

UK Project Management Round Up¹



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INTRODUCTION

I had hoped to be writing about new projects, successful projects and lessons learned from both project success and failure. However, as those of you who follow the news from UK will already know, we are in a state of crisis as politicians fail to come to grips with reality. Much as I dislike the situation, it does require comment, particularly as there are lessons to be learned for project professionals. That said, there is still proper news of projects.

GOOD NEWS

That symbol of Britain, **Big Ben**, has partly emerged from it's wrapping after a year long restoration project. The North Face is resplendent in gold but the hands and numerals are now in their original shade of blue, after many years in black. Further goods news comes as the St George's Shields at the top of the clock are reputed to be returning to their original white and red. The £61 million project is scheduled for completion in 2021.



Big Ben repainted – Splash News

The **Department of Transport** has unveiled plans to deal with the plague of potholes on British roads – hoorah! Some £23 million is being set aside for research that will 'future-proof' our roads. According to press reports, about £1.6 million will go to extend a trial that uses recycled plastic to form a robust surface that is resistant to break up. Other bright ideas are to use kinetic energy generated by cars driving over plates that drive flywheels to generate power and using thermal energy to prevent roads freezing.

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Drone technology is being applied to shipping. Plans have been released following legislation for ‘enhanced testing’. Autonomous vessels have been launched previously but the Ministry is trying to increase the take up of this technology as part of the strategic intent of running significantly more freight using autonomous freight technology by 2030.

The UK space race is hotting up. This might surprise some readers but we have a National Space Agency which has just released its report on the wider benefits of space investments for the UK economy (see <https://www.gov.uk/government/news/the-wider-benefits-of-space-investments-for-the-uk-economy> for details). However, as previously reported, we also have plans for a space port. Provisionally based at A’Moine in the extreme north west of Scotland, the Government awarded £30 million in 2018 to develop **Space Hub Sunderland**. However, a rival has entered the race as **Shetland Space Centre (SSC)** emerged as a contender as it announced a joint deal with ArianeGroup, the French aerospace group. Based at Unst, at former RAF Saxa Vord on Unst, UK’s most northerly island

A high-powered board of directors was appointed in 2018 by the company behind plans to bring the space industry to Shetland. SSC Chairman will be **Chris Phillips**, who is non-executive chairman of Hadleigh Waymoth, an independent advisory and fund management business, while the former government minister **Brian Wilson** will be vice-chair. The original team behind SSC, Frank Strang, Debbie Strang, Scott Hammond and Bill Gibb, remain on the board. They are joined by non-executive directors **Todd Ruppert**, founder and CEO of Ruppert International, who has 40 years’ experience in financial services, and **Tavish Scott**, MSP for Shetland.



North Scotland is considered to be the best area in northern Europe to launch small satellites given the lack of competing infrastructure which means that there are no oil rigs, few transatlantic flights and little military activity. According to the *Times*, site owners claim the site was unfairly overlooked by the Highlands and Islands Enterprise Agency which is promoting the rival A’Moine site. Local opinion seems split with the mainland site opposed by local residents while the population of Unst is said to be strong supporters of SCS.

There have been some interesting developments in the City as GlaxoSmithKline (GSK) launched a series of acquisition projects in the wake of their £3.2 billion deal with Merck for access to a new cancer drug and the £4 billion acquisition of Tesaro,

an American cancer specialist company. GSK have also entered a joint venture with Pfizer, up to now considered a rival, to combine their healthcare divisions. Some reports claim this paves the way for GSK to break up.

There is a ray of sunshine in the North East as Hitachi has won an order to build £100 million worth of rolling stock for a new service between Edinburgh and London. The trains, ordered by First Group, will be similar to those Great Western Railway's new inter-city trains recently. Although good news, it is only a drop in the bucket compared to the 1000 carriage orders recently completed and the order book looks pretty weak. Much depends on whether Hitachi win a £500 million order for a new fleet of trains for the Tyne and Wear Metro. It is up against Bombardier, CAF of Spain and a Chinese-Australian consortium.

Hitachi had been favourite to win a £2.5 billion order for 54 new Tube trains for Transport for London but lost the order to Siemens after they transferred construction to a new factory at Goole on Humberside.

LESSONS LEARNED

While digesting my morning cup of tea the other day, I noted that the Education Correspondent of the august broadsheet that I read daily, was holding forth on Whitehall's latest appointment – an historical adviser who “will help us learn from our mistakes”. This might be the start of something big – lessons learned by Government! According to the report, Ministers already use the British Academy when they want advice. According to Alun Evans, head of the Academy, government lacks long established civil servants who could bring their experience to bear. It is not clear on what these civil servants need to bring experience to bear upon and my own experience is that the civil service was awash with long-established members. Perhaps they did not have the right kind of experience!

One lesson apparently identified is the cause of the TSB computer meltdown last year which lies at the feet of Sabis, a subsidiary of the Spanish Bank Sabadell which bought TSB in 2015. Apparently, Sabis “had some issues” and failed to deliver on time and missed some features from the spec. The exact causes of the catastrophic failure is not stated but the report came from a firm of solicitors which suggests the technical aspects are considered less significant than the financial implications. The small print in the Bank's Annual Report states the contract terms “provide TSB with the right to seek recovery of eligible losses for breach of contract”. The report also says that provisional agreement had been reached and Sabis is to pay £153 million. TSB claims it has resolved about 90% of the 200,000 customer complaints as a result of the failure. So, the bank goes from a profit of £162.7 in 2017 to a loss of £105.4 million last year.

BREXIT

I have given up saving cuttings on this topic. It is all so depressing and avoidable if a more project-based approach had been taken. If you want a blow by blow account to the debacle, you can tune into any news channel. All I can do here is make a few pretty obvious comments that will be familiar to all project managers.

As I reported in my last note, the fundamental problem is that Government Ministers, and politicians of all hues, have no idea about negotiation. Just because you don't

like the outcome of the negotiations, there is no possibility of change unless one of both parties bring something new to the table. The EU has been consistent, if unhelpful, in their stance but in UK, there are too many factions who cannot agree on what the country needs. To some extent, this is due to the narrowness of the referendum result and evidence that both sides in the campaign offered what might euphemistically be called poor evidence for their stance which allows the Great British Public to say “nobody told me it would be like this...”.

Anyway, I have no idea what will happen now. Just think, we have been peddling the line about Stakeholder engagement in the project world. Do you think we might extend this to economics and politics? One of the real issues is the lack of work experience in our politicians, who mostly have never held down a real job. Some have been employed by charities or law firms but the notion of work is far from their experience.

Little has been said about what UK might get from leaving apart from the trade-off between what we pay into the EC and what we get back. While there is some advantage to leaving in this deal, we would also be able to reclaim €3.5 billion immediately from paid up capital and a further €7.6 billion from EIB reserves – the Government has not offered this as part of its negotiations. Compare this with the €53 billion the European Investment Bank (EIB) has lent UK to finance Crossrail.

CLOSING REMARKS

So, we have had a pretty rough month but all is not lost and some traditional values remain intact: the Stiff Upper Lip is still part of the national character and I can report that we in UK still find reasons to be cheerful. We have moved up 4 places in the World League of Happy Countries. This is the biggest uplift since records began (Source – Times 21 March) according to a report by Oxford University’s Saïd Business School and UK contrasts with Belgium, Germany and Canada who all drop 2 places.

And finally two items from USA: the first is more of an “I told you so” item concerning Donald Rumsfeld and the categorisation of knowns. The concept of known knowns, known unknowns, and unknown unknowns is well known to project managers but was widely ridiculed at the time Mr Rumsfeld made his views known. What was not known at the time is that the fossils in the quaternary period and bat navigation join project management as having the known taxonomy – if you follow?

The other item has nothing to do with project management but I was “tickled pink” as my late Father would have said, to learn that there is a cricket complex in Texas! Better known for attractions such as the Alamo, the Prairie View Cricket Complex north west of Houston is an 86-acre site transformed by **Tanweer Ahmed** who is aiming at hosting an international tournament if he can find another \$30 million to turn his best pitch into a 15,000-seater stadium. In the country where Benjamin Franklin brought a rule book back from his time in London and **George Washington** is thought to have played, it will come as no surprise that **Abraham Lincoln** watched a game in Chicago with Milwaukee in 1849. Apparently, a Philadelphia cricket team beat Australia in 1893! This resurgence of cricket in USA is one of the reasons we in UK are still happy despite all that is crumbling around us.

About the Author



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Miles Shepherd is an executive editorial advisor and international correspondent for PM World Journal in the United Kingdom. He is also managing director for MS Projects Ltd, a consulting company supporting various UK and overseas Government agencies, nuclear industry organisations and other businesses. Miles has over 30 years' experience on a variety of projects in UK, Eastern Europe and Russia. His PM experience includes defence, major IT projects, decommissioning of nuclear reactors, nuclear security, rail and business projects for the UK Government and EU. Past Chair and Fellow of the Association for Project Management (APM), Miles is also past president and chair and a Fellow of the International Project Management Association (IPMA). He is currently a Director for PMI's Global Accreditation Centre and is immediate past Chair of the ISO committee developing new international standards for Project Management and for Program/Portfolio Management. He was involved in setting up APM's team developing guidelines for project management oversight and governance. Miles is based in Salisbury, England and can be contacted at miles.shepherd@m-sp-ltd.co.uk.