

Battle-tested:

Executing business-critical strategy with unshakeable confidence and certainty



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Foreword

66 Has anyone ever heard of a business-critical program that was simpler, cheaper and quicker to execute than expected? Our clients say these programs were harder to implement, cost far more than predicted and took longer than planned. And most fell short of delivering the benefits.



David Hilliard, CEO Mentor Europe



Mike Hosie,Partner, Mentor Europe

90% of business-critical programs face major setbacks within a year

This was the main reason for founding Mentor in 1988 and stems from my direct experience of working in several large corporations.



Since then, we have led salvage operations on over 130 programs. 90% of these were transformation programs that had misfired in under a year.

Nearly all these let-downs could have been avoided.

In every field, the company had a clear vision and goal for their business-critical program. Yet, the way they prepared and executed did not produce the results they wanted.

The distinguishing factor between high achievers and others in every field lies in their meticulous approach to preparation and execution.

It is just the same with business-critical programs.

Our experience in Mentor has given us deep insights into how big organisations and their people operate when faced with the intense challenges of novel and complex business-critical programs.

The primary reason for long-drawn-out program delays and significant cost overruns boils down to a straightforward yet powerful reality: how people behave under severe and unfamiliar pressure for long periods of time.

66 This Insight Guide will show you how to be a winner using our proven approach, which has been battle-tested, refined and honed over the last three decades.

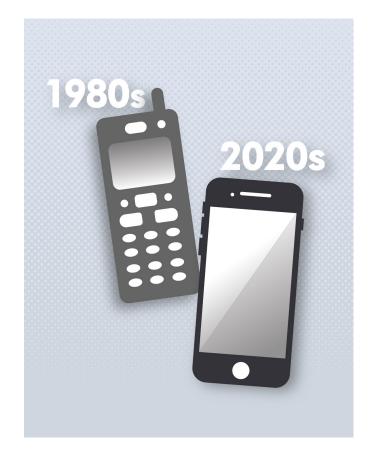
David Hilliard, CEO Mentor Europe

66 David has a deep understanding of how big companies work and combines this with unparalleled programme management experience to deliver focused, pragmatic and actionable results.

Ben Messore, Strategy Director, Openreach

7 harsh realities experienced over three decades

Looking back, these complex programs had been thrashing around and not making enough progress for between 9 and 15 months before a CEO or Chairman got in touch.



The crux of each conversation was strikingly similar:

- The company faced an urgent client crisis due to a severe program delay
- The board (or stakeholders) had lost confidence that the company would deliver on its commitments

Other reasons for these calls included: shareholder discontent; diminishing trust from pivotal customers; potential termination of major contracts; significant delays to service launches; costs spiralling out of control; and colossal financial penalties or write-offs.

Not all cases were as severe, but they posed significant business threats nevertheless.

The dominant themes emerging from a review of our 130+ programs were:

- 1. Underestimation of scale and complexities in cross-company transformation.
- **2. Misalignment** and disharmony between program visions, objectives, strategies and execution tactics.
- 3. Program teams that were organised to fail.
- **4. Ineffective program governance** systems which led to gaps in accountability, measurement, and control.
- 5. Material competence gaps in senior management teams.
- **6. Poor alignment** and management of Suppliers.
- 7. Weak teamwork and poor behaviours.



mentor Case Study:

Accelerating a "novel" network roll-out

A client faced challenges with a slow network roll-out, jeopardising future investments from shareholders. They aimed to expand into new territories using this network model as a vanguard program to validate their strategy. Severe delays raised concerns for the Country and Company leadership teams.

After a thorough assessment we proposed a phased approach to prove the technical rollout and strategy before full implementation.

We signed up additional suppliers for the required sites and negotiated new arrangements with a strategic partner. Simultaneously, we set up a program for the network launch lined up with the phased rollout.

The program was successfully delivered on time, and the launch was a massive success. Shareholders were content, and plans were set for similar network rollouts in other countries, promising increasing returns and enhanced shareholder value.



Even skilled executives stumble due to blind spots and biases

Many of these organisations were run by highly talented, successful CEOs.

So why is the success rate for these programs so low?

Over the last 30 years, we have explored biases and blind spots in program plans with senior executives and leadership teams. These are both areas where executives can lack awareness or understanding of the fundamental ingredients needed for successful execution.

Our experience is that, at best, these issues are downplayed. Worse, they remain hidden, leading to potential risks and oversights.

Where it does happen, these weaknesses are certain to be "baked" into a program from the start.

Blind spots and management biases are the root cause of program delays.

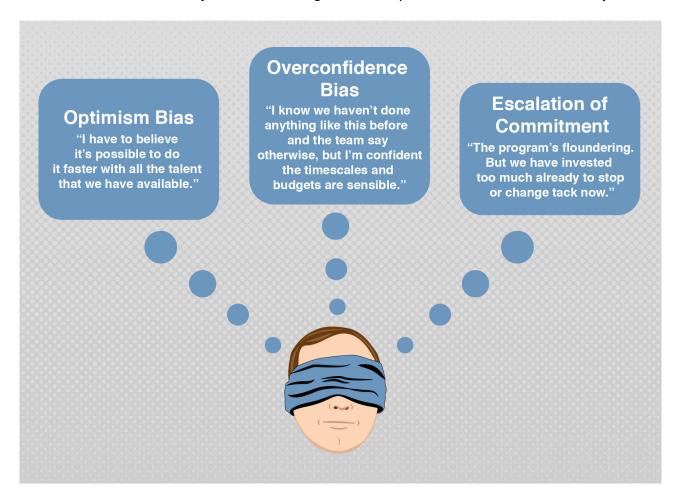
Management biases

Bias detection has been embedded in our approach for more than three decades.

We've been encouraged to see that our hands-on experience aligns with the substantial research conducted by Bent Flyvbjerg*, Professor and Inaugural Chair of Major Programme Management at Oxford University.

Flyvbjerg has identified the same issues we have encountered in Telecoms and IT in other industry sectors.

His research describes many biases, including three examples we come across constantly:



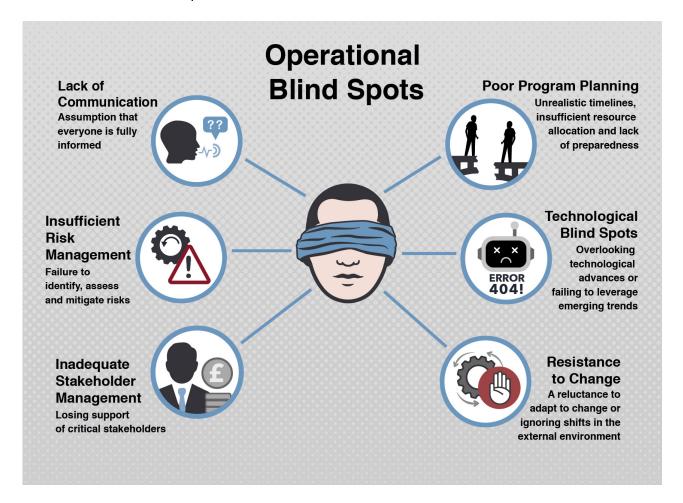
^{*} Flyvbjerg, Bent, 2021, "Top Ten Behavioral Biases in Project Management: An Overview," Project Management Journal, vol. 52, no. 6, pp. 531–546

Operational blind spots

But it is not all down to management biases!

Blind spots are equally damaging – we have seen examples of these on every client assignment.

The most common blind spots include:



Is this down to CEO incompetence?

Not at all. Most were intelligent, successful people with exemplary track records. Some ran FTSE 250 companies. Yet, they could never have imagined being in such a difficult situation when their programs were launched.

Managing transformational change is a significant challenge for organisations and their senior executives. The impact of managing change needs to be better understood by decision-makers, but it is usually downplayed or, in some cases, ignored.

Blind spots and management biases trip up even the most talented individuals.

The Optimism Paradox

When planning a program, balancing optimism with realism, while fostering positive team attitudes is crucial. This foundation consistently aims for positive outcomes and supports a program strategy capable of adapting to change.

In the planning phase, program teams must prioritise risk reduction to minimise surprises during execution. While positive team attitudes cannot overcome fundamental planning flaws, they do allow the program team to focus on problem-solving rather than reacting impulsively to unexpected issues that arise out of the blue.



As the Program Director and execution team begin to execute, they must balance optimism with a positive, energised yet realistic attitude.

The reason they can do this is down to the deep work they did in understanding the plan and what is needed to deliver it.



A prominent infrastructure company, crucial to a UK mobile network operator, faced a pressing Ofcom directive for swift site deployments.

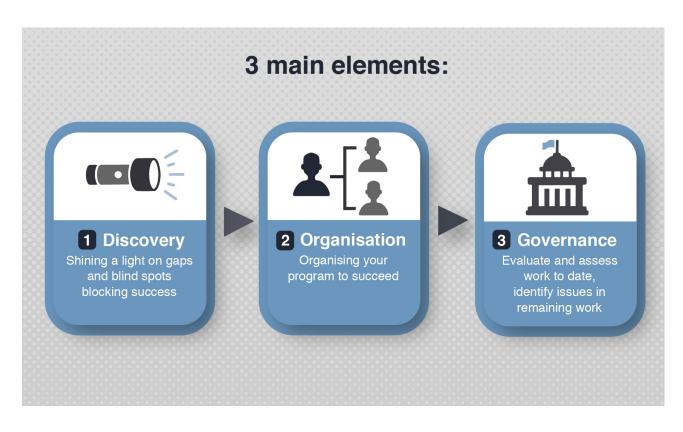
The client's management team was inexperienced and grappled with their plan due to planning biases and blind spots, creating heightened risks and uncertainty.

To tackle this, the program underwent a major revamp, led by a fully dedicated and seasoned Mentor Program Director. The delivery plan was reshaped to align the mobile network operator, the client, and subcontractors.

In parallel an improvement plan tackled broader organisational changes. Robust supplier management and effective governance were introduced for accelerated program delivery, significantly improving stakeholder confidence.

The outcome? Delivery surged from 100 to 350 sites monthly, meeting Ofcom's directive, sidestepping penalties, and yielding an impressive 195% revenue boost.

Our blueprint for a winning program



1. Shining a light on gaps and blind spots blocking successful execution

Helping anyone, let alone an Executive, become more aware of their blind spots or biases can be challenging. Biases are deeprooted and sometimes unconscious behavioural traits many people are unaware of. We all have them because they help us to make sense of our world.

Detecting blind spots, finding gaps, uncovering biases, and understanding their impact on a program is essential.

Ignore them at your peril.

Addressing these "program killers" requires transparency, continuous learning, communication, and a willingness to receive open and honest feedback.

Above all, it takes self-awareness.



So, ask yourself some pointed questions:

- Does everyone truly understand and support the aims of your program?
- Are the people responsible for delivery able to voice concerns without fear of management "retaliation"?
- Does your company have the competence to drive your business-critical program successfully?
- Are your people getting enough resource, support, and guidance?

Answering these questions candidly is not easy. Information is hard to come by, and getting a proper handle on program status from your people is fraught with difficulty.



66 We humans are not inherently truth-seeking animals, we are social animals.

Jeff Bezos, Founder and Executive Chair of Amazon

Amazon founder and CEO Jeff Bezos believes people are more interested in conforming, rather than risk having a dissenting view. He puts this difficulty down to the fact that humans are inherently "social rather than truth-seeking animals."

To help Amazon overcome this bias, Bezos prefers to speak last in meetings, so those junior to him do not feel they have to conform to his opinion, simply because he is the most senior person in the room.

Bezos argues that organisations should strive to create a climate where everybody's opinions count, no matter how junior they are.

Moreover, if a person's dissenting view is based on hard data, "that view should always prevail over senior management opinion."

Encouraging open dialogue and feedback loops, using regular assessment, can help identify and mitigate potential biases and blind spots.

Regular assessment is critical. Independent reviews help to cut through biases, blind spots and gaps to provide program insights an execution team might never highlight.

Considering the downside of execution oversights, external assessments are not an expensive luxury. They are an essential component of the execution mix and will help you avoid pointless grief.

Why would anyone not consider conducting a thorough program evaluation by external, impartial experts?

Without criticising or undermining your team's confidence, an independent review will significantly strengthen your execution plans, making sure they are based on facts and qualified judgements rather than distorted opinions.

Independent program assessments are commonplace in many other industries, such as pharmaceuticals, the military, computer and airline manufacturing.

Yet, even with mind-blowing failure levels, independent program reviews are as rare as pink unicorns on major Telecoms and IT programs.





2. Organising your program to succeed

Business-as-usual vs business-critical

Most businesses are organised functionally. While there may be the odd exception, they lack the necessary cohesion to deliver cross-company programs.

CEOs always face pressure to run business-critical programs from within the functions because senior executives like to call the shots. This is another bias where parochial interests hinder cross-company change programs.

Although functional organisation models have been around since the time of the Pharaohs, they were designed to group specialisms together e.g., marketing, operations.

They were not designed to manage highly complex, high-tempo business-critical programs that demand intensive collaboration across multiple different functions, external suppliers, and multiple stakeholders.



By contrast, business-critical programs are multi-disciplined and crucial to long-term business success. Typically, they come up every 2-3 years, are incredibly challenging and involve doing unfamiliar things in unexplored territory.

Our experience is that a functionally-led program organisation will not deliver on its own.

It does not have the focus and program expertise that is needed; there will not be a Program Director with sufficient seniority, accountability, and gravitas. Functional and program teams always tend to be misaligned and in conflict – and, typically, functions dominate any program.

The resultant tension between function and program means everyone loses. Inevitably, the quality of both day-to-day work and program execution drops off.

Yet, it is not a binary decision. It is never a case of giving precedence to the program over business-as-usual.

The truth is: functional "day-to-day" work and business-critical programs must coexist and work together in partnership if a business-critical program is to succeed.

Setting up a Core Team for success

Every business-critical program needs to be led by a Program Director, supported by a multi-disciplined "Core Team".

This team (circa 8-10 people) will be independent of the business-as-usual (BAU) organisation and fully dedicated to the program.

Program Organisation Principles

The Program Director and the Functional Head are both responsible for the health of the <u>partnership between program and function</u> – together anticipating, moderating, and resolving conflicts.

While the core program team is not superior to any function, its focus must align with the senior management team's approved execution plan and priority commitments.

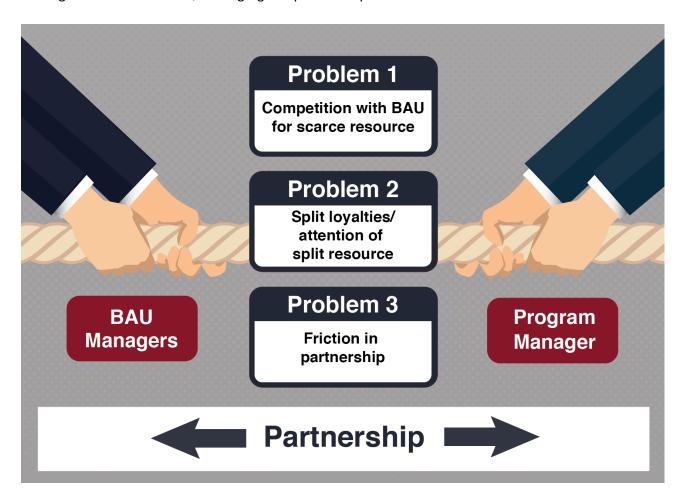
Bottom line: The Core Team's sole purpose is to direct the work of the program and deliver its objectives.

The Partnership

There must be a healthy partnership between the BAU functions and the program team - recognising that one of the challenges is that functional units are often resource-constrained.

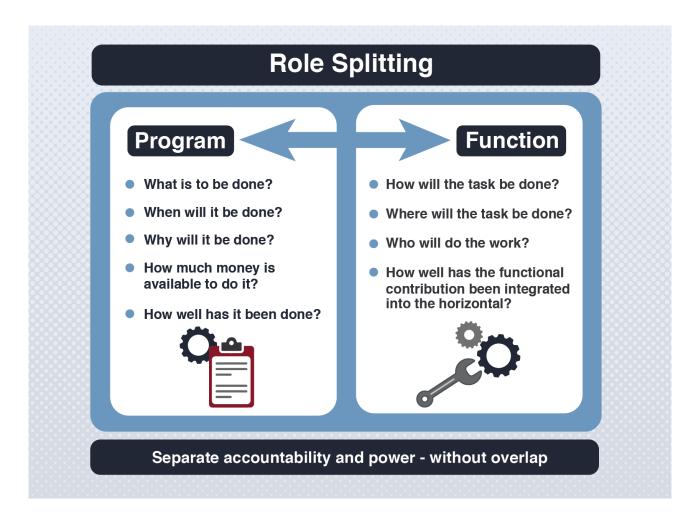
Typically, these constraints create significant tension because of the competing demands for people.

Split loyalties and the demand for shared resource can create additional problems. If senior management is not united, managing the partnership can lead to destructive friction.



CEOs should make sure the Core Team has the means to succeed by:

- **1.** Assigning domain experts from the functions to work alongside program experts under the management of the Program Director.
- 2. Making sure there are clear distinctions between the program's role and the function's role to avoid overlap and confusion. The program decides **what needs to be done**; the functions decide precisely **how the work gets done**.



- **3.** Create mechanisms to maintain the program's focus and alignment throughout the business while balancing resource needs between the program and functions.
- **4.** If needed, bring in external program execution experts to compensate for weaknesses or skill gaps in the organisation's Core Team.
- **5.** Make sure all program staff are well-managed, motivated, and incentivised for success.

Managing the partnership

Managing the resource needs of both the program and the functions presents the biggest challenge. It requires continuous and close management of the partnership.

This means that creating a single, transparent cross-functional plan for resource allocation is crucial.

Strong ties and loyalties to functional management are inevitable. This is more pronounced when resources are divided between the program and function, especially where capacity is fixed or limited.



Functional Heads must consistently offer guidance if workload "trades" are required, repeatedly prioritising tasks at an operational level.

Given the competing demands and high stakes involved, friction in the partnership is expected.

An "us and them" mentality can harm any program, leading to a toxic culture that is hard to fix.

- Emphasise there are no winners or losers and promptly defuse any resentment
- Achieving a "one team" approach is easy to talk about, but very challenging. Start by clarifying responsibilities, consistently emphasising shared values, and fostering collaboration - possibly by having the Core Team and function physically working closely together



SAMSUNG

3. Governance: Evaluate and assess work to date, identify issues in remaining work

Good governance is a hot topic. Even with the increasing focus on corporate governance in recent years, we continue to see unnecessary program failures exaggerated by poor behaviour.

Corporate and Program Governance work at different levels, but the two have a mutual dependency, particularly where a business-critical program is involved.



Had the management of the Post Office Horizon program used proper program governance practices, the repercussions at the corporate level stemming from management biases, blind spots, denial, and outright deceit would have been addressed with greater integrity.

The bottom line is: Program
Governance must dovetail with
Corporate Governance to identify and
manage risk effectively.

But it rarely does.

An open, honest and transparent culture is the key to success.

Traditional program methodologies are activity-based. Typically, they use mechanisms like review meetings, RAG reporting, change control, etc., to provide what most organisations euphemistically call "governance."

Program cost reporting is almost non-existent. Rather than capturing actual program spend, most companies allocate costs on a rough-cut basis. This means that any financial exposure due to execution mistakes, rework and delays is hard to trace since the associated numbers are generally buried in overhead.

66 Yet, we know from the 130-plus program "rescues" we have worked on, that program governance processes range between weak at one end of the scale, and inadequate at the other.

Bottom line: few program control systems in use today are likely to flag up any substantive program issue in sufficient time for a company to take positive remedial action. Besides, most key metrics are focused on the past – almost exclusively focused on lag rather than lead indicators.

Robotic, tick-box approaches do not come close to allowing a business to understand how well a business-critical program is functioning - and how, under pressure, wider program team behaviours are helping or hindering.

Most program governance systems are inadequate for detecting blind spots and uncovering biases, let alone offering constructive guidance on how they can be corrected and managed.

66 It was very clear I was getting the "A-team" and I really appreciated their ability to roll up their sleeves and work with people in the business.

Paul Donovan, Former Eircom CEO



So, how do you know if your governance system is up to the job?

Organisations tell us they have program governance in place, but the hard evidence does not support this.

Governance will not be effective if it only consists of monthly meetings, reports, and a tick-box agenda.

What is needed is an objective and detailed examination of areas such as:

- Is your stakeholder engagement working?
- Is decision-making quick and straightforward?
- What does resource utilisation look like? Are you using more or less resource than planned? Do you know why?
- Are the program metrics the program plan is based on standing up?
- Are you getting what you need from your functional colleagues? How well are you working together?
- Are inevitable conflicts being resolved quickly or do some issues irritate like an open sore?
- Is the program organisation adapting quickly enough to changes in the business environment?
- Is the team willing to receive honest fact-based opinions regardless of where they come from?

Instead of brushing off these questions with vague statements like "Everything seems to be okay," the essential query in all these situations is, "How can I confirm this?"



The Mentor difference

The proven way to achieve successful transformation

With over 130 programs under our belt, we understand what makes people and organisations tick.

Backed up by independent academic research, our practical experience indicates that unhelpful human behaviours are the primary reason for program delays and many outright failures.



Traditional program execution methods are somewhat logical but mechanical, and do not align well with how organisations operate in reality - or how people behave in challenging situations.

Despite what is often said, programs consistently do not meet management expectations. Additionally, widely renowned program management methods have not produced any improvement over the last 30 years. Not even a small amount.

The Mentor Blueprint

The Mentor Blueprint is a proven way of dealing head-on with unconscious management biases and blind spots seen in every program.

Our team of seasoned practitioners demonstrate that meticulously crafted Program Governance goes well beyond ineffective mechanical progress tracking. It recognises the enormous significance of corporate and individual behaviours, highlighting their positive influence on successful program execution.

Effective governance helps to make vital program decisions based on "factual facts" rather than opinions.

Program Management - "The Mentor Way"

The Mentor Blueprint consists of 6 balls, none of which you can drop. Not even one! It is a proven way of organising to achieve a successful transformation.

These are:



Experience and expertise

Mentor has three solid decades of experience executing challenging, business-critical programs in the UK and Europe.

Our execution teams are steeped in know-how, with successful careers already under their belts in IT and Telecoms.

Our people are skilled practitioners from industry, with a proven track record, who can hit the ground running. Unlike "big 4-type" consultancies, we do not employ trainees, juniors or consultants.

With us, you will see the same experienced people you meet at our initial presentation throughout the assignment. As one of our clients recently said:

66 With Mentor, we don't get the young puppies. Just the big dogs.

Winning through execution is our sole focus

In every client situation, we aim to "roll our sleeves up," help companies solve acute program execution difficulties quickly and leave. We believe that clients should become self-sufficient as fast as possible.

Specifically, we do not follow a "land and expand" consultancy model, which relies on getting a foothold in a client's business to create a sense of dependence.

Working alongside your program team, we inject pace and momentum into a program and put it on the road to success. Once program execution is complete, we make sure our exit plan transfers ownership to the right people in your company so that your team can be self-sufficient in future programs.



The pathway to first-time program success

In truth: success rates for business-critical programs are dismal.

The industry evidence is clear.

Companies followed a well-trodden path to major delays and overspends in 90% of the business-critical programs we have worked on.

Yet, forging a route to success is straightforward BUT ONLY IF you are willing to challenge the prevailing industry "wisdom" and change the paradigm:



- **1.** Acknowledge the enormous scale and complexity involved. These programs are anything but business-as-usual.
- 2. Be brutally realistic about the gaps in skills and capabilities your people have to deliver success.
- **3.** Get independent experts on board early to work alongside your people to eradicate blind spots and biases that could derail the program.
- **4.** Build a customised, robust, adaptable plan to deliver success without false starts.
- **5.** Set up a Core Team focused on program execution, with fit-for-purpose program governance to manage and measure progress.
- **6.** Inject confidence and a "can do" attitude into your company's prevailing culture.



Begin with an impartial review

No matter how exceptional they are, almost every elite sportsperson has a coach.

Victories are always the result of many years of planning, detailed analysis and continuous improvement.



A coach usually has specialised expert knowledge to refine and enhance a sportsperson's skills and to help them consistently maintain a high level of performance.

The coaching process begins well before major events, even months or years earlier. Although an inspiring pep talk can boost performance, both the coach and player understand that sustained success is only possible with a strong foundation in the fundamentals of the sport.

When it comes to program execution, the sooner you bring in experts to assess and strengthen your plan, the better!



That's why we run Independent Program Reviews

What you get

They are designed to give you a rapid assessment of the probability your program will succeed **before** things get to a critical stage.

You will get a fast, high-level assessment in under two weeks identifying the following:

- · Whether your program is likely to succeed?
- If the odds of success are not as high as they should be what are the reasons?
- What work could you do now to substantially increase confidence?
- How can this work be done what skills are needed and how long will it take?

One week after the assessment, we will give you a management presentation and analysis of your program and suggest a strong plan for improvement.

You will then better understand your organisation's management biases and blind spots – and recognise areas that require strengthening to boost your performance.

Our presentation will show you how:

- Well aligned your team is
- Complete your program plans are
- · Likely your program organisation is to succeed
- Integrated your key suppliers are with your plans
- Your team culture supports the delivery of your program's objectives

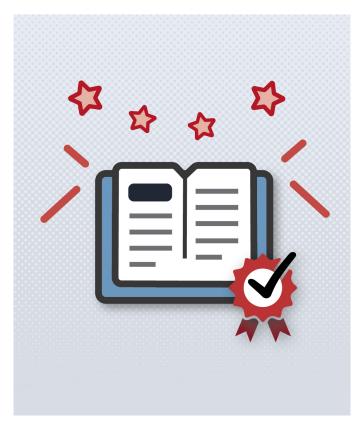
How long will it take, and how much will it cost?

With a small investment of time and money, you can gain valuable insights into your program that would be difficult to get in any other way. A few key team members would work part-time with us over two weeks.

Provided your program is not like the Post Office Horizon system or HS2, the cost is around £35,000



Independent Review strengthens your program



Gain over 100 times the value of your investment

By tackling problems that consistently cause delays and overspending in business-critical programs, we are confident you will gain at least 10 times the value of your investment. But, given the substantial size of most business-critical programs, the return on your investment is likely to be 100 times or more.

Energise and inspire your organisation

In contrast to many of your industry peers, you can inject dynamism into a vital program. Transparent reviews make smart choices possible, and you can be proud of inspiring your team to succeed.

The review is a strategic step, giving crucial insights into team alignment, completeness, and the program's likelihood of success.

Tackle the program with a firm grip and clear direction

With a profound grasp of potential hurdles, you can tackle the program with absolute confidence.

The knowledge and insights gained from the review not only contribute to the success of your program, but also lays the foundation for longer-term execution success and organisational excellence.

Enjoy confidence and peace of mind

You will feel a real sense of accomplishment and confidence, knowing you have made a wise investment in your company's present and future success.

We have recently carried out Independent Program Reviews for:





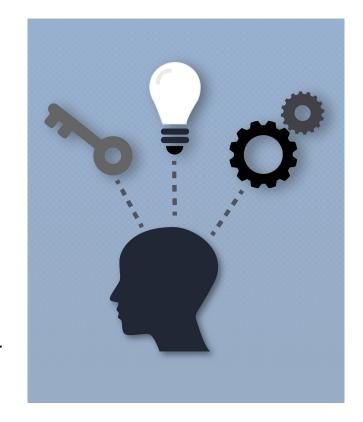






Expert insight, your ultimate reassurance

For the peace of mind that comes from knowing you have done everything you can to underpin your program's success, tap into our expertise now.



Arrange an Independent Program Review by emailing me at dhilliard@mentoreurope.com or calling 0118 359 2444.

66 Mentor were very hands-on, practical and get-things-done specialists rather than the more theoretical approach we all know. They quickly made a difference. They are also a great bunch of guys, in terms of how they communicate and build relationships.

When you employ Mentor, you get seasoned, experienced professionals. You're not getting theory. You're getting guys who have been there at the coalface and done it.

When you start a major program, don't wait until you encounter difficulties before you engage the experts. Bring in companies like Mentor to build the approach, build the processes and the Program Office and then set off in a quality way rather than doing this at a later date.

David Sangster
Former Managing Director, G.Networks

Mentor is an organisation with lots of experience and skill, a lot of industry veterans who have been around big projects and programs and have delivered them effectively over the years.

Jeff Dodds

Chief Executive Officer, Formula E (formerly Chief Executive Officer Tele2 Nederland)



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