Lessons from London 2012
Pushing the boundaries of programme leadership
Sunday 9 September 2012.

The Paralympic flame is extinguished. People across the world witness the end of an outstanding summer of sport.

The UK has successfully delivered the greatest show on earth and rediscovered a sense of national pride and confidence. And with a major programme of capital investment, the Games has provided a much needed boost to economic recovery, which continues as legacy plans are realised.

This success was never in doubt, was it?

By successfully integrating assets, people and operations, the delivery of the Games provides strong insights around programme leadership for future major events and capital projects.
Pushing the boundaries of programme leadership

The inside track

Seven years previously when London won the right to host the Games, the picture could hardly have been more different. The bid had languished and many predicted failure. Our recent history in delivering capital projects such as the Millennium Dome caused concern. In the wake of 7/7, only 65% of Londoners supported the Games being hosted in their hometown, many seeing it as an unnecessary burden on an already stretched city.

Painful lessons had been endured, and the public needed persuading. So how did the turnaround happen?

Deloitte was involved, on the ground, every step of the way. Over 800 of our people provided over 750,000 hours of expertise throughout the entire lifecycle of the project, from strategic planning to operational delivery and planning for legacy, across a wide range of delivery organisations. These included the London Organising Committee of the Olympic and Paralympic Games (LOCOG), the London Legacy Development Corporation (LLDC), the Greater London Authority (GLA) and the British Olympic Association (BOA).

The depth and breadth of this contribution has given us unique insight into what made London 2012 a success.

Here, we present the key practical lessons around people and programmes for future major events and capital projects.

In many ways an Olympic Games is a unique undertaking. However, London 2012 shared a number of the challenges faced by other major programmes and capital projects, such as the scale of the financial investment, the complexity of its stakeholders and delivery structures, and the level of public scrutiny.

London 2012 was a spectacle behind which lay an extraordinary feat of organisation. While athletes aimed for glory on the field of play, many talented and committed people gave the performance of their lives to deliver the Games.
Lessons from London 2012
Pushing the boundaries of programme leadership

The inside track
Home page
20:20
View from the top
Rules of play
On balance
Right people, right time
Practice makes perfect
All aboard?
Think it’s all over?
Our legacy
Our role in the London 2012 Olympic and Paralympic Games
Contacts
A clear, single vision is essential to unify stakeholders from conception through to final delivery.
Successful delivery of a large, complex project relies on people being aligned to a single, clear and consistent vision.

A strong vision allows leaders to inspire and motivate, as well as guide decision making and provide clear direction to their teams. Critically, it also creates tangibility around the outcomes of the project, helping unify the diverse teams involved. This was particularly challenging in the context of the Games, given the complex network of stakeholders and unparalleled levels of interest and opinion.

Lord Coe outlined a bold vision for the London 2012 Games at the IOC Session in Singapore in July 2005: to use the power of the Games to inspire lasting change. London 2012 consistently delivered against this vision through the planning phase, during the Games themselves and is well positioned to fully achieve it as legacy ambitions are realised.

In addition to the long-term vision, LOCOG played a critical role in communicating their operational vision for the Games which was crucial in enabling partner organisations to understand the impact on their own operations and plan accordingly.

“Delivery of the Games, unlike some of the proposals to upgrade UK infrastructure, continued with a cohesive vision and according to plan under three Prime Ministers, three mayoral terms and dozens of ministerial and local government changes. A bold and ambitious infrastructure vision must be resistant to political change and stand the course of time, in the same way as London 2012.”

Tim Parr, Partner, Programme Leadership

Key insights:

- Set a bold vision which captures hearts and minds, use this to appeal broadly and reconcile interests.

- Make the vision achievable – it needs to be translated into objectives and commitments, which can be executed by all stakeholders.

- Avoid being distracted by unnecessary KPIs and complex measurement systems.

- Be consistent in communicating the vision – the message will evolve as the programme develops, but keep it true to the original vision.
Different leadership styles are needed: to engage and inspire people to push beyond their personal best, take ownership of delivering the vision and focus relentlessly on delivery.
Lessons from London 2012
Pushing the boundaries of programme leadership

The vision needs to be embodied by the people who will deliver it, and this must flow from the top of the organisation down.

Effective governance, controls, risk and issue management will help keep the project on track, but the most demanding projects require a superhuman commitment to achieve success. Inspirational leadership motivates people to perform.

As an Olympian and public figure, Lord Coe was well placed to engage and inspire people across a range of organisations, beyond the organising committee which he chaired. In contrast to the figurehead, leaders of the Olympic Delivery Authority (ODA), the GLA and other partners focussed themselves and their teams purely and simply on what mattered: delivery – avoiding the pitfalls of “celebrity leadership” often seen in major projects.

The commitment of the LOCOG leadership team to living and breathing the vision infused the wider organisation. The leadership was drawn from a wide pool of experience which promoted innovation and a focus on ‘fit for purpose’ solutions throughout the organisation. It further reinforced the expectations and behaviours set out in the vision at functional and venue levels.

However, not everyone is a born leader. LOCOG invested in developing a leadership team and leadership capability in key positions at different stages over the life of the project, enabling them to deliver the vision in their teams.

“London 2012 continued to reverse a trend in Olympic Games planning first bucked by Vancouver 2010 – their CEOs lasted the full duration of the seven year project and no Executive Director departed before the Games. This stability within the leadership gave the organisation and its partners confidence, helping avoid distraction from what really matters.”

Heather Hancock, Lead Partner, London 2012

Key insights:

- Appoint leaders who have a genuine passion for the project, as well as the necessary technical skills and experience.
- Use the vision to unite leaders across partner organisations, put politics aside and focus on delivery.
- Build a team with diverse experience and backgrounds.
- Encourage and invest in leadership potential - senior management should look for their junior counterparts to display strong leadership.

The Deloitte Leadership Academy brings together insights from the world’s principle business minds, leaders and schools to provide a unique combination of practical knowledge, academic rigour and research.
Rules of play

Turning the vision into reality requires collaboration and difficult decisions – effective governance forums can provide structure and stability to support this, but must evolve across the lifecycle.
It is crucial to invest time and effort in establishing governance processes at the leadership level from the outset. Without effective channels, it will be a constant challenge to maintain continuity, build confidence, or calm dissent.

In the first few years of the project, governance and stakeholder forums for London 2012 mushroomed, creating unachievable expectations without materially adding to the project. It was critical to reshape this so that governance structures did not obscure accountability.

Thereafter, agreement on governance and responsibilities was crucial to the successful delivery and long-term confidence in London 2012. In particular, this tackled some of the potential pitfalls surrounding overlapping and ambiguous accountability, issue resolution processes and budget ownership, as well as clarifying the long-term role of Government.

The continuity of these structures at the highest levels played a key role in ensuring effective leadership and decision-making. At the same time, there was recognition of the need to flex and adapt internal forums to meet the demands of different phases.

A focus on strategic risk built a problem-solving culture throughout the project that could successfully manage risk and clearly allocate responsibilities. This has proven essential time and time again in effectively delivering large-scale projects.

“In the early days, LOCOG made less frequent, though high impact and strategic decisions, which set the direction and tone for years of activity. Hence, it was important to take time and involve many parties to ensure these decisions were correct. However, in the last few months before the Games, hundreds of operational decisions were made each day and the speed of decision-making became vital. Governance forums evolved to match this changed emphasis and decision-making authority was cascaded through the organisation.”

Simon Dixon, Partner, Programme Leadership

Key insights:

- Consider how governance models need to evolve over time – the right model at the beginning of the project will almost certainly not be effective at the end.
- Maintain clarity on spans of control, their limits, and escalation routes.
- Communication of decisions is as important as making them.
On balance

Leaders need to develop teams across the project who can interpret, prioritise and manage end user requirements to lock down scope and minimise disruption across the lifecycle.
Balancing needs of end users

A diverse network of stakeholders will often have competing priorities, which forces leaders to make challenging decisions based on the best outcome for the project.

During the strategic planning phase, LOCOG, the GLA and BOA invested considerable time in understanding user journeys and used this insight to shape the delivery of products and services.

LOCOG fostered a culture where informed “client owners” within the organisation assessed the ongoing consequences of decisions. They were able to understand what was really important to their user group and how decisions made by a range of partners would have an impact on their experience. Inside LOCOG, successive rounds of business planning controlled financial implications of user advocacy. Peer reviews of functional plans ensured that the understanding of user requirements transcended departmental boundaries, providing confidence over integration points and dependencies.

At times, the critical role in communicating user expectations undertaken by a relatively immature LOCOG, caused tensions with the ODA. Nevertheless investing over two years in planning, before a period of three years construction and testing, paid off in the long term.

In transitioning from strategic planning to operational planning, LOCOG continually returned to user journeys to ensure that priorities were not forgotten over time.

“LOCOG played a key role in translating a myriad of often competing user requirements into a clear articulation of the scope for the project. Time invested by the ODA in challenging these requirements, then properly understanding and locking down the scope created the stability required to manage cost and deliver the infrastructure effectively and to time. This approach helped to transmit confidence further down the supply chain and provided assurance to stakeholders.”

James Graven, Partner, Deloitte Real Estate

Key insights:

- Understand the end user perspectives at the outset, maintain a consistent focus but keep a check on passionate “client owners”.
- Avoid surprises further down the line by including operational people who understand all user groups across the full project lifecycle.
Right people, right time

Building a skilled and agile team, within the right structures, is essential to drive progress and respond to the evolving nature of the project.
Lessons from London 2012
Pushing the boundaries of programme leadership

Workforce strategy

Having the right people, in the right numbers and structure, with the right skills, at the right time is a major challenge for leaders of capital projects.

As early adopters of the vision, the first hires are vital in shaping the organisation’s culture. LOCOG CEO Paul Deighton personally met almost every new hire until the organisation reached several hundred people. As it grew exponentially, LOCOG inductions focussed on embedding and reinforcing the organisation’s vision and culture. At its height, the Games-time workforce reached some 200,000 people, including 6,000 staff; 70,000 volunteers, 100,000 contractors and over 18,200 troops.

In order to scale effectively, LOCOG had to carefully consider the organisational structure across different phases and develop a hiring machine which was fully integrated with the changing recruitment needs of the project. LOCOG successfully blended a volunteer, paid, contractor and consultant workforce as one motivated team. However, at times it may have been valuable to recruit additional broad skillsets to be flexibly deployed in support of specific requirements – most notably in planning and programme management.

Financial security is also an important motivational driver. LOCOG structured retention bonus payments and an enhanced redundancy package to ensure that people would stay firmly focussed on their roles during the final months and not on job search sites.

Key insights:

- Encourage mobility within the project to obtain more value from the best talent and enhance careers.
- Align performance management with the pace of the project. It should facilitate the promotion, reward or removal of people as appropriate.
- Where practicable, consider recruitment from non-traditional sources: school leavers, voluntary positions and placements can increase the pool of available resource and reduce cost.
- Plan from the outset for changes in phase, in particular dissolution to re-size the asset and people base.

More

The global talent challenge – putting the right people in the right jobs in the right locations is the key to business success.


Footnote:

Practice makes perfect

A comprehensive programme of readiness activity is critical to manage risk and build confidence in the transition to operations.
Operational readiness

Testing and training helps validate plans, and accelerates the development and integration of operational teams across multiple delivery partners.

The Games didn’t have the luxury of a “soft launch” – London 2012 exploded into the lives of billions of people on 27 July 2012. The most important thing to build ahead of the Games was confidence throughout the project, from the foam-fingered volunteer at the venue to the Prime Minister.

This was achieved through a risk-based series of exercising and learning. Testing often concentrates on extreme scenarios, however the readiness programmes implemented by LOCOG and the GLA effectively balanced Plan A with crisis management and everything in between. A range of partners joined together in a progressive series of exercises to experience the reality of operations, which forced integration and rapidly improved collective capability.

The LOCOG test event programme provided an opportunity to exercise close to Games-time levels of service, but just as importantly it allowed the public to engage with the Games and for excitement to build.

The scale and rigour of the operational readiness programmes undertaken by LOCOG and its partners prepared people to quickly resolve things that went wrong and ensured things ran smoothly.

“Over 18 months, LOCOG conducted over 450 scenario-based tabletop exercises and 120 real-time simulations for their people and partners to practice every aspect of the Games operation. Over 4,500 people from 120 partner organisations participated in the final Games-wide exercises. Critically, this programme started earlier than on most other projects, giving London 2012 the chance to test incrementally as capability developed.”

Gavin McAlpine, Major Events

Key insights:

• Learn from testing – allow time to re-visit your plans with the benefit of learnings. Then refine and test them again!

• Use readiness activity to build confidence at all levels – include an appropriate focus on the routine activities as well as crisis scenarios through simulations in a risk-free environment.

• Consider including members of the public in proving trials to enhance the realism of testing and create advocates for the project.
All aboard?

The way goals and successes are communicated can engage people along the journey, and help to turn public scrutiny into an asset.
Communications

Communications should be used to build a brand and drive interest in the project, but also to manage expectations. The Games impacted the entire country which justified a level of communications and engagement unmatched by other capital projects. However, many of the core principles of the brand and communications strategy apply elsewhere.

LOCOG made the vision accessible to the widest stakeholder group possible, reaching everyone from heads of state to school children. Using innovative approaches to share ‘good news stories’ helps secure buy-in and ownership without having to always focus on major project milestones.

Consistency of message was critical to maintaining LOCOG’s public credibility as well as the quality of relationships between public and private organisations not used to working together.

Over the course of the project, LOCOG adjusted their narrative based on the political and economic context, and their channels based on changes in technology. Research was critical to benchmark opinion, segment the population and respond in a targeted way. Understanding changes in how people seek and engage with information – for example the way in which Transport for London engaged with spectators and members of the public through new media – can build support in unexpected places.

Increasing the level of excitement around the end product and creating realistic expectations as to when legacy benefits will flow can build tolerance for the inconvenience endured in getting there.

Key insights:

- Keep communications clear and simple.
- Consider whether special organisational structures are needed to integrate messages across multiple partners.
- Use current technology, but make sure it’s fit for purpose.
- Be proactive in correcting inaccurate messages.

During the Olympic Games there were:

- 431m visits to london2012.com
- 15m app downloads
- 4.7m followers on twitter

Think it’s all over?

Anticipate and plan for the whole life use of major assets – focussing only on launching the operation risks failure to meet core long-term objectives.
When planning and delivering a major infrastructure project, a balance is needed between getting operations up and running, and maintaining them over the lifetime of the asset. For the Games, this meant balancing delivery of a six-week operation in the context of a 25-year journey.

A critical component to London winning the 2012 Olympic bid was accelerating the regeneration of East London and the commitment to creating new communities which would benefit London and Londoners for generations.

For some of LOCOG’s stakeholders, the full value of London 2012 will only be realised once the infrastructure has been transitioned to its permanent use. Whether measured in return on investment, impact or any other measure, the ultimate success of London 2012 will be judged many decades after the Games.

While Games operations ceased at the end of the Paralympic Games, work to anticipate the whole life use of the assets began at the very start of the project. The infrastructure was designed and built with both its Games time and legacy use in mind, which was integrated into the ODA, GLA and LOCOG’s overall planning process.

The vision for London 2012 set out the long-term goals of a short-term operation – from the outset those with a vested interest in continued success were involved. It would have been easy to pour all efforts into accomplishing the extraordinary feat of staging the Olympic Games in London, but London 2012 recognised that this was only ever part of the project.

“For me, [the London 2012] vision is about buildings, about people, about sport and about the economy, about legacy and inspiration for the future – and I want us to break records on every one.”

David Cameron, Prime Minister

Key insights:

• Be realistic about when benefits will start to be seen – failure for capital projects can be achieved on Day 1, but success takes a lot longer.

• Be clear on the long-term objectives, but promote flexibility in how they are achieved.

• Put operational and legacy teams in place early – for other projects it may also be appropriate to consider a staged transition in place of a ‘big bang’ handover.

More


A lasting legacy – How major sporting events can drive positive change for host communities and economies.

London 2012 can deliver export boost – Deloitte research

Ten of our best: London 2012 – Deloitte Real Estate

1 http://www.number10.gov.uk/news/london-2012-olympics-legacy/
Our legacy

The global spotlight may have moved on from London, but Deloitte’s commitment to supporting the most complex and high profile capital projects continues in the UK and overseas.

We are proud to help champion the experience of thousands of businesses who helped deliver London 2012, to help continue the innovation and collaboration that London 2012 has fostered and to help others apply the benefit of our ten year commitment to the delivery of a landmark event in the modern history of Britain.

**Optimising value across the project lifecycle**

In addition to our experience on London 2012, Deloitte has supported bid cities, host cities and legacy organisations to plan and deliver over 20 major events around the world.

A world-leading business consultancy, we offer an unparalleled breadth of technical expertise and advisory services across the lifecycle of a major event or infrastructure project, from feasibility and funding to delivery and operation of the asset.

We combine our in-depth experience of major events, capital programmes and infrastructure developments with global industry best practice, and deliver this to our clients locally through our network of offices in over 150 countries worldwide.
Our role in the London 2012 Olympic and Paralympic Games

Deloitte was involved every step of the way in the delivery of the London 2012 Olympic and Paralympic Games. By the time the London 2012 Games closed, we had provided over 750,000 hours of expertise throughout the entire lifecycle of the project – from strategic planning to operational delivery and planning for legacy. Our people were in the boardrooms, offices, construction sites, operations centres, venues and even on the field of play. By the end of the Games, over 800 Deloitte people had Olympic and Paralympic Games experience to inform their future client work.

We backed London’s bid as early as 2003. Audit Partner Neil Wood was seconded to the bid company as Finance Director and we provided tax support which saved the bid millions of pounds. On 6 July 2005, we were primed for delivery as London won the right to host the 2012 Games.

We have been involved across the breadth of the programme, including working with the Olympic Delivery Authority (ODA), the Government Olympic Executive, the London Legacy Development Corporation, the Greater London Authority and Mayor of London, the British Olympic Association and the British Paralympic Association.

As the Official Professional Services Provider to the London Organising Committee for the Olympic and Paralympic Games (LOCOG), we delivered over 150 advisory projects and provided 130 full time secondees. Our early engagements put in place important building blocks for the Organising Committee. In a landmark step for the Olympic movement we defined customer groups and mapped their experiences through the Games. We advised on recruitment, remuneration and grades, then shaped a new framework for integrated strategic and business planning. We played a significant role in developing, validating and testing robust integrated operational plans – at strategic, tactical and operational levels – for routine operations, stressed conditions and crisis mode. Roles, hand-offs and interdependencies were clearly understood by Games delivery partners such as transport, police, security services, local authorities, the British Olympic Association and the British Paralympic Association.

Lord Coe, Chair, LOCOG
“Every interaction I have with people from Deloitte reinforces my belief that we chose the right professional services firm to work with us on the journey to delivering the London 2012 Games. Their passion for sport and the legacy of the Games, dynamic approach and international outlook are second to none. Having high-calibre experts from Deloitte with a flexible range of skills helped us meet our goal of building a world class organisation to stage a truly memorable Games.”

Lord Coe, Chair, LOCOG
Contacts

Tim Parr
Partner, Infrastructure & Capital Projects
Tel: +44 (0) 20 7007 7966
tdparr@deloitte.co.uk

Heather Hancock
Lead Partner, London 2012
Tel: +44 (0) 113 292 1621
hhancock@deloitte.co.uk

James Graven
Partner, Deloitte Real Estate
Tel: +44 (0) 20 7007 1594
jgraven@deloitte.co.uk

Gavin McAlpine
Major Events
Tel: +44 (0) 20 7303 6967
gavmcalpine@deloitte.co.uk

www.deloitte.com/majorevents