



Westland Transmissions Ltd

The change Westland Transmissions Ltd has achieved in the past five years combines strategic thinking, focus, investment, training and a commitment to involve and listen to the workforce. The 'change journey' has created a culture of involvement, teamwork, a supportive management style and good leadership that has been vital in developing high performance on the site.

Westland was acquired by GKN in 1994 and merged with Italian helicopter manufacturer Agusta in 2000 making AgustaWestland, the second largest helicopter company in the world. Today, AgustaWestland is a wholly owned subsidiary of Finmeccanica.

Westland Transmissions Ltd (WTL) is part of this group and manufactures complete transmission systems, gearboxes and components for both AgustaWestland and other helicopter manufacturers. It has an annual turnover of £83 million, employs 600 people (500 on the shop floor) and recognises both Amicus and the Transport and General Workers Union.

Making it work

Before 2000 WTL deployed a number of big initiatives to improve its efficiency. Initiatives came and went but as both the business grew and the range of new products expanded, operations struggled to keep pace. This resulted in a fire fighting culture of late deliveries leading to dissatisfied customers and low morale in the workforce.

WTL believe that 2000 became a turning point. This was not only on the merits of a new business improvement programme, but as a direct result of a new commitment to listen and consult the unions and employees.

Firstly, the company consulted with the trade unions at the planning stage and ran a pilot programme to achieve a better understanding of how the proposed new ways of working would operate. It also made use of existing communication arrangements, such as team briefings, to find out what employees felt.

Secondly, the company negotiated a new collective agreement, 'The Way Forward' with the unions. Though not a formal partnership agreement, it covered issues like job security, reward, team working, a new grading structure, flexible working, membership of improvement teams and the need for regular reviews. It also underlined the importance the company and unions now placed in effective information, consultation and negotiation in order to achieve high performance.

Business information

Company:	Westland Transmissions Ltd
Business description:	Manufacture transmission systems, gearboxes and components for helicopters and aero engines
Location:	Yeovil, Somerset
Staff:	600
Sites:	Single site based in Yeovil

The 'change journey', started in 2000 with the setting up of a business improvement team, comprising GKN graduates and seconded shop floor engineers. Business improvement engineers facilitated improvement teams throughout the manufacturing site and tackled a range of production performance issues.

The main challenge facing WTL was 'buy in' from the workforce to the change programme and which technique would best facilitate this. A technique known as 5Cs was chosen because it emphasised workplace organisation and personal ownership of the production process among the workforce. The pilot programme demonstrated the effectiveness of the technique.

An important routine begun in 2000 was a regular Friday shop floor meeting of senior management and union officials, which included a presentation by some of the 5Cs teams. This was early recognition that workforce 'buy in' could be achieved.

These changes meant that teams needed to find new ways of working. Individuals were encouraged to become responsible for improvements and teams needed to become multidisciplinary. Management behaviour also had to change and techniques were introduced that transformed the traditional command and control approach to one of encouragement and support.

"Listening and involvement has reaped the rewards and it shows. It has become the way we do things round here,"
Dave Edwards,
Head of Personnel

Progress was not immediate, but as Dave Edwards, Head of Personnel, says "within two years, ownership of shop floor problems has shifted from the managers to the people that work there."

Naturally, the unions were concerned about the impact of some of these changes on the workforce. This was overcome by involving the unions with the senior management team in visits to other workplaces, including those that were both well ahead on the 'change journey' and others that were just starting. The Lean Enterprise Research Centre at Cardiff University coordinated this initiative.

As a result, some 'good practice' was picked up, including everyone (management included) wearing the company T-shirt. This helped to remove a we/they barrier on the factory floor. "Everyone is regarded as equals in the business improvement journey," says Richard Rendell, Amicus convenor.

Hard decisions have still had to be made and in 2005, 50 voluntary redundancies were agreed. "We were prepared to accept the necessity of these as long as they were voluntary, in accordance with our agreement", said Rendell. More importantly, as a result of greater trust, information sharing and consultation, both management and unions were able to agree that redundancies were necessary in order to achieve shared long-term goals.

"Conflict often comes from poor communications and we have tried hard eradicating that. There is now an open environment and everyone is confident to speak," says Edwards.

"The journey, however, is far from complete," adds Wayne Sear, Head of Business Improvement. He puts the improvements the company has made down to a combination of leadership, focus, teamwork and investment. The improvement framework is loosely referred to as 'lean manufacturing'.

Training and development

Another important factor contributing to high performance has been a strong focus on self-development, internal career development and effective succession planning:

- 85% of shop floor personnel have served recognised apprenticeships
- 70% of engineers have degrees or other further education qualifications

- All employees are entitled to day release and sponsorship for professional development
- Two recent General Managers started as apprentices at Westland.

Outcome

WTL believed that unless management and unions were giving the same support, progress would have been hampered. Indeed, the management believe that improved employee relations has actually sped up the decision-making process and reduced the potential for conflict.

The shop floor has been remodelled through a £9 million investment over two years and 90% of the workforce is also now involved in improvement teams. As a result of the business improvement programme, production planning, product quality and delivery have all improved. Delivery schedule adherence has moved from less than 50% in 1999 to 95% in 2005.

New business has also been generated and the company recently won a Manufacturing Excellence Award in 2005 from the Institution of Mechanical Engineers 2005 for effective change management.

Westland have captured the ways of working that have led to success in the Westland Production System. This is supported by The Way Forward agreement, which is renegotiated annually and guided by the business improvement programme.

The high performance workplace

This case study forms part of a project entitled 'Adaptable Enterprises'. The project includes educational and networking activities on: high performance working, healthy working and performance, the future of work and organisation, and intellectual capital. The project is conducted by the UK Work Organisation (UKWON), coordinated by the IPA and supported by the European Social Fund. Further information is available from juliet.webster@ipa-involve.com

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