Collaborative engagement for successful delivery of major projects

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The challenge

Trillions of dollars are to be invested in major projects over the next two decades, however, the track record of success is poor. Many will exceed their budgets, experience lengthy delays and fail to deliver on their intended outcomes. This is often because they are politically sensitive, publicly controversial, and become contested by lobby groups, social movements and rival political parties. A failure to engage with the public is damaging for many reasons. The risk of public backlash can mean extra costs and time, wasting the resources of the public as well as those companies involved in project planning and delivery. Equally important, poor engagement can result in missed opportunities to crowd-source ideas, incorporate these into the project and subsequently deliver better public value. If projects get mired in political controversy they may never get built, resulting often in poor social and economic outcomes. Project executives across government and the private-sector need to be able to engage skilfully with the public if major projects are to be designed and delivered well.
On the basis that we can learn as much (if not more) from analysing failure as from best-practice, we conducted a post-mortem analysis of a significant failure of a major project. The East West Link (EWL) road project in Australia was estimated to cost approximately $7 billion, enjoyed significant support from Federal and State governments and had advanced to the stage of entering into enforceable contracts with private-sector consortia. Despite this, public opposition and anger to EWL grew such that the incumbent government was thrown out over the project. The end result? Abandonment of EWL at a further cost of $1.1 billion to the public in cancelling contracts, plans of the private-sector consortia being thrown into disarray, and a failure to deal with the underlying transport and traffic congestion problem. We argue that skilful engagement with the public would have resulted in better outcomes for all parties, and distil key engagement lessons from our analysis for public and private-sector executives involved in major projects.

The East West Link Project

EWL comprised a major toll-road and tunnel in the city of Melbourne, Victoria – one of the fastest growing cities in Australia with its transport network coming under pressure from population growth and urban sprawl. At the time it was considered the most expensive road project ever undertaken in Australia, estimated at $1-$1.2 billion per kilometre (West, 2014).

There was wide-spread agreement that Melbourne’s transport network needed investment and, in particular, that the Government had to improve connections between the Eastern and Western suburbs of Melbourne to enable better flows of people and goods. The Liberal (conservative) State Government of Victoria formally announced the project in May 2013. Despite strong support from both the State and Federal government and the efforts of the government entity that was established to build EWL – called the Linking Melbourne Authority (LMA) – EWL encountered significant opposition from local governments, social movements and activist groups. EWL was abandoned in November 2014. Our research looked at the actions taken by LMA and other EWL supporters and those that opposed the project. We analysed archival material comprising 210 documents and in excess of a thousand pages of communications from government entities, community action groups and individual activists, media reports in popular newspapers, social media commentary and industry reports. Based on this we identify five important public engagement lessons for project executives.

About this research

Our study examined an ultimately unsuccessful bid to build a major project to understand what lessons future project proponents could learn from its failure. Our research looked at the actions and counter-actions taken by the project consortium and its supporters, and by those that opposed the project. We analysed archival material comprising 210 documents and in excess of a thousand pages of communications from government entities, community action groups and individual activists, media reports in popular newspapers, social media commentary and industry reports. Drawing on social capital and social movement literatures, analysis of our data identified project proponents and the anti-project social movement engaging in deliberate strategies to gain public support, albeit to varying extents and effect. Through the materials collected it was possible to not only identify the strategies engaged in by the two opposing groups to secure community support for their objectives, but also the effects on the community in terms of structural, relational and cognitive dimensions of social capital.

Our research looked at the effects of practices undertaken concurrently by the two opposing camps over a 36 month time frame, from May 2012 to November 2014. Our research suggests that the various activities and tactics which make up these practices may be successfully employed to build public goodwill; conversely if activities are absent or not properly undertaken, they can serve to undermine public goodwill.

Through this longitudinal analysis of project proponents and opposition groups we were able to identify five important public engagement lessons for project executives.
Lesson 1

Approach engagement like your opposition

Engagement of major projects with the public often takes passive or reactive form. Letter drops, websites and advertising allow a wide distribution of information while community consultations ostensibly allow for one-on-one exchanges. While this style of engagement is useful it is passive and reactive, taking the form of ‘we will engage with those that are interested’. Those proposing major projects need to realise that they do not operate in an information vacuum – opposition groups and social movements are simultaneously attempting to recruit and enlist members to their cause and resistance to the project – and adjust their engagement strategy accordingly.

EWL required the demolishing of residents’ houses, removal of local parks and construction disruption in areas that certain local governments (councils) governed. However the State government and the LMA failed from the outset to get these impacted councils involved and on-board with the project. Consequently, these councils became a rallying point for a disparate range of community action groups and enabled a significant backlash against the project. They formally announced and allocated funds to campaign against EWL and mounted legal challenges against the project. Other pro-public transport and community action groups began to coalesce around this opposition, engaging in targeted recruitment of local residents through a grass-roots campaign comprising door-knocking and speaking in local community events. Having obtained sufficient community interest – with protests attracting crowds in the thousands – the anti-EWL campaign and its supporters turned their attention to recruiting pro-environmental political groups as well as the main opposition party to the State government, arguing it was the responsibility of these political parties to represent the interests of the community.

However, the anti-EWL movement did not stop there. Keen to demonstrate that opposition to the EWL project was not limited to local councils and communities and pro-public transport groups, they engaged deliberately with areas of Melbourne that were not directly impacted by the construction efforts. They rolled-out a petition to target outer areas of the city while a ‘No Toll Road Tunnel’ campaign caravan toured regional areas, spreading the word amongst a broader demography. In contrast to EWL which had failed to mobilise significant active support, those opposing the project had done so in purposeful manner and, consequently, were able to mobilise a large and diverse opposition base.

Lesson 2

Integrate humanity with economic rationality when making the case for change

Major projects are often rationalised on the grounds that they fulfil important societal and economic needs and will generate benefits that far outweigh their costs. EWL was no different. State government proclamations and consequent community consultation and information dissemination claimed that EWL would ‘boost accessibility to important economic and employment centres’, ‘support new patterns of economic development and urban renewal’ and deliver ‘substantial economic benefits’. However, such benefits are in the future and may not be fully enjoyed by those community members and groups that will be in close proximity to the project during its construction and operation. Hence individuals and groups will seek detail about the specific form and properties that the project will take and what it means for their lifestyles and local environments. The ability of those planning major projects to acknowledge and engage with these real human concerns can make a difference to subsequent interactions with the community.

LMA and the anti-EWL movement’s engagement with the community was clearly differentiated in terms of their ability to engage with the hopes and fears of impacted constituents. From the outset the social movement built their engagement with the local community on human impact. They arranged face-to-face meetings focused on extracting fair compensation if houses were resumed and on how to minimise impact on local nursing homes, sporting facilities and local traffic, all the while pursuing a parallel agenda to overturn the project altogether in favour of better public transport options. They questioned the efficacy of EWL as a means of solving
Melbourne’s transport problem, but extended their concern to also encompass consideration of how best to minimise the adverse impacts for local communities.

In contrast, LMA’s engagement was less successful in connecting with the specific concerns of the impacted public. LMA information sessions were designed to explain the value and the importance of the project for the entire state. However, when confronted with inner city residents where the most directly impacted were well-informed about the merits of public vis-à-vis private transport investments, and sought a greater level of detail than was offered about the project, the tendency was for the LMA to withdraw over time from explaining their case to the public. Making matters worse was an approach by government to dismiss protests and opposition. Notable examples included the then Transport Minister branding local residents gathered at a public meeting as a ‘rent-a-crowd’ (Gordon & Tapper, 2013) which further antagonised the community, and amendment to laws to prevent protests prompting the formerly supportive union movement to join with anti-EWL protesters in a 3,000 strong protest in February 2014 (Jackson, 2014). The anti-EWL movement were able to capitalise on these incidents to further their cause, using these as evidence of an out of touch government and apparent dismissal of growing community sentiment against the project.

**Lesson 3**

**Developing public confidence with limited information is critical – so demonstrate procedural justice**

Governments are elected on the basis that they will make decisions in the public interest. This can require trade-offs between the interests of the different groups that make up the public. Concurrently, an increasingly activist public is demanding assurance that their money is being spent appropriately and delivering on social and economic outcomes. The challenge for those involved in major projects is that full information is never available at the outset. Knowledge about the specific form the project will take increases over time as it moves through concept to detailed planning and then execution. This creates a tension between public demands to know project specifics and a project team’s ability to respond. To deal with this project proponents have to be able to demonstrate procedural justice (due process). Doing so ahead of time can enable better public engagement.

A clear problem for the EWL project from the start was the decision not to release the Business Case for the project. The failure to do so provided ammunition for the project opponents to claim that an investment in a road tunnel was not the best way of solving Melbourne’s transport problems, nor value for money. Fuelling public scepticism about the efficacy of the consultation process and the cost/benefit of the project it was revealed in the media that the Independent Assessment Committee (IAC) did not have access to either the full Business Case or the final design plans for the project, even though they were the major body weighing up the input to the consultation process (Herington, 2014). Exacerbating the already compromised perception of this as a ‘truly consultative’ process, the tender consortiums were given less than a month to alter their prospective designs in light of the recommendations of this Committee. Ongoing refusal to release the Business Case amid increasing and widespread calls to do so created a lasting impression of lack of transparency and due process which the EWL project never quite managed to overcome. The anti-EWL movement continued to capitalise on this, such that EWL became associated with claims about an absence of transparency and unanswered questions about benefit/cost.

**Lesson 4**

**Producing facts is necessary but insufficient, plan ahead for credibility disputes**

Gone are the days that project expertise resides alone in the hands of those planning and delivering these projects. Local communities and social movements often mobilise their own scientists, experts and economic modellers to provide alternative ‘independent’ views on the efficacy of major projects. The consequence of this is that project proponents cannot assume that the public will simply accept the veracity of any claims about the project’s impact and value.
In the absence of a business case it was actually the anti-EWL movement that was more active early on in the project about the ability of EWL to address Melbourne’s transport problems. It organised well known and credible transport researchers to speak on the importance of public transport. The anti-EWL case was also boosted by evidence from ten transport planners and financial analysts who published a report which showed the ‘real’ cost to taxpayers of the EWL to be close to double the initial government estimate, and that projected traffic benefits were highly over-exaggerated (Dodson et al., 2014). Rather than respond to these counter-claims about cost with their own strategy to enhance the credibility of their previous claims, the government simply dismissed this as the product of researchers who were always going to be anti-roads (Edwards, 2014, November 11).

Throughout it was the anti-EWL movement that was more active in enhancing the credibility of its claims about the project and countering those of EWL’s proponents. When the Head of the State Government announced that EWL when completed would save an average 27 minute in morning peak hour, and 33 minutes in afternoon peak hour (quoting an ‘independent’ Traffix modelling report) (Lucas, 2014), the anti-EWL lobby quickly countered with a video of a cheap dash-mounted clock that showed the morning peak-hour trip only took 22 minutes currently. Regardless of the accuracy of either side’s claims, the resulting video flooded Facebook and public transport websites and was widely reported in the daily media, further undermining the credibility of claims by EWL’s proponents about its value and benefits (Hewitt, 2014).

**Lesson 5**

The biggest risk may be political – create resilience to changing political interests

Major projects are particularly exposed to shifts in the political landscape. Their sheer size and impact on government budgets makes them visible while their long-term timeframes can span across electoral cycles. Project proponents – across both the public and private-sector – need to work actively to minimise the chances of projects becoming ‘hot issues’ that cause politicians to drop their commitment, or become key platform differences in government elections.

Faced with an upcoming State government election, the anti-EWL lobby picketed political candidates’ offices and forced them to make public statements about their stance on the project. This sustained and direct pressure on politicians enabled the anti-EWL lobby to manoeuvre the project to the ‘front and centre’ of the election campaign and cause the main opposition party to declare its unequivocal opposition to the project. The EWL thus became the main issue in the election, noted by many as the only real difference between the two major parties (Australian Broadcasting Corporation, 2014, September 29). In effect the election became a referendum on the EWL project, with public anger over the project sufficient to cause a change in government.

Subsequent to the election the new government declared that the project would be abandoned. While the anti-EWL movement and the community had won, the entire process had cost taxpayers dearly – scrapping the project itself cost in excess of $1.1 billion (VAGO, 2015). Adding to this burden was the extensive amount of time, money and other resources that had been invested in both promoting and opposing the project to date. A failure to engage had resulted in wasted resources while the underlying transport and traffic congestion problem remained unaddressed.

**Conclusion**

Those involved in major projects across public and private-sectors have to navigate a complex landscape of diverse public interests. Traditional approaches have seen engagement with the public kept to a minimum, with the public voice seen as a distraction, or worse, something to be minimised so that the project can commence and conclude with the minimum of disruption. The EWL case shows the risks of such an approach and offers some insight in how to avoid these. These five lessons do not make projects bullet-proof against public criticism, but they go some way to signpost the right approach. The very nature of major projects means they have huge potential to dramatically transform societies and economies – the challenge for those executives leading and managing these projects is to engage skilfully with the public in doing so.
References


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