



# Maturity assessments at the London Underground



Case Study  
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# Contents

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<b>Introduction</b>	<b>3</b>
<b>The first step: understanding what we didn't know</b>	<b>3</b>
<b>The major steps to improvement</b>	<b>3</b>
<b>Engagement: the key to success</b>	<b>3</b>
<b>The assessment process</b>	<b>4</b>
<b>Persuading senior management and getting buy-in</b>	<b>4</b>
<b>Impact and benefits</b>	<b>4</b>
<b>Lessons learned</b>	<b>4</b>
<b>The future</b>	<b>5</b>
<b>About the P3M3<sup>®</sup> assessment</b>	<b>5</b>
<b>Acknowledgements</b>	<b>5</b>
<b>Trademarks and statements</b>	<b>5</b>

## Introduction

This case study describes how Best Management Practice's maturity model is helping London Underground to save money, provide a better service and empower its staff.

London Underground (LU) was named the best metro in the world in March 2011 by The Metros Awards. London's Tube beat Copenhagen, Seoul, Sao Paulo, Madrid and Singapore to win the trophy. This was despite carrying out a huge investment programme while continuing to operate the railway.

The Tube is at the very heart of London. It carries over one billion customers a year, and up to four million a day. With this being the world's oldest network, the only way to maintain service to meet present and increasing demand is to renew the infrastructure. At any one time, the Capital Programmes Directorate (CPD) of LU runs more than 300 projects on the network encompassing new trains, new or refurbished stations, new track, new signalling and associated assets. Annual spend is more than £1.4 billion a year. At the core of this renewal lies effective project management.

## The first step: understanding what we didn't know

Following the incorporation of Metronet (the public-private partnership supplier) into LU, the combined organization faced a myriad of project processes with significant amounts of local practice and, consequently, unsatisfactory project delivery performance.

Under the leadership of Doug Norman, Head of the Centre of Excellence, the CPD made a commitment to take a long, hard look at what was going wrong and to improve the business systematically. To help, Doug chose the Cabinet Office P3M3® Maturity Model because of its multi-dimensional view of a business and its ability to develop action plans for improvement. The fact that P3M3 was developed and used by the UK government was another reason it was chosen. The maturity assessments were carried out by Outperform, an APMG-accredited consulting organization. This case study describes the journey from the initial assessment to achieving, in March 2011, Level 3 certification for project management.

'Our first maturity assessment in 2007 showed we were below Level 1,' Doug says. 'This demonstrated we didn't understand our organization well enough and that there were systemic deficiencies which needed to be corrected. The assessment gave us the business case for driving change. We used it to put together an initial two-year development plan and have used it ever since to help with our planning cycles.'

## The major steps to improvement

To move from P3M3 Level 1 ('Awareness') to Level 2 ('Repeatable'), the requirement was to develop a common project management system for the organization. This was achieved through the creation of the Project Management Framework (PMF), moving from a 'process-based' view of the world to 'product-based.' Development started in May 2008 and there was an initial release in July 2009. A further version was later released in May 2010. Building a common vocabulary required the Centre of Excellence change team to trawl through the many existing processes and required input from hundreds of subject matter experts and users in the business.

Moving from Level 2 to Level 3 ('Defined') required a significant number of other developments aligned with improving capability. To date, the change programme has delivered the following: a single new project management methodology (PMF), fully embedded into the business; resolution of the key broken processes (including the role of sponsor, the relationship with operations and handover to maintenance, as well as the assurance process); a staff development programme including the design of a competency framework, training courses and induction; an estimating process and system to give insight into LU unit costs; analysis of unit cost data for key work items leading to direct efficiency savings; improvements to governance and project control; as well as a number of other improvements.

According to Doug, 'This has been and continues to be a coordinated change programme to improve capability. It is easy to make ad-hoc changes and improvements. It is to LU's credit that we have been able to maintain the necessary investment to drive through the full cycle of change from initial diagnosis to radical development and now continuous improvement.'

## Engagement: the key to success

Arnab Banerjee, who is responsible for leading the change and embedment work-streams, remembers an initial meeting with a business users' group which he set up at the very start of the process. A senior project manager asked him, 'We have been in meetings like this before with people like you telling us to change. So why is this different?'

Arnab's view is that any major change of this nature, which affects the working lives of thousands of people, needs three elements: (i) a clear rationale, (ii) a good product, and (iii) sufficient management support to see through the embedment phase which involves lots and lots of training, communication and support to users.

'We had all three elements,' Doug adds, 'All through the process we focused on getting engagement; we didn't want this to be an initiative which would be released and then not supported.'

At the development phase, the work involved very wide-ranging consultation within the LU business with well over 500 users/subject matter experts. Within four weeks of release there had been 90 unique briefing events ranging from small teams to groups of more than 100. Then, over many months, came the hundreds of one-to-one interactions between members of the embedment team and individuals in the business – mostly sitting with people at their desks. In recognition of the cross-business nature of the work, LU presented its highest award, The Platinum Award, to this project in the category of cross-functional working.

The engagement continues today with improvements being driven by users.

## The assessment process

Outperform, the organization that independently assessed CPD, was delighted with the progress LU has made since its original assessment in 2007 and a later one in 2009.

Mike Ward, Director of Outperform, comments: 'Few companies maintain the momentum of change that LU has achieved. Moving up one level in maturity is not uncommon, but moving up almost three levels is very rare. The improvements in the way things are done are huge. LU really has the opportunity to be a world leader, not just in its own field but across other sectors.'

The P3M3 Certification Assessment was carried out by the APM Group on behalf of the Cabinet Office. In addition, LU carried out a separate diagnostic assessment. The certification consisted of 13 interviewees chosen randomly and covering different grades and disciplines. The diagnostic required 24 interviewees and 248 questionnaire returns (from a circulation of 660). Both assessments backed each other up in terms of attainment and there was consistency seen across the different programmes of London Underground.

## Persuading senior management and getting buy-in

'Every change management textbook will tell you that high-level sponsorship is vital,' Doug says. 'And it was no different here. I persuaded senior management that we needed to do the maturity assessments. To begin with, it was a challenge to get support. But the maturity assessment asks real questions of real people and the messages were very clear.'

The team has been through several changes at senior management level, but each time Doug has managed to persuade senior stakeholders and sponsors that assessments are a key part of the organization's continuing success.

## Impact and benefits

The work has directly affected all project delivery teams in LU – more than 2000 people – and many more indirectly. As Arnab says:

*P3M3 has emphasized the fact that project delivery is not just about 'project management'. By not recognizing organizational boundaries, it has driven improvement across the business: bringing sponsors closer to delivery, making more visible the requirements of critical stakeholders such as health and safety, involving the final users early in the lifecycle and creating the mechanisms for more effective handover into use.*

Ultimately, however, the aim of undergoing the assessments and committing to their findings and recommendations is improved performance. Regarding the improved efficiency of the organization, Doug is able to point to Capability Maturity Model Integration data, which suggests that organizations achieve an efficiency saving of between 10% and 20% for each level of maturity they have improved. Taking a conservative figure of 7.5% in improvements, he estimates that maturing by two levels in three and a half years has resulted in a saving to the taxpayer of £422 million.

'As we move to Level 4 over the next 18 months, we will expect to bring the total savings to £866 million over five years. I think that's worth doing!' Doug says.

## Lessons learned

The key to achieving the savings and improvements, as well as a great increase in staff engagement, would seem to be stamina. Throughout various incarnations and changes, the Centre of Excellence team has remained constant. As Doug says, 'Commitment to the process of undergoing maturity assessments and using the findings to create plans for improvement has undoubtedly been successful; organizational growth was viewed as a long-term undertaking and not about quick wins.'

Arnab says, 'The work has to make a positive difference to individuals. A salient piece of testimony to the success of this process came from a project manager who, while waiting to be interviewed for certification, said, "We must have improved, surely. It just feels a different place from even a year ago."'

Finally, there is accountability. Although Outperform undertook the independent assessments and advised on future direction and the Nichols Group was critical to the improvements, neither took ownership of the initiatives themselves. Doug is adamant that change initiatives must be owned and driven by the business itself.

## The future

The CPD aims to focus on its programme and project management capability in the next 18 months and aspires to reach Level 4 in the assessment process by November 2012. This will be done through significant investment in its project management systems, focusing on people development, further involving users in improvement through special interest groups and communities, and generating efficiencies through measurement of processes. The journey continues.

## About the P3M3 assessment

The Portfolio, Programme and Project Management Maturity Model (P3M3) contains three models that enable independent assessment. There are no interdependencies between the models, so an organization may be better at programme management than it is at project management, for example. The models are:

- Portfolio Management (PfM3)
- Programme Management (PgM3)
- Project Management (PjM3).

London Underground undertook an assessment of its project management capability. The assessment determines how well an organization manages its projects on a scale of 1 to 5, with 1 being the most basic level and 5 being the most advanced level. A Level 3 achievement denotes that the organization concerned has well-defined processes and has evidenced good compliance to these.

Further information: [www.p3m3-officialsite.com](http://www.p3m3-officialsite.com)

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