Future planning and strategic transformation:

Applying project management for better outcomes

Because when projects succeed, society benefits

Introduction

We are in an era of rapid technological advancement and changing business landscapes. Digital disruption, the climate crisis and societal change are just some of the issues that businesses must contend with, in order to meet tomorrow's challenges and opportunities.

Although the environment for delivery is becoming ever more complex, it is clear that project professionals are the strategic changemakers who will enable success. Project management is, in effect, future-state planning. This paper shares insights on how the project profession integrates with strategic success. It focuses on three areas: sustainability, AI and data, and people and culture.

This paper is based on conversations that took place at the Association for Project Management (APM) Project Summit at St George's House, Windsor Castle in autumn 2024. Senior project experts, leaders and C-Suite-level executives attended to share ideas and examine challenging topics in new and creative ways.
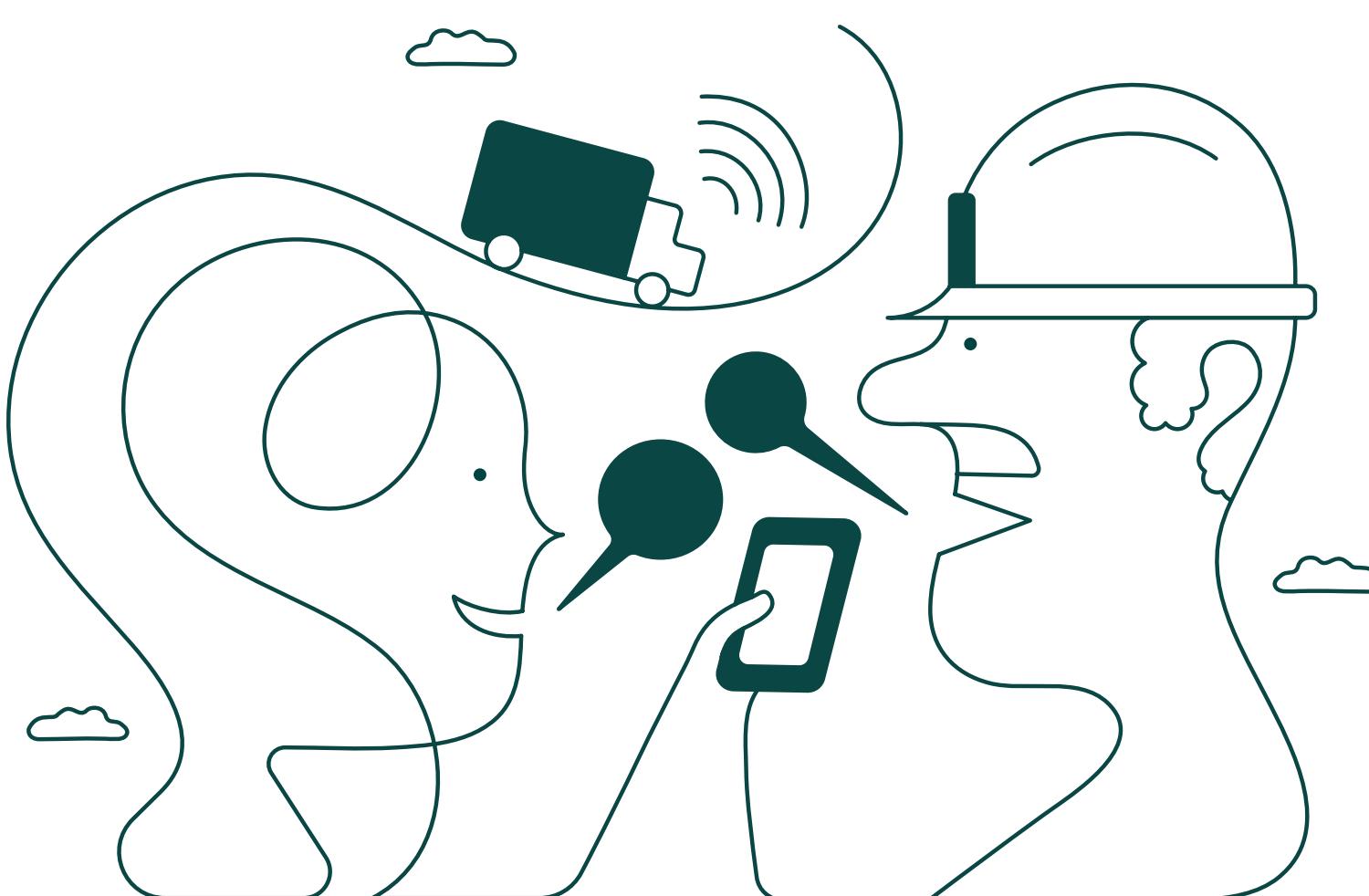
Contributors

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Nick Smallwood is the Chief Executive Officer of the Infrastructure and Projects Authority and Head of Government's Project Delivery Function. Nick is the former Vice President for Projects Engineering and Chief Projects Engineer at Shell. Nick has 40 years' experience of managing complex project portfolios and having developed Shell's Global Project Academy. At Shell, Nick was accountable for managing how projects were delivered and a variety of significant improvement programmes. Nick is also a former Trustee of the board of APM.

Karlene Agard

Karlene Agard is a Senior Expert at Oxford Global Projects. Karlene is an award-winning risk and value management practitioner who specialises in starting megaprojects for success. Karlene is an international speaker who has presented on risk, value, and megaproject management. She has written on these topics for *Entrepreneur*, *Forbes*, McKinsey and Deloitte. Karlene has completed an Executive Masters in Major Programme Management at Saïd Business School, University of Oxford and teaches project management courses at the University's Continuing Education Department.

Martina Blake

Martina Blake is a UK Government Advisor to the European Space Agency (ESA), supporting delivery of ESA's Space Safety Programme and ESA's Transformation Initiatives. Martina has a 25-year career in the UK government, leading and delivering complex and high-risk government major projects and programmes in areas such as the space industry, government security, defence, and transformation, both in the UK and internationally. Martina is the Lead of APM's International Space Sector Interest Network, and UK representative for the International Project Management Committee within the International Astronautical Federation.

*All information correct as of 2 December 2024

Sustainability

Sustainability involves taking individual and organisational responsibility to ensure outputs, outcomes and benefits are sustainable over their life cycles, meeting the current needs of stakeholders without compromising or overburdening future generations.

Sustainability is no longer a 'nice to have'. More than a third (38%) of business leaders in the UK say sustainability and environmental regulations are among the factors that will have the most significant impact on their business strategy in the next three years.

While environmental factors are an important part of the sustainability equation, so are social, economic and administrative factors.

Direct and indirect sustainability challenges faced by businesses include:

- Changing weather patterns that will affect transport (infrastructure, logistics and accessibility).

- Rising water levels that will affect businesses with coastal or off-shore dependencies.

- Making construction sites diesel-free by 2030 while minimising cost increases.

- Making new technology sustainable. For example, providing water for cooling in AI data centres.

For businesses that have incorporated sustainability into their strategy (or seek to), a project-centric approach will be necessary for delivering the transformations required for success. An example of where project management principles can be deployed is in transitioning to the circular economy.

The circular economy

The circular economy has been defined as "a regenerative system in which resource input and waste, emission, and energy leakage are minimised by slowing, closing, and narrowing material and energy loops. This can be achieved through long-lasting design, maintenance, repair, reuse, remanufacturing, refurbishing, and recycling[1]."

Leaders who oversee projects and programmes in their organisation, or who are involved in decision-making, should take the following steps to make outputs more sustainable:

- Do not accept the status quo when it comes to standards and practices. Look at ways to enable smarter ways of working.

  ◦ Business leaders must start to set up ways of working that will enable more digitally literate future generations to utilise data properly. Aspire to train all members of a project team on data use and literacy. If that is not feasible, ensure project leaders are trained.

  ◦ Drive improvement in the supply chain. Reduce waste through use of recycled materials, or re-use where possible. Implement sustainable procurement policies. Work with clients to ensure they play their part in environmental due diligence and improving transportation/logistics.

  ◦ Consider 'Productivity Packaging' procurement models that can unlock greater capacity at a time of peak demand.

  ◦ Where appropriate, utilise design and build approaches that support efficiency and/or economies of scale, such as 'design one, build many'.

- Shift the focus from output to outcomes, with an emphasis on social value. Engage with communities to understand what they want, alongside the basic 'what's needed' requirements of the project.
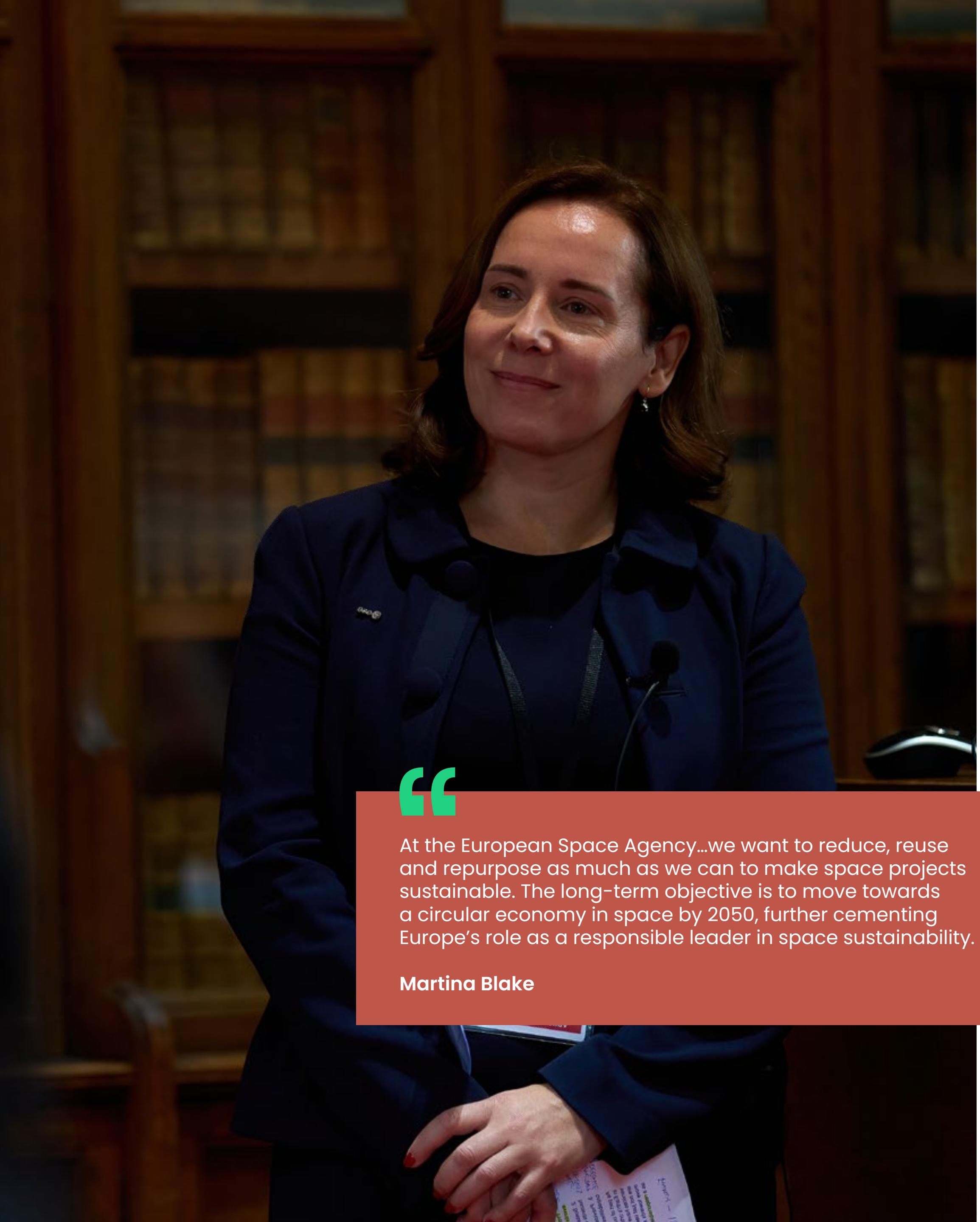
> "
> At the European Space Agency…we want to reduce, reuse and repurpose as much as we can to make space projects sustainable. The long-term objective is to move towards a circular economy in space by 2050, further cementing Europe's role as a responsible leader in space sustainability.
>
> **Martina Blake**

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[1]Martin Geissdoerfer, Paulo Savaget, Nancy M.P. Bocken, Erik Jan Hultink, *The Circular Economy – A new sustainability paradigm?, Journal of Cleaner Production*, Volume 143, 2017.

AI and data

AI is not a far-off future concept, but something that is already part of everyday life. Business leaders and project leaders are united in the belief that AI will have the most significant impact on planning and delivery of work.

What do you believe will have the most significant impact on your business strategy in the next three years?

AI and automation
42%

Global economic shifts
42%

Political and economic instability
41%

Sustainability and environmental regulations
38%

Cybersecurity threats
37%

Changes in consumer behaviour
36%

There are, however, reasons to be optimistic. It should not be assumed that the impact of AI on strategic transformation will be negative. A separate poll by APM found that nearly three-quarters (74%) of project professionals felt that advancements in AI will be positive for their industry sector.

Furthermore, people will still play an important role in an AI-enabled world. Concerns have been raised that overconfidence in the reliability of AI-generated outputs could lead to a lack of human scrutiny, resulting in decisions being made from incorrect information. The importance of measuring, checking and validating cannot be overstated.

Systems for gathering and/or processing data also need to be robust, with appropriate levels of back-up. Currently, much of the data that society uses day-to-day is gathered through 'single point of failure' systems, in which one point of failure is sufficient to render the entire system defunct.

It has been estimated that if society lost access to global positioning data, the UK economy alone would lose £1bn per day, so the value of data-gathering systems is clear. It is essential therefore to invest adequately in systems analysis, backups, continuity planning (including recovery procedures) and cross-training for employees.

> "It's the use of AI that's going to be most impactful - not so much the ChatGPT models, which are truly amazing, but in areas we haven't even thought of.

Nick Smallwood

People and culture

The importance of psychological safety

There is, understandably, a focus among business leaders on 'hard' factors when it comes to identifying barriers to strategic execution (e.g. inadequate technology or infrastructure), but navigating resistance to change is also important. In fact, nearly one third (31%) of UK business leaders identified resistance to change as one of the most significant obstacles to strategic execution in their organisation. Create a culture of psychological safety to help mitigate this.

Psychological safety is "the belief that the work environment is safe for interpersonal risk-taking… feeling able to speak up with relevant ideas, questions or concerns. It is present when colleagues trust and respect each other and feel able – even obligated – to be candid[2]."

When levels of psychological safety in the workplace are low, colleagues may fear being humiliated or ostracised for speaking the truth. Low psychological safety therefore harms team performance and can have a negative impact on projects that will enable strategic success.

Research by the Project Management Institute has found that frequently cited enablers associated with higher project performance across sectors are:

• Mental health resources
• Training on resilience
• Employee resource groups

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Cultivate an environment of psychological safety where people can contribute to the workforce without unnecessary barriers.

Karlene Agard

[2]Amy Edmondson, *The Fearless Organization,* 2019.
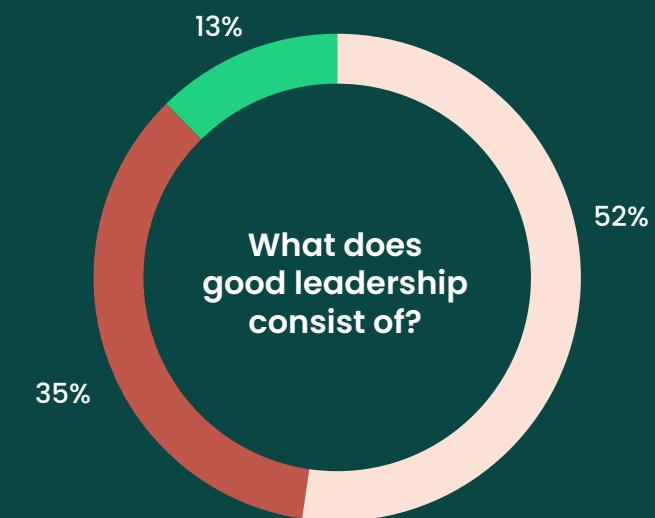
- Character 52%
- Interpersonal skills 35%
- Professional competence 13%

Changing expectations of leadership

Research has shown there are three main qualities associated with good leadership:

• **Character** – how a leader conducts themselves morally

• **Interpersonal skills** – how a leader relates to other people and builds relationships

• **Professional competence** – knowing what's required for success, being intelligent and having relevant experience

Character has been found to be the most important quality for business leaders in the UK. One way that expectations and perceptions of good leadership vary between generations is that younger people place more value on leaders who solve problems, mentor and are attentive.

Consideration must be given to what leadership looks like to different team members. The changing demographics of the workforce mean leaders must always seek to evolve and adapt their leadership style to get the best out of their teams as more young project professionals enter the workforce.

Signicant differences in feature centrality according to generation (scale 1-7)

- Gen X (born after 1965)
- Millennial (born after 1980)
- Gen Z (born after 1995)
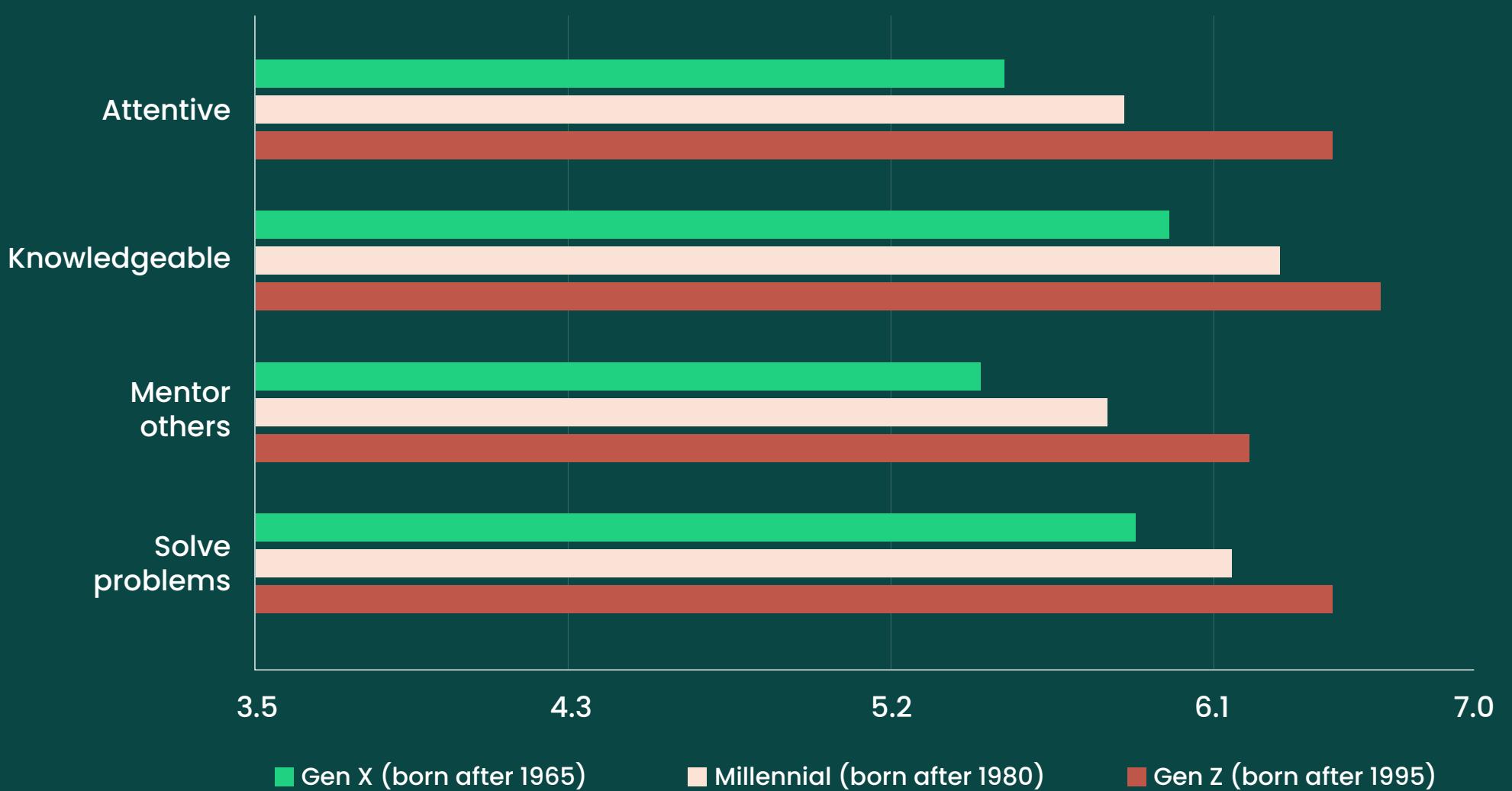
About APM

The Association for Project Management (APM) is a professional membership organisation that sets the standards for the project profession and raises its profile. APM is the only chartered organisation representing the project profession in the world. As a registered charity, APM delivers learning and networking opportunities, qualifications, research, resources, events, and best practice guidance for the project community, helping the profession deliver better.

APM currently has over 45,000 members and more than 470 corporate partners based in 140 countries.

Receive exclusive thought leadership from APM

If you would like to receive regular updates containing the latest thought leadership on the project profession and its impact on business, join our exclusive business leader mailing list by emailing **leaders@apm.org.uk**

APM takes privacy seriously and processes all personal data in accordance with Data Protection legislation and our privacy statement.

Further resources

- *The difficult questions you must ask of your strategy*

- *Evolving Project Leadership* by Gordon MacKay

- APM Research: *Sustainability and the circular economy (on-demand session from APM Festival of Education and Research 2023)*

- *Enabling a Space Circular Economy by 2050, white paper involving contributions from operators, integrators, suppliers, academia and agencies at the ESA Clean Space Industry Days 2023*

- Case studies: *Understanding the current impacts of AI and the journey towards adoption*

- APM Research: *Artificial intelligence in project management*

Join Us at the Next Windsor Project Summit

Following the success of the inaugural Windsor Project Summit, we invite senior executives to express their interest in attending our next event set to take place at St George's House, Windsor Castle on Thursday 23 October 2025.

Designed exclusively for C-suite leaders, this summit offers a unique platform to explore cutting-edge insights, share strategic perspectives, and shape the future of the project profession. To maintain the calibre of discussions and networking opportunities, participation is limited to executives holding C-suite positions. If you meet this criterion and wish to be considered for an invitation, **please fill out this form**.

We are the only chartered
membership organisation
for the project profession