



An assignment for the European Commission to review the management and technical competency of the €7 Billion Greek Railway investment programme

Introduction and background to the assignment

The European Commission had approved funding for a major programme of infrastructure projects in Greece.

In the rail sector, the completion of the upgrade of the lines between Athens and Thessalonika, and between Athens and Patras, together with the Athens suburban passenger system and the Thriassio-N Ikonio freight line were major projects.

ERGOSE, a subsidiary of the Hellenic Railways Organisation (OSE), was the organisation with responsibility for managing the projects in the rail sector.

Touchstone Renard was engaged to provide an independent managerial and technical audit of ERGOSE. The purpose of the audit was to review the current organisational structure and the processes by which they managed the construction projects and control costs and to determine the extent to which earlier recommendations had been implemented.

Our task

The objectives of the audit were to provide assurance that ERGOSE had the necessary managerial and technical capability to deliver the effective design, contracting, construction management and monitoring of railway projects.

It was also necessary to verify that the European Commission's funding was achieving the expected results.

How we went about it

We selected consultants for the work with the right interpersonal skills, who had considerable experience of carrying out this type of review. They were based in Greece and dealt directly with ERGOSE's people to carry out part of the project. They interviewed staff at various levels and specialisations within ERGOSE and, at the senior management level, interviewed the General Manager and his direct reports.

The objectives of the interviews were to identify and obtain documented evidence of overall objectives and functions of ERGOSE, the current operational processes, organisation structure, job functions (and descriptions), staff competencies, experience and capability.

In addition the effectiveness of current processes in achieving the overall objectives was assessed and areas of risk of failure to meet the objectives were identified, together with capability on contingency planning. A checklist was used to guide the information gathering process.

We examined and compared a two month period during 2000, 2001 and 2002 and selected particular key processes - for example, tendering or change orders - and took specific examples to follow the documentation through to see what actually happened. This created further validation of the interview work.

The function and performance of a sample of regional offices was assessed. In particular the similarities and differences in technical output and project management performance among regional offices and their collective contribution to the overall objectives of ERGOSE were examined.

Finally the specialist support services used by ERGOSE were assessed, including IT, Accounting Systems and Quality Control.

What we achieved and our thoughts on the assignment

An interim presentation was made to the EC in Brussels during the latter part of the review. A report was then submitted and fully accepted by the EC. This was a challenging, complex and multi-cultural assignment that was carried out sensitively - yet robustly - to the complete satisfaction of our client.