

The Remploy story

Making complexity manageable

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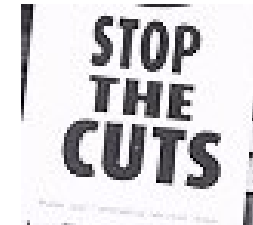
Complexity in projects

- § Complex systems are defined by relationships and networks rather than by their constituent elements
- § *Complexity* needs a different management approach from *complication*



Remploy: a complex challenge...

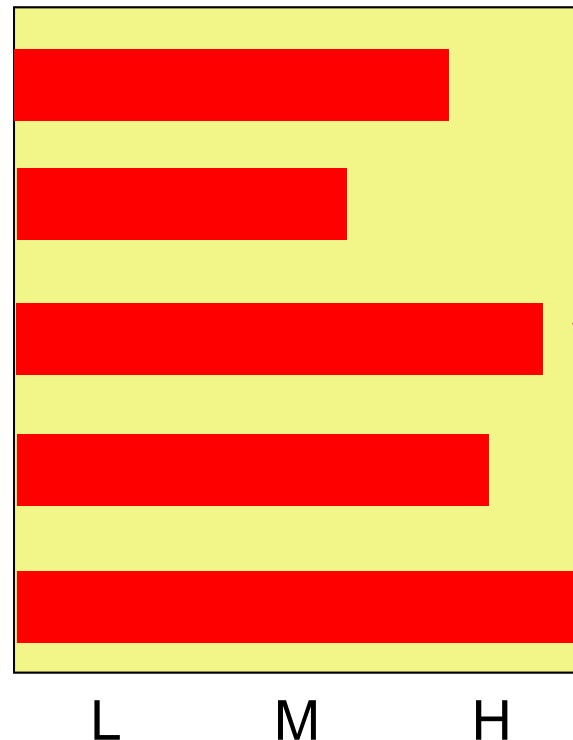
- § Modernising an organisation set up 60 years ago, in a different environment where goals and priorities were fundamentally different
 - § in the face of extreme media, political, employee and union scrutiny...
- § ... involving 10 independently managed businesses with 83 factories, in sites from Scotland to Cornwall



Sources of complexity

If not managed properly, complexity will lead to significant project & business risk

- Statement of requirements
- Technical
- Organisational complexity
- Resource
- Business implications



How can this situation be made manageable?

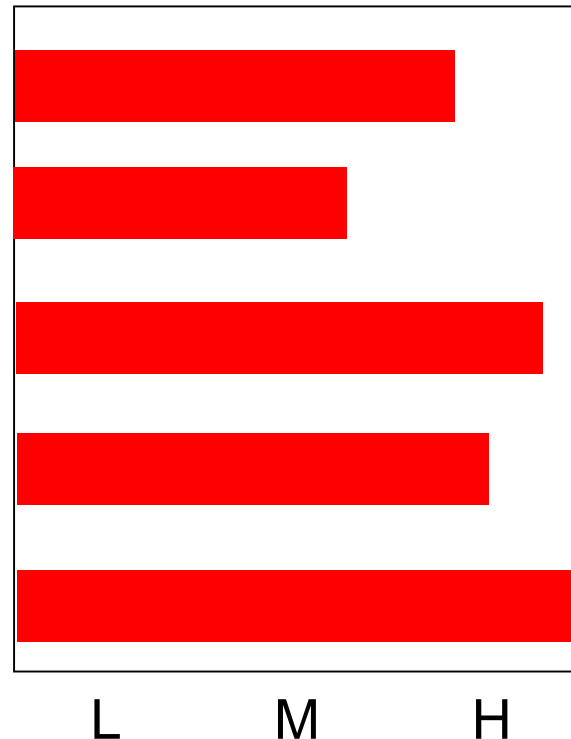
(CITI analysis)



Step 1: Clarify the objective

Define clearly what needs to be achieved

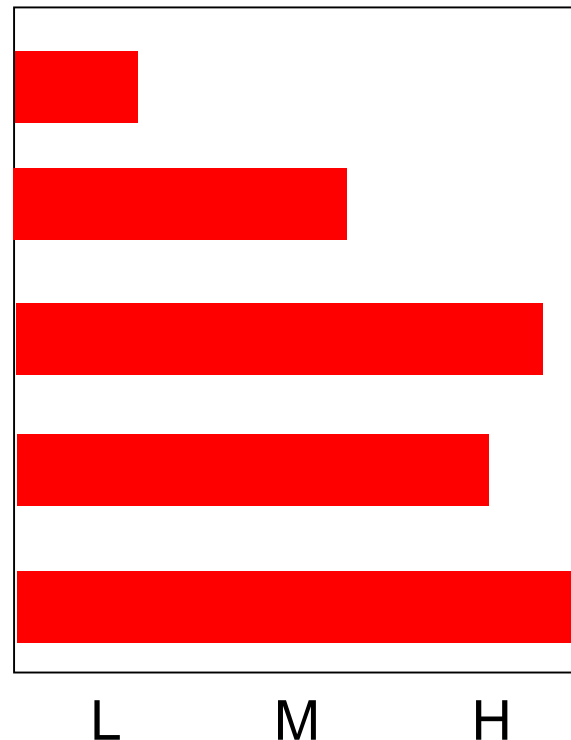
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Step 2: Standardise technical tasks

Research and define standard approaches for key technical tasks

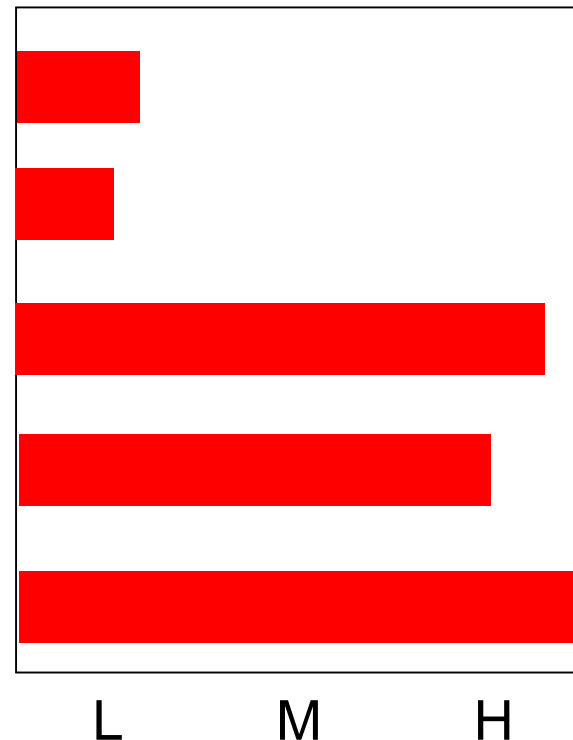
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Step 3: Establish clear authority

Appoint a single programme sponsor with clearly recognised authority for all aspects of the programme

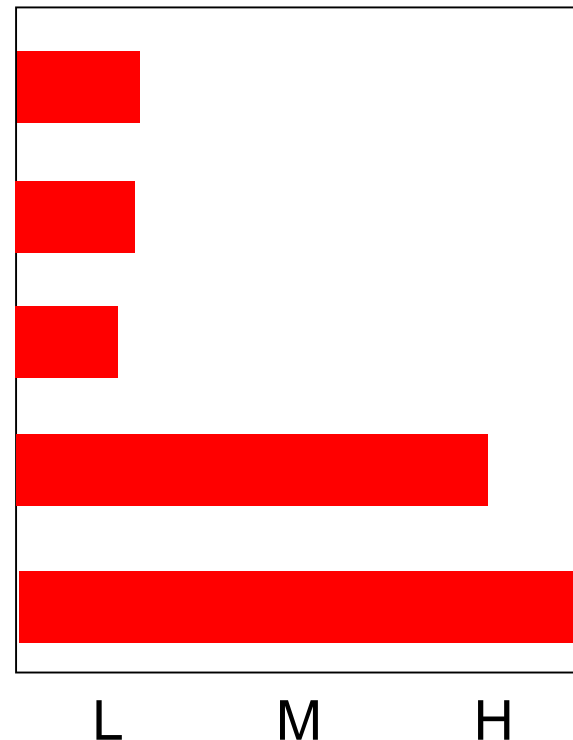
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Step 4: Develop resource

Train selected Remploy staff as project & change managers

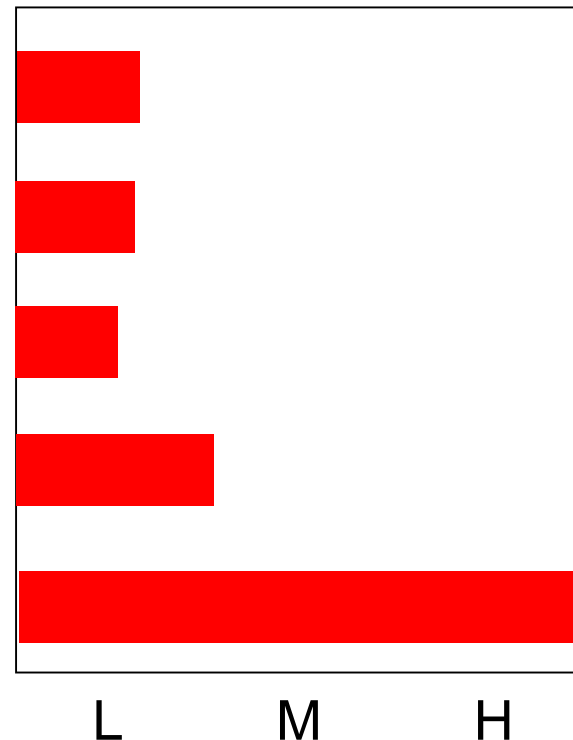
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... and finally

Business implications we have to live with
- but communicate, communicate to manage!

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Complex in the extreme

Remploy

An insider's view



Remploy: The background

- § Loss per disabled employee £20k per annum
- § Cost of finding a disabled person a job in mainstream £5k
- § Aspiration to help many more people into work
- § Disability opinion formers passionately advocating mainstream employment
- § National Audit Office says: "Remploy needs to re-engineer to withdraw from loss making businesses"
- § Remploy trade unions determined to oppose any closures and redundancies (even if voluntary)



The strategy

- § No compulsory redundancy and promise of employment in the mainstream, on current terms and conditions
- § Explain the realities and the promise of protection to MPs
- § Propose quadrupling of number of disabled people supported into the mainstream to 20k per annum in 5 years
- § Propose to reduce number of factories by 43 (50%)
- § Begin formal consultation with trade unions



Programme management challenges

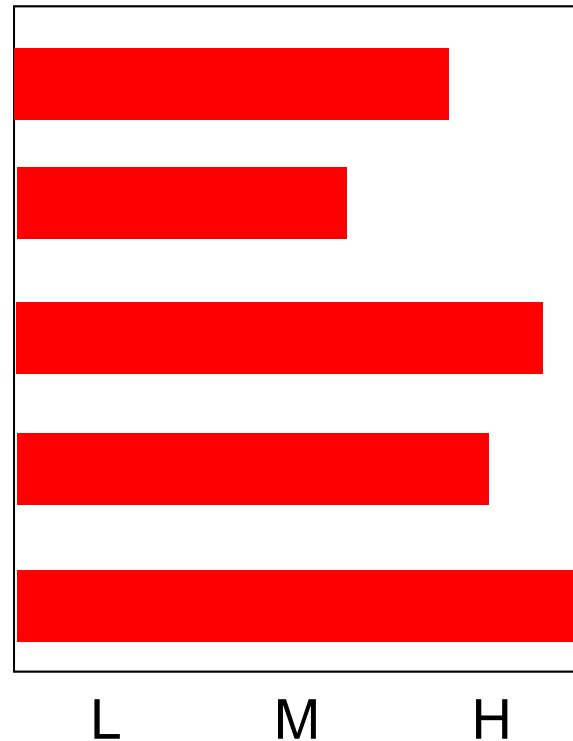
- § We were in consultation and subject to politics and so could not be sure which factories or businesses would eventually close
- § We had made promises to our people and were in a goldfish bowl
- § Once we had political approval we had to move very quickly
- § We did not have a strong history of project management
- § We had 'been here before'



The end result

A programme environment in which complexity is managed
... allowing projects to be set up with acceptable levels of risk

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(CITI analysis)



Lessons learned

- § Active management of complexity leads to:
 - § Acceptable levels of project & business risk
 - § A better chance of success
- § *Complexity management* is a different discipline from risk management



Thank you

Questions and discussion

Chris Hodson

Bob Warner

