

# Roche Engineering

## Leadership transformation

### Background and company info

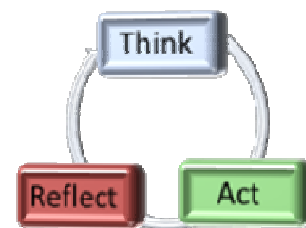
Roco designs and manufactures a range of machinery for the electrical utilities, agricultural and pre-fabricates concrete industry. Most of its orders are high value, one-off items. Roche Manufacturing Ltd (Roco) is a family business, set up by Jimmy Roche in 1988. It is a product orientated manufacturing business with its main strengths lying in the design and production of bespoke equipment used in various industries, including agriculture and construction. The products are marketed under the logo RoCo. Initially, Roco designed a range of machines for handling and erecting poles used in the electric and telecom utility sectors. In the early 1990's, it developed a range of equipment for wrapping and handling of round bales for the agricultural sector.



In the mid 1990's the construction industry was experiencing a boom in Ireland and Roco developed machinery for the manufacture of "Precast Hollow Core Concrete Flooring" This business grew substantially over the following years, with Roco becoming the market leader domestically. Roco was invited to join the FutureSME project in 2008 and was extremely interested in being involved in a project that could improve its competitiveness.

### The transformation process

2008 saw the beginning of the end of the Celtic Tiger. As RoCo was heavily dependent on the construction sector, which immediately began to deflate, the order book for RoCo equipment more or less disappeared overnight. Those that remained were overseas orders primarily. Suddenly, RoCo went from being a company that was building up a strong management team to one where critical cost-cutting measures need to be taken immediately. In effect, Jimmy could not afford to keep his management team going. Working with Ardawan, Jimmy called a meeting of his staff which Ardawan facilitated using the FutureSME transformation methodology of Thinking Together, Acting Together and Reflecting Together. Through this process everybody was able to express their concerns and offer their opinions about the way forward. With much surprise to Jimmy, several suggestions were made by his staff members including voluntary drops in salary, short time working, and part-time working with another company. After a number of hours discussion a way forward was determined which resulted in saving the management team at reduced capacity and cost. A survival plan was put in place with a renewed enthusiasm and energy, with an inspiring guiding vision, with a visual strategy and visual management methodology, with regular management meetings, with a sales & marketing plan, with a financial management process, with reflection meetings, and with regular and sustained advice from the FutureSME advisors.



RoCo has embraced the transformation process and has gone through the cycle several times, learning and improving each time. The transformation process focused initially on Jimmy Roche himself, his leadership and self-management, as this is key to the overall transformation of the company. As it evolved, it has begun to help the company identify new areas of business which use the skills and expertise of the organisation and which are complimentary to the existing hollow core cutting business. These new areas include setting up a retail outlet for parts and equipment and entering the environmental market through the retail and eventually manufacture of high-efficiency solid fuel boilers.

### Benefits and key outcomes

Although the road travelled has been stony, and the business is not yet at the same level of the peak of the economical boom, it is truly a story of resilience, adaptability, social responsibility, sound strategy, and true leadership. The business is growing slowly and surely towards a sustainable and socially responsible enterprise which will enrich the economic and social life of the Irish rural area. In particular, it will never be so reliant again on the vagaries of one market.



### Sustaining the change

RoCo has embraced the FutureSME transformation process wholeheartedly. Ardawan meets with the company for a half-day on a monthly basis, where the management team reviews the progress against actions previously agreed, look at the performance of the company both financially and in terms of cash flow and to its key performance indices. On a regular basis, the company assesses its overall performance against the business diagnostic.

### Next steps

Jimmy has presented his experiences at several conferences in a range of countries and through webinars organised by FutureSME. He has also been involved in setting up a local network for SMEs, where aspects of the transformation process are reviewed and discussed and where learnings are shared.

### About futureSME

FutureSME is an €8 million project funded by the EU's 7<sup>th</sup> Framework Programme. Led by the University of Strathclyde in Glasgow, the Consortium of 26 partners includes 13 manufacturing SMEs (Small Medium Enterprises), research and development organisations, consultancy companies as well as SME support agencies. The Consortium represents a collaborative effort amongst eight European countries: Czech Republic, Italy, Ireland, Poland, Slovakia, Sweden, Turkey and United Kingdom.

Find out more about the FutureSME Project:

[www.futuresme.eu](http://www.futuresme.eu) or Contact: [info@futuresme.eu](mailto:info@futuresme.eu)