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A Strategic Change Plan for Aston Martin Lagonda

BA(Hons) Leadership and Management

Leading and Implementing Change

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EXECUTIVE SUMMARY

This report evaluates the main strategic challenges facing Aston Martin Lagonda and proposes a change plan to support its future competitiveness. The automotive industry is changing rapidly due to digitalisation, artificial intelligence (AI), automation, electrification, environmental regulation, and shifting customer expectations. These developments require automotive companies to adapt their strategies, operations and employee capabilities (Kraus *et al.*, 2022).

The analysis shows that Aston Martin has important strengths, including its luxury brand, craftsmanship, exclusivity and strong heritage. However, the company also faces financial pressures, relatively low production volumes and the need to invest in new technologies. PESTLE, SWOT and Porter's Five Forces analyses show that technological change, economic uncertainty, regulation and strong competition are key pressures affecting the company.

The report also evaluates change-management models, leadership and organisational culture. Effective change requires clear communication, employee involvement, training and continuous monitoring rather than technological investment alone (Burnes, 2017; Errida and Lotfi, 2021).

Based on the findings, the report proposes an AI-Enabled Smart Manufacturing Programme. The programme would gradually introduce AI, data analytics and automation into selected manufacturing, quality-control and predictive-maintenance activities. The aim is to improve efficiency and quality while supporting, rather than replacing, Aston Martin's traditional craftsmanship.

A 12-month pilot programme is proposed before wider implementation. The pilot would include employee training, communication, risk management and performance monitoring. Results would then be reviewed to decide whether the programme should be expanded, modified or discontinued.

Overall, Aston Martin should adopt a phased and people-centred approach to digital transformation. This could improve operational performance while protecting the craftsmanship and exclusivity that remain central to the Aston Martin brand.

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1. INTRODUCTION

Aston Martin Lagonda Global Holdings plc is a British ultra-luxury automotive manufacturer recognised globally for its high-performance vehicles, craftsmanship and distinctive brand heritage. The company designs and manufactures luxury sports cars and SUVs and operates within a highly competitive international automotive market. In recent years, Aston Martin has continued to develop its product portfolio and technological capabilities while responding to financial, operational and environmental pressures (Aston Martin Lagonda Global Holdings plc, 2026).

The wider automotive industry is undergoing significant transformation through digitalisation, artificial intelligence (AI), automation, electrification and increasing sustainability requirements. These developments are changing manufacturing processes, organisational capabilities and competitive conditions, requiring automotive companies to continuously adapt their strategies and ways of working (Kraus *et al.*, 2022). For Aston Martin, this creates a particular challenge because technological development must be balanced with the craftsmanship, exclusivity and engineering expertise that contribute to its luxury brand identity.

This report critically evaluates the internal and external factors influencing Aston Martin and examines how strategic change can support its long-term competitiveness. It evaluates relevant change-management approaches, leadership and organisational culture before proposing an AI-Enabled Smart Manufacturing Programme. The proposed change aims to strengthen operational efficiency and technological capability while supporting, rather than replacing, the craftsmanship and specialist expertise associated with the Aston Martin brand.

2. CRITICAL BUSINESS ANALYSIS OF ASTON MARTIN LAGONDA

2.1 RECENT HISTORY OF THE ORGANISATION

Aston Martin Lagonda has experienced significant strategic change while attempting to strengthen its financial position and maintain its position in the ultra-luxury automotive market. The introduction of the DBX SUV diversified its traditional sports-car portfolio, while the DB12,

Vantage and Vanquish demonstrate continued investment in product development (Aston Martin Lagonda Global Holdings plc, 2026).

Despite this progress, Aston Martin continues to face financial and operational challenges. In 2025, revenue declined from £1,584 million to £1,258 million and wholesale volumes fell from 6,030 to 5,448 vehicles. The company also reported an operating loss of £259 million and net debt of £1,380 million (Aston Martin Lagonda Global Holdings plc, 2026). These results strengthen the need for greater operational efficiency and strategic change.

Technological transformation creates further pressure as electrification, automation and data-driven operations require new organisational capabilities (Kraus *et al.*, 2022). Aston Martin must develop these capabilities while protecting the craftsmanship and exclusivity that differentiate its brand.

2.2 MICRO AND MACRO ENVIRONMENT ANALYSIS

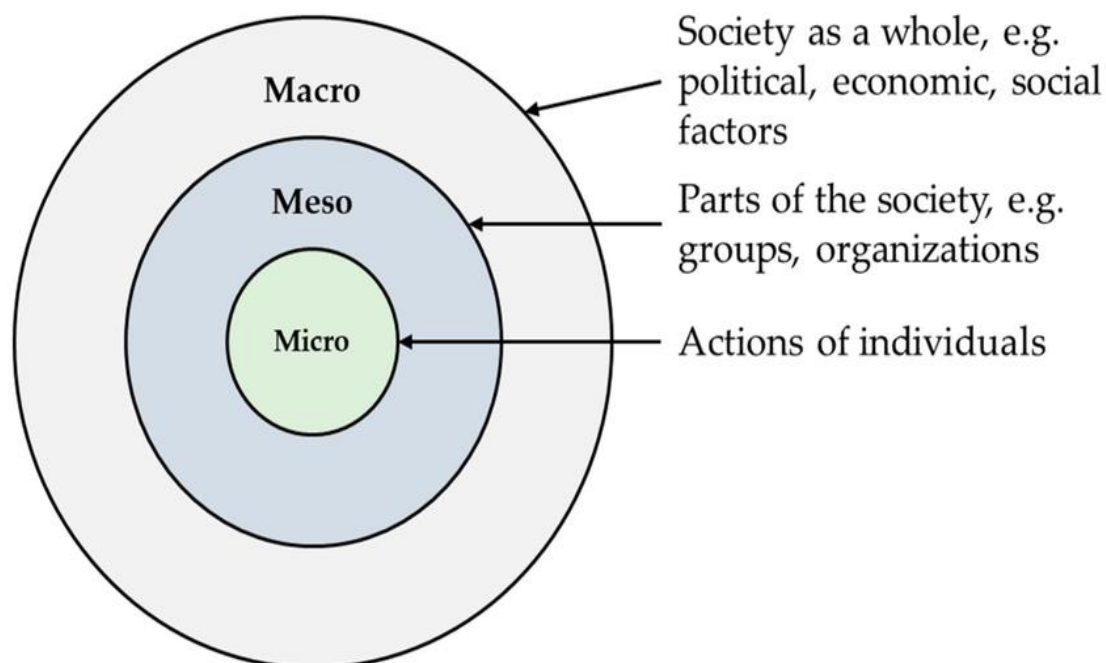


Figure 1. Relationship between the micro and macro business environment.

Source: Adapted from Javaid, Javed and Kohda (2019)

Understanding the micro and macro environments helps identify factors influencing Aston Martin's strategic decisions. The microenvironment includes customers, suppliers, distributors and competitors that directly affect operations and competitiveness. In contrast, the macro environment includes wider political, economic, social, technological, legal and environmental (PESTLE) factors that influence organisational strategy and performance (Kotler, Keller and Chernev, 2021).

Analysing both environments helps Aston Martin identify risks and opportunities and respond more effectively to changing market conditions. Figure 1 illustrates the relationship between the micro and macro environments.

2.3 PESTLE ANALYSIS (CRITICAL EVALUATION)

PESTLE analysis evaluates the political, economic, social, technological, legal and environmental factors influencing strategic decisions (Kotler, Keller and Chernev, 2021). For Aston Martin, these factors are important because technological change, economic uncertainty and environmental regulation are transforming the automotive industry.

	External factors to consider	Factors effecting the industry	Importance to organisation
Political	Brexit, trade regulation and UK zero-emission vehicle policy influence automotive operations and investment (SMMT, 2025; Department for Transport, 2025)	Automotive manufacturers must accelerate the transition to electric vehicles while adapting to changing trade regulations and government policies	High – Aston Martin must invest in electrification and maintain regulatory compliance to remain competitive.

		(Department for Transport, 2025).	
Economic	Inflation, exchange rate fluctuations, rising interest rates, COVID-19 recovery and global supply chain instability.	COVID-19 disrupted automotive production and global supply chains, while semiconductor shortages and subsequent inflation increased costs and operational pressures (SMMT, 2022; Aston Martin Lagonda Global Holdings plc, 2021).	High – Economic uncertainty can affect Aston Martin's production costs, profitability, investment decisions and demand.
Social	Changing consumer preferences, environmental awareness, digital purchasing behaviour and demand for sustainable luxury products.	Consumer interest in electrified vehicles and connected technologies is influencing automotive purchasing preferences (Deloitte, 2023).	Medium–High – Aston Martin must preserve its luxury brand while responding to changing customer expectations and digital engagement.
Technological	Artificial intelligence (AI), digital manufacturing, Industry 4.0, automation,	Rapid technological innovation is transforming organisational	Very High – Digital transformation is fundamental to Aston Martin's long-term competitiveness and

	connected vehicles and electrification.	processes and capabilities, while AI, automation and digital technologies can support greater efficiency and innovation (Kraus <i>et al.</i> , 2022).	transition towards electrified vehicles.
Legal	Vehicle safety legislation, emissions regulations, data protection requirements and post-Brexit regulatory changes.	Automotive manufacturers must comply with stricter environmental regulations, cybersecurity standards and product safety requirements across different international markets.	High – Compliance reduces legal risks, protects brand reputation and supports continued access to global markets.
Environmental	Climate change, carbon reduction targets, sustainable manufacturing, circular economy practices and resource efficiency.	Sustainability pressures require automotive manufacturers to reduce emissions across manufacturing, products and supply chains. Aston Martin's Racing. Green. strategy includes a	Very High - Sustainability has become a strategic priority, influencing product development, manufacturing processes and corporate reputation.

		commitment to achieve net zero across its value chain by 2050 (Aston Martin Lagonda Global Holdings plc, 2026).	
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Table 1: PESTLE Analysis of Aston Martin Lagonda

Source: Created by V. Staskus

Political and Economic Factors

Brexit has increased customs and administrative requirements for the UK automotive industry, while COVID-19 demonstrated the vulnerability of automotive production and supply chains (SMMT, 2025; Aston Martin Lagonda Global Holdings plc, 2021). More recent economic and trade pressures continue to affect Aston Martin's costs, demand and investment capacity (Aston Martin Lagonda Global Holdings plc, 2026). These pressures strengthen the need for greater operational and financial resilience.

Social and Technological Factors Changing customer expectations and rapid technological development increase pressure on Aston Martin to combine its traditional luxury positioning with greater digital and technological capability. This creates opportunities for innovation but requires careful management to ensure technological development strengthens rather than weakens the exclusivity and craftsmanship associated with the brand (Deloitte, 2023; Kraus *et al.*, 2022).

Legal and Environmental Factors

Zero-emission vehicle regulation is increasing pressure on automotive manufacturers to invest in cleaner technologies (Department for Transport, 2025). This aligns with Aston Martin's *Racing. Green.* strategy and its commitment to achieve net zero across its value chain by

2050 (Aston Martin Lagonda Global Holdings plc, 2026). However, meeting these requirements creates additional investment pressure while the company is already facing financial challenges.

Overall Evaluation

Overall, technological and environmental factors create the strongest pressure for strategic change because digitalisation, electrification and sustainability directly affect Aston Martin's future capabilities (Kraus *et al.*, 2022; Aston Martin Lagonda Global Holdings plc, 2026). At the same time, economic and political uncertainty limits investment flexibility (Aston Martin Lagonda Global Holdings plc, 2026). The company must therefore strengthen its technological and operational capabilities while managing financial risk and protecting its luxury positioning.

2.4 SWOT ANALYSIS (CRITICAL SUMMARY)

A SWOT analysis evaluates an organisation's internal strengths and weaknesses alongside external opportunities and threats, helping identify strategic priorities (Kotler, Keller and Chernev, 2021). For Aston Martin, it highlights the contrast between its strong luxury brand and the financial and technological pressures affecting its competitiveness.

Strengths

Aston Martin's key strength is its globally recognised ultra-luxury brand, supported by craftsmanship, exclusivity and high-performance vehicles. Its renewed portfolio, including the DB12, Vantage, Vanquish and DBX, strengthens its market position. However, strong brand positioning has not resulted in consistent financial performance (Aston Martin Lagonda Global Holdings plc, 2026).

Weaknesses

Aston Martin's financial position and relatively low production scale are important weaknesses. Limited scale can restrict economies of scale and make investment in technological development more challenging (Aston Martin Lagonda Global Holdings plc, 2026). Investment in AI, digitalisation and electrification must therefore be carefully managed.

Opportunities

AI, automation, electrification and sustainable manufacturing provide opportunities to improve efficiency, quality and technological capability. However, digital transformation creates greater value when technology is supported by appropriate organisational capabilities and skills (Kraus *et al.*, 2022). Technology could therefore improve Aston Martin's operations while supporting specialist craftsmanship.

Threats

Strong competition, rapid technological development, environmental regulation and economic uncertainty create significant threats. Electrification requires substantial investment while Aston Martin remains under financial pressure (Aston Martin Lagonda Global Holdings plc, 2026). Failure to adapt could weaken competitiveness, while poorly managed technological change could affect the craftsmanship and exclusivity of the brand.

Overall, Aston Martin's brand and craftsmanship provide a strong foundation for change, but its financial position increases the risk of large-scale technological investment. A phased approach would therefore allow the company to develop digital capabilities while controlling financial and operational risks.

2.5 PORTER'S FIVE FORCES ANALYSIS OF ASTON MARTIN LAGONDA

Porter's Five Forces framework evaluates industry competition and its influence on profitability and competitive position (Porter, 2008). For Aston Martin, it highlights pressures from competitors, specialist suppliers, technological change and customer expectations.

Force	Impact on Aston Martin	Level of Pressure
Competitive rivalry	Strong competition from luxury manufacturers such as Ferrari, Porsche and Bentley require continued innovation and differentiation. Aston Martin's smaller scale and financial pressures may restrict	High

	its investment capacity (Porter, 2008; Aston Martin Lagonda Global Holdings plc, 2026).	
Threat of new entrants	High capital requirements, specialist expertise and established luxury brands create significant barriers to entry, although electrification and digital technologies are changing competition (Porter, 2008).	Moderate
Bargaining power of suppliers	Dependence on specialist suppliers and technology partners, combined with relatively low production volumes, can reduce Aston Martin's bargaining power (Aston Martin Lagonda Global Holdings plc, 2026).	Moderate-High
Threat of substitutes	Brand heritage and exclusivity limit direct substitution, although luxury customers can choose competing premium brands and experiences (Porter, 2008; Kotler, Keller and Chernev, 2021).	Moderate
Bargaining power of customers	Luxury customers expect high quality, performance, personalisation and technology and can choose between several premium manufacturers. Brand exclusivity can reduce price sensitivity (Kotler, Keller and Chernev, 2021).	High

Table 2: Porter's five Forces Analysis of Aston Martin Lagonda.

Source: Created by V. Staskus.

Overall, competitive rivalry and supplier power create significant pressure for Aston Martin. Its strong brand provides differentiation, but its smaller scale and financial position may restrict its response to technological competition (Aston Martin Lagonda Global Holdings plc, 2026). Strengthening technological capabilities while protecting craftsmanship and exclusivity is therefore important for maintaining competitive advantage.

3. EVALUATION OF CHANGE MANAGEMENT MODELS AT ASTON MARTIN LAGONDA

Aston Martin faces strategic change driven by financial pressure, technological disruption and sustainability requirements (Aston Martin Lagonda Global Holdings plc, 2026). AI and digital technologies also require organisations to develop new capabilities and working practices (Kraus *et al.*, 2022). Effective change management is therefore important for supporting technological transformation while protecting Aston Martin's distinctive luxury brand.

3.1 KOTTER'S EIGHT-STEP CHANGE MODEL

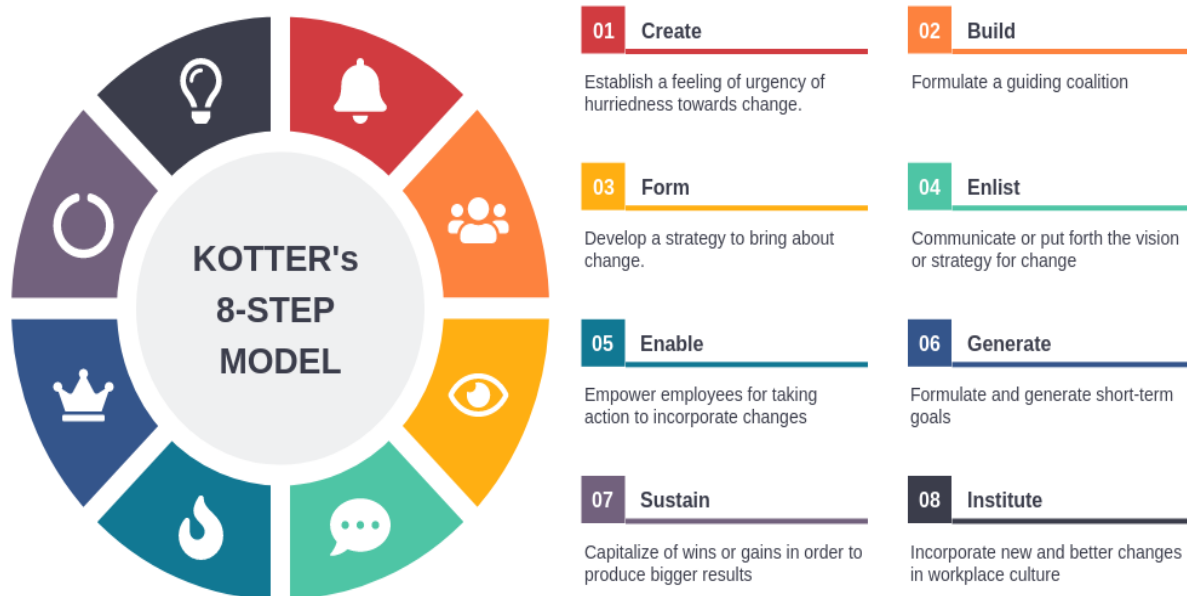


Figure 2. Kotter's 8-Step Change Model

Source: Adapted from Visual Paradigm (2022)

Kotter's Eight-Step Model provides a structured approach to change by creating urgency, developing a guiding team and vision, communicating change, enabling action, achieving short-term wins and embedding change within organisational culture (Errida and Lotfi, 2021).

The model is relevant to Aston Martin because financial and technological pressures create urgency for transformation. Its strategic relationship with Lucid, providing access to advanced powertrain and battery technologies, also demonstrates the need to integrate new technological capabilities into its longer-term strategy (Aston Martin Lagonda Global Holdings plc, 2026). Kotter's emphasis on vision and communication could help employees understand how technological change supports this strategy.

Employee involvement is particularly important because AI and automation require new skills and working practices (Kraus *et al.*, 2022). Training and participation could reduce resistance by presenting technology as supporting engineers and craftspeople rather than replacing specialist expertise.

Short-term wins could also demonstrate the value of change. Early improvements in operational efficiency, waste reduction or digital skills could support wider implementation and contribute to Aston Martin's sustainability objectives (Aston Martin Lagonda Global Holdings plc, 2026; Guandalini, 2022).

However, Kotter's model can be too sequential for continuous technological change. Organisational transformation does not always follow a predictable sequence and should reflect changing organisational and environmental conditions (Stouten, Rousseau and De Cremer, 2018). Aston Martin should therefore apply Kotter as a flexible framework rather than a rigid process.

3.2 LEWIN'S THREE-STAGE MODEL

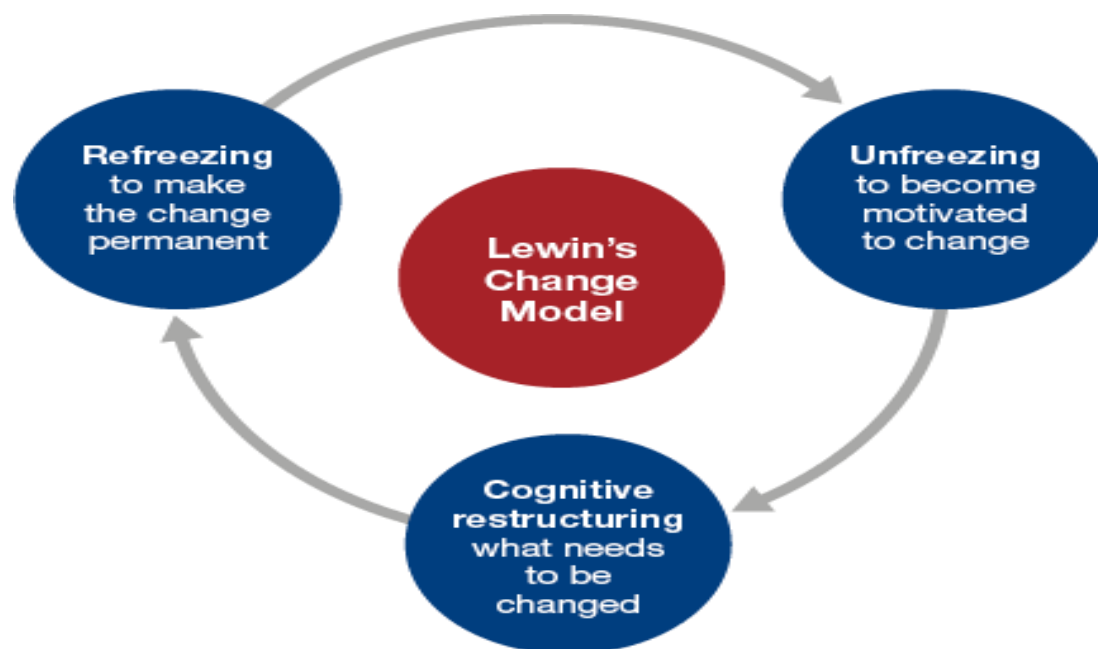


Figure 3: Lewin's Change Model

Source: Adapted from Leadership Centre (n.d.)

Lewin's model divides organisational change into three stages: unfreezing, changing and refreezing. Unfreezing prepares the organisation for change, changing introduces new behaviours and processes, while refreezing embeds new practices into the organisation (Burnes, 2017).

For Aston Martin, unfreezing would involve helping employees understand the need for technological transformation. The changing stage could introduce AI-supported manufacturing, automation, data analytics and digital training, which may improve operational efficiency and support more sustainable practices (Guandalini, 2022). Refreezing would embed successful changes through training, performance measures and organisational culture.

However, refreezing presents a limitation because AI and automotive technologies continue to develop rapidly. Embedding practices too firmly may reduce the flexibility required for continuous innovation. Lewin's model is therefore useful for preparing Aston Martin for technological change and supporting employee transition, but it is less suitable as a complete framework for continuous digital transformation.

3.3 CRITICAL COMPARISON

Both models provide useful approaches to organisational change, but Kotter's Eight-Step Model is more suitable for Aston Martin's strategic transformation. Lewin provides a simple framework for moving from established to new working practices, but its emphasis on refreezing is less appropriate in an automotive environment characterised by continuous technological development.

Kotter gives greater attention to leadership, communication, employee involvement and short-term achievements, which are important for digital and sustainable change (Errida and Lotfi, 2021). Short-term results could also allow Aston Martin to evaluate new technologies before wider implementation, reducing the risks associated with significant investment.

However, neither model should be applied rigidly because organisational change is influenced by organisational and contextual factors (Stouten, Rousseau and De Cremer, 2018). Therefore, a flexible application of Kotter, supported by Lewin's unfreezing stage, is the most appropriate approach for Aston Martin, combining structured implementation with employee readiness and flexibility for continuous technological change.

4. LEADERSHIP AND ORGANISATIONAL CULTURE IN STRATEGIC CHANGE

Leadership and organisational culture influence how employees respond to strategic change. This is particularly important during digital transformation because AI and automation require changes in employee skills, behaviours and organisational processes (Errida and Lotfi, 2021; Kraus *et al.*, 2022).

4.1 TRANSFORMATIONAL LEADERSHIP AT ASTON MARTIN

Transformational leadership focuses on creating a clear vision, motivating employees and encouraging innovation. It can strengthen employee readiness for change by increasing commitment and positive attitudes towards transformation (Busari *et al.*, 2020).

This approach is relevant to Aston Martin as it manages technological and sustainability transformation alongside financial pressures. Under CEO Adrian Hallmark, the company continues to focus on operational improvement and strengthening its long-term financial position (Aston Martin Lagonda Global Holdings plc, 2026). Transformational leadership could therefore help communicate how technological change supports the company's future strategy while encouraging employee commitment.

However, transformational leadership alone may not be sufficient. Aston Martin's financial pressures also require accountability, cost control and performance monitoring. A combination of transformational and transactional leadership may therefore be more appropriate. Transformational leadership can encourage innovation and commitment, while transactional elements provide clear objectives and performance expectations. Leadership during change should reflect organisational circumstances rather than rely on a single approach (Stouten, Rousseau and De Cremer, 2018).

4.2 ORGANISATIONAL CULTURE AND STRATEGIC CHANGE

Organisational culture develops through shared assumptions, values and behaviours. Founders and leaders influence its development, while management practices and employee socialisation reinforce established ways of working (Schein and Schein, 2017).

Schein's model identifies three levels of culture: artefacts, espoused beliefs and values, and basic underlying assumptions (Schein and Schein, 2017). At Aston Martin, artefacts are reflected in its luxury vehicles, specialist manufacturing and craftsmanship. Its values include unity, openness, trust, ownership and courage, with values training delivered to more than 2,900 employees since 2023 (Aston Martin Lagonda Global Holdings plc, 2026). Deeper assumptions can be associated with engineering expertise, quality and attention to detail.

This culture can both support and restrict strategic change. Engineering excellence can encourage innovation, but automation may create resistance if employees believe it threatens traditional craftsmanship. Leaders should therefore connect technological change with existing cultural values and demonstrate how innovation can support specialist expertise.

Deal and Kennedy (1982) identify four cultural types: tough-guy/macho, work-hard/play-hard, bet-your-company and process culture. Aston Martin mainly reflects **bet-your-company culture** because investment in electrification and digital technologies involves significant risk with potentially long-term outcomes. Elements of **process culture** are also evident because luxury manufacturing requires quality, safety and precision (Aston Martin Lagonda Global Holdings plc, 2026). Aston Martin should therefore not be classified rigidly within a single cultural type.

4.3 LEADERSHIP ROLES AND SKILLS DURING CHANGE

Strategic change requires leaders to act as communicators, decision-makers and motivators. Key skills include communication, digital awareness, decision-making and the ability to manage resistance, while employee involvement can support successful change implementation (Errida and Lotfi, 2021).

At Aston Martin, employee participation is particularly important because engineers and craftspeople have specialist knowledge that can help identify where AI and automation could improve operations without reducing product quality. The company also recognises the importance of communication between senior leadership and employees (Aston Martin Lagonda Global Holdings plc, 2026). Leaders should therefore combine employee involvement with appropriate digital training to support the successful implementation of technological change.

4.4 CRITICAL EVALUATION

Overall, transformational leadership is appropriate for Aston Martin because technological and sustainable change requires innovation, employee commitment and a clear strategic vision. However, transactional elements can provide greater accountability and performance control during financial pressure. Leadership should therefore remain flexible and reflect organisational circumstances (Stouten, Rousseau and De Cremer, 2018).

Aston Martin's culture can both support and restrict change. Its craftsmanship and engineering values provide competitive strengths but may create resistance if new technologies threaten established practices. Leaders should therefore preserve these cultural strengths while developing digital capabilities, ensuring that AI and automation support specialist expertise rather than weaken Aston Martin's distinctive luxury identity.

5. PROPOSED STRATEGIC CHANGE MANAGEMENT PLAN

5.1 PROPOSED STRATEGIC CHANGE

Based on the previous analysis, Aston Martin should introduce an AI-Enabled Smart Manufacturing Program, gradually integrating AI, data analytics and automation into selected manufacturing, quality-control and predictive-maintenance activities. These technologies could improve efficiency, decision-making and predictive capabilities, although successful digital transformation also requires appropriate organisational processes and employee skills (Kraus *et al.*, 2022).

The program should support rather than replace Aston Martin's traditional craftsmanship. AI could help identify production problems, improve quality and reduce operational inefficiencies while protecting the specialist expertise that differentiates the brand. Improved resource efficiency could also support the company's sustainability objectives (Aston Martin Lagonda Global Holdings plc, 2026).

Given Aston Martin's financial pressures, the program should begin as a 12-month pilot in a selected manufacturing area. This would allow management to evaluate operational benefits, employee response and implementation challenges before deciding whether wider adoption is justified.

5.2 OBJECTIVES OF THE PROPOSED CHANGE

Clear objectives are necessary to evaluate the pilot. Aston Martin should establish baseline performance at the beginning of the programme, allowing measurable comparisons before and after implementation without using unsupported targets

Objective	12-month target	Measurement
Digital skills	Improve the digital skills of employees involved in the pilot through appropriate training	Training participation and completion records
Product quality	Reduce selected production defects compared with the baseline established at the start of the pilot	Quality-control data
Operational efficiency	Reduce unplanned equipment downtime compared with baseline performance	Maintenance records
Sustainability	Reduce waste within the pilot area	Waste and environment records
Employee acceptance	Improve employee understanding and acceptance of AI-supported working practices	Employee survey and feedback

Table 3: Proposed Management Objectives

Source: Created by V. Staskus

The objectives combine operational and employee measures, allowing Aston Martin to assess both technological performance and organisational readiness before considering wider implementation (Blanka, Krumay and Rueckel, 2022).

5.3 IMPLEMENTATION PLAN

The program should be implemented gradually over 12 months rather than company-wide immediately. A phased approach would allow Aston Martin to test the technology, identify challenges and adjust before wider adoption. Effective change also requires planning, communication, employee participation and evaluation (Errida and Lotfi, 2021).

Phase	Period	Main activities	Expected outcome
1. Preparation	Months 1–2	Select pilot area, assess existing systems, establish baseline performance and consult employees	Clear scope, baseline measures and employee awareness
2. Technology preparation	Months 3–4	Select AI systems, prepare data and establish cybersecurity requirements	Technology prepared for implementation
3. Employee development	Months 5–6	Train managers and employees in AI and digital skills	Improved employee readiness
4. Pilot implementation	Months 7–9	Introduce AI into selected manufacturing and	Technology tested in practice

		maintenance activities	
5. Evaluation	Months 10–11	Measure quality, downtime, waste and employee feedback	Pilot performance evaluated
6. Review	Month 12	Review results and decide whether to expand, modify or discontinue the programme	Evidence-based decision on wider implementation

Table 4: Proposed 12-Month Implementation Plan

Source: Created by V. Staskus

Employee consultation should begin during the preparation stage, as communication and participation can help reduce resistance to change (Errida and Lotfi, 2021). This would also allow concerns about the impact of AI on roles, skills and working practices to be addressed early.

Activity	M1–2	M3–4	M5–6	M7–9	M10–11	M12
Preparation						
Technology preparation						
Employee development						

Pilot implementation						
Evaluation						
Final review						

Figure 4: Proposed 12-Month Implementation Timeline

Source: Created by V. Staskus

Figure 4 illustrates the phased implementation of the program, allowing Aston Martin to monitor progress and adjust throughout the pilot before considering wider implementation.

5.4 RESOURCE REQUIREMENTS

The program would require investment in AI technology, system integration, employee training, cybersecurity and change-management support. Exact costs would depend on the pilot scale, existing infrastructure and supplier requirements and should therefore be established following the initial technology assessment.

Human resources are equally important, as employees need appropriate training and support to use new technologies effectively. Digital transformation depends on organisational capabilities and employee skills alongside technological investment (Kraus *et al.*, 2022). Concentrating resources within the pilot area would help Aston Martin limit financial and operational risk before considering wider implementation.

5.5 COMMUNICATION AND EMPLOYEE ENGAGEMENT

Effective communication should continue throughout the program. Management should explain the purpose of the change, how AI will be used and its potential impact on employees, while providing opportunities for feedback. Communication and employee participation can improve readiness for change and reduce resistance (Errida and Lotfi, 2021).

Stakeholders	Communication method	Purpose	Frequency
Employees	Team meetings and workshops	Explain change and address concerns	Monthly
Managers	Progress meetings	Monitor implementation and resolve problems	Monthly
Pilot team	Training and feedback sessions	Develop skills and collect feedback	Throughout pilot
Senior management	Performance reports	Review progress and pilot performance	Quarterly
Technology partners	Technical meetings	Resolve integration and system issues	As required

Table 5: Proposed Communication and Employee Engagement Plan

Source: Created by V. Staskus

Employee engagement is particularly important because Aston Martin's engineers and craftspeople have specialist knowledge that can help identify where AI and automation could improve operations without compromising quality. Their involvement could support technological change while protecting specialist expertise and developing digital capabilities (Kraus *et al.*, 2022).

5.6 RISK MANAGEMENT

The program creates risks including employee resistance, skills gaps, cybersecurity concerns, technological failure, financial pressure and production disruption. Digital transformation can create organisational challenges when technology is not supported by appropriate employee skills and capabilities (Kraus *et al.*, 2022). A pilot approach would allow Aston Martin to manage these risks before wider implementation.

Risk	Potential impact	Proposed response
Employee resistance	Lower acceptance of AI	Early consultation and clear communication
Skills gap	Incorrect or limited use of technology	Training and continuous support
Cybersecurity	Data or operational security problems	Security assessment and monitoring
Technology failure	Production disruption	Pilot testing and technical support

Financial Pressure	Increased Implementation costs	Phased implementation and regular review
Loss of craftsmanship	Damage to brand differentiation	Use AI to support rather than replace human expertise

Table 6: Proposed Risk Management Plan

Source: Created by V. Staskus

A key risk is the potential impact of automation on Aston Martin's craftsmanship and specialist expertise. AI should therefore improve quality and operational efficiency while preserving human judgement where craftsmanship contributes directly to customer value (Aston Martin Lagonda Global Holdings plc, 2026).

5.7 MONITORING AND EVALUATION

Performance should be monitored throughout the 12-month pilot against the baseline established during the preparation stage. This would allow Aston Martin to measure improvements, identify problems and adjust before wider implementation. Continuous monitoring and organisational learning are important for managing complex change (Errida and Lotfi, 2021).

KPI	Indicator of success	Review method
Employee digital skills	Improvement in employee digital capability and training completion	Training records and feedback

Production quality	Reduction in selected defects compared with baseline	Quality-control reports
Equipment efficiency	Reduction in unplanned downtime compared with baseline	Maintenance data
Sustainability	Reduction in production waste compared with baseline	Environmental and waste records
Employee acceptance	Positive employee attitudes towards AI-supported working practices	Employee survey and feedback
Implementation progress	Activities completed according to the implementation schedule	Project review

Table 7: Proposed Key Performance Indicators (KPIs)

Source: Created by V. Staskus

These KPIs combine operational and employee measures, as improved production performance alone may not demonstrate successful transformation if employees lack the skills or willingness to use new technologies (Blanka, Krumay and Rueckel, 2022). At the end of the pilot, results should be compared with the baseline and objectives before deciding whether to expand, modify or discontinue the program (Errida and Lotfi, 2021).

6. CONCLUSION

This report has evaluated the strategic challenges affecting Aston Martin Lagonda and identified the need for continued adaptation within a rapidly changing automotive industry. The

PESTLE, SWOT and Porter's Five Forces analyses demonstrated pressures from economic uncertainty, technological development, environmental regulation and strong competition, while digitalisation and AI provide opportunities to improve operational performance.

The evaluation of change-management approaches identified Kotter's Eight-Step Model as particularly suitable because of its emphasis on leadership, communication, employee involvement and short-term achievements. However, change should be managed flexibly as technological and market conditions continue to develop. Similarly, a combination of transformational and transactional leadership could support innovation while maintaining accountability and performance control.

The report proposes an AI-Enabled Smart Manufacturing Program, initially introduced through a 12-month pilot. AI, data analytics and automation could support quality control, predictive maintenance and operational efficiency while complementing specialist human expertise. Baseline measurement, employee training, communication and continuous monitoring would allow Aston Martin to evaluate the program before wider implementation.

Overall, Aston Martin's long-term competitiveness will depend on balancing technological innovation with its distinctive luxury identity. A phased and evidence-based approach could strengthen digital capabilities while managing financial, operational and employee-related risks and protecting the craftsmanship that differentiates the Aston Martin.

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