

Commercial Partnership's Sounding Board Cohort 2 Summary

Last year, GBRTT's Lead Director spoke of the need to *“make whole-railway thinking the new normal and, crucially, to find ways to deploy that thinking in as many areas as possible ahead of Great British Railways.”*

GBRTT's Commercial Partnerships Sounding Board is a key part of that work, seeking to connect and engage effectively with the market to increase the shared understanding between rail clients and the supply chain. The Sounding Board is helping to ensure that the voice of the supply chain is heard as we work towards a reformed railway with Network Rail and the Department for Transport.

Following an open call-out last year for senior leaders to participate, members of the Sounding Board were randomly selected to join two cohorts which ran sequentially throughout 2023 and early 2024.

The first cohort established that there is a clear opportunity to create better ways to work with the private sector, with a view to unlocking greater value and innovation. They highlighted how changing the rail industry's culture to enhance innovation, collaboration and trust between client, supplier, and subcontractors is a critical step toward ensuring rail is a better and simpler place to do business. A summary of cohort 1 sessions can be found on [our website](#).

Building on these contributions, cohort 2 discussed good practices and conditions necessary for shifting culture and behaviours, to create a more efficient and innovative railway that gets the best results for customers and taxpayers.

Cohort 2: Participants

We are very grateful to the members of cohort 2 for giving up their time to share their views and experiences. They were: Colin Pigg (TenBroeke Company Limited), Karl Watts (Railmotive Limited), Jeremy Acklam (Axon Vibe), Johnny Buckley (PA Consulting), Mark O'Connor (North Highland UK Ltd), Martin Howell (Wordline), Phil Bulman (Arthur D. Little), Tim Danvers (Atkins-SNC-Lavalin), Tom Hopkins (IPEX Consulting Ltd), and Trevor Geraghty (Solvd).

We also thank the valuable participation of the Sounding Board observers. They were: Clive Berrington, Glen Combe, Victoria Hill-Stanford, Paul Nixon and Charles Heseltine (Network Rail), Anna Delvecchio and Paul Corcoran (Rail Supply Group), Elaine Clark (Rail Forum), and David Clarke (Rail Industry Association), as well as our guests and speakers, including Claire Randall and Jeremy Hotchkiss (Department for Transport), Emma Porter (Story Contracting), Ivan Youd (Department for Business and Trade), James Bevan (Innovate UK), Joseph Mastracci (Transreport Limited), Sharna Smith (Railway 200), Simon Cresswell (Skanska UK), Stuart Golding (Crown

Commercial Services), and Tamsin Crook (GBRTT). Their presence and expertise enriched Sounding Board discussions.

Session One (September 2023, London)

Sounding Board members debated the necessary ingredients for culture and behavioural change across the rail industry.

Members highlighted the importance of the supply chain in promoting culture and behavioural changes within the rail industry and landed on four main ingredients that would lead to tangible impact.

1. **Leadership.** Participants noted that changing culture isn't a quick fix, it requires leaders setting standards from the top. Behaviour changes need to be accepted and observed by leaders at all levels of the organisation. This means leaders should work to implement positive changes as role models, while also encouraging those around them to do the same.
2. **Incentives and processes.** Internal incentives coupled with processes can help spur better behaviours. To best assist rail in promoting changes, participants discussed that it is essential for changes to be reinforced through formal processes and internal incentives. For behavioural change to be sustained, leaders within the organisation should set the standards and objectives within their team and ask for feedback to ensure culture change is cascaded through the entire organisation. This may be supported by rewards, benefits or recognition within the organisation, as an essential step to align individual actions with organisational values.
3. **Communication.** Increased regional, organisational, and internal communication would be necessary to promote change across the whole industry - and trust between clients and suppliers. Collaboration and honest communication are especially important for the client/supplier relationship. In this sense, suppliers and clients could improve efficiency by increasing accountability, a shared understanding, and a win-win attitude throughout the entire project lifecycle, reinforcing the perspective that the supply chain is in *partnership* with the client.
4. **Monitor and measure.** Transforming culture is challenging, thus behavioural changes should be monitored and measured while ensuring that all changes are subject to constant feedback. Meanwhile, management should continue to promote the right culture and set clear objectives within the organisation.

Session Two (December 2023, Derby)

Building on Session One, the Sounding Board explored the links between behaviour and efficiency. Members discussed case studies which highlighted the potential ways for cultural change to generate greater efficiencies in the railway. This session aimed to explore actionable and realisable behaviours that would support culture change explored in Session One.

Session Two asked: Can a cultural change within the railway sector generate greater efficiencies?

1. **The cost of culture.** Participants shared experiences and research from the Get It Right Initiative (GIRI), which indicates that the cost of rework is roughly 5.0%-25% of the project cost.¹ On the flip side, if rail 'gets it right the first time' there is an opportunity for considerable savings. More importantly, these changes could reduce the 39% of injuries that occur when doing rework.
2. **Owning outputs and planning well.** Participants emphasised taking ownership for sound forward planning, appropriately targeted programmes and getting it 'right the first time' are essential if the railway is to become more efficient. Both sides must own and be held accountable for the outputs they are responsible for. Participants highlighted how inadequate project planning and last-minute requests, by both client and supplier, complicate efforts to achieve timely solutions. If the industry wants to overcome these inefficiencies, Sounding Board members feel open and honest communication must be prioritised early in the planning process and throughout the project lifecycle to avoid unnecessary delays. Thus, understanding the knock-on consequences of changes has the potential to help rail clients.

Figure 1: Improving results led by changing beliefs and behaviours



¹ Expedition R&D. (2016). Error and Rework in Construction: A Literature Review (Revision 3). Retrieved from Get It Right Initiative - Literature Review.

3. **Proactive engagement.** Early engagement is important to improving the planning process and project delivery. It is the key to identifying and addressing problems before they escalate into significant issues. This proactive approach is not the sole responsibility of a client, supplier, or subcontractor; it is a collective effort. Therefore, the railway's culture should foster a mindset of collective problem-solving. As defined by participants, culture is the actions individuals take when 'no one is looking'. It will take time to spread and embed this sort of behaviour change, but by adopting a more collaborative approach, rail clients can ensure long-lasting growth, better delivery, and improved innovation outcomes.
4. **Skills gap.** Business leaders discussed how last-minute changes to planned work has a knock-on impact on the workforce, making work schedules less predictable and roles less desirable than they might otherwise be – especially for those with caring responsibilities. Difficulties with recruitment and retention exacerbates what members described as the “skills gap”. Members described a ‘chicken and egg’ effect: a shortage of workers leads to current employees being called on more unexpectedly, causing strain and perpetuating the cycle of difficulty in planning. Participants said improved planning would allow businesses to plan resource better, which would help address this challenge.

Session Three (March 2024, Derby)

Our third session combined what we learned in the previous two sessions on the importance of culture change to increase innovation. The session welcomed both private and public sector guests that helped the Sounding Board to uncover how the industry might create the ideal environment for innovation to thrive.

Session Three asked: How can we create the ideal environment for innovation to thrive?

1. **Outcomes first – what is the problem statement?** Members discussed the need to focus on the outcome and necessity of innovation, rather than innovating for the sake of it. Participants noted that innovation covers more than technology; it also includes improvements in recruitment, diversity, people and processes. Thus, innovation can involve minor improvements and incremental changes that prioritise effective solutions to problems. It is essential to prioritise incremental changes and net positives over designing the 'perfect' solution. Participants added that setting clear, prioritised problem statements for the supply chain to respond to and for the client to focus their energy is important. By doing so, rail can continue to work toward efficient solutions to clear problems.
2. **Trust and understanding.** Sounding Board members discussed trust, honesty and openness as necessary to underpin best business practices (with accountability). Creating the 'right' environment hinges upon trust. This involves

emphasising relationship building, sharing non-sensitive information, effective communication, and a culture of openness and honesty. Participants discussed two-way reciprocal communication as the catalyst of change. For the client and supplier relationship to work effectively, both should prioritise a relationship built upon win-win scenarios and building trust. Participants also mentioned, as part of increasing communication, that data sharing between businesses would assist the long-term success of rail and optimise efficiency. Additionally, the supply chain highlighted the need for transparency, trust and consistent communication on the pathway to commercialisation. By prioritising trust, the industry can enhance collaboration, facilitate constructive dialogue, and, most importantly, strengthen the business case for innovation.

3. **Joining the dots.** Members explored how the network of suppliers and buyers would benefit from an 'enabler' or a 'facilitator' that could work toward promoting whole-industry benefit. In this sense, connecting problem statements to potential solutions or funding would be valuable, empowering the supply chain to 'join the dots' to innovate. As part of this emerging thinking, cultivating a collaborative environment without personal agendas is important to assist groups to connect (i.e. supplier and buyer, financiers, mentors). It is especially important for SMEs (small and medium-sized enterprises) to have an 'enabler' or 'facilitator' for guided assistance.

Next steps

Future Sounding Board sessions will aim to increase the engagement with Network Rail regions and train operating companies - listening to the perspectives of suppliers and clients is one way in which we can actively promote positive culture change in the here-and-now. Also, upcoming sessions will aim to promote change throughout the supply chain 'ecosystem' where a wide range of individuals, resources, and organisations (like Tier 1 suppliers and SMEs) come together to translate ideas into commercial application.

Finally, GBRTT aims to take what we have learnt to implement actionable and realisable initiatives. The Sounding Board will continue to debate change and work toward exploring tangible actions to promote positive outcomes in rail. GBRTT's next steps entail synthesising the insights gained to initiate modest yet impactful shifts toward larger change - for instance, feeding into the design and implementation of the Rail Supply Group's Innovation Charter.

Sounding Board – 2024 Edition

The Sounding Board is a great opportunity for organisations of all sizes and backgrounds to have their voices heard in how the railway can become a better place to do business.

To express an interest in joining the 2024 edition of the Sounding Board, suppliers are invited to read the criteria and complete the [online form by 17:00 on Friday 3 May 2024](#).