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STUDY

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How OGC's maturity model is helping London Underground save money, provide better service and empower its staff.

It hasn't always been this good. "Our first maturity assessment in 2007 showed we were below Level 1," Doug says. "This demonstrated that we didn't understand our organisation 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 we have used it ever since to help with our planning cycles."



Doug Norman, Head of Centre of Excellence, London Underground

"Few companies maintain the momentum of change that London Underground (LU) has achieved. Moving up one level in maturity is not uncommon, but moving up almost 3 levels in 3 years 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."

Mike Ward, Director, Outperform

Why London Underground chose P3M3®

Following the incorporation of Metronet into London Underground in 2007, the combined organization faced a myriad of project processes with significant amounts of local practice and, consequently, unsatisfactory project delivery performance. The Capital Programmes Directorate (CPD) conducted an external assessment which found that there was inconsistency in the application of methodologies and conflicting information.

Under the leadership of Doug Norman, the CPD made a commitment to take a long, hard look at what was going wrong and to improve the business systematically. To help with this, Doug chose OGC's P3M3 Maturity Model because of its multi-dimensional view of a business and its inherent ability to develop action plans for improvement.

In 2007 and 2009, Outperform conducted diagnostic P3M3 assessments to help formulate the improvement plans and measure progress.

Results

2007: 0.8

2009: 2.1

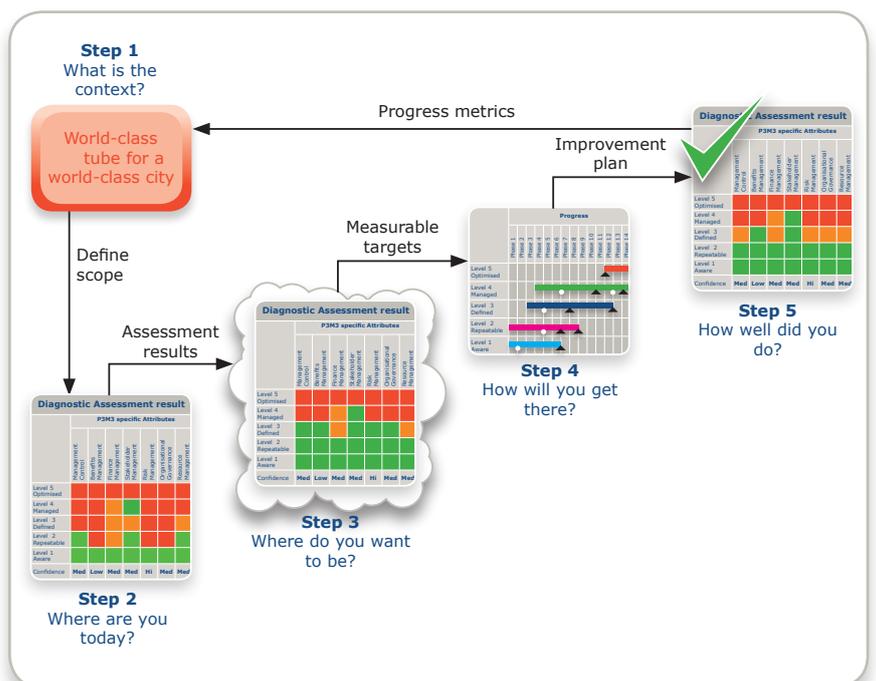
2010: 3.1

Target

2011: 4.0

Steps to improvement

In order to move from P3M3 Level 1 ('Awareness') to Level 2 ('Repeatable'), the first step was to develop a common project management system – this led to the creation of the Project Management Framework (PMF). Moving from Level 2 to Level 3 ('Defined') required strong and resolute embedment of the process across the business. In March 2011, the Capital Programmes Directorate achieved Level 3. The development was delivered through a co-ordinated and disciplined strategic change programme (rather than ad-hoc improvement initiatives) affecting more than 2,000 people.



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**Engagement – the key to success**

Arnab Banerjee, leading the change and embedment work-streams remembers a Senior Project Manager asking him, 'We have been in rooms like this before with people like you telling us to change. So why is this different?'

"We identified three elements in particular: a clear rationale, a good product and sufficient management support to see through the embedment phase which involves lots and lots of training, communication and support to users." Arnab continues, "Throughout the process we focused on getting engagement; we didn't want this to be an initiative which would be released and then not supported."

Perspective	Maturity Level
Management Control	4
Benefits Management	3
Financial Management	3
Stakeholder Management	4
Risk Management	3
Organizational Governance	3
Resource Management	3
Generic Attributes	4

**P3M3 Certification Assessment**

The P3M3 Certification Assessment was carried out by the Outperform in 2011. London Underground are one of only a handful of organisations that has their corporate competence in project management independently certified to an internationally recognised standard.

**Benefits of Assessment**

Ultimately, the aim of undergoing the assessments and committing to their findings and recommendations is improved performance. Regarding just how much more efficient the organization can be, CMMI data suggests that organizations can 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, Doug estimates that maturing by 2 levels in 3½ years has resulted in a saving to the tax payer 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 5 years. I think that's worth doing!"

**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."

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 they did not take ownership of the initiatives themselves. Doug is adamant that change initiatives must be owned and driven by the business itself.

Level 4 will be achieved by significant investment in 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 Outperform ([www.outperform.co.uk](http://www.outperform.co.uk))**

Outperform is an Accredited Consulting Organisation assessed in accordance with BS EN 45011 and licensed to consult in the use of OGC best practice products: PRINCE2® (projects), MSP® (programmes), MOP™ (Portfolios), M\_o\_R® (risk), P3O® (project, programme and portfolio offices), P2MM/P3M3® (maturity models). Outperform is a corporate member of the Association for Project Management and is ISO 9001 certified.

**About CPD at London Underground**

At any one time, the CPD 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 £1B a year. At the core of this renewal lies effective project management.

**About the P3M3 Assessment**

The Portfolio, Programme and Project Management Maturity Model (P3M3) contains three models that enable independent assessment.