



People-Based Change

Delivering Effective and Lasting Change in the Real World
of People-Based Organisations

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People-Based Change: Delivering Effective and Lasting Change in the Real World of People-Based Organisations

“Strategy is a commodity, execution is an art” – Peter Drucker

Introduction

As strategy consultants in the early 2000s, we were fortunate to learn about ‘business strategy’ and ‘competitive advantage’ directly from the pioneers of the field. These concepts, that underpinned the first wave of strategy consulting, had been developed for clients with relatively simple business models in discrete areas such as manufacturing, distribution or retail.

During our early careers, the nature of the work started to shift. Businesses were becoming increasingly complex – rarely running a single business unit or business model – and so were their organisations and technology. At our typical clients – banks, retailers, industrials, quasi-public sector organisations – the challenge was not so much in crafting the perfect strategy, but in making it come to life: In execution.

Many of our predecessors and the business leaders we worked with, revelled in the ‘big picture’ and were less inclined towards the nitty-gritty of execution. The unglamorous, but essential, work of delivery was often relegated to an appendix, an “implementation plan” that hardly did justice to its importance. This implementation plan was then passed on to a small internal delivery team, often overwhelmed by a sea of consultants, struggling to bridge the gap between idea and reality.

Today change is ever-present, and “delivery” has finally become a buzzword. Even Presidents and Prime Ministers feel the need to boast of their delivery credentials as they realise that impact counts more than ideas. The problem is that leaders are still playing catch-up. Despite creating many great ideas, most organisations still struggle with delivery. McKinsey reports that only 31% of firms successfully complete transformations, with those that do only achieving 67% of expected benefits. If a major sports team lost 70% of its matches its manager would be fired yet in business we have been willing to continue with the same change approaches, even though they don’t work effectively.

The problem: Organisations = people

In our experience as both consultants and as business leaders, the key to success in complex change programmes isn't new technology, or a brilliant strategy (albeit both are important). It's people. The people in an organisation need to engage with and support change: Leaders who are not onside will send negative messages, passively or actively resist, not dedicate the right resources, or go off-piste with their own interpretations of change. Employees and middle managers who are not supportive may feel that change is not relevant to them, does not benefit them, or will simply not happen, and will not participate or resist the implications of change. People need to be at the heart of change for it to succeed.

Yet when we look at how most change programmes are managed, people are at best 'stakeholders', to be controlled, managed and communicated to. Organisations tend to adopt one of two change approaches: traditional "programme management" or "product management" as pioneered by technology firms. Unfortunately, both are primarily focused on changing 'things' – infrastructure, processes, features, solutions – and as a result, neither works particularly well in the real world of complex people-based change.

Traditional "programme management" – agree requirements, make a plan, measure progress – comes from the world of the "implementation plan". It builds on the idea that change is a linear process. Leaders decide what to do and implementation teams deliver. Those who must live with the change are passive participants. At best, this approach works for highly disciplined process-driven organisations. But change teams are often poorly equipped to understand how to deliver the outcomes they are set, and those who have to live with the change often feel unable to affect outcomes. The resulting friction creates change resistance.

"Product management", originating from the world of technology, does a better job of engaging people, but works best when it is focused on change to an underlying technology or a clearly defined, limited function. When processes are more dependent on people than technology and organisations become complex, 'product management' is not fit for purpose, even when recast as "agile at scale". Moreover, many organisations find it at odds to their existing cultural norms.

The solution: People-based change

We believe that people-based organisations need to follow a third way – a structured change process which puts people at the centre, that can be used in conjunction with the most useful elements of the programme and product approaches. Our method is based on a few simple beliefs that define what we call "people-based change", an approach developed through seeing what works and what doesn't work in the real world:

- **Change should be focused primarily on people.** *Traditional change approaches focus on changing ‘things’ – processes, platforms or technology – but in most organisations, change only succeeds if it is primarily focused on people, and is aligned with their goals, objectives and capabilities*
- **A delivery mindset needs to be integrated from the start.** *Implementation can’t be an afterthought. Organisations that make ‘delivery’ an integral part of their strategies dramatically increase their probability of success. Strategic change is about ‘how’ as much as ‘what’*
- **The teams that will live with the outcome have to create the future.** *It is critical that the areas being transformed own the change, by dedicating their own time and allocating some of their best people to drive design and implementation. Delivery cannot be outsourced to Technology teams, Change teams or consultants*
- **The change methodology needs to be tailored to the culture and capabilities of the organisation.** *Critical choices – the degree of control vs empowerment, the use of different tools and techniques, the roles of the line and the programme team, and many others – need to reflect the reality of an organisation’s starting point, the complexity of its change goals, and its ability to adapt and learn.*

In the remainder of this article, we explain how these beliefs translate into a concrete change approach that helps people-based organisations to deliver successful change.

Our approach: the GEMA model

To define a practical people-based change process, we have broken change delivery into four key elements, which we call GEMA:

- **Goals:** The purpose of the change, described as objectives and deliverables
- **Environment:** How the organisation’s culture, capabilities and ways of working can be harnessed to support the change
- **Model:** The description of what will be delivered when, and how it will meet the goals
- **Approach:** The choices that determine how the change effort will be resourced and managed

People based change puts people at the heart of each of these elements:

- Establishing **goals** that resonate with the underlying objectives and needs of everyone involved in the change – the stakeholders – from the CEO to the shop floor

- Creating an **environment** that gives all stakeholder groups the confidence that there is the capability, commitment and governance to deliver the goals
- Describing a **model** that makes the change journey credible and brings it to life, explaining how the change will happen and what this means for the people in the organisation
- Building an **approach** which aligns to the capabilities and culture of the organisation and ensures those most impacted by the change are able to actively lead it

To enable this to happen and create a successful change programme, we have identified a number of key actions that should be taken within each element. The appendix provides further details and the rationale for each:

*Establish a structured **Goal** setting process that aligns the needs of all stakeholders:*

- *Create relevant and motivating goals for all stakeholders*
- *Incorporate both open 'objectives' and fully defined 'deliverables'*
- *Ensure goals are clear, measurable and include timescales*

*Create an **Environment** that gives all stakeholders confidence their goals will be met:*

- *Understand the existing environment and culture*
- *Ensure stakeholders understand how their goals will be met*
- *Demonstrate commitment through leaders with 'skin in the game'*
- *Empower the change teams to make decisions*
- *Continue to adapt as the change evolves*

*Use the **Model** to build credibility, inspire and bring the change to life:*

- *Define an inspiring end 'operating model' or vision that delivers the goals*
- *Build a sequence of journey steps that create credibility*
- *Describe the Model in a way that brings it to life and explains how teams are meant to adapt*

*Adopt an **Approach** that is tailored to the organisation and led by those most affected by the change:*

- *Develop a change approach that reflects the organization's capabilities and culture*
- *Appoint a single change leader supported by an activist Programme Office*
- *Establish line-led, empowered, multi-disciplinary delivery teams*
- *Break the programme into small, incremental, independent initiatives*
- *Separate the build of critical, shared, enabling capabilities*
- *Adopt agile methods wherever feasible*

Conclusion

Ultimately, in our experience, the successful delivery of change requires a shift in thinking. From a focus on changing 'things' to a focus on changing 'people'. While this may sound trivial, it has implications for how change is planned and executed.

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APPENDIX

GOALS: put in the work up-front to set objectives that achieve clarity, alignment and empowerment

"If you don't know where you are going, you will probably end up somewhere else." –Lawrence J. Peter

The Goal is the WHAT and the WHY of a change programme. It's the one set of ideas that every employee, customer, shareholder or other stakeholder should carry in their heads. It's the call to action, and the basis for all decision making.

If there is one simple failure in change programmes that is relatively easy to fix, it is to have simple, clear goals. In our experience this is often the case: Goals are not well defined, and if you ask different stakeholders what the goal is they often provide different answers.

Goals though need to do more than provide clarity, they also need to engage. Goals must be aligned with the objectives and motivations of the people who experience the change. Making this explicit helps align stakeholders with the change.

Finally, if it's important, it needs to be in the goals. If it's not in the goals, don't be surprised if it doesn't get prioritised.

For us goals need to meet the following criteria:

Relevant and motivating to all stakeholders affected by the change: Goals can't just be about a big corporate objective that resonates with the CEO and shareholders – they need to be set at different levels in the organisation so that they bring the change to life for those who are delivering it, and are meaningful for those on the receiving end of the change. The right goals unlock widespread engagement with change. Unsurprisingly, goals that directly link to improving outcomes for clients and colleagues are much more motivating than those focused directly on cost reduction or growth. This is a fundamental first step in creating a true 'people based' change approach.

Incorporate both 'objectives' and fully defined 'deliverables': There are two competing approaches in goal setting. Defining tightly defined 'deliverables', as used in traditional project management vs defining 'objectives and key results (OKR)' – open, outcome based goals – as used in agile approaches. In reality both are needed. Using OKRs gives teams flexibility to determine how to deliver. However in any large complex change programme each individual team is interdependent of other teams, and therefore tightly defined deliverables for important milestones are also important for ensuring

coordination, defining the critical delivery path and for communication. In our experience, it's essential to use a mixture of both.

Are clear and measurable. It seems obvious that goals should be clear and progress towards them should be measurable. In reality this is often not the case. Having measurable goals is key to giving delivery teams accountability for outcomes. Delivery teams are often best placed to figure out how to achieve an outcome, provided that the outcome is clearly specified. Goal-setting requires hard work up-front from leaders, both in agreeing how the goal will be measured and what the baseline or starting point is.

Include timescales. We believe goals are meaningless without an associated timescale. Here we diverge from some agile methodologies, which set an objective, and encourage the team to get there as quickly as possible. Timescales are important in change programmes, because the external world (competitors, customers, shareholders, etc) often demand an outcome at a particular time, and because in an interconnected change programme, teams need to know roughly when to expect delivery from other teams. However, timescales are there to guide, not to force. Teams should never take it upon themselves to sacrifice the quality of outcomes to deliver on time. Conversely, having timescales forces leaders to confront reality – if teams are struggling to deliver, they may need to allocate more resources, they may need to help teams to reset goals in a way that doesn't risk overall programme delivery, or they may get early warning that they need to reset expectations.

ENVIRONMENT: create change leaders throughout the organisation

"The greatest discovery of all time is that a person can change their future by merely changing their attitude." – Oprah Winfrey

The Environment is the description of the culture and attitude to change of the organisation, and a measure of the COMMITMENT to change. The Environment starts with the Executive Team – as with any team, they need to understand how they are expected to play and buy into it – but it goes much wider and deeper.

Whereas getting objectives right should be relatively easy getting the environment right is not, it requires role clarity, alignment of purpose and a culture that is conducive to change. If stakeholders are not clear, not bought in, or see divisions at the top table, then execution becomes an order of magnitude more difficult.

Creating the right environment to successfully drive transformation takes significant effort. Every change programme starts with a context – the environment today – and that almost always needs to evolve to support successful delivery. In many firms the culture supports the status-quo and there is a natural tendency to avoid change. When we speak about Environment, we refer to the context that the teams will be working in, not what already exists. Building the right environment and culture can be the work of years not weeks. However, it cannot be avoided, and if the right environment cannot be established, it is unlikely that a major change will be successful.

The following steps combine to create the right change environment:

Understand the existing environment and culture. Every change programme needs to start with a simple assessment of the starting context for change. This needs to include: the external context (burning platform, timescales, what may change); the internal context (history, motivations, resistance, competing priorities, change capabilities, funding certainty); the level of sponsorship from the senior team (support, and willing either to lead or to empower, level of support for change for CEO); impacts on stakeholders and their perceptions. Only by understanding these factors and addressing them can an effective environment be created.

Demonstrate commitment through leaders with 'skin in the game'. Leaders need to understand their roles, show visible leadership, make upfront funding and resource commitments, and understand and believe in the change. The most meaningful commitment is to dedicate high quality people from their own department to change teams, to show the importance of the change, and to ensure that what gets delivered is in line with what their teams need and expect. They also need to play an active delivery role,

providing input, steering change, and responding to unexpected challenges – need for resources, redefinition of goals etc. But joining the ‘steering committee’ is absolutely not the answer. In fact in general we find steering committees only vaguely helpful as the complex nature of change programmes requires leaders who are involved every day. A ‘loud’ leader with limited context can create havoc in a steering committee. Key leaders need to stay close to team members they have committed to the programme, and have an active bi-lateral dialogue with the overall change leader.

Ensure stakeholders know how their goals will be met. In a ‘people-based’ change programme it is critical that all stakeholders have been involved in the goal setting process and feel ownership for the goals that impact them. They then need to understand and believe that the change programme is the right way to achieve those goals. In many programmes we have observed the teams most impacted either don’t understand what is being changed or don’t see how the change will fulfill their objectives. Change needs to be framed in a way that speaks to them. Recipients of change are human beings, with their own motivations. If employees understand and embrace a model, they will be much more invested in making it work. Two way communication helps and it is important that there are forums where changes can be debated with colleagues impacted, e.g. how competing business priorities affect objectives, resourcing and delivery. Presenting change as a fait-accompli is a sure way of creating disengagement.

Empower the change teams to make decisions. Agile methodologies say a lot about how we believe change teams should be led. Agile is about asking leaders to set objectives and empowering teams to find the best way to deliver those outcomes, staying engaged enough to steer the team when they need it – when the external context changes, or when things are going awry. This type of trust needs to be shown in all change teams. The leader’s job isn’t to second guess or dictate how the change will happen, but to establish the right goals, deploy the right team, and gently steer as necessary.

Continue to adapt as the change evolves. Even the best environment is not guaranteed to remain intact. Change leaders need to be prepared to tackle resistance throughout the lifetime of a project. It is an occupational hazard – in fact an occupational certainty. Often resistance comes because people’s context shifts, and change is no longer as attractive as it seemed; and often change doesn’t deliver what was expected and so sentiment turns against it. Having an iterative process for assessing the environment and taking action is critical.

MODEL: build a vision and operating model and use it to enable change

“In order to carry a positive action, we must develop here a positive vision.” – Dalai Lama

If the Goal is the WHY of a change process or programme, the Model is the WHAT. For any complex change, the Model must give a description of what the end-state will look like, but also a map of the journey. As a result, it incorporates two key elements – the sequenced set of steps that will come together to deliver the Goals, and the end operating model (how the business works and who does what) that will be built during different phases of the change.

In people-based change the Model is a set of descriptive statements about what will get delivered when, how it will work, why its important and how it will achieve the goals. As such, it is relevant to all stakeholders, and needs to be both easy to understand and believable.

The more complex the change journey, the longer it is likely to take, and the more risk there is of ending up somewhere that is not quite where was intended. Therefore using the Model to define a “true North” becomes even more important.

The Model needs to incorporate the following components:

Define an inspiring end ‘operating model’ or vision that delivers the goals. The operating model needs to align and inspire from the start. As the delivery journey begins, it’s essential to have a clear picture of the desired outcomes and how they deliver the goals and align with the objectives of different stakeholders – leaders, customers, different employee groups, shareholders. The model is a way of bringing to life the desired business outcomes in a way that should be accessible and motivating to the whole organisation. The more people understand the changes required and can explain what they will achieve, the greater the probability of success.

Large, complex change requires many different people to make decisions, guided by a common target. Clear goals and a well described model, covering the important elements of change (processes, people, technology) are key to enable these decisions

It is impossible to predict every aspect of change up-front. The model provides a “true North” for empowered delivery teams, in the same way that user stories keep software delivery teams focused on the user outcomes that they need to deliver. Models that are overly prescriptive disempower teams and quickly become out of date.

Build a sequence of journey steps that create credibility. The sequencing aspect of the Model is the way to tackle one of the biggest points of failure for major programmes –

stalling change. In almost all programmes, the time comes when people start to ask “why are we doing this?”, “why are we spending so much money?”, and “will this really achieve the outcome we want?”. The way to simplify complex change is to break the journey up into manageable steps. Breaking up large programmes, described in terms of big ambitious goals, into these steps is an art. But an art with rules that can be applied systematically. Thought must go into how to break up and sequence the change to make delivery easier and ensure all stakeholders stay on the journey. Early steps need to deliver quick wins, build momentum and confidence – whether that is by making the benefits of change visible, delivering early financial benefits to fund the journey, providing learnings that will help guide future change, or building flexible capabilities that support later change.

There will always be a temptation to deliver big, mandatory, foundational components first, and business value later. We believe this is a trap. Where large foundational components are necessary, consider building them through a series of business-oriented initiatives, where each initiative builds part of the foundation, but also delivers short-term business value. The foundations may get built more slowly, but this approach will build momentum for change, and will ensure that everyone stays onboard.

Describe the Model in a way that brings it to life. Inspired by Epics and User Stories in Agile change, we like to define the Model for each step of the change using the simple structure of “who”, “what” and “why”. “As [stakeholder], I want [outcome], so that I can [benefit]”. Bringing these different stories together creates the Model, the overall description of the change, and connects it to the Goals. The process of defining the Model forces stakeholders to think about what they need, and to confront what they need to contribute. Forcing each stakeholder to express the change in a simple set of statements brings out differences of opinion, and drives alignment at the most fundamental level – what is it we are doing and why?

Use the model to understand and explain how teams are expected to adapt to the change and work together. Change programmes may end, but life in the organisation goes on. Successful change positions organisations for a successful future. In our experience, too often change programmes care about getting to an end-goal, but not about how the organisation will function beyond that end goal. An analogy from technology delivery is that teams may focus on creating a software product, but not on how it will be maintained, how it will evolve and how the organisation will need to adapt to it. A well-defined target Model mitigates this risk.

In people-based change, the model doesn’t just describe a product, it describes a system, including the changes it implies for different parts of the organisation. This helps all areas to understand how change will affect them and to prepare for this. The “who”, “what”, “why” statements can help this process: “As a [stakeholder], I will need to [adapt what I do], in order to [support a new way of working]”. These statements will make the change real, and if teams don’t buy into them, this will surface issues clearly and early.

APPROACH: change should be driven by the line, using methodologies tailored to the capabilities and culture of the organisation

“Therefore, just as water retains no constant shape, so in warfare there are no constant conditions.” – Sun Tzu

The **Approach** defines how the change will be delivered – by whom, and following which methodologies.

While there are many successful ways of approaching a major change or transformation, we believe there is a right answer for each organisation. Trying to use a standard approach creates frustration and more often than not contributes to failure.

Our experience tells us that for most organisations, change best practices do not work out of the box. The traditional “programme” approach – make a plan, pass it to a delivery team, stick to it – does not work in a rapidly changing environment, where people need to adapt to change, and change needs to adapt to people. Product-oriented or “agile at scale” models empower teams to find the best way to deliver the digital products customers want – but they are not the magic answer for organisations that operate in people driven cultures, where many moving parts must be managed, and where the behaviours expected of leaders and team members may be at odds with cultural norms.

The right approach needs to be built based on the organisational context: the ambition and complexity of the change effort, the capabilities of the organisation and the cultural norms that will decide how leaders and employees engage with the change programme. The way to customise is to start with a structured view of the choices – the dimensions that define the Approach – and to work through each one based on the context.

Whenever customising an approach, we start with a basic principle – that change should be delivered by those impacted by the change.

Develop a change approach that reflects the complexity of the change effort and the organization’s capabilities and culture. In our experience, for most people-centric organisations – the vast majority of businesses embarking on major change – the right answer sits somewhere between the agile at scale and programme approaches. On the one hand, we live in a world that is evolving much more quickly than in the past, and so approaches that fix the answer too rigidly upfront don’t tend to work. On the other hand, complex programmes with multiple initiatives and important interdependencies – with each other and with BAU – need strong management and governance that is more akin to programme management.

The Approach depends on a number of choices:

1. Change leadership: Individual leader vs Committee leadership
2. Role of Programme Office: Activist vs Coordinating
3. Delivery approach: By the line vs By change specialists (internal or external)
4. Initiative structuring: Incremental (many small changes) vs Foundational (big step changes)
5. Governance: Bottom-up vs Top-down
6. Methods: Agile vs Project Based

These choices should be governed to a large extent by the culture that pre-exists and how it can realistically be adapted in time for delivery. Organisations that are naturally more 'command and control', with a strong track-record of traditional change, that are able to push through individuals' resistance, that are intending to drive a major transformation are likely to move to the right of these choices. However for people-based change, we recommend moving to the left of these choices where possible. But caution is required.

Culture is central, and in most organisations, culture is deeply ingrained. Where employees are asked to follow an approach that is in conflict with the culture, they will struggle. For example, the further you move to the left, the more you empower employees to lead and design the change. Unless company culture rewards decisiveness and risk-taking, people will struggle with this new responsibility, and the change programme can quickly become bogged down.

Capabilities are equally important. 'Agile at scale' makes demands of people: technologists, agile coaches, product managers, team members and leaders all need to behave in a certain way. It requires highly skilled team leadership, as well team members who have experience of these ways of working. Organisations that start with a low baseline will find this model very tough. If you haven't done it before, or spent significant time preparing, don't bet the programme on adopting a new delivery approach.

Finally, the complexity of the change effort is an important factor. Agile-at-scale methods work well where complexity can be minimised by breaking change into relatively independent modules, and where those modules build products using technology. Where organisations face greater complexity – either because there is a lot of inter-dependency between deliverables, or because solutions need to be built by changing behaviours and processes – top-down planning becomes important, and agile methods need to be heavily adapted to be effective.

Although these choices are all situation dependent, we can lay out an aspirational set of best practices, to be adjusted depending on the culture and capabilities:

Appoint a single change leader, with the authority to make decisions. For major change to be successful, a single individual needs to own all the elements and bring them together. They need to be able to inspire and motivate the whole team and connect the elements. It is important that the individual has strong bi-lateral relationships with the

leaders of each part of the business impacted by the change. Ultimately the change needs to be owned by both and both need to be fully engaged. The change leader also needs unwavering support from the CEO and the Executive Team. If the Goals, Environment, Model and Approach are not fully accepted, its unlikely the change will be successful.

Support the leader with an activist Programme Office. We believe all change programmes should have a strong, activist Programme Office to structure the programme and manage across initiatives. There is a simple recipe for the success of a Programme Office

- A diverse programme office team, including people with change expertise and people from areas impacted by the change
- Controlling a ring-fenced multi-year budget, and levels of programme resourcing (managing any conflicts with BAU)
- Aligned with areas that are building organisational capability – eg those building business-wide assets (IT architects, data architects, capability owners)
- Resourced so that there are Programme Office team members embedded in all delivery initiatives – either full-time or part-time depending on size and complexity
- Empowered to deliver the programme Goals in the best way: Hold all the plans (with initiative teams' best view of deliverables, timing and resourcing), map and manage dependencies, and coordinate the iteration of these plans as new information comes to light
- Setting and living the change culture – activist, empowered, collaborative but uncompromising, focused on engagement and delivery
- Providing reporting to all leaders affected by the change, not just the change leader

Establish multi-disciplinary delivery teams, led by the line. Below the Programme Office sit a number of delivery teams. It is critical that a delivery team is led by the day-to-day leader of the affected area – not a separate change leader. Most organisations will want to follow some of the basic principles of agile at scale to create empowered delivery teams. For example:

- Create a set of multi-functional teams to drive the change delivery, including resources from area that are directly affected functions that provide key capabilities (eg technology and the Programme Office)
- Expect the areas most impacted by the change to own the change, through goal-setting, leadership of these teams, and sponsorship of teams by senior leaders.
- Require resourcing of teams with full-time high calibre, culturally aligned individuals who have the trust of senior leaders and a mix of change and business expertise
- Empower these multi-functional teams to drive, learn and iterate: own and adapt the Model, take decisions on resourcing, decide how to spend budgets etc

- Support teams with a team member/coach who brings the appropriate project methodology, disciplines and tooling to fit with the chosen approach

Empower initiative teams to make key decisions. We are not fans of the 'steering committee' as a governance mechanism for complex change. Steering committee members do not have time to invest to fully understand the implications of day to day decisions. This does not mean Steering Committees do not have a role – they are best used to review progress along the critical path on a regular basis – but day to day decisions should be taken by empowered and trusted teams that understand the implications wherever possible.

Successful delivery requires teams to be trusted to make decisions. They are closest to the action, and are best placed to respond to changes in the Environment that necessitate changes in the Model. This may seem counterintuitive to the leader that believes it is their job to define the future, but is a critical part of the empowerment of the delivery team. The apparent contradiction is resolved by remembering that the delivery team is populated with the leader's people – those who need to live with the change. A leader defines the Model by putting his or her best people into the delivery team, and letting them drive, alongside other delivery team members with relevant areas of expertise. A leader inputs and iterates, but respects that the delivery team brings together a broader set of perspectives.

Break the programme into small, incremental, independent initiatives, even if this adds to overall timeline. The structuring of initiatives should minimise the inter-dependencies in a change programme. You want to avoid a domino effect from inevitable points of failure. The less that different efforts have interdependencies, the more likely they are to succeed. Wherever possible, structure initiatives so that they are delivered by single stakeholders. Where this is not possible, ensure that all important stakeholders are represented within the team so that there is continuous input.

Separate the build of critical, shared, enabling capabilities. Any change is supported by the creation and adoption of new enabling capabilities, e.g. data, technology, operational, financial, digital capabilities etc. These capabilities need to be developed as part of the change. In most change programmes they will be leveraged by many different parts of the organisation. It is important to identify these shared, enabling capabilities and invest in building them. Specific teams should be set up to develop each identified capability with the relevant expertise, both internal and external. By separating into 'capability' and 'delivery' teams a simple structure can be built for any major change. As with delivery teams, wherever possible the capability teams should be led by the people who will own and deliver the future capabilities.

Adopt agile methods wherever feasible. Where both the culture and capabilities exist we are strong advocates of agile methods for delivery. They are more empowering, create ownership in the delivery teams, and stop delivery bottlenecks caused by the need to go back to the centre for every decision. But we also temper the agile approach with a

strong belief in the value of planning. While the principles of short-term delivery and minimising inter-dependencies should help keep teams focused on their own short-term goals, an overarching plan that ties initiatives together in time and in scope is essential. A plan is a best guess of how the future will evolve. Better for the short term, more speculative for the longer term. It shows how initiatives are interdependent, and how one initiative will lead to another. This provides clarity for each team on how they fit in the overall programme, and why the timescales they are given are important to others. It also gives a best guess as to how many resources will be needed across different areas.