Insight
The journey towards agility

By Jon Poore, Director

Rolling projects into a centralised programme is a powerful way of driving efficiencies and mitigating risk. It can also help organisations become more agile and responsive to navigate changing market conditions. But clients will be unable to reap the full benefits without the necessary investment in organisational and system capability.

Most leadership teams are faced with the same challenges: how to improve the efficiency of project delivery while driving up quality and innovation; how to manage rising costs and mitigate risk; how to use finite resources more carefully; and, just as importantly, how to improve the experience of the end user.

In response to local demands and trends, many blue-chip global corporations and major infrastructure developers are already on the journey towards agility. They are overhauling their capital build operations and capability to provide more customer-centric, people-focused services that can evolve at a rapid pace.

From project to programme

When managing major projects, rolling multiple strands into one capital programme offers many benefits. As well as raising the visibility of ongoing work, an integrated programme can ensure that a more consistent approach is being taken across the business. Shifting from the traditional command and control method, projects can be monitored centrally with a much lighter touch. This method can empower business leaders to deliver on long-term strategic goals, helping them become more agile in their decision-making, and enabling them to assess the long-term value that their investments are bringing to the brand.

But moving from an individual project or asset to a programme-led environment is not always an easy transition. It requires a major cultural shift that must be led from the top of the organisation. Processes and technology must be aligned with the overarching business strategy. Most importantly, the support and understanding of employees is essential if the transition is to be a lasting and continually improving success.

Embedding the right culture

Change can be unsettling for a workforce, particularly if it is grappling with new ways of working. Therefore, it is important to ensure that the right business culture is in place before attempting to integrate projects into a single programme.
Before the transition, it may be necessary to carry out a skills audit to understand the current capabilities of staff, introducing education and training programmes where necessary.

It is important to ensure that the right business culture is in place before attempting to integrate projects into a single programme.

This is important because programme-led environments will require managers to think differently and more analytically. They will need to be comfortable engaging with a wider and more complex group of stakeholders. Their perspective also needs to broaden: when running projects their priorities are tactical, ensuring that they are delivering within the set milestones, on time and on budget. At programme level they should be investigating whether the right projects have been chosen in the first place, and whether the investment is delivering the right financial returns. They will also be contending with less tangible outcomes such as the effect on the brand, customer approval ratings and staff satisfaction.

Project managers will need to understand how their new activities and responsibilities are essential for adding value to the wider strategy. This is particularly important if priorities shift and projects need to be cancelled.

Making the transition

The transition from a project-led to a programme-led environment usually takes several phases before the full benefits can be realised. The speed and ease of change depends heavily on the reliability of the organisation’s existing data, systems and processes.

A ‘health check’ – covering everything from delivery manuals, templates and risk registers to software tools – can identify problems and provide a route map towards a fully integrated programme.

Consistent data is the basic building block of all reports, forecasts and decisions and is a non-negotiable aspect of any programme. If the health check identifies weaknesses in this area, strong leadership will be required to force a shift in behaviours across the business. The production and collection of high-quality data should become part of performance appraisals, with repercussions for non-compliance.

Consistent data is the basic building block of all reports, forecasts and decisions and is a non-negotiable aspect of any programme.

When consistency of data has been achieved, the next phase of maturity is introducing governance controls and systems, making better investment decisions and driving up value across all projects. Mastering these aspects will free up a client for the final, most mature stage: using the programme to inform strategic decisions, creating an evermore agile and continually improving organisation.

Setting the agenda

As a programme travels towards maturity, the benefits can accumulate quickly. Previously, in a chaotic project-led environment, business leaders may have felt overwhelmed by data, and that they were losing perspective on the rationale behind certain business decisions. Now they have sufficient high-quality information to set their stamp on their agenda, aligning activities with strategic goals.

For example, when building a series of schools, they can consider whether the overriding focus is value for money, raising revenue or creating a unique student experience. If the local population is expanding rapidly, they can decide whether speed of build is more important than budget. A programme can help leaders define the desired outcomes in the early stages, establishing a clear set of criteria for the supply chain.

Having a clear overview of all projects is also helpful for spotting common issues and fixing problems. Consider a global retail bank with an annual billion-dollar capital programme across
several continents. By rolling this enormous amount of data into one programme, it is possible to analyse patterns and identify some common reasons for delays. Simple adjustments to fix those problems can speed up the entire delivery process, bringing significant cost savings.

CEOs can also benefit from having a flexible programme that can add and integrate new work streams (such as manufacturing, health and safety, public consultation, staff training or logistics), as needed, giving them a wide perspective on all delivery-critical activities. A new airport terminal, for example, requires a multitude of complex systems that must be tested and ready within a critically sensitive timeframe. But there are many other aspects that must also be taken into account if the opening day is not to descend into chaos.

An integrated programme will not only choreograph the technical work, it can ensure that airport employees are trained and comfortable with the new equipment. It could also address other aspects, such as signage and wayfinding, ensuring that passengers will flow easily through the new building. These details may seem insignificant in the context of more obvious infrastructure activities, but monitoring them from a central point of control can help avoid costly commercial and PR disasters.

**Reaping the rewards**

As well as the benefits listed above, all well-run programmes have one factor in common: a culture of continuous improvement. Lessons learned from project to project are not lost: the knowledge is pulled back into the central programme. The programme will have slick mechanisms for spreading information and best practice across the organisation. It is even possible to add a work stream focusing on continuous improvement. You can use the programme to improve itself.

Programmes can give an organisation more agility, allowing the board to use data to bring clarity to decision-making in difficult times. If an economic downturn forces budgets to be slashed, for example, strong data provided by the programme will help leaders decide which projects can be paused with the least disruption, and where funds should be most effectively redirected.

**Most importantly, a well-run programme can help companies work to a new rhythm.**

Regular, carefully selected data gives confidence that the projects are hitting their milestones. Long-term risk and governance issues are addressed through a series of regular scheduled meetings. Instead of ad hoc corridor conversations, flare-ups, and crisis phone calls, senior directors have the capacity to focus on the bigger picture, look at the wider strategy and make long-term decisions.

As competition intensifies, resources become scarcer and budgets are squeezed, moving to a programme-led environment is important, not only for the survival of individual businesses, but also for improving the performance of the entire built environment sector. Programmes can help business leaders and sectors ride out the difficult peaks and troughs of uncertain markets and rapidly changing economies. They have an essential role to play in boosting the capability and reputation of the sector and raising standards globally.

**About Turner & Townsend**

Turner & Townsend is an independent professional services company specialising in programme management, project management, cost management and consulting across the property, infrastructure and natural resources sectors.

With 90 offices in 38 countries, we draw on our extensive global and industry experience to manage risk while maximising value and performance during the construction and operation of our clients’ assets.

**For more information please contact**

Jon Poore  
Director  
t: +61 (0)3 9529 8000  
e: jon.poore@turntown.com

For further information on any of our services visit our website  
www.turnerandtownsend.com