
APS1012 Management of Innovation – Final Team Projects, Summer 2012**Innovation Evolution at Rolls-Royce**

Engineering enterprises typically house Research and Development (R&D) departments that create breakthrough technologies, products and services. R&D can be considered as the seed but products get their “nutrition” when the technology is matured and put into practice. There are several companies in the world, such as Boeing, Lockheed Martin, General Electric and Rolls-Royce that have depended on R&D to advance into the 21st century at full steam; what sets these companies apart is that they have not only applied innovation to their R&D functions, but also to non-technical areas such as continual customer care and daily work practices.

Rolls-Royce’s aero engine division is examined. Innovation has not only shaped the engines it produces, but also redefined the company’s structure and performance. Rolls-Royce has been known to deliver excellence since the day it started as a “fine car manufacturer” in 1906, and the company has since seen two great wars, financial turmoil and rebirth. Applying principles of Lean Enterprise Design, process innovation and Lean Product Development, we determine the drivers behind the company’s journey from bankruptcy to a multi-billion dollar enterprise.

Technology is constantly reshaping itself and donning new forms. Companies must use their resources to tap into the changes, learn and adapt, or they will live in fear of being displaced from their business. We examine and assess the effectiveness of the “Thinking for tomorrow but starting now” principles followed by Rolls-Royce.