



Project management capability improvement The ABC of a change programme



Peter Mill, Head of P3M Services, Costain
Ken Cartledge, Programme Manager, Rolls-Royce



Contents

1. Background to case study
2. The theory
3. Real world application
4. Observations around application of behavioural science
5. Where are we now?
6. Conclusions

Background

to Rolls-Royce and to Integrated Business Planning & Control



Setting the scene

R-R submarines business

Licensing, Design, Manufacture and Operational Support of Royal Navy's Nuclear Submarine's propulsion system(s).

- Pressure Vessels
- Fuel Cores
- Propulsors
- Turbo Generators

Locations

- Derby
- Thurso
- Faslane
- Barrow-In-Furness
- Bristol
- Plymouth

Employees

3000+



Submarines business

Largely an operational business. Programmes managed through CFBUs, who 'contract' with OBUs for resources and therefore work delivery.

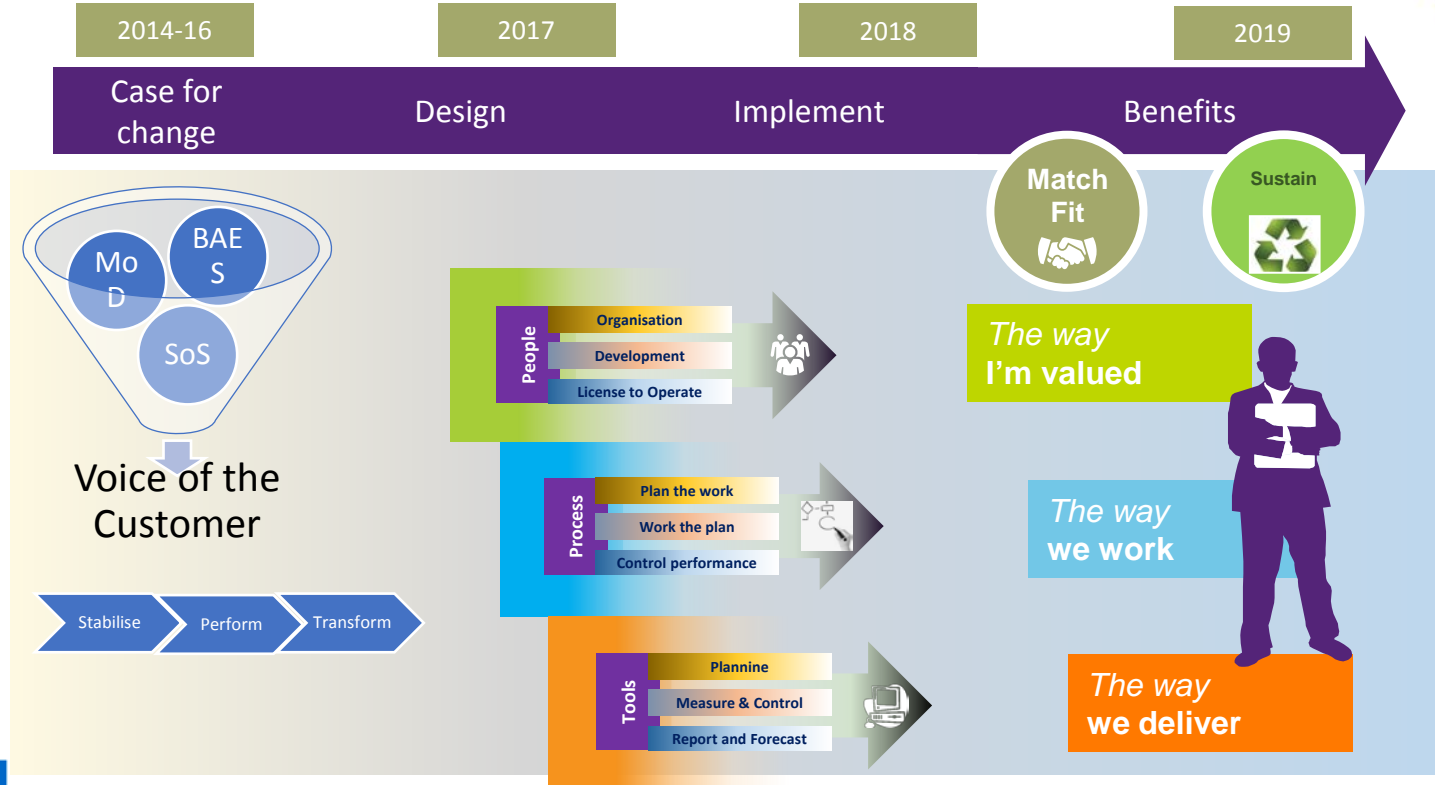
Programmes



	CUSTOMER FACING BUSINESS UNITS (CFBUs)						
OPERATIONAL BUSINESS UNITS (OBUs)	Dreadnought	SSNR	CPC	Astute	NPLM	Vulcan	R&T
Core Design & Manufacture (CDM)	X	X	X		X		
Nuclear Propulsion Systems (NPS)	X		X		X	X	X
Secondary Propulsion Systems (SPS)	X			X			
Electrical, Controls & Instrumentation (EC&I)	X	X		X	X	X	X
Primary Components (PCO)	X	X		X	X		X



IBPC - why, what, how and when?



The theory

Kotter's change structure and behavioural science



Kotter's 8-Step Change Process



What is behaviour?

Behaviour is what a person says or does



Pinpointing behaviour



Supporting



Unhelpful



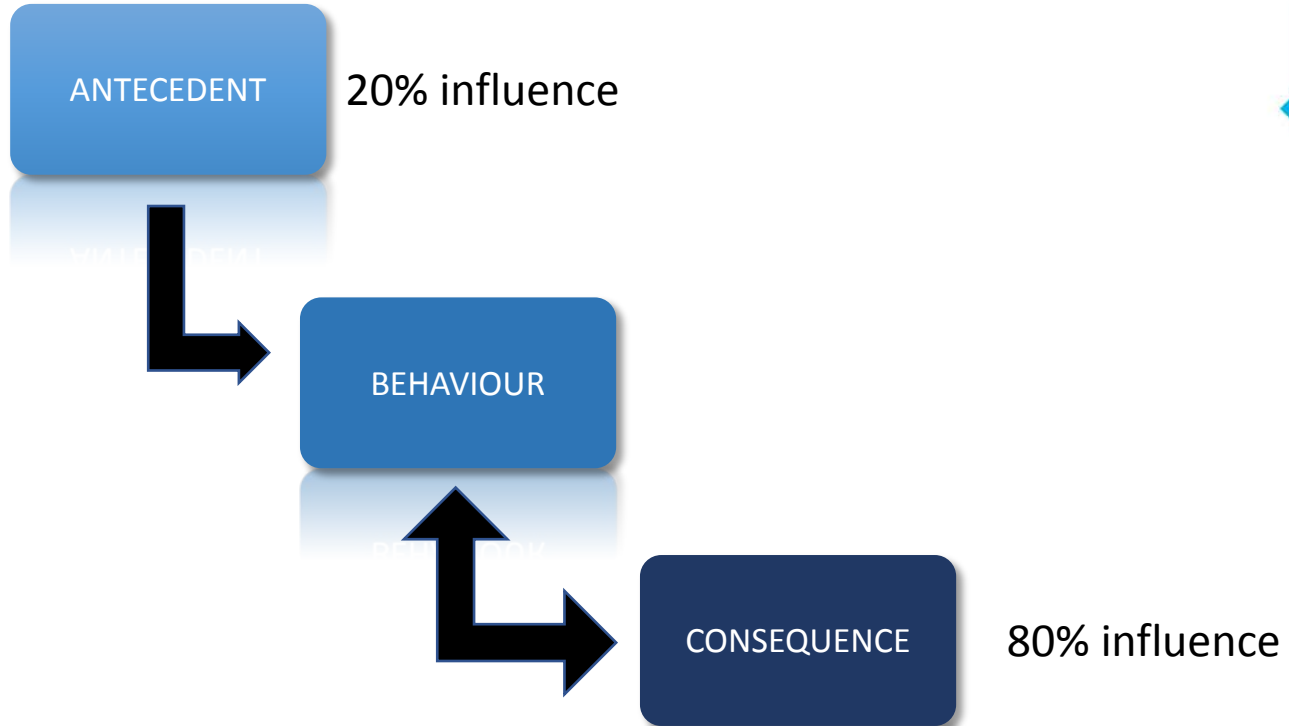
Motivated



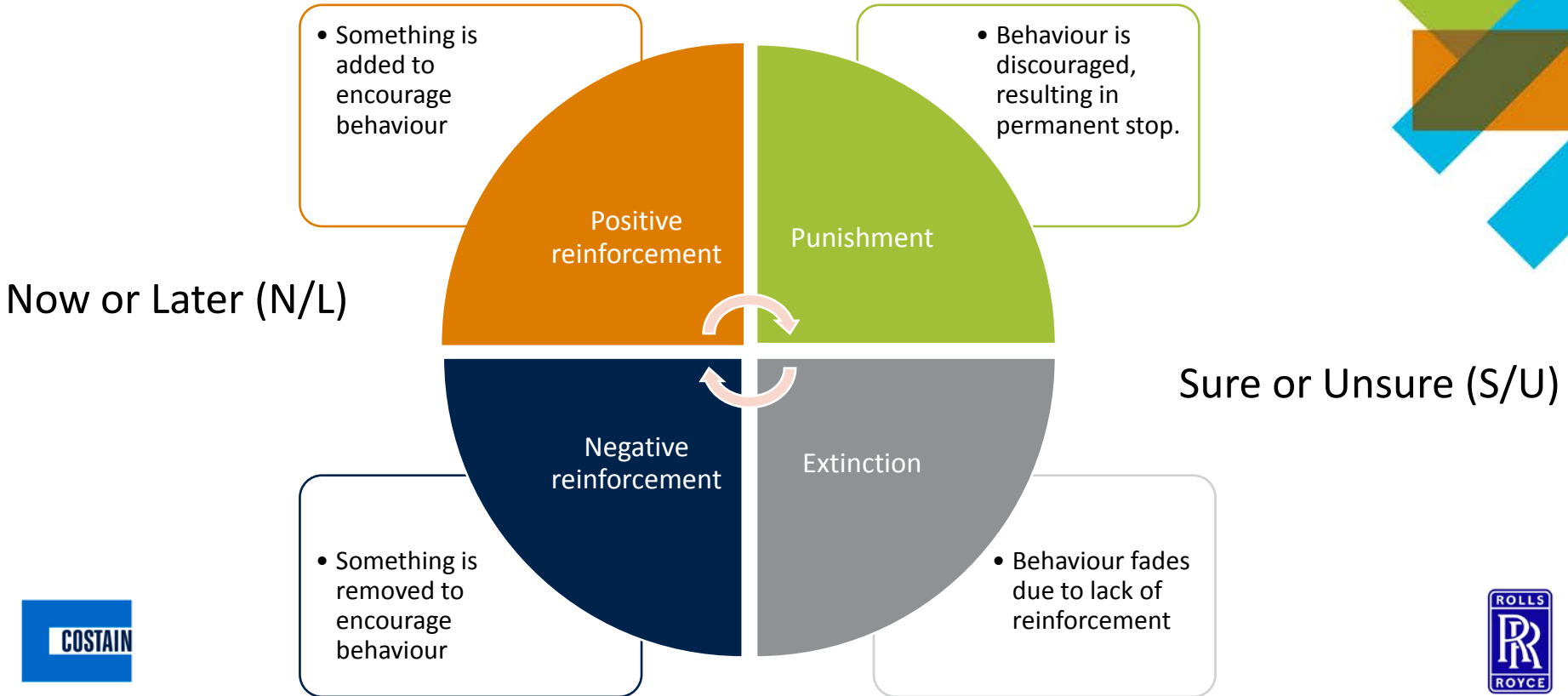
Lazy

- **N**o opinions
- **O**bservable – you can see it or hear it
- **R**eliable – any two people can agree what they saw or heard
- **M**easurable – you can count it
- **A**ctive – what someone is doing, not what they're not doing

It's as simple as ABC....



Consequence analysis model

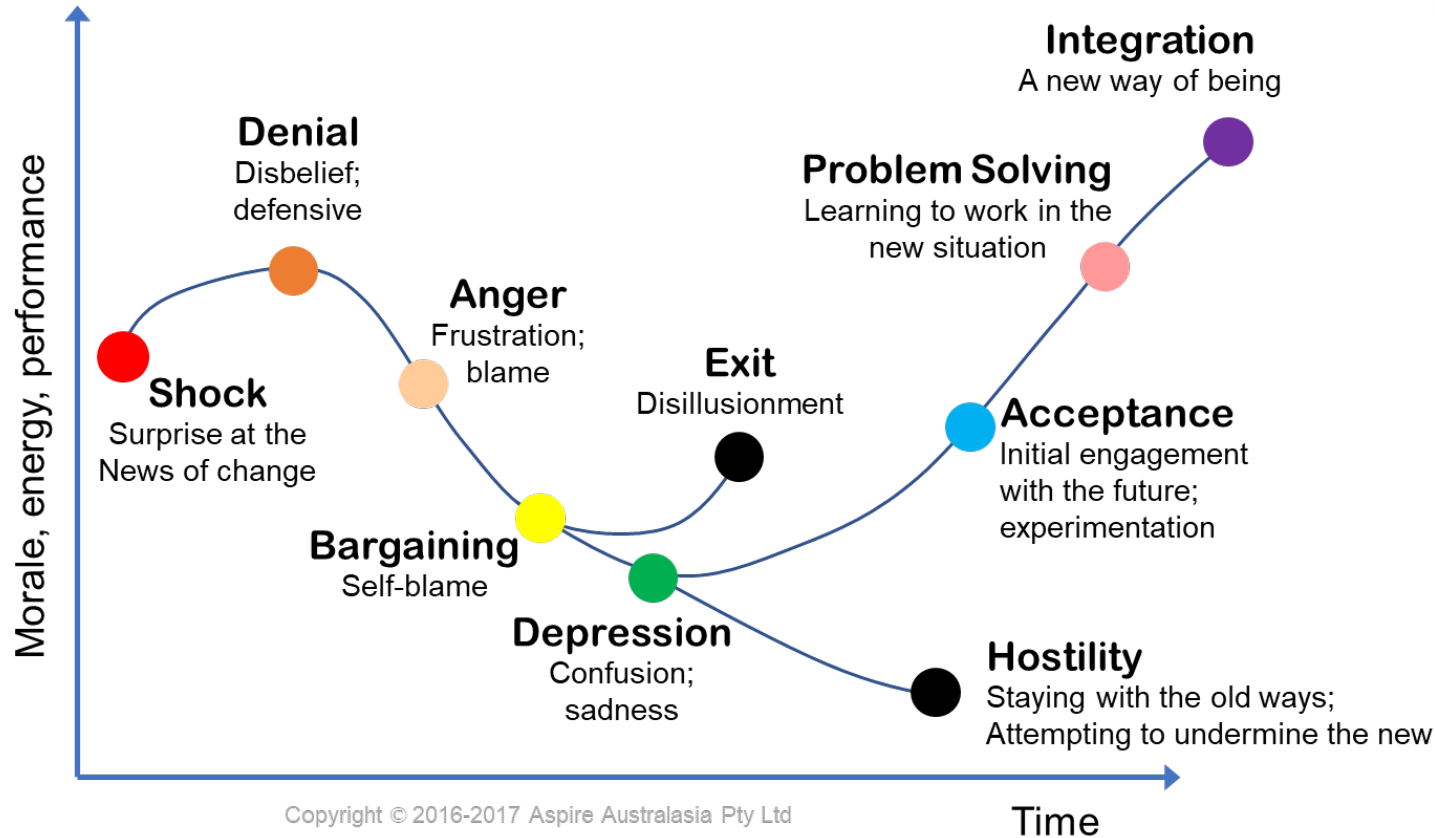


Consequence analysis

The most powerful consequences are those which are **Reinforcing**, happen **Now**, with a high likelihood that they will happen (**Sure**)

Antecedent	Current behaviour	Consequences	R/P	N/L	S/U
<ul style="list-style-type: none">• Speed limit• Speed sign• Speed camera• Car speedometer	Driving while exceeding the current speed limit	<ul style="list-style-type: none">• Speed camera flashes• Police catch you• Fine• Points• Thrill	P	N	U
			P	N	U
			P	L	U
			P	L	U
			R	N	S

Change curve (Kubler-Ross)



Real world application

Application at Rolls-Royce





Form a strategic vision




A transformed and optimised end-to-end planning and control process

- This includes accurate cost and schedule estimating, improving our forecasting capability
- It is driven by high performing teams and improved culture
- It is enabled by systems and tools improving how we report, control and assure performance.

Internal pressures – need for change

Imagine
if...

- Our customer trusts us entirely and lets you get on with delivery, how you best see fit
- There was no duplication of effort and everything you do adds value
- Our processes were simple, were applied consistently across the business and kept up to date
- The operations and customer facing business units are all working to 'one' plan
- You are one of the best trained and qualified programme management professionals in the world
- The structure of our organisation was clear with standard role profiles
- Accountability was crystal clear, so we know who to talk to solve issues or share ideas
- Your career path is well defined, with the ability to progress if you show willing

A photograph of Amelia Earhart wearing a leather flight helmet and goggles, with a puffy quilted jacket. The image is overlaid with a blue tint. The quote is written in white text over the right side of the image.

The most difficult thing is the decision to act, the rest is merely sticking to it.

Amelia Earhart

Organisational change

- A new project management organisation
- c. 400 people directly or indirectly affected
- Defined accountabilities for the planning & control, project mgmt. and business mgmt.
- Defined capability & behavioural requirements
- The introduction of Control Account Managers in the operational businesses
- Strengthening project & programme controls teams
- Strengthening the PMO to support transition to BAU

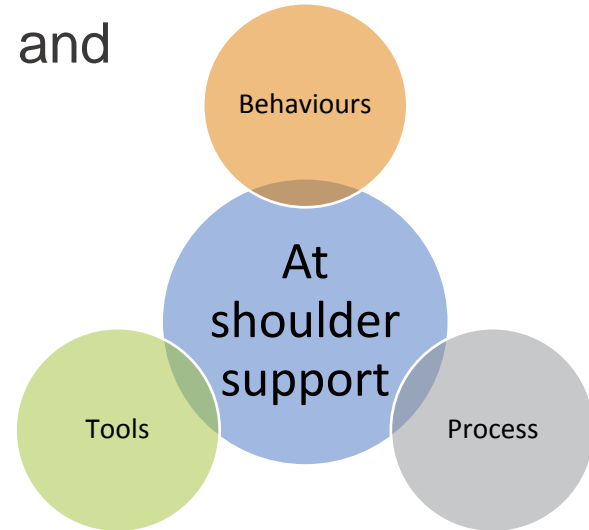
The soft stuff is the hard stuff



Enlist a Volunteer army

Someone ...

- ... with a passion for Project and Programme Management
- ... who is keen to share their knowledge, and
- ... coach and support others.



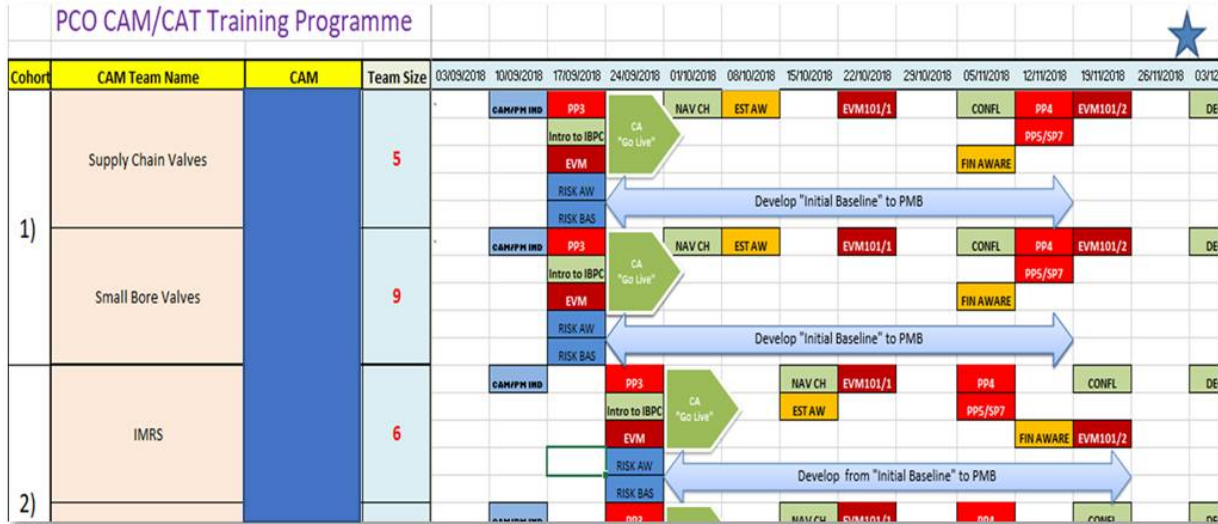
Support framework



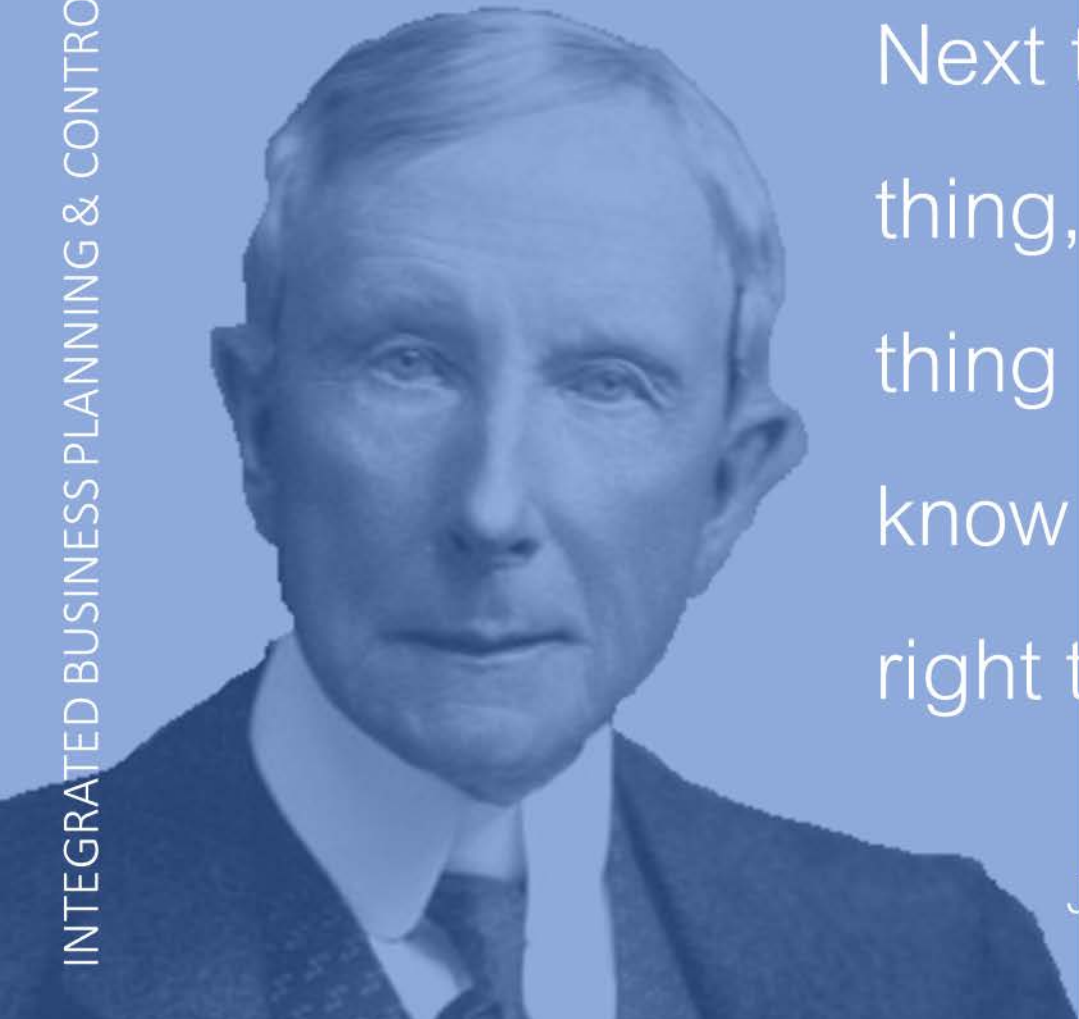
Source: Rolls-Royce



Training and development



- Comprehensive training programme covering behaviours, processes and tools
- Circa 4000 days of training
- Delivered through blend of internal and external trainers



Next to doing the right thing, the most important thing is to let people know you are doing the right thing.

John D Rockefeller



Some of the basics

1. Regular bulletin to line managers
2. Connecting with IBPC listening sessions
3. IBPC Champions
4. CAM and PM induction sessions
5. Online information
6. CoP communication
7. Cascaded information

The screenshot shows the 'INTEGRATED BUSINESS PLANNING & CONTROL (IBPC)' website. The header includes the title and the Rolls-Royce logo. Below the header is a navigation bar with tabs for 'IBPC HOME', 'CONTACT US', 'IBPC HOME PAGE', 'DELEGATION', 'IBPC TRAINING', 'IBPC WORKS', and 'TRAINING'. The main content area is divided into several sections:

- ACCESS THE IBPC HUB**: A large blue banner with a play button icon.
- LATEST FAQ CLICK HERE**: A section with a 'FAQ' icon and a play button.
- AN INTRODUCTION TO IBPC**: A section with a play button icon.
- Integrated Business Planning and Control**: A section with a play button icon and a video player.
- OUR WORKSTREAMS**: A grid of six boxes, each representing a workstream with a leader's name and a brief description of the workstream's focus.

Workstream	Leader	Description
People & Organisation	Kate Robinson	Focusing on people, training and communications, this work stream is responsible for management of the creation of new Control Account Manager teams. We believe that people should be competent and supported therefore their training to ensure they are fully supported throughout their first year is vital to this programme. Enabling people to understand how IBPC supports the business and where opportunities to get involved is also the responsibility of this work stream.
Process Development	Leader James Marshall	Improved processes are a matter of the future portfolio management approach that will give a single view across the whole business. This will save time, improve workflow, reducing and reporting. This approach is designed to put us in the front track by taking a more proactive approach to projects.
Tools/ Systems	Leader Iva Mitchell	Standard and common tools within sub-teams and across the full-organising will enable economies of scale as well as ensuring that training and costs are optimised. By implementing new tools which align to corporate we'll be able to improve data accuracy, control and ensure that support through training and if resources is maximised.
Costs/ Estimating	Leader Angela O'Hara	Managing our costs is important, especially as future contracts will be written under new Single Source Contract Regulations. This work stream is responsible to cost controls, estimating and ultimately enable us to compare the same costs across our programmes.
Management Information System	Leader Craig Thompson	Consistent reporting through a common set of dashboards will enable improved management practice as well as being able to deliver information appropriate to the customer needs. By taking an iterative approach we'll design reporting cycles that are not only fit for purpose we'll also be able to access information more readily than we have been able to before rather than perpetuating the monthly reporting cycle.
Project Management	Leader Ken Cartledge	Ultimately IBPC will and as a project therefore this element of the programme ensures that all changes implemented are best practice and also to smoothly integrate to existing business activities within each project management office. In the long term the team will be responsible for ensuring that standards and process adherence is maintained.

Rolls-Royce

Submarines Planning

Way we work (W³)

Rolls-Royce

Submarines Generating a Cost Estimate

Way we work (W³)

Rolls-Royce

Submarines Commit Accept Process

Way we work (W³)

Rolls-Royce

Submarines Manage Project Change

Way we work (W³)

Rolls-Royce

Submarines Earned Value Management

Way we work (W³)

Rolls-Royce

Submarines Scheduling

Way we work (W³)

Rolls-Royce

Submarines Planning and Scheduling Guidelines

Way we work (W³)

Rolls-Royce

Submarines Planning and Scheduling Guidelines

Way we work (W³)

Rolls-Royce

Submarines Planning and Scheduling Guidelines

Way we work (W³)

Trusted to deliver excellence

A summary of SUB V6 GP PP 3.4 – Submarines Planning and Scheduling Guidelines

Rolls-Royce

Guide to Implementation of IBPC Process

Rolls-Royce

Control Account Management Handbook



Observations around application of behavioural science

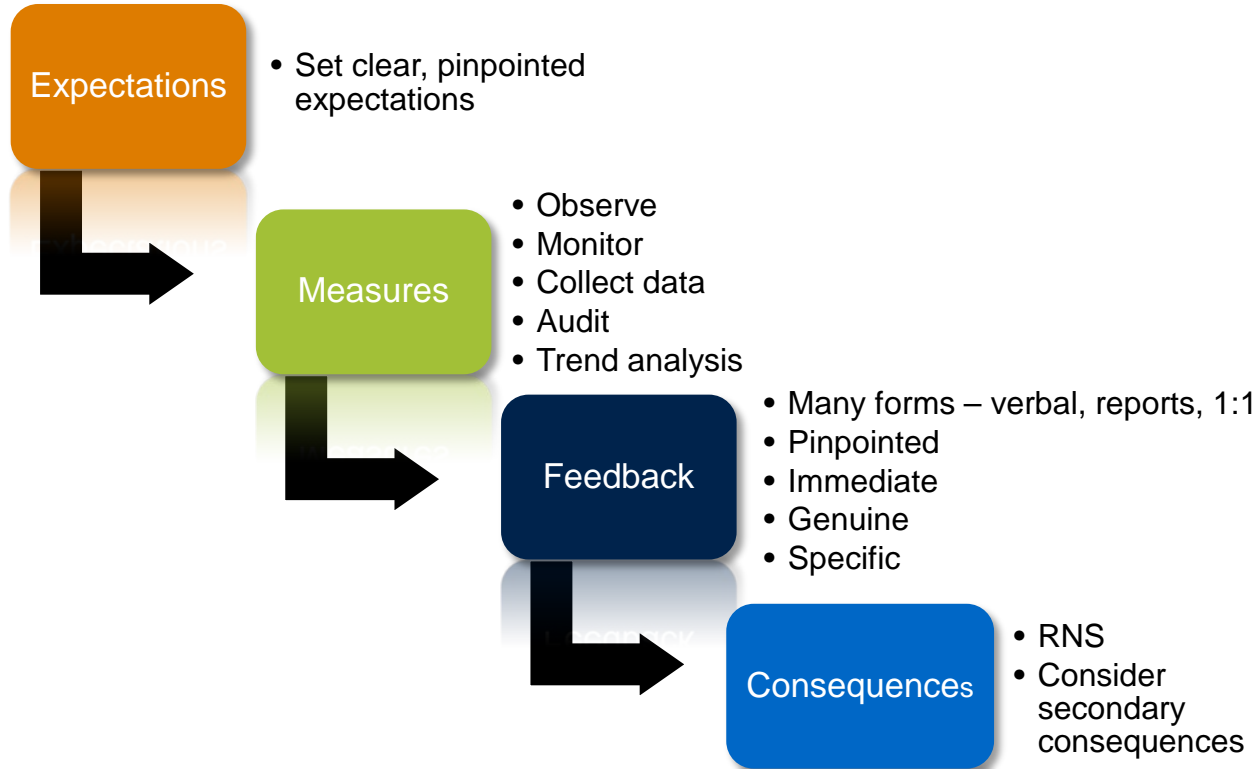
Using appropriate models and techniques



ABC analysis

Antecedent	Current behaviour	Consequences	R/P	N/L	S/U
	Programme teams provide planning handover packs to new CAM teams late and incomplete				
<ul style="list-style-type: none"> Existing processes & toolsets Local management requirements Rolls-Royce processes Governance Regime 	Teams develop cottage industries, and associated non-standard processes	<ul style="list-style-type: none"> Fail audit Inconsistent approaches Local solutions Local heroes Save time & effort 	P P R R R	L L N N N	U U S S S
	Individuals continue with day job rather than attending scheduled training courses				

Changing behaviour



ABC analysis

Antecedent	Current behaviour	Consequences	R/P	N/L	S/U
<ul style="list-style-type: none"> Existing processes & toolsets Local management requirements Rolls-Royce processes Governance Regime 	<p>Teams develop cottage industries and associated non-standard processes</p>	<ul style="list-style-type: none"> Fail audit Inconsistent approaches Local solutions Local heroes Save time & effort 	<p>P L U</p> <p>P L U</p> <p>R N S</p> <p>R N S</p> <p>R N S</p>		
Antecedent	Desired behaviour	Consequences	R/P	N/L	S/U
<ul style="list-style-type: none"> Remove legacy toolsets Withdraw old processes Publish new processes Train and communicate new processes At Elbow Support Leadership expectations and behaviour Measure adoption - audit 	<p>Teams adopt Submarines standard approach, and adhere to common processes</p>	<ul style="list-style-type: none"> Easier to use new than old – save time Non standard formats rejected Pass audit Recognition & reward for adopting IBPC standard All team-mates using – peer pressure 	<p>R N S</p> <p>P N S</p> <p>R L U</p> <p>R N/L U</p> <p>R N S</p>		

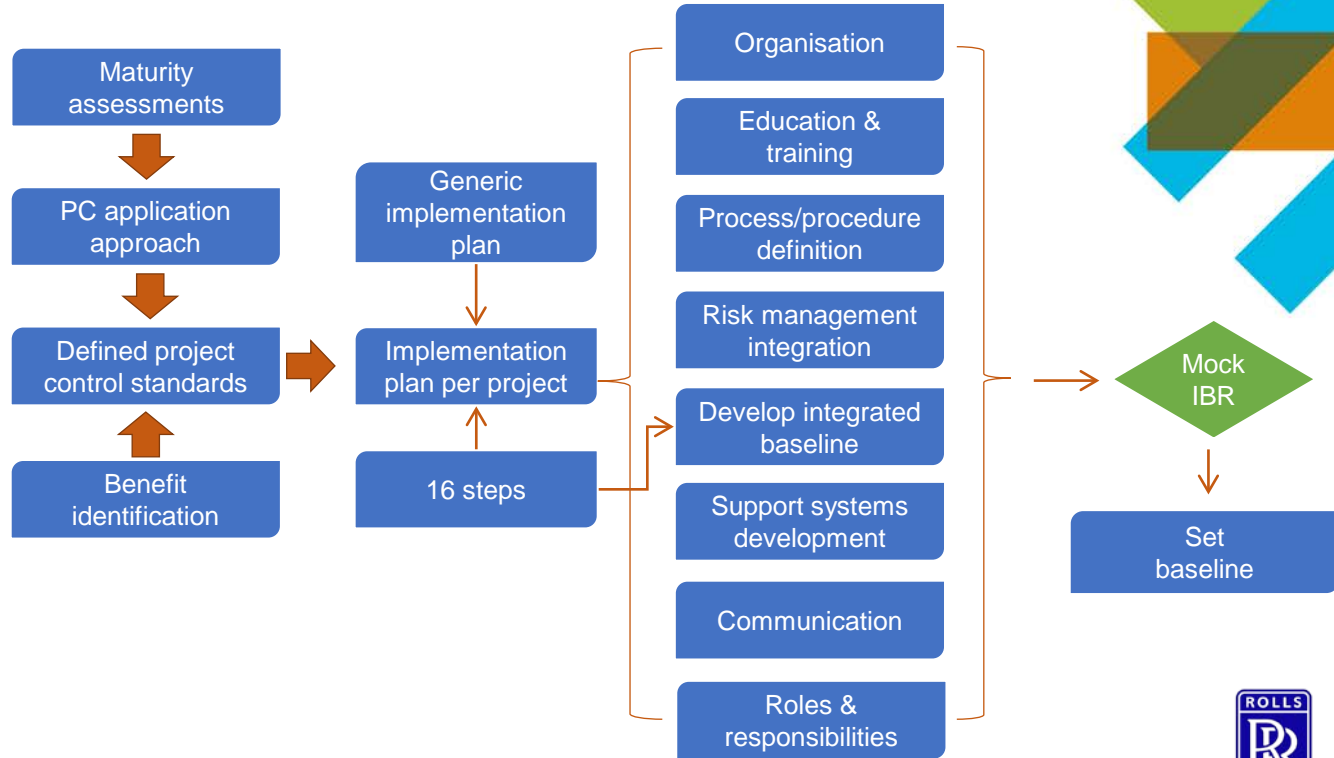
A portrait of Sharon Stone, smiling and wearing a black halter-neck top, set against a dark red background.

People don't
change their
behaviour unless it
makes a difference
for them to do so.

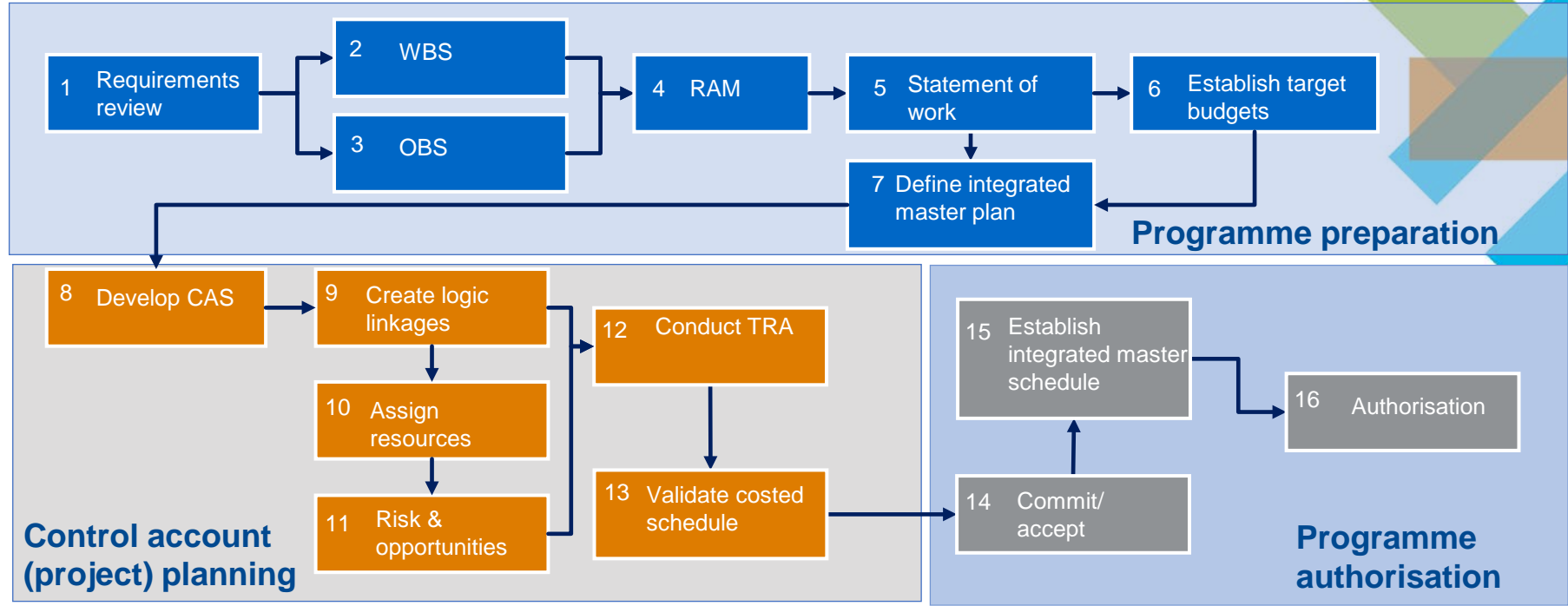
Sharon Stone



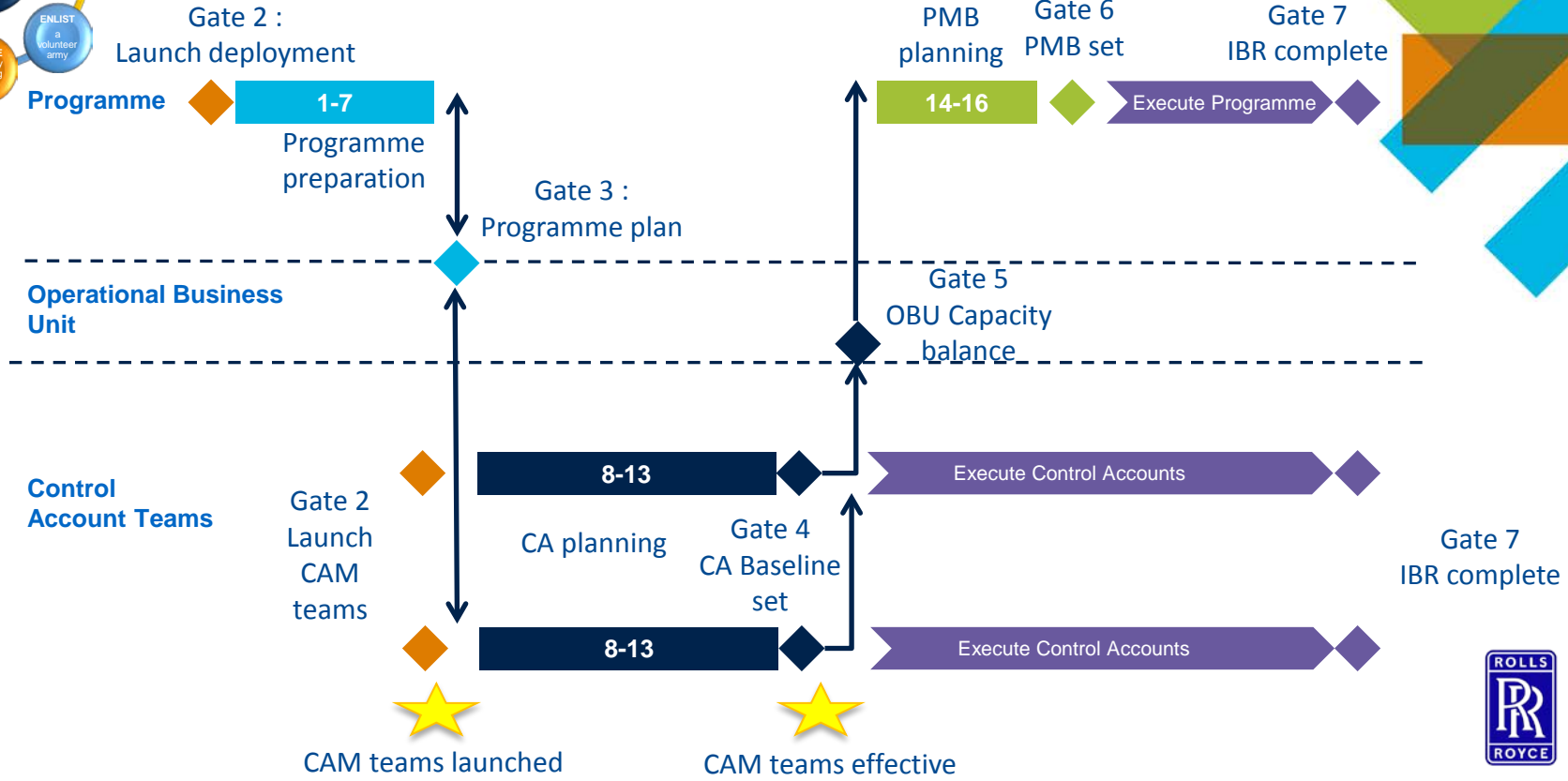
ENABLE action by removing barriers



Route to baseline (16 steps)



GENERATE short-term wins



A black and white photograph of Martin Luther King Jr. speaking, with his right hand raised in a gesture. The image is overlaid with a semi-transparent teal color.

You don't have
to see the whole
staircase, just take
the first step.

Martin Luther King

Where are we now?

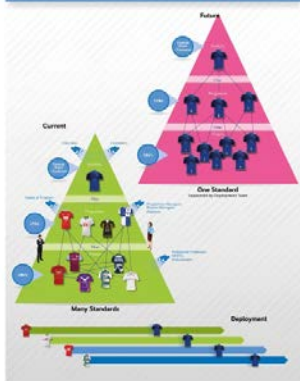
Progress in 2018



SUSTAIN acceleration

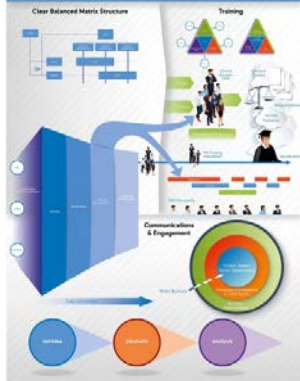


Process deployment (P3M)



Started 11 Sept - x17 Control Account Teams planned this year

People & Organisation



CAMs appointed, Control Account teams mobilising

Management Information System (MIS)



Standard reporting packs:

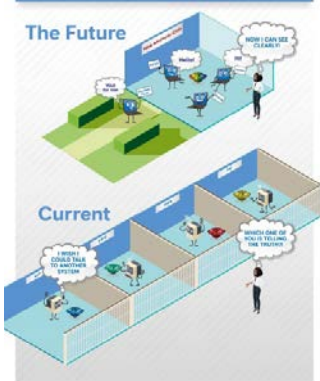
- Programme
- CAM and
- Contracts

Cost Estimating & Cost Management



Requirements identified for Phase 2 IT toolset. SSCR requirements embedded.

Systems & Data



Phased IT delivery plan agreed to uplift IT capability





Long term culture change is the real challenge. It comes through practice; it doesn't come through not trying.

Adrian Ellis

Programme Director, Rolls-Royce Submarines

Conclusions



4 lessons learnt

- **Change programmes are always about people**
 - Pay attention to Kubler-Ross change curve
 - Communicate in imaginative ways
 - Be prepared to communicate more than you could ever expect
- **Form the guiding coalition with care**
 - Consider the split between internal and external
 - Transformation is done with the business, not to it or for it
- **Find the burning platforms**
 - Increase the urgency
 - Don't underestimate potential for organisational inertia
 - Keep the pressure on
 - All in-flight projects adapt to the common way of working
- **Behavioural science works**
 - Pinpoint the behaviours (NORMA)
 - Consider the consequences
 - Plan for the changes you need

Thankyou

Please visit us at Stand 42

peter.mill@costain.com

07723 999 984

ken.cartledge99@rolls-royce.com

01332 797 332

