



INTERNATIONAL UNION
OF RAILWAYS

unity, solidarity, universality

The Meaning and Importance of a Strategic Approach

Simon Fletcher – Regional Coordinator, Europe

A Strategy

- **A description of achievement and success**
- **Often never quite makes it**
- **interpretation of the word “strategy” itself**

Definition

- From the Greek “strategia”
- often used in military circles and which represents the ability to employ available resources to win a war!
- can imply the necessity of opponents!!
- belief that to have a strategy implies a strong focus on competition
- so could suggest that strategy does not have a place in the life of an association like the UIC

Eroding the perception and moving ahead

- **This competitive aspect can often obscure thinking**
- **Avoid the temptation of “low hanging fruit”**
- **Build a research strategy on bigger picture of the larger system**
- **Not on “means to an end” single offerings**

Redefinition

- cannot rely too strongly on objectives nor can it focus too heavily on competition
- guide an organisation (and its constituents) in seeking and painting the big picture
- concept must come from the customer – the members
- understand members' needs
- be mandated to integrate those needs into the organisation's strategic vision for the future

Developing the concept

- **developing this redefined understanding must be at the heart of any real strategy**
- **need also to address the primary role of leadership:**
 - **developing and communicating values and vision**
 - **setting direction**
 - **formulating strategy**

Why?

- **why is planning so important and why must it be done through a collective strategy?**
- **rail business today is more and more being conducted in a regional/global marketplace**
- **the expectation on rail as a growth medium in economic recovery and change is occurring at an unprecedented pace**
- **we must be looking ahead, anticipating change**
- **collectively developing a strategy to proactively and successfully navigate ahead**

Why not?

- **there is always the “do nothing” option but strategic planning provides purpose and direction**
- **how can we get somewhere if we don't know where we are going?**
- **without strategic planning, we would simply drift along and only react to the pressure of the day**

What's been done so far?

- **Regional Assembly Europe (then ARA) created a questionnaire in 2010:**
 - 1. What is it that your company is seeking to get through membership of the UIC?**
 - 2. Clearly the current economic situation is having an overall impact – most companies are seeing less traffic – but what specifically is threatening your business model?**
 - 3. In which areas would a programme of innovative collective thinking help your company to grow?**
 - 4. Please tell us what specifically your company would like to see being developed. How do you envisage these issues begin taken forward?**
 - 5. In what areas (technical and business focussed) would a unified and well-structured European plan of action be of added value to your company?**

The results?

The responses received delivered a number of common threads:

- **System Performance** (better performance = better competitiveness of the sector)
 - Enhancing system capacity (flexibility)
 - Reducing the cost of operating and maintaining infrastructure (quality of infrastructure)
 - Understanding and learning from regional good practice and variations
- **Sustainability**
 - Rail – its environmental and societal impact
 - Researching sustainable sources of energy
 - Managing the effects on the rail system workforce of a population that is living longer
- **Operations**
 - Understanding the operational interfaces (interoperability)
 - Developing future rail technical strategy (innovation)

The results?

- when these are then coupled with the “Ishida 5-point plan” of:
 - **Safety/Security**
 - **Environment**
 - **Standardisation**
 - **Signalling**
 - **Freight**
- we start to see the emergence of where the sector should be going and in which areas a core Research Strategy should be developed

Creating the vision

- can be a daunting task
- time, energy, commitment and perhaps even a lack of experience all get in the way - it's not going to be easy!!
- requires open-mindedness, flexibility and a degree of change
- also an element of bravery to challenge the status quo
- the best plans and ideas are only plans or ideas if there is not visionary leadership and great execution
- a strategic plan is the foundation on which all our collaborative activities must be connected and “aligned”

Let's recap

What do we need?

- **The creation of a vision and direction that is simple and clear**
- **A Good Plan**
- **Great Execution**
- **Communicate, Communicate, and Communicate!**

Still not sure?

Why go through all this?

- **because we will:**
 - **get a rail sector with focus, drive, efficiency and accountability**
 - **develop the economies not only of individual countries but also entire regions**
 - **increase our (collective) capacity to achieve**
 - **eliminate conflict and avoid confusion of priorities**

We can and we must

- **there have been some recent excellent initiatives**
- **now is the time to draw all that together**
- **create a focussed perspective of where the sector needs to be researching its future development**
- **the next steps:**
 - **adopt this concept**
 - **adapt the good work already done**
 - **IRRB to develop a core research vision for the rail community**
 - **present a first outline at the December 2011 General Assembly**



**Thank you for your indulgence and kind
attention**