

Time management -v- Contract administration

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PMOZ 2011

Effective Time Management



Outline

- Contract Administration
- **The Guide**
 - Project Planning
 - Project Scheduling
- Developing effective schedules
 - Standards
 - Education Framework
- Discussion

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Contract Administration

- Contract Administration is focused on:
 - Correctness
 - Detail
 - What has happened
 - Identifying errors and omissions
 - Processes and procedures
 - Costs and payments
- Essential part of project and contract management

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Time -v- Money

- Money – keep until you spend
 - Symptom of other successes or failures
- Time – 60 seconds lost every minute
 - Can't change the past
 - Now is too late to change
 - Manage the future

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Time -v- Money

- CIOB – Construction projects
 - *Managing the Risk of Delayed Completion in the 21st Century*
<https://mosaicprojects.com.au/PMKI-XTR-005.php#Process2>
- Gartner ICT projects
- Both show around 50% failure rate!

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Time -v- Money

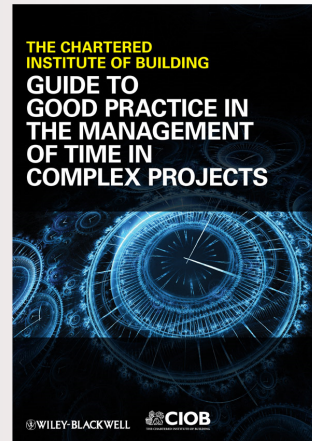
- Things that don't work!
 - Contract terms and conditions / penalties
 - CIOB Report
 - UK Government metrics (Constructing Excellence)
 - Static, detailed contract programs
 - Measure failure
 - Used for claims and court actions after the event

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The Guide

- *Guide to Good Practice in the Management of Time in Complex Projects*



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Planning -v- Scheduling

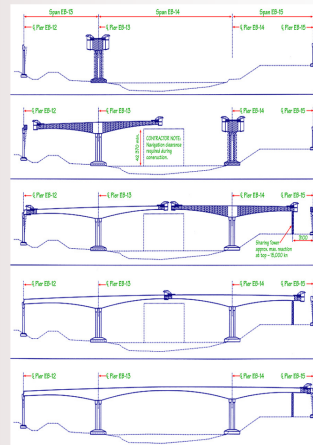
- Project Planning
 - Strategic process
 - Focus on objectives and methods
 - Foundation for scheduling
- Project Scheduling
 - Develop and maintain an effective schedule

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Project Planning

- Precedes Scheduling
- Focuses on methods and Strategy
- Creative - requires skill and knowledge of the project



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Project Scheduling

- Requires good knowledge of scheduling
- Understanding of the scheduling tool
- Involves:
 - Designing the schedule
 - Developing the schedule
 - Maintaining the Schedule

See also: Core Papers @

<https://mosaicprojects.com.au/PMKI-SCH-010.php#Overview>

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How are you going to create your schedule?



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Designing the schedule

- Schedule Levels & Schedule Density

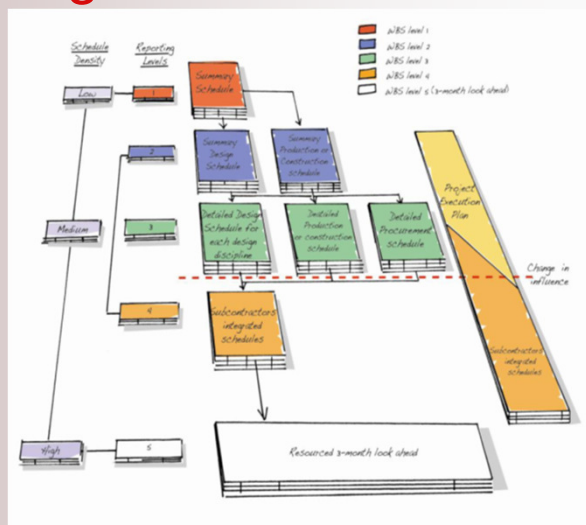


Figure © Guide to Good Practice in the Management of Time in Complex Projects

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Developing the schedule

- Practical Logic
 - Organise the activities into a logical sequence
 - Only use 'real' activities and logic
 - Use Finish-Start relationships where possible
 - Keep getting agreement

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Objectives of scheduling

- Minimise overall delivery time
 - Optimum sequencing, the 'best way'
- Optimize the use of scarce resources
 - Cross project / within department
 - Constraints and limitations

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Objectives of scheduling

- Predict key deliverable dates
 - Degree of confidence?
 - Financial forecasting??
 - Assess risks
 - Partners ready to deliver?
 - Knock-on affect if they are not?
- Manage the consequences of change

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Set realistic & achievable objectives

- Sensible schedules
- Engaged stakeholders – buy-in / support
 - Management
 - Team
 - Contractors / partners
- Agreed objectives to work to achieve
 - Discussion & 'informed consent'
 - Communication

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The challenges (always present)

- You cannot predict the future
 - Probabilities decrease the farther forward you project
- Obtaining buy-in from stakeholders
 - Engagement + understanding
- Managing within uncertainty
 - Critical -v- important -v- available activities

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The challenges

- The critical path is not a fixture
 - Changes when logic / durations change
 - Changes when progress varies from planed
 - Changes due to resource issues
 - Float is equally ephemeral

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The antidotes...

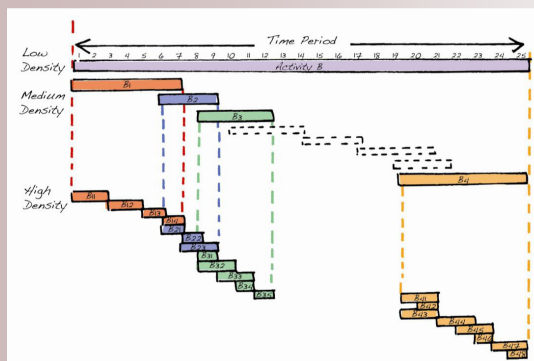
- Dynamic schedules
 - Thorough, logically linked schedule
 - 100% of the work
- Plan what you know, budget the rest
 - schedule density/rolling wave
- Maintain the schedule
 - Regular progress statusing
 - Schedule changes (updates)
- Live with uncertainty, risk & problems

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Schedule Density

Figures © Guide to Good Practice in the Management of Time in Complex Projects



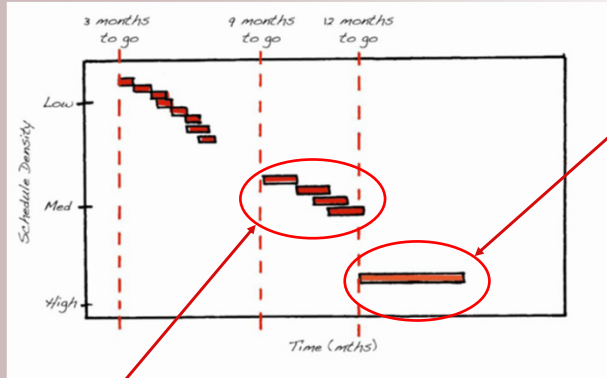
Activities are progressively expanded to greater levels of 'density' as more information becomes available

Unless the work is designed in its entirety and all subcontractors and specialists appointed before any work commences, it is impossible to plan the work in its entirety, in detail at the beginning of a project.

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Schedule Density



Low-density is appropriate for work, which is intended to take place 12 months, or more in the future.

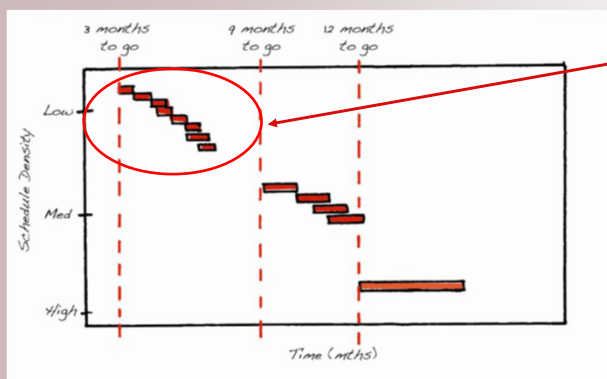
Tasks may be several months in duration

Medium density is appropriate for work, which is intended to take place between 3 and 9 months after the schedule date. At this stage the work should be designed in sufficient detail to be allocated to contractors, or subcontractors. Task durations should not exceed 2 months.

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Schedule Density



High-density scheduling is an essential prerequisite for undertaking work. The schedule is prepared with the people doing the work.

Task durations should be no more than the update cycle

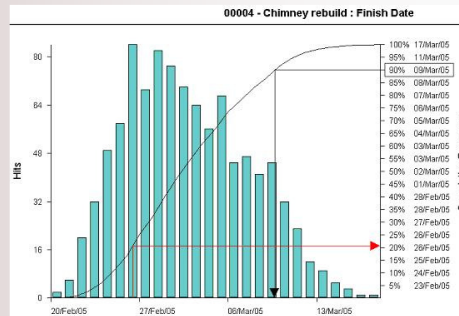
As the density is increased, adjustments to the plan take into account actual performance to date, resources, work content, and other factors necessary to achieve the overall schedule objectives.

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The antidotes - Uncertainty

- Variability is normal – every estimate is wrong! **You don't know how wrong!!**
- Project teams are complex systems
Non-linearity is normal
- Monte Carlo provides insights not answers



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The antidotes - Risk

- Known unknowns
 - Calculate contingencies
- Unknowable unknowns
 - Resilience and good reactions
- Knowable but unknown...
 - Do your homework



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The antidotes - Problems

- Use the schedule to determine the best solution
- Gambling is not the best option

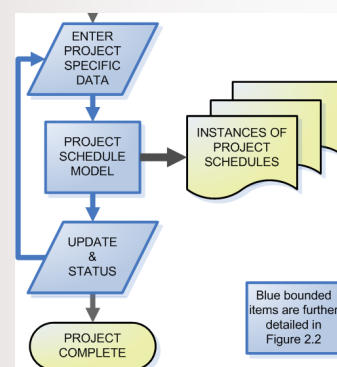


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Maintaining the Schedule

- Establish a baseline
 - At the development stage
 - As part of a re-baseline
- Record actual progress
- Reschedule from 'data date' (or Time Now)



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Maintaining the Schedule

- Edit for accuracy
 - No tool accurately manages all of the issues around partially complete tasks
- Involve both task owners and managers
 - Use 'their data' not yours!

See: Managing for Success - The power of regular updates-
https://mosaicprojects.com.au/PDF_Papers/P002_MFS_Full.pdf

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Planning -v- Admin

Which map is more useful
If you are looking for the Dojo



'Useful', 'Accurate' and 'Fully Detailed' are not synonymous and may be contradictory. Contract Admin needs detail. Scheduling needs clarity! Ask for what you need.....

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Conclusions

- Communication is the key
 - Schedules must speak to their users
 - What the scheduler understands is less important than what the users understand
 - **KISS – but elegantly**



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Conclusion

- Challenges:
 - Recognise the difference between contract administration and scheduling
 - Allow schedules to be uncertain
 - Gain respect of management

**Useful schedule are useful
because they are used!
Not because they are perfect!**

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Conclusions

- Solve the 'chicken and egg' conundrum
 - Well trained schedulers can help project managers and advise senior managers
 - But no one is training schedulers
 - Therefore very few people experience the benefits of working with skilled schedulers
 - Consequently they don't know what they are missing
 - And don't invest in training.....

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Conclusions

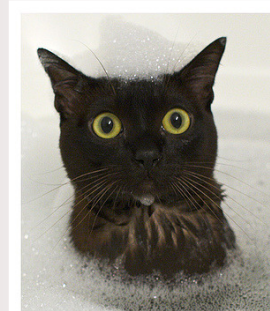
- International credentials will help
 - Focused on new planners and schedulers
 - Planning Planet & CIOB are in discussion to normalise or coordinate
- **The Guide** and PMI's Practice Standard provide the framework
- We have the opportunity to reinvigorate the role of planning and scheduling

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Conclusions

- The critical path to success - we have to relearn how to:
 - Create useful schedules
 - Use useful schedules effectively
 - Influence the future positively
- **And eliminate nasty surprises!**

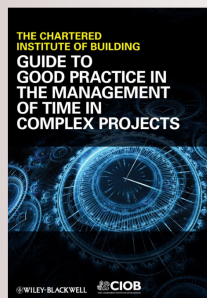


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Resources

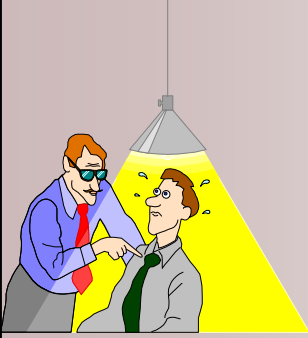
- Free planning and scheduling resources:
<https://mosaicprojects.com.au/PMKI-SCH.php>
- Certifications: PMI-SP & CIOB PTMC
- References:



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Discussion



- Questions please
- Contact details:
 - Free planning and scheduling resources:
<https://mosaicprojects.com.au/PMKI-SCH.php>
 - Email: patw@mosaicprojects.com.au

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