However, Rolls Royce is restructuring its operational management systems to become leaner, simpler and agile. Therefore, becoming more agile can help the company to meet the demands of the consumers through incorporating a fast manufacturing system. Thus, it can be determined that the company with an agile and leaner system can produce enhanced productivity through obtaining innovation.

# Reference

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