



# APM Enabling Change SIG - Transportation Practitioner Group

## Observations and Recommendations

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## Executive Summary

This report brings together the work to date of the APM Transportation Change Practitioner Group, and proposes a number of recommendations for further discussion. It begins with an overview of the group's background and objectives, followed by an introduction to the transport sector context characterised by large scale, costly infrastructure with long lead times, complex networks, safety, security and regulatory issues, an evolving policy and political environment, and the nature of customer service, operational and resource considerations. The report goes on to set out the group's working approach and make a number of observations around the challenges and success factors for transport organisations delivering change. It identifies that whilst some of the challenges can be addressed by individual transport organisations and others are in the domain of policy makers, benefits could be shared more widely and greater influence gained through the role of professional bodies such as the APM.

The report then sets out a series of recommendations for further discussion with APM and other interested parties. These cover a wide range of areas including the definitions and relationships between project, programme and change management; the role of sponsorship; business cases; requirements; measurement; skills and capability development; competencies; tools; and stakeholder engagement. For each of these the report provides evidence from the transport group members' experience and initial suggestions as to how these recommendations might be taken forward.

## Background and Introduction

As part of its mission to “improve the change capability of organisations, teams and individuals,” the APM’s Enabling Change SIG has established a number of industry sector change practitioner groups. The transportation sector has pioneered this approach, defining the following objectives following its inception in January 2015:

1. To become the UK “thought leader” for the APM in the area of change within UK transportation, aligning with the APM Research Strategy, offering future thinking as well as best practice tools and advice, and informing APM publications including the Body of Knowledge.
2. To bring together experienced practitioners to openly share good practice and identify common innovation change themes, including an international perspective.
3. To identify and understand sector specific issues and constraints regarding change and innovation and then to appreciate how to address these through our way of working.
4. To advance practical solutions to these stated issues in an integrated manner.
5. To validate the extent to which change management and project management are in practice distinct disciplines.

The Transportation Practitioner Group comprises experienced change leaders representing a wide range of transport operators in both passenger transport and logistics, along with a leading academic in the field of change and innovation, and an author of one of the primary texts on change management.

Over the course of a number of meetings, the group has considered the specific challenges to delivery of change in the transport sector, reviewed the strengths of transport organisations which can help in delivering change, and shared case studies from each organisation on the basis of “Chatham House Rules.” Drawing on this work, the group has gone on to develop a number of recommendations for member organisations and the wider transport industry, policy makers and principally for APM as the sponsoring industry body of which many of the organisations represented are corporate members.

A key emergent theme has been the need for common language with which to understand and explore the issues affecting successful change implementation. Organisations and professional bodies alike differ in their use of terminology, and it is clear that the terms “change” and “change management” in a project context are open to very different interpretations. The recommendations suggest a number of ways in which APM could align and clarify this and provide improved direction and frameworks to help improve successful change delivery.

This report provides an introduction to the transport sector context, summarises the work undertaken, and presents the recommendations as a basis for further discussion with the APM, the industry and policy makers.

## Overview of the Sector Context

The transport sector consists of the roads, railways, airports and ports that provide the means to move people and commodities to, from and within the UK.

The transport sector typically accounts for just over 40% of the investment in the five economic infrastructure sectors that keep the country running (the others are energy, waste, water and ICT). According to the 2014 National Infrastructure Plan, 55 major roads and local transport projects have been completed since 2010, transformational transport projects such as Merseyside gateway bridge and Northern Hub have started; King's Cross station has been completed as well as improvements to 400 other stations; Crossrail has continued to make substantial progress, on time and on budget, with almost 90% of the tunnelling complete, and flagship stations in various stages of construction. Heathrow Terminal 2 has opened smoothly (in sharp contrast to the debacle of the Terminal 5 opening) and Birmingham Airport has seen a runway extension completed. There has been an increase in container ports' capacity of more than 3 million TEU<sup>1</sup> (National Infrastructure Plan 2014).

The growth and prosperity of advanced nations is dependent on these physical infrastructure systems (Chandler, 1977). Infrastructure underpins the essential services of modern economic life. As a result, it delivers significant benefits, both directly through the services it delivers, and indirectly, through the impact of those services on the rest of the economy. However, these benefits come at a cost. Infrastructure is expensive to build, operate and maintain, and often produces large negative externalities, such as CO<sub>2</sub> emissions, noise and pollution. Moreover, infrastructure is typically long-lived, so the costs of any poor choices, let alone mistakes, can be extremely high. To complicate matters further, the costs and benefits of infrastructure provision fall unequally across society, and are often impossible to objectively compare. Infrastructure investment is inherently political.

Despite this complexity, there is a degree of consensus that the UK needs to spend more on upgrading its infrastructure. Much is badly out of date, and the UK has legal commitments to address climate change. The 2014-15 World Economic Forum Global Competitiveness Report ranked the UK ninth in terms of competitiveness, but only 28<sup>th</sup> for the quality of its infrastructure. This may well be having a negative effect on how attractive the UK is to investors and as a place to live and do business. Lack of infrastructure has a significant cost – travel congestion, for example, eats into productive time and reduces efficiency and performance. A key issue for policy and industry is how to reduce the costs of infrastructure, and ensure that investment is both effective (the right things are built) and efficient (they are built as cheaply as is reasonably possible, but no cheaper). Moreover, effectiveness needs to avoid locking society into long-lived choices that may seem appropriate now, but will seem inappropriate in the future as conditions and technologies change.

The role of Government varies across the different infrastructure sectors from direct investment decisions and coordination to creating a framework to attract private investment. Within the transport sector there are also variations in the degree of government control and the need for coordination. While rail investment requires coordination between the Government, Network Rail, the Train Operating Companies (TOCs) and Rolling Stock Companies (ROSCOs), other sectors are less complicated. Table 1 below shows the responsibilities for the UK transport sector which vary from sub-sector to sub-sector. So ownership of and investment in UK ports and airports is private whereas roads and the

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<sup>1</sup> TEU is the twenty-foot equivalent unit – the standard unit of cargo capacity for ships and shipping terminals.

London Underground are publicly owned and financed while railways are a mixture of public and private. The regulation and governance of the different sectors varies as well.

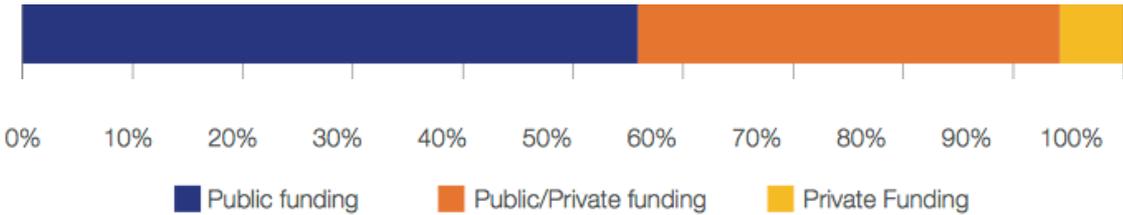
**Table 1: Responsibilities for transport infrastructure**

Ownership	Roads and tube – public National Rail, airports and ports - private
Department responsible for policy	DfT
Who pays	Mix of consumers (as fare and toll payers) Or local authorities for roads
Need identified by	Highways Agency or local authority for roads Network Rail, regulator and DfT for national rail Private companies for ports/airports
Prices regulated by	ORR DfT Civil Aviation Authority
Price regulation covers	Rail - track access charges and some fares Air – landing charges at Heathrow, Gatwick and Stansted
Investment financing method	Airports and ports – private Railways – mixed public/private Most roads – publicly financed

Source: Planning for Economic Infrastructure, NAO, 2013

Figure 1 shows that over half of the current pipeline of transport investments (worth over £100 bn) is wholly publicly funded, about 6% is wholly privately funded and the remainder is mixed private/public funding. The Shaw report into the longer term shape and financing of Network Rail emphasises the need to increase private investment and find new local sources of funding, meaning new commercial capabilities will be required. However, transport investment requires coordination across all its sub-sectors – road, rail, ports and air at both national and local levels.

**Figure 1: Funding mix of the 2014 transport infrastructure pipeline, 2014-15 to 2020-21**



Source: National Infrastructure Plan 2014

But finance is just one challenge facing the transport sector. A brainstorming exercise carried out by the Transportation Practitioner Group identified a raft of challenges to delivering change in the transport industry (see Appendix 1 for a mind map of these). These include the speed of technical change compared to the long lead times involved in construction of infrastructure assets; network complexity; safety and security issues; the lack of an integrated transport policy; how to better value customers; the political environment and the role of the trade unions; the high public profile of transport; the role of the regulators; the perceived value of change; and issues around organisational and individual capabilities. To make these challenges more concrete the group members presented and discussed real life case studies to illustrate the extent to which some have been addressed and these led us to make certain recommendations to the APM.

What is clear is that these myriad challenges require change to be managed effectively through a variety of different approaches – a one-size-fits-all approach is not appropriate to the wide range of challenges facing the sector. Rather, a range of different approaches with some guidelines about when and how to apply them is required to address the wide-ranging issues that will inevitably lead to the need for business change in the sector over the coming years.

# Approach and Method

The approach adopted by the Transportation Change Practitioner Group has been very successful both in developing understanding of the common characteristics affecting change delivery in the sector, and in sharing knowledge and learning between organisations. As such it is a model which may be of interest to other Practitioner groups. Figure 2 summarises the approach taken:



## Observations

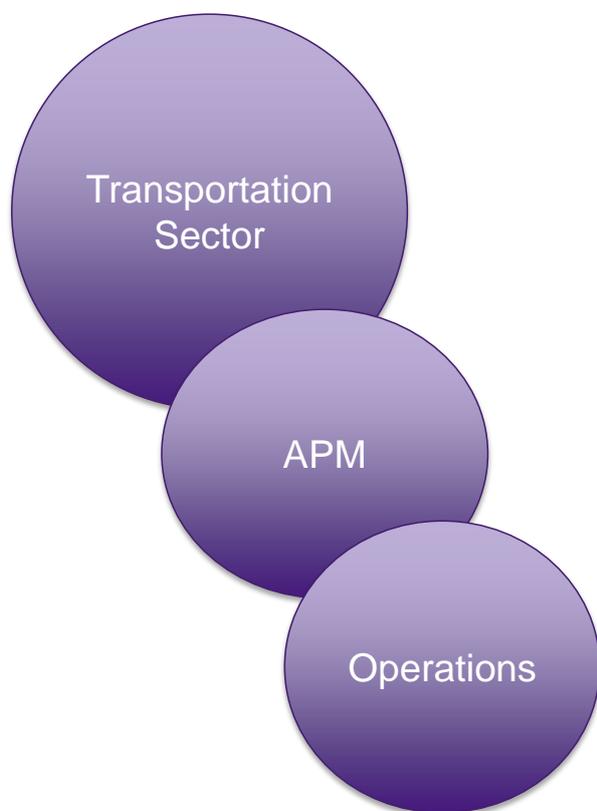
In working together as large operational organisations from across the transport sector, it has been very interesting to discover the degree of commonality of experience in delivering change. Many of the challenges and environmental factors are the same, and there are many common constraints. Whilst these are not all unique to transportation, many of them are heightened by the characteristics of the operational transport environment. For example, whilst long term planning and funding of infrastructure is a constraint in other sectors such as utilities, the incessant physical presence of large volumes of people or goods in a 24/7 safety critical operation makes the impact in the transport environment more immediate. Equally the approaches and solutions developed by the organisations to address these realities are similar, so there could be significant efficiency from finding better ways to disseminate this good practice more widely.

The full range of challenges identified by the group is set out in Appendix 1. However, some of the most significant to delivery of change in the transport environment include:

- The tendency for planning big, long term infrastructure projects (with political visibility) whilst failing to deliver smaller incremental improvements
- Ever increasing customer expectations (consider Amazon as a benchmark), in an environment with very long term planning horizons (e.g. placing orders now for aircraft which will be delivered in ten years time when customer expectations will have changed dramatically again)
- The need to influence non-industry players and policy makers to alter some of the key environmental factors
- A need for greater effort to influence regulation in a co-ordinated manner, particularly given the long planning horizons
- The need for greater local and regional integration between organisations and authorities in order to progress development (for example the devolved administrations in Scotland and London have specific transport strategies)
- The increased connectivity of systems bringing security risks which can have direct life-safety implications
- A need to collaborate better with Trades Unions and the multiple service providers involved in change projects

While some of these challenges can be addressed at least in part through actions and improvements by individual operators, many of them require a consistent industry-wide approach to influence policy makers. As Figure 3 illustrates, professional bodies such as APM can also play a part in this through influencing policy makers with a common yet independent view of the conditions required for success, whilst also providing a forum to help share good practice between organisations. Bodies such as APM may also be in a better position to understand who the key contacts are to enable influence.

**Figure 3**

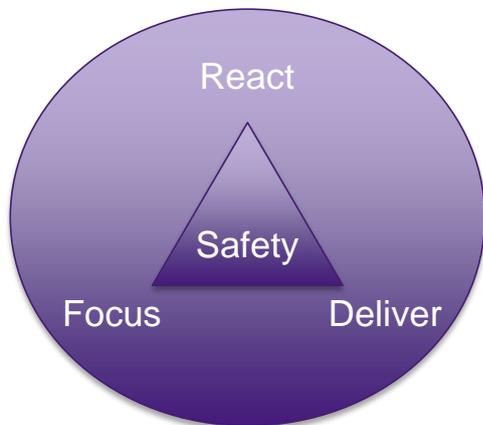


However, the group recognised several issues which mean APM may not always be optimally placed to maximise its impact in the context of major change. There was a perception that often the APM approach can be primarily focused on projects with less focus on strategic objectives and benefits. This can lead to a tendency for processes and delivering defined tasks, products and outputs to be seen as more important than overall outcomes. Portfolio and programme management are arguably less mature disciplines than project management. Yet even project management processes often omit the people elements needed to embed change – end users may not be fully involved, there may be insufficient focus on requirements, communications and engagement, and people impacts may not be fully assessed. As mentioned previously, language and terminology are also not always aligned – for example there is often confusion with “change control.” Many of the group’s recommendations seek to address these issues and increase the influence the APM can have in addressing the challenges faced by its transport sector members.

The group also identified a number of themes where transport organisations often excel, which can help in the successful delivery of change. These include:

- Increasingly delivering good communications to customers
- The ability to react well to unplanned changes – both strategic and tactical – although there is a need to manage the balance between them
- Resourcing innovatively to meet budgetary constraints
- Applying focus to simultaneously deliver a good operational service and change projects
- The ability to maintain a safety culture for staff and customers whilst doing all of the other factors listed above – almost all transport has a live safety angle other sectors may not

Figure 4 below illustrates these strengths:



Finally the group identified a number of opportunities where transport sector organisations could work more effectively to help address the challenges to successfully delivering change:

- Shape perceptions where services can't easily be enhanced and there are multi-level constraints
- Integrating with other transport organisations – for example sharing core staff skills
- Using big ticket projects to develop staff and processes and then bringing them back into the routine operation to help embed the change
- Better integrated planning, setting the requirements well at the outset
- Establishing a common toolkit approach for the transport sector
- Influencing stakeholders to recognise that all projects are inherently about change not process

## Recommendations

This section sets out the detail of the Transportation Practitioner Group's recommendations, outlining what we believe needs to change, the rationale and evidence for this, and suggestions for how they could be taken forward and who might be responsible for this. In summary, the recommendations cover:

1. Sponsorship of Change – the APM Body of Knowledge and other publications should recognise the difference in nature between the roles and capabilities required by Programme and Project Sponsors and those sponsoring the implementation of change management activities to embed the change with affected groups of people.
2. Stakeholders' expectations, change outcomes and associated people risks – APM should promote much stronger integration of change management with project management.
3. Change Management training – APM should consider providing a change management offering within its suite of training and qualifications, or endorse suitable intervention(s) from other providers.
4. Improving how KPIs are derived and implemented within change programmes – APM should provide advice on this within its publications and recommend that KPIs are agreed with end users so they directly link to the desired outcome of the change.
5. Change management skills and capability – the APM Body of Knowledge and other publications should give greater recognition to the change management skills and capability required for successful delivery, and how this varies over the course of the programme and project lifecycles.
6. Business cases should consider the impact of change and the challenges associated with implementation of change.
7. Competencies for Change Management – APM should consider developing a competency framework for change management, or aligning with an existing competency framework from a relevant professional body.
8. Change toolkit – the APM should explore the potential to create or recommend a flexible “toolkit” for change aligned with the project lifecycle and processes.
9. Clarifying the relationship between project and programme levels and employing a flexible approach – at the moment there is much confusion about the differences in much of the practice and bodies of knowledge of professional associations and in academia.
10. Identification of requirements early in the project/programme – attempts should be made to engage a wider range of stakeholders at the beginning of projects/programmes to ensure the need for change is based on a proper assessment of needs.
11. Involvement and engagement of end-users throughout the lifecycle – the end-user community should be part of the project/programme team from the very start of the thinking about a

change project/programme and continue throughout, to ensure that the real need for the change is established and understood by all stakeholders.

12. Definition of “Change” – the APM Body of Knowledge and other publications should be much clearer in defining the term “change” to remove ambiguity and confusion.

**Recommendation 1**

<b>Title</b>
Sponsorship of Change
<b>What should change</b>
The APM Body of Knowledge and other publications should recognise the difference in nature between the roles and capabilities required by Programme and Project Sponsors and those sponsoring the implementation of change management activities to embed the change with affected groups of people.
<b>Why we believe it should change</b>
<p>Classic definitions of programme and project sponsorship focus on governance, definition of requirements and scope, ownership of the business case, and ensuring realisation of benefits. As such the functions of the role are typically described as being greatest in the early and later stages of projects and programmes, with less direct sponsor involvement during delivery. However, sponsorship is also a critical factor in the successful implementation of the people aspects of change. This includes leading, sanctioning and legitimising the change for those affected by it, providing visible leadership and role modelling the change required. This sponsorship role involves consistently providing active support throughout the change – especially during delivery – articulating why the change is needed and building a coalition of support for the change amongst influential people in the organisation. Without this it is unlikely the change will be successfully implemented and the full benefits realised.</p> <p>In some cases this role can be performed by the programme or project sponsor, but often particularly in large organisations this individual may not have direct leadership accountability or influence for the people most affected by the change. The skills required also tend to be different, focusing less on technical aspects and more on engagement and people impact. Typically the programme or project sponsor may sit in a strategy department whilst the person sponsoring change management activities should sit within the business unit(s) most affected by the change.</p> <p>Transport organisations are characterised by large numbers of operational resources working in diverse locations, often on a 24/7 basis. Sufficient visible commitment to change sponsorship by those recognised as having authority over those affected is critical to successfully embedding change in this environment.</p>
<b>How the change could happen</b>
APM could make explicit through its Body of Knowledge and other publications the need for effective sponsorship of change management activities for successful embedding of change and realisation of benefits, and the difference in focus, capabilities and organisational context for this role compared with traditional programme and project sponsorship.
<b>Who should be responsible for making it happen</b>
APM (potentially led by the Enabling Change SIG)

## References

The Transportation Change Practitioner group members consistently reported visible leadership throughout change as essential to success, with a clear focus on the impacted business units, clarity of the vision and how it links to benefits, and alignment between the senior team. Several member organisations had defined a specific “Sponsor for Change” or “Change Sponsor” role.

Research by Prosci (2012) with 650 participants from 62 countries identified the greatest contributor to overall change management success as “active and visible executive sponsorship”. The greatest obstacle was said by the respondents to be “ineffective change management sponsorship from senior leaders” - Prosci (2012) *“Best Practices in Change Management,”* cited in Smith, R., King, D., Sidhu, R., Skelsey, D. (Eds) (2014) *“The Effective Change Manager’s Handbook,”* Kogan Page.

## Recommendation 2

<b>Title</b>
Stakeholders expectations, change outcomes and associated people risks
<b>What should change</b>
APM should promote a much stronger integration of change management with project management. Practitioners need to understand the benefits that will be achieved by integrating change management and project management approaches. This applies particularly in the areas of understanding stakeholder networks, managing and influencing stakeholders, tactics and strategies for achieving change outcomes and approaches for identifying and mitigating the associated people risks.
<b>Why we believe it should change</b>
<p>The 2014 Prosci Benchmarking Report identifies the lack of integration between change management and project management as one of the top 5 obstacles to success.</p> <p>While this is a recognised gap, there remains an absence of leadership from the APM and the various Change Management bodies in integrating approaches.</p> <p>The need for integration is driven by many factors. For example, it is recognised in the Transport Sector that many change projects span a number of years. This is because of the challenges involved from initiation and securing funding through to implementation and benefit delivery. This means that the project will span a number of political cycles and changes in leadership. Experience shows that the focus on stakeholder engagement and management is a significant activity in itself and needs to be continuous and driven at all levels.</p> <p>Practitioners in the transport sector need to understand that it is especially important to map out and understand the stakeholders as the sector operates within interconnected networks where no single entity can deliver the product to the customer e.g. train leasing companies, train operators, asset maintainers, ticket sales. This requires that we go beyond mapping the individual stakeholders, but also map their individual relationships.</p> <p>Project case studies in the Transport Sector also highlight the significance of the Trade Union role and the influence they have on success. Lessons demonstrate that early Trade Union engagement and consultation, with effective and relevant communications are all significant critical success factors to achieving the change outcomes and benefits.</p> <p>So the need for an effective change management approach, particularly around stakeholder mapping, relationships and management, is recognised by the practitioners. Because the APM is unable to offer an integrated change and project management framework, organisations are building their own. This is evidenced within the Transport Sector where organisations have built their own integrated frameworks and toolkits based on established good practice.</p>

The APM now need to take the lead on this before it finds itself falling further behind. It needs to position change management prominently within its frameworks and toolkits, particularly around managing stakeholders expectations, change outcomes and associated people risks.

**How the change could happen**

APM could develop its thinking around how change and project management should be integrated through its Special Interest Group and make it explicit through its Body of Knowledge. Established change management tools and approaches could be cited and the APM could seek to influence other organisations to share thinking and collateral e.g. Change Management Institute.

**Who should be responsible for making it happen**

APM (potentially Enabling Change SIG)

**References**

The Transportation Change Practitioner group members referenced the examples cited above.

### Recommendation 3

<b>Title</b>
Change Management Training
<b>What should change</b>
APM should consider providing a change management offering within its suite of training and qualifications, or alternatively recommend or endorse one or more suitable interventions from other provider(s).
<b>Why we believe it should change</b>
<p>For project professionals working on delivering change and transformation programmes and projects, there are a range of change management skills which are important for successful delivery. Whether project managers are fulfilling the change management role themselves, or simply need to appreciate the importance of building suitable activities and resources into their plans, they need access to suitable training. Whilst a number of professional bodies and commercial organisations offer training and qualifications in change management, professionals coming from a traditional project management background would not naturally seek advice or training from these sources. Rather, they should be encouraged to look to the APM as their professional body to help meet their development needs.</p> <p>In the absence of leadership from the APM in this area, Transportation Change Practitioner group member organisations have taken independent approaches to developing their capability in change management. Some have adopted commercially available offerings (such as the APMG’s Change Management certification or Changefirst’s “People Centred Implementation”), whilst others have developed their own internal approaches and training.</p> <p>If APM offered development interventions in this field it would add value and reduce costs to member organisations and promote consistency, whilst making a clearer statement of the importance of change management skills for project managers.</p>
<b>How the change could happen</b>
APM could develop change management training content either within its existing qualifications structure, or as an additional qualification. Alternatively the APM could choose to recommend or endorse one of the existing commercially available change management qualifications, perhaps partnering with the relevant organisation.
<b>Who should be responsible for making it happen</b>
APM
<b>References</b>
One Transportation Change Practitioner group member organisation has invested in creating a framework to integrate the Changefirst “People Centred Implementation” methodology with

“Managing Successful Programmes.” Another has developed in house Change Manager Foundation and Practitioner training courses. Other organisations and individuals use the APMG Change Management certification. Whilst all report benefits from their approaches, there could be greater value and lower costs from a common offering from APM targeted at project professionals.

## Recommendation 4

<b>Title</b>
Improving how programme KPIs are derived and implemented within change programmes
<b>What should change</b>
Most change programmes use KPIs and agreed objectives that are developed either in isolation within the change programmes or including rigid (sometimes fixed) input from the executives. We recommend that KPIs are agreed with end users so that they directly link to the desired outcome of a change, ensuring that KPIs are built both top-down and bottom-up. APM should promote this as part of its publications and training.
<b>Why we believe it should change</b>
Creating a strong set of KPIs that the impacted part of the organisation actually believe in. Change will only happen if the people responsible for carrying out the change actually understand and support it. Improving why people should engage in and believe in change is one of the most important drivers of success. We believe this is underestimated and undervalued.
<b>How the change could happen</b>
<p>Develop the programme objectives first including a strong business benefit case. Then from the top find the leading measures that can be turned into KPIs. Baseline the current performance before the change is implemented and validate with affected department(s).</p> <p>The key part of the recommendation is to test the assumptions of the business benefit case and KPIs with the part of the organisation actually responsible for carrying out the work.</p> <p>Using suitable case studies the APM Transportation Practitioner Group members could create a programme to develop the relevant KPIs, assisting with defining and documenting the baseline assumptions behind the business benefit case. Evidence for the case should then be presented on the site where the work and change will happen. Invest time in verifying the assumptions by going through all the processes together with the executing colleagues, exploring deviations to the assumed baselines and correcting as needed.</p> <p>Conclude by mutually recommending targets around agreed KPIs.</p> <p>Focus the overall improvement around five principles:</p> <ul style="list-style-type: none"> <li>- Maintain focus on validating the benefit case</li> <li>- Understand change impact</li> <li>- Mobilise relevant stakeholders</li> <li>- Keep stakeholders informed</li> <li>- Train end-users to effectively perform their roles post changes</li> </ul>
<b>Who should be responsible for making it happen</b>

The respective organisation change programme lead(s) will need to design the process, continually developing and re-evaluating the measures for appropriateness, including sufficient listening processes to ensure feedback from the receiving part of the organisation is captured. APM should support this approach through its publications and training materials.

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**References**

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The APM Transportation Practitioner Group and company cases discussed under Chatham House rules.

## Recommendation 5

<p><b>Title</b></p>
<p>Change management skills and capability required at different stages of the programme and project lifecycle</p>
<p><b>What should change</b></p>
<p>The APM Body of Knowledge and other publications should give greater recognition to the change management skills and capability required for successful delivery, and how this varies over the course of programme and project lifecycles.</p>
<p><b>Why we believe it should change</b></p>
<p>Studies repeatedly show that a large proportion of change projects fail to deliver their full benefits. A significant factor in this is often a failure to effectively manage the people aspects of change to build real ownership and commitment and ensure the change is embedded beyond go live. Transport organisations face a particular set of challenges which mean managing change effectively is even more important, namely because they operate in an environment with very long planning and investment horizons, heavy regulation, strong trade union influences and demanding customers, whilst operating on a 24/7 basis and always remaining before the public eye.</p> <p>There are a range of skills which are typically required by those co-ordinating change management activities on a project, for example excellent communication, engagement and active listening, problem solving and root cause analysis, planning, analysis and decision making, emotional intelligence, coaching, influencing and facilitation, etc.</p> <p>The balance of these skills and the extent to which each is needed varies through the lifecycle – typically in the early stages time must be taken to really understand the problem and develop the case for change, prior to designing solutions. Subsequently there is a need to really understand the impacts of the proposed change on those affected, and work with them to build awareness, understanding and commitment, providing support to address causes of resistance. Later there will need to be detailed transition and readiness plans, specifically ongoing change management activities to embed the change and realise the benefits beyond go live. This is often particularly important even after the specific project outputs have been delivered and the project closed. As such the effective engagement and involvement from all affected parties throughout the process remains key.</p> <p>Many people entering project management through traditional routes will not be familiar with the importance of managing change effectively or the skills required. In setting a framework and Body of Knowledge for the industry, APM has an important role in ensuring the need for these skills is fully recognised in project planning and resourcing alongside more technical disciplines.</p>
<p><b>How the change could happen</b></p>
<p>APM could make explicit through its Body of Knowledge and other publications the need for effective change management, listing the skills required at different stages of any change programme and project lifecycle.</p>

<b>Who should be responsible for making it happen</b>
APM (potentially led by the Enabling Change SIG)
<b>References</b>
<p>The Transportation Change Practitioner group members reported a number of examples where changes had failed to achieve their full benefits, and/or where change had taken much longer than expected – due to change management activities not being effectively planned and delivered. This includes examples wherein the change had not been fully embedded into the organisation in a ‘business-as-usual’ manner.</p> <p>In one example of a major building relocation, an award winning building was delivered but overall benefit targets were significantly missed with people reverting to former ways of working, resulting in improvements in business productivity and the culture not being realised.</p> <p>In another example a planned total change of operating model intended to achieve significant cost savings and customer service benefits was delayed for a number of years due to the challenges associated with the political and industrial relations environment not being successfully addressed.</p> <p>At least one organisation also noted a direct challenge from those leading the change to the extent of change management activities proposed. If clearer expectations were set across the industry of the scale of change management required, then this kind of challenge should become less common and easier to address.</p>

## Recommendation 6

<b>Title</b>
Business Cases should consider the impact of change and the challenges associated with implementation of change. This should then be a key factor considered in gateway evaluation processes when considering whether a project should proceed and funding be authorised.
<b>What should change</b>
APM should promote a much stronger integration of change management with project management and this applies to the business case which underpins the change initiative. There are a number of elements in the business case which are often overlooked because the focus has been on delivering an output rather than implementing and embedding the change which realises the benefits. It is important for Practitioners to understand that frequently the benefits are realised after the closure of the project and the programme. Therefore a Benefits Realisation Plan (BRP) needs to be agreed as the mechanism to harvest the benefits.
<b>Why we believe it should change</b>
<p>Often the costs for implementing and embedding the change are overlooked in the business case and not accounted for by the business area. Also, case studies show that the benefits stream can be much more gradual than forecast as people need time and support to adapt to new ways of working and new cultures. This all impacts on the realisation of benefits and is not picked up until very late in the day. When the benefits do start to ramp up, often this is after the close of the project. This means there is a heavy reliance on an agreed benefits realisation plan.</p> <p>Again, in the Transport Sector, a change to the operating model for ticketing made specific assumptions around customer behaviour in the business model. In practice, changes in customer behaviour evolved much more slowly than planned. This had a significant impact on the benefits realisation profile.</p> <p>There needs to be a much stronger link drawn between the business case requirements to deliver the project outputs and the case that is required to deliver and realise the benefits (BRP). Practitioners need to be aware of the importance of a number of change management drivers which will have an impact on the business case and the realisation of benefits, these include:</p> <ul style="list-style-type: none"><li>• Noting that the business case and benefit realisation plan should extend beyond the duration of the change initiative. Benefits often only come after a change programme has been formally closed. This is the mechanism to harvest the benefits.</li><li>• Sense checking the assumptions that underpin the business case and getting the assumptions themselves signed off as part of the governance approach.</li><li>• Understanding of how sensitivity analysis can be used to identify the more significant assumptions which drive the benefits.</li><li>• The various change management costs that should be considered when the case is being developed including training, floor walking, communications events, temporary resource cover to manage backfills for training and dips in performance.</li></ul>

- The importance of project governance, which through the 'stage gate review process', should bring a challenge on the business case. This is to make sure that all relevant implementation costs are included and the timescales for realisation are stretching but achievable.
- How scenario and sensitivity analysis can be used to demonstrate the risks involved when project benefits depend on a high degree of cultural and behavioural change.

**How the change could happen**

APM could develop its thinking around how change and project management should be integrated through its Enabling Change Special Interest Group and make it explicit through its Body of Knowledge. The business case competency could be strengthened to make sure that all the change management aspects are considered in the development of the case.

**Who should be responsible for making it happen**

APM (potentially Enabling Change SIG)

**References**

The Transportation Change Practitioner group members referenced the examples cited above.

## Recommendation 7

<b>Title</b>
Competencies for Change Management
<b>What should change</b>
APM should consider developing a competency framework for Change Management or alternatively align with an existing competency framework from a relevant professional body.
<b>Why we believe it should change</b>
<p>The APM has recently revised its competency framework for project management. The framework is complex as it covers 27 different competencies. It makes no reference to the importance of change management competencies to deliver the benefits of projects and programmes successfully.</p> <p>The relevance of change management to delivering the benefits of projects successfully is a key theme that has emerged in the last few years, particularly where the benefits of the projects rely on changes to organisations, processes and behaviours.</p> <p>More and more the role of the Change Manager is recognised in Industry and Commerce. It has developed as a role in its own right. Many organisations consciously appoint Change Managers to focus on the delivery of benefits from their change programmes and projects.</p> <p>The APM has an opportunity to develop and endorse competencies specifically for change management. This framework would be relevant for Project Managers and Change Managers alike. This would be a step change in establishing Change Management as a professional discipline.</p> <p>The competency framework for change management would encourage a focus on benefits delivery. It would give value to organisations in their recruitment and resourcing decisions. For individuals, it would help professionalise the discipline of change management and provide development pathways.</p>
<b>How the change could happen</b>
APM could develop the competency profile through its Enabling Change Special Interest Group and make it explicit through its Body of Knowledge.
<b>Who should be responsible for making it happen</b>
APM (potentially Enabling Change SIG)
<b>References</b>
The Transportation Change Practitioner group members reported observing that while a number of projects delivered the required outputs, they failed to realise the intended outcome benefits because of a lack of focus on the Change Management activities.

In an example concerning a planned Head Office relocation, the award winning building was delivered successfully but the focus on change management was missed and improvements in business culture were not embedded or fully realised. In a large Shipping Transportation organisation, it was recognised that one of the keys to successful benefits realisation was the continual focus on the change impact.

Both these examples needed a change management discipline in place so that people elements of the change were understood and strategies and tactics for change management developed. This change management discipline needs to be established through an appropriate competency framework.

### Recommendation 8

<b>Title</b>
Change toolkit aligned with APM project lifecycle and processes
<b>What should change</b>
The APM should explore the potential to create or recommend a flexible “toolkit” for change aligned with the project lifecycle and processes.
<b>Why we believe it should change</b>
<p>Project professionals delivering change programmes and projects involving people, processes, organisations and technology use a range of tools to support change planning, delivery and embedding. These include aspects such as strategic analysis, problem definition, vision, engagement, process mapping, impact and readiness assessments, surveys, transition planning, team building, post-implementation reviews, etc.</p> <p>At present the APM Body of Knowledge and other publications are largely silent on the availability or application of these kinds of change tools to facilitate successful delivery and benefits realisation. Without clear guidance, organisations and individual project professionals are less likely to use these recognised approaches consistently and effectively, or they may be ignored altogether.</p> <p>Several Transportation Change Practitioner Group member organisations identified that they had developed their own change frameworks and toolkits and mapped these against a typical project lifecycle. From their perspective there would be value in APM providing leadership in this domain, through promoting and bringing to life the use of appropriate change management tools at the right stages of the project process. This could be achieved either through APM developing its own “change toolkit,” or possibly through recommending approaches developed by one or more other professional organisations. Whilst there is not a “one size fits all” approach and flexibility is important, signposting of good practice in a consistent manner would be valuable in supporting successful delivery. It would also reduce the burden on individual organisations to develop their own approaches.</p>
<b>How the change could happen</b>
APM could refer within its Body of Knowledge to the value of applying change management tools at the appropriate stages of the project process. It could also develop a specific guide or toolkit (perhaps in electronic format) which could be promoted to members online and through other APM publications. Alternatively APM could choose to provide guidance on or recommend approaches developed by other professional organisations.
<b>Who should be responsible for making it happen</b>
APM (potentially led by the Enabling Change SIG)
<b>References</b>

Transport organisations from several sectors reported the value of having a framework and toolkit for change mapped to the project lifecycle, in terms of adopting a consistent approach within their organisations and communicating the need for and scope of effective change management in order to enable successful delivery.

**Recommendation 9**

<p><b>Title</b></p>
<p>Clarifying the relationship between project and programme levels and employing a flexible approach</p>
<p><b>What should change</b></p>
<p>At the moment there is much confusion about the differences between project and programme levels in much of the practice, the bodies of knowledge of the professional associations, and in academia. The PMI, APM and the former Office of Government Commerce (OGC) differentiate between the two by suggesting that programmes are more about managing change, achieving outcomes and harvesting benefits and are in a sense more strategic whereas projects produce outputs and are more operational. A programme then is defined as a set of related projects but is this just a question of scale? A project is broken down into sub-projects and then into work packages. Perhaps there is something of a fractal nature here. The outputs of project management are often treated as fixed, but in a changing environment the reality is different. . Greater clarity is therefore needed to help practitioners more effectively plan for, resource and deliver change.</p>
<p><b>Why we believe it should change</b></p>
<p>Programmes are considered as the means of implementing aspects of an organisation’s strategy but as Morgan, Levitt and Malek,(2007) point out ‘the project – the lowly project – is the true traction point for strategic execution” (p.3) and that “the project portfolio – the array of investments in projects and programs a company chooses to pursue – is the agent of change”. In this view both projects and programmes are agents of change that aim to deliver strategy. This needs to be clarified.</p> <p>So programme and project managers have to be aware of the implications of how the programme or project will impact that strategy, as both evolve. This is difficult in large complex, multi-stream, programmes/projects, where the tendency of the project/sub-project managers will be to deliver their components successfully, but often lose touch with the rest of the programme/project. Rather than a fixed approach there is a need to apply tools and processes flexibly according to the circumstances and environment, creating a culture of adaptability to manage delivery of strategic change rather than simply producing project outputs. Yet traditional project management approaches tend to favour conformance to process and methodology.</p>
<p><b>How the change could happen</b></p>
<p>Perhaps more research needs to be done on exactly what are the differences between projects and programmes or whether they are an artefact produced by practitioners and academics to deal with size and scope. There also needs to be greater guidance on the flexible application of tools and processes to manage and deliver change effectively.</p>
<p><b>Who should be responsible for making it happen</b></p>
<p>APM could fund such research which could consolidate existing research and undertake new research where necessary. It could also provide greater guidance on the flexible application of processes, methodologies and tools to enable achievement of strategic change objectives over individual project outputs.</p>

<b>References</b>
Executing your strategy: how to break it down and get it done, M. Morgan, R.E. Levitt and W. Malek (2007), Harvard Business School Press, Massachusetts

## Recommendation 10

<b>Title</b>
Identification of requirements early in the project/programme
<b>What should change</b>
Attempts should be made to engage a wider range of stakeholders at the front-end of projects/programmes to ensure that the need for change is based on a proper assessment of needs and is not just a top-down applied initiative presented as a fait-accompli.
<b>Why we believe it should change</b>
Failing to include the concept development and project definition activities as part of the project phases can lead to change projects being initiated without their need and benefits being identified adequately.
<b>How the change could happen</b>
Project guides and models should be amended to include these activities in the front-end of the project and they should be properly resourced both financially and in terms of human resources.
<b>Who should be responsible for making it happen</b>
Professional bodies (e.g. APM), project leadership, PMOs, the project professions/capability owners
<b>References</b>
Peter Morris – Reconstructing Project Management (2013) Wiley Blackwell

## Recommendation 11

<b>Title</b>
Involvement and engagement of end-users through the life-cycle
<b>What should change</b>
The end-user community/communities should be part of the project/programme team from the very start of the thinking about a change project/programme to ensure that the real need for the change is established and understood by all stakeholders. These representatives should provide a reality check throughout the life-cycle of the project to ensure that the development proceeds in alignment with the needs of the people who will be the final-users of the changed system/artefact.
<b>Why we believe it should change</b>
Too often the end-users of the system or artefact or asset being produced in the project/programme are not consulted until the latter stages of the project life-cycle. This can often result in inappropriate outputs from the project which then fail to deliver the outcomes in terms of benefits realisation.
<b>How the change could happen</b>
Procedures/process guides etc. should be amended to ensure that membership of the project teams includes such representatives from the actual end-users (i.e. those who understand the operational conditions) rather than being represented by those who don't actually work at the operational level. This should be at all stages of the project life-cycle from the very front-end right through design and implementation and into handover to the end-users
<b>Who should be responsible for making it happen</b>
Professional bodies such as APM should make the need to involve and engage end-users throughout the lifecycle clear in their publications. Project leadership and heads of PMOs should take responsibility for implementing the changes in procedures/routines in internal documentation and should instruct project/programme managers to carry out the new procedures in their projects.
<b>References</b>
Several transport organisations reported examples where change programmes and projects did not achieve their full benefits, or these benefits were delayed, due to a lack of engagement with end-users. In one example, although the end-users were involved in initial requirements gathering, they were then largely isolated from the process until implementation, by which point they felt there was insufficient flexibility to make changes to respond to their concerns.

## Recommendation 12

<b>Title</b>
Definition of Change
<b>What should change</b>
The APM Body of Knowledge and other publications should be much clearer in defining the term “change” to remove ambiguity and confusion.
<b>Why we believe it should change</b>
<p>Currently the term “change” has a variety of meanings for those involved in project delivery depending on discipline and context. For example it may be perceived as meaning “change control” of scope or milestones, “change management” or “business change” to help deliver and embed change with those affected by it and ensure benefits are realised, or IT system change development and release management in the context of the Information Technology Infrastructure Library (ITIL).</p> <p>This has the potential to cause confusion for project professionals, and can also underplay the importance of the people side of change management for those who are unfamiliar with this and assume “change” is referring exclusively to “change control.”</p> <p>If a search is completed on “change management” on the APM website, the first response actually refers to “how can the project manager change the attitude of a stakeholder who is a ‘blocker’ into one that at the very least is ‘neutral’?”</p> <p>The case studies for the transportation sector show that the management of the impact of the change on the people who are affected by it is critical to the success of the initiative and the achievement of the benefits.</p> <p>The APM currently talks to managing change requests, change control and handling changes in stakeholder expectations. However, the case studies show that one, if not the main risk to the successful delivery of the programme/project is the way in which we think through and manage the impact on people and teams. It is the definition of the subject matter in this context that needs to be incorporated.</p>
<b>How the change could happen</b>
APM could make more explicit through its Body of Knowledge and other publications the distinction between different types and uses of the term “change” in a project context. In particular, it should emphasise the importance of effective change management (or business change) for successful embedding of change and realisation of benefits in addition to effective “change control.”
<b>Who should be responsible for making it happen</b>
APM (potentially with input from the Enabling Change SIG).
<b>References</b>

Several Transportation Change Practitioner group members report confusion, misunderstanding or lack of awareness amongst project professionals in their organisations of the different meanings of the word “change.” This can make it difficult to successfully incorporate good change management practice into programme/project delivery.

## Appendix 1

