



Rolls-Royce

Commercial Innovation

Jacqui Crawford

VP Commercial, Future Programmes

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● Headlines

- pressure for more visible value-add
- market complexity
- higher risks and tighter governance
- greater commitments required
- more with less
- flexible integrated teams

- Can innovation in contractual terms, conditions or commercial policies really make a competitive difference?
- How might the commercial profession demonstrate value and measure the results?

Where's the edge?

- Open innovation
- Leadership
- Innovation metrics
- Collaboration
- Customer Insight

What if the light comes on?



A talented sculptor was asked by a wise philosopher how they had managed to create a remarkably lifelike statue of an elephant from a block of granite.

“I took away all the stuff that didn’t look like an elephant”.

Create an environment to innovate

- **Problem solving**

- Only as good as you used to be

- **Compliance and standardisation**

- Delivers a clean house and rules for past events

- **Directed innovation**

- Shapes a business around a desired state
- New possibilities demand new standards and new rules

Ingredients for Commercial Innovation

● Clear Commercial Strategy

- Credible and competent leadership
- Empowered Business Unit and Operational teams
- Focused on customer/partner/supplier relationship

● Consistent Performance

- Well defined and simple path to market
- Clearly executable suite of template contracts
- Commercial owns the bargain – pre and post award
- Key performance indicators, flexible infrastructure
- Consistent delivery performance

● Collaboration with Stakeholders

- Confidence of legal, finance and tax
- Consistent quality and internal and external party satisfaction
- Partnership with key account owners

Be organised

● CREATE

- Random ideas, Brainstorming, Future vision, 360 opportunity review, TRIZ, Positive and Negative Problem Solving, Research, Best Practice, Blind Spot Analysis

● CAPTURE

- Mechanism to record and retain all ideas generated that can be captured in an organised way to enable connectivity with other ideas, common view, open and closed door ideas

● EVALUATE

- Framework to judge an idea - should be based on criteria linked to capability to deliver profitable growth at all levels with identified key benefits

● DEVELOP

- Dive or ditch based on fit with key profitable growth criteria, linked to business model

● FOCUS

- Focus like a laser beam on those ideas that have a high likelihood of success and will deliver the best returns for the business

TRIZ – 40 Principles

- 1 Segmentation
- 2 Taking out
- 3 Local quality
- 4 Asymmetry
- 5 Merging
- 6 Universality
- 7 Russian dolls
- 8 Anti-weight
- 9 Preliminary anti-action
- 10 Preliminary action
- 11 Beforehand cushioning
- 12 Equipotentiality
- 13 The other way round
- 14 Spheroidality - Curvature
- 15 Dynamics
- 16 Partial or excessive actions
- 17 Another dimension
- 18 Mechanical vibration
- 19 Periodic action
- 20 Continuity of useful action
- 21 Skipping
- 22 Blessing in disguise
- 23 Feedback
- 24 Intermediary
- 25 Self-service
- 26 Copying
- 27 Cheap short-lived objects
- 28 Mechanics substitution
- 29 Pneumatics and hydraulics
- 30 Flexible shells and thin films
- 31 Porous materials
- 32 Colour changes
- 33 Homogeneity
- 34 Discarding and recovering
- 35 Parameter changes
- 36 Phase transitions
- 37 Thermal expansion
- 38 Strong oxidants
- 39 Inert atmosphere
- 40 Composite materials

**If you take away all the stuff that doesn't look like
a highly expert, cost effective, professional
service that is fully accountable for the
creation, negotiation, execution and
management of complex business
commitments and contracts in collaboration
with key stakeholders**

You are looking at the commercial profession