

Case study – BD Engineering Limited

Introduction

For the purpose of this case study you are to assume you are an external change manager that has been brought in to lead a change in BD Engineering Limited (BDEL). During the change you will use the internal resources of BDEL, and you must manage all the stakeholders. You have an office onsite with BDEL and you are working full-time there for the duration of the assignment.

Your change assignment

BDEL is a transport sector company providing maintenance services for its parent company BD Rail limited. BD Rail limited undertakes a complex network of services both long distance and short commuter traffic. BD Rail has for many years had a very profitable business but with recent changes to the economy and advancements in European ownership in other areas of the network, the company now finds itself in decline with operating losses generating cause for concern in the boardroom.

Aside from fixed fuel and rent costs, the biggest single cost is engineering. BD Rail is therefore putting significant pressure on the Engineering Director, Kate James, of BDEL to reduce costs. BDEL is a wholly owned subsidiary of BD Rail. The industry has lived in a world where costs were not under significant pressure and profits were handsome, more recently this has become a challenge.

Kate James brought in a group of external experts to review her business and their summary finding were:

1. A change of philosophy to a more proactive, plan-led culture is required
2. Business process needs re-mapping to ensure no resources are being perished
3. The role of Fleet Manager needs to change to Head of Production

As you are a change specialist, she has called you in to deliver the change programme for her. Your role is to set up and manage the change project.

Company background

BDEL has been operating since 1921, it employs around 600 people and has two main sites, one close to London and one in the Country. Originally these two sites were in different companies, and to this day some terms and conditions remain mis-aligned. Each site has a Fleet Manager who is master of their domain, they are described below. The operating model was set up by these Fleet Manager several years ago, they are both slightly different to each other and neither is proactive. Both were reported by Kate James' analysis to be significantly under producing, and inefficient and contributing to the cost overruns presently needing controlled.

This change is significant in duration and depth and requires a good understanding of change management to bring it successfully to closure.

For the purposes of the exercise assume the new business processes have been mapped, your role as Change Manager is to introduce the new process and embed them as business as usual.

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People background

Kate James: Has several years' experience in engineering and is a graduate engineer. She has held many posts prior to this one and joined BDEL 18 months ago as the Engineering Director, her first post as a Director. A highly motivated and professional person who has aspirations to become a Managing Director one day.

Dave Hutton: Dave is the Fleet Manager for the northern fleet that is operated out of the country depot. He has been in this post for 12 years, recruiting many of the staff that are in place now. He is known to be quite conservative in approach and has 28 years of experience, many at Fleet Manager level. In the analysis report, which Kate showed you, but is marked highly confidential, Dave is described as a 'highly controlling manager'. It further goes on to indicate that Dave has openly raised concerns regarding the change of operating model and believes they are already incorporating a plan-led model. The output of his depot is below the national average and he has high workforce to vehicle ratio numbers.

James Counter: James is the Fleet Manager for the southern fleet, based in the depot close to London. He has a high turnover of staff at his depot, this is noted as common for the London area. The number of vehicles that go through maintenance is high, and there are added complications of contractor working parties in the site at all times. The fleet is very old and under performs regularly failing in service. James indicated that he welcomes a more plan-led approach as he never has time for proper maintenance. His depot is presently undermanned. In the report that Kate showed you it was indicated that many of James' team were unhappy with his style of leadership, feeling he gives too many orders then walks away.

Ian Baker: Is the newest member of Kate's management team, he joined the company 12 months ago, having been recruited by Kate herself. Ian is very intelligent and ambitious and wants one day to become a director himself. He presently heads up the engineering team, but he and Kate have had discussions and he is likely to be heading up the newly formed planning team in the future. The report of Ian's conduct was very supportive, he is highly motivated and wants the plan-led approach to work.

Workshop preparation:

Ahead of the workshop consider the information you have in front of you. It is deliberately not a complete picture so assume what is said is true. Make notes regarding your role as the change manager and what questions you might like to be asking to establish and run this project successfully.

During the workshop we will explore this in more detail – as we learn!

Howard,