

CORPORATE STORYBOARD 2000
Sometimes known as the CEO Room

Last year was the third time that Corporate Development organised this walk-through series of presentations. It stemmed from a proposal from KPMG, who helped to design the first CEO Room, but has subsequently been entirely the responsibility of Rolls-Royce Corporate Development. The full presentation lasted for 2.5 to 3.0 hours and was usually conducted by two 'hosts' and a group of no more than six visitors. Although some topics covered recurred in each year, the treatment changes from year to year most boards are quite different.

The Managing Directors and their teams from every R-R business (over 20) are taken around the room and it is usual for each team member to bring their own senior staff for a separate session. If one adds to these the students from management courses, briefings, working groups and interested individuals (including a large number of MBAs doing a 'strategy module') we took about 600 people through the CEO Room or a cut-down electronic version of it.

The room is arranged as a series of presentation boards, with 4 - 6 PowerPoint slides per board. Each board addresses a particular theme (see below) and, if successful, the story builds from a retrospective look at the past year, to key questions which we need to address in order to move Rolls-Royce forward. Between these two points, we cover competitors, the view of R-R from the City financial markets, R-R's financial results, e-business, strategic issues, and strategic intent - to name but a few! The full list of topics, as the story unfolds, is as follows: -

The Timeline

Key events from 1999, what is happening in 2000, plus some challenging 'what-ifs' for 2001

Industry Trends

Civil Aerospace, Defence (Aero), Energy Business and Commercial & Naval Marine. Possible changes to the industrial structure of the world's aerospace industries and supply chain are also covered.

Competitive Environment

For R-R's major business sectors (Civil Aero, Defence, Energy and Marine) Using our perceptions in 1987 (privatisation) as a datum point, what has changed? The number, nature, scale and activities of our competitors. Particularly high-lighting the new types of competitor in the services and aftermarket segment.

Competitor Strategies

Strategic intentions and actions of a number of key competitors (across our 4 sectors), demonstrating both the threats posed and the lessons that can be learned from what they say (and we believe) about their strategies.

Financial Markets

What have City analysts been saying about R-R? What are the major influences on our share price?

Shareholder Value

R-R's performance illustrated across a wide range of metrics. (CFROI, TSR, P/E Ratio etc)

Intangibles and Soft Issues

The increasing relevance of qualitative, non-financial measures in determining a company's share price performance and market value.

Rolls-Royce Businesses

Current issues and statistics from each R-R Customer-facing Business (CFBU). What are the key challenges and what are they doing about it.

Rolls-Royce Operations

Current issues and statistics from each Operating Business Unit (OBU). What are the key challenges and what are they doing about it. How are the Better Performance Faster (BPF) improvement initiatives coming along?

Global Trends in e-Business

This is a one-off item because it is less than a year since R-R launched its major e-Business initiative.

Rolls-Royce's e-Business Strategy and Achievements

Rolls-Royce Financial Results

Rolls-Royce's financial performance presented in a much more accessible fashion than the annual accounts for non-financial attendees. (Source & application of funds, cash position, level of investment etc.)

Strategic Planning

What does strategic planning mean in R-R? What processes exist? What are the key elements of the 'strategic plan'? What is the role of the particular group attending in the strategic planning process?

Strategic Thinking

Alternative models for strategic thinking and strategy development.

Strategy Debate

Where is new value growth coming from? What is the significance of Total Care (aftermarket services), Systems Integration (technology-driven) and Customer Solutions (packages of product & service offerings) for each of the four R-R business sectors.

Key Strategic Issues

Miscellany of issues and observations which identify future problems and opportunities associated with growing each of the R-R businesses (e.g. how do you move to No. 1 in your market, problems of intermediation, depth of customer relationships, affordability)