

# Transformation of an automotive SME from mechanical transmission technology to e-mobility competence

## 1. Problem

A traditional automotive SME with:

- 350 employees
- 85 million € turnover
- Focus on mechanical development and production of transmission components
- Long-standing OEM and Tier 1 customers

For decades, the company was successful in the field of mechanical drive components.

But with increasing electrification of the powertrain, the market changed fundamentally:

- Declining new projects in the classic gearbox sector
- Decreasing development budgets for existing customers
- Increasing focus on e-mobility, power electronics and new drive concepts
- Uncertainty among employees regarding future prospects

The company was still economically stable – but structurally positioned in an expiring market.

The central question was:

**How do we transform our technical DNA into a sustainable market position?**

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## 2. Part of the model used

Prepared for Scale – Transformation & Repositioning **was used** with a focus on:

- Entrepreneurial clarity
- Product Strategy
- Customer Strategy
- Organization & Competence Architecture
- Economic management of the transformation

The goal was not abrupt disruption, but a managed, economically viable realignment.

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## 3. Method used

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**Phase 1: Transformation Assessment (6 weeks)**

Joint workshops with:

- Management
- Technical experts from development and production
- Sales
- HR

Contents:

**1. Portfolio analysis**

- Evaluation of existing products according to future viability
- Identification of cash cow products for transformation financing
- Analysis of technological transferability

**2. Skills analysis**

- Technological core competencies (e.g. precision mechanics, simulation, materials competence)
- Transferability to e-mobility applications (e.g. housings, cooling structures, structural components, integration solutions)

**3. Customer potential analysis**

- Identification of existing OEM and Tier 1 customers with e-mobility projects
- Analysis of possible "follow-up projects" on the basis of existing relationships

**Employee & Skill Analysis**

- Existing qualifications
- Continuing education needs
- Necessary new hires (e.g. electrical engineering, software-related skills)

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**Phase 2: Transformations-Roadmap (24 Monate)**

Based on the analysis, a structured action plan was defined:

**Strategic thrusts**

1. Development of an e-mobility product line with clear technological positioning
2. Leverage existing customer relationships for new development projects
3. Parallel stabilization of the traditional business to finance the transformation

**Organizational & Competence Measures**

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- Targeted training programmes for 40% of development staff
  - Hiring key people in the field of electrical engineering and system integration
  - Establishment of an interdisciplinary "New Technology" team
  - Adaptation of the sales argumentation to system competence instead of individual part production

**Economical management**

- Separate transformation budget
- Clear milestones
- Monatliches Steering-Board
- Transparent project profitability

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**Phase 3: Accompanied implementation (18 months)**

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- Management workshops for prioritization
- Structural development in the development area
- Sparring on key projects
- Communication of the transformation into the organization
- Coordination with banks and shareholders

The operational implementation was carried out by the company – with clear governance and regular reviews.

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**4. Result after 3 years**

Measurable results:

- 28% of revenue from new e-mobility-related products
- Acquisition of 3 development projects in the field of electrified drive systems
- Stabilization of total sales despite decline in the classic segment
- Qualification rate of development employees > 60%
- New, clearly communicated market positioning

Additional:

- Significantly increased future-proofing
- Higher motivation in the organization

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- Positive perception among existing customers as transformation partners
  - Confidence in banks and shareholders strengthened
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## **Results**

The transformation was not a radical break – but a strategically controlled evolution.

The company did not change its identity, but transferred its mechanical excellence to a new technological reality.

A transmission specialist has become a relevant partner in the electrified drive world.