

Project Controls

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Project Controls

Why Project Controls?

- To improve the bottom line results
 - by reducing project losses (cost & schedule)
 - by minimising losses on losing projects
 - by improving performance on successful projects
- To enhance your company's reputation and improve ability to win work and attract good staff
- Client management no longer focus on Engineering issues – they are worried about meeting targets

Project Controls

Why a Project Controls career?

- The ability to affect the outcome of a project in a major way
- Provide support to the Project Manager on the key issues
- Gain an overview of all aspects of a project through relationships with all departments
- Opportunities in several disciplines within Project Controls
 - Scheduling
 - Estimating
 - Cost & Progress Monitoring
 - Forecasting
- Often a shortcut to senior (Project) Management

Project Controls

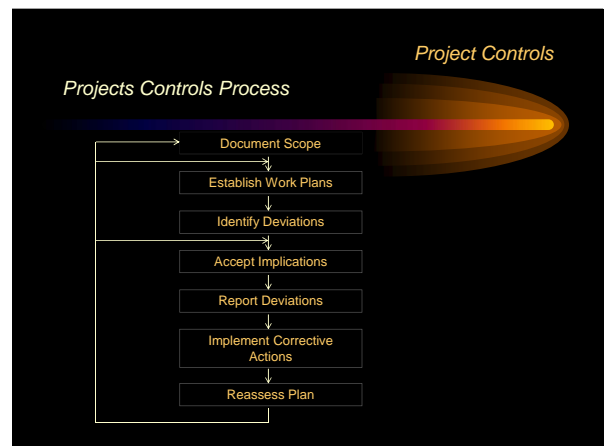
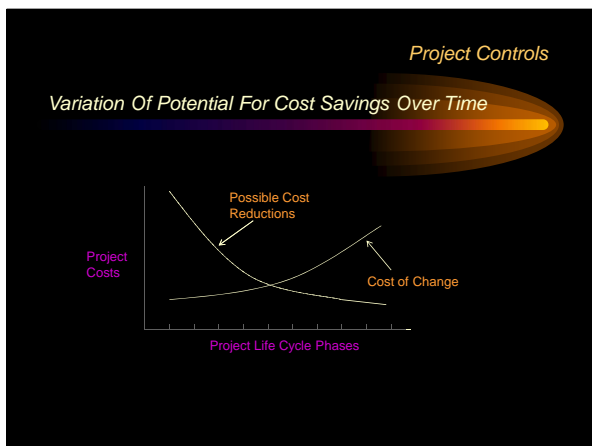
Project Management

Involves the application of technical skills, experience and judgement to many varied aspects of a project.

- technology
- scope
- human resources
- health, safety and environment
- communications
- quality
- time
- budget

This discussion is specifically targeting management of **scope, time and budget**.

- the elements normally the subject of the *Project Controls Tools*



Project Controls

• Examples of Work Plans

- Scope Descriptions
- Implementation Plan
- Estimate
 - Capital cost
 - Internal services cost
- Schedule

Project Controls

• Examples of Deviation reporting

- Trend Program
- Bid Analysis
- Formal Cost Monitoring Systems
 - Cost and progress
- Schedule Statusing and assessment
 - Including resource usage against plan
- Scope Change Register
- Monthly Reports

Project Controls

• Examples of Corrective Actions

- Modify Scope
- Modify Specification
- Modify Organisation
- Modify Schedule
- Take action against subcontractor
- Assist subcontractor

Project Controls

Laws of Project Control

- If Project content is allowed to change freely, the rate of change will exceed the rate of progress
- Project teams detest progress reporting because it vividly demonstrates their lack of progress.
- Projects progress quickly until they become 90% complete; then remain at 90% complete forever.
- What you don't know hurts you.
- You can con a sucker into committing to an unreasonable deadline, but you can't bully him into achieving it.
- The more ridiculous the deadline, the more it costs to try to achieve it.

Project Controls

Document Scope

A thorough well documented Scope Definition is the key to all aspects of Project Control.

- The major components of a scope definitions may include:
 - Boundary limits
 - Interface points
 - Design Criteria
 - Performance Specifications
 - Deliverables Lists
 - Client input dependencies
 - Review/decision points
 - Exclusions
 - Assumptions
 - Opportunities
 - Risks
- There is a direct relationship between the amount of relevant Scope Definition data and the level of control that can be exercised on a Project.
- Maximum **quantification** of scope will lead to the best control.

Project Controls

Scope Management

- Understand what it is that your company has contracted to provide.
- Undertake to do that within time and budget.
- Do **not** undertake to do additional work unless there is a benefit to your company or unless the client is willing to pay a fair price for it.
- Where circumstances mandate that extra work is necessary, do **not** start work unless your client has been notified and has given approval.
- At the project set up stage, develop an appropriate form for advising the Client of changes and for gaining his formal approval.
- You are assisting the Client by submitting notices before the work starts, as he is then given the opportunity to minimise, negate or reject.
- If you wait until the work is done he has no choice and if he doesn't like the costs presented your company will ultimately suffer too.

