

Trends in Project Controls

AIPM Update
PGCS – Canberra
Project Zone - Frankfurt

15th May 2014

Pat Weaver



Topics

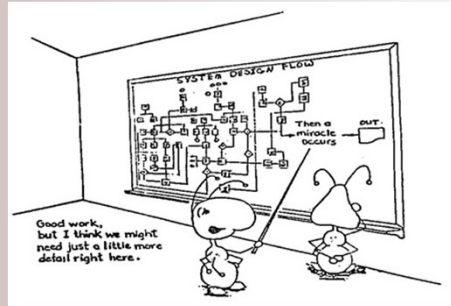
- Predicting project completion
- Governance and usage of controls, the ROI
- Communication, complexity and the 'soft stuff'! CPM and EVM are not sufficient in the increasingly complex world of mega projects.

AIPM Update



Predicting Project Completion

- Bar charts?
- CPM / ADM / PDM – Wildly optimistic



See: <http://www.mosaicprojects.com.au/Resources/Papers/117.html>

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Predicting Project Completion

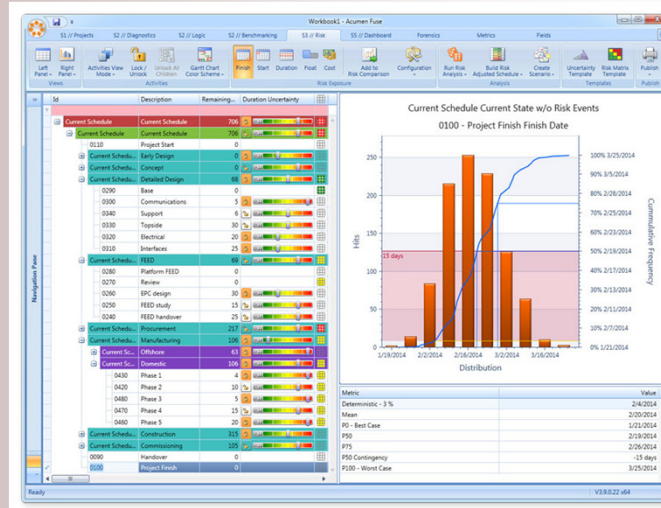
- PERT
 - +10% to + 15% compared to CPM
 - PERT Merge Bias
- Critical Chain - same limitations

See: http://www.mosaicprojects.com.au/WhitePapers/WP1087_PERT.pdf

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Predicting Project Completion

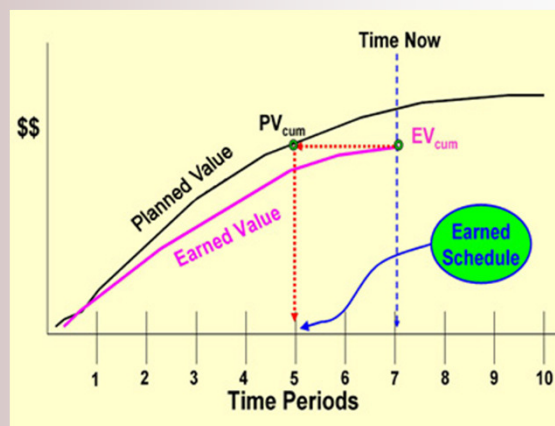
- Monte Carlo



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Predicting Project Completion

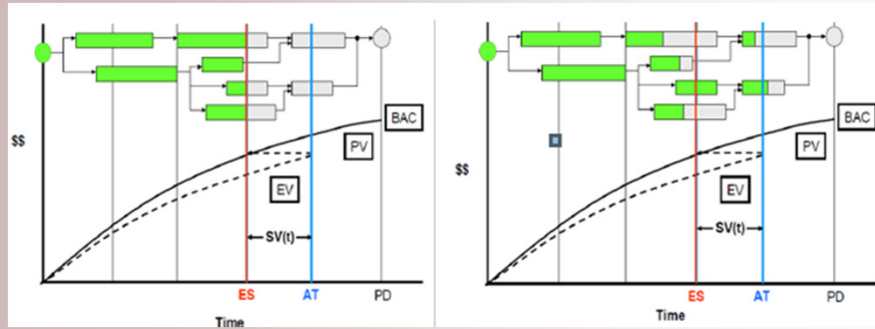
- EV = refer to the schedule.....
- Earned Schedule



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Predicting Project Completion

- ES + 'P-Value'

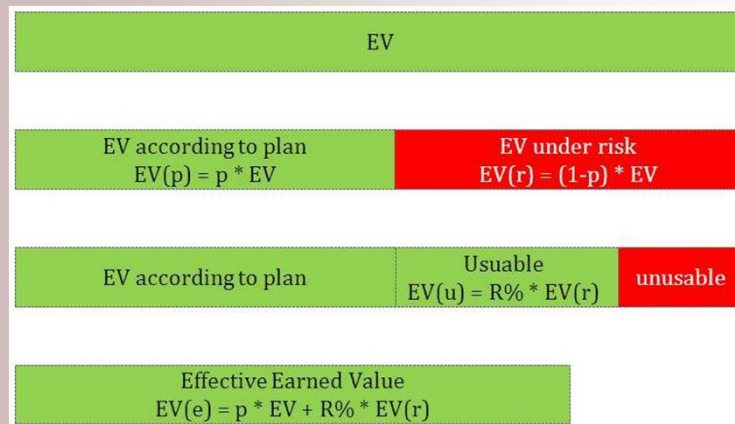


See: <http://www.earnedschedule.com/>



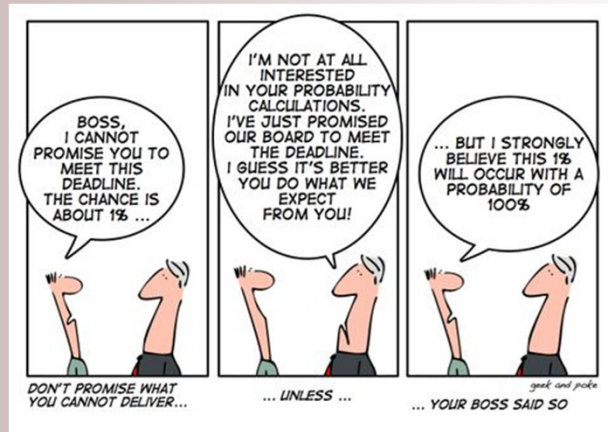
Predicting Project Completion

- Effective Earned Value



Predicting Project Completion

- Still needs a realistic schedule.....



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ROI on Controls

- Controls not well implemented! EV

	Comprehensive	Well Documented	Accurate	Credible
Veterans Affairs (VA)	Substantially	Substantially	Minimally	Minimally
DOT	Substantially	Substantially	Minimally	Minimally
DOD	Substantially	Substantially	Minimally	Minimally
Missile Defense (MDA)	Substantially	Substantially	Minimally	Minimally
IRS	Substantially	Substantially	Minimally	Minimally
DHS	Substantially	Substantially	Minimally	Minimally
DOE	Substantially	Substantially	Minimally	Minimally
Agriculture	Minimally	Not Met	Not Met	Not Met
Commerce	Substantially	Minimally	Minimally	Not Met

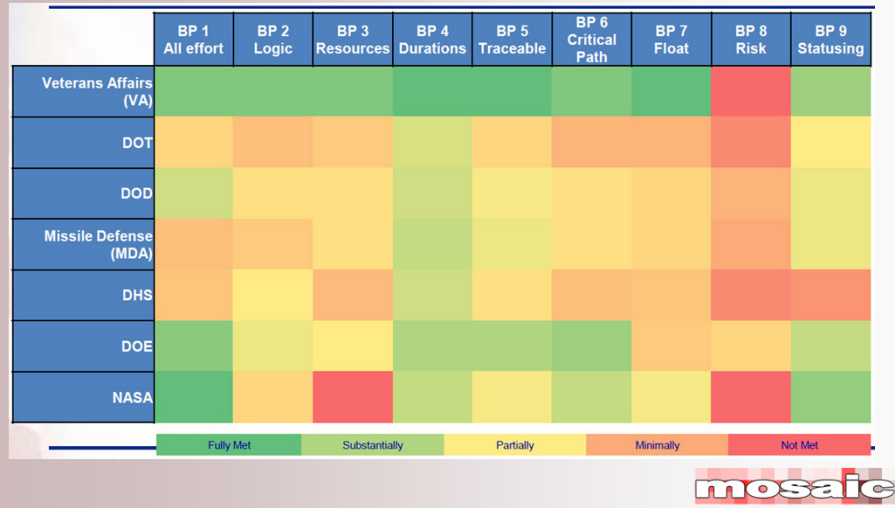
Legend: Fully Met (Green), Substantially (Light Green), Partially (Yellow), Minimally (Orange), Not Met (Red)

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Trends in Project Controls

ROI on Controls

- Controls not well implemented! Schedule



ROI on Controls

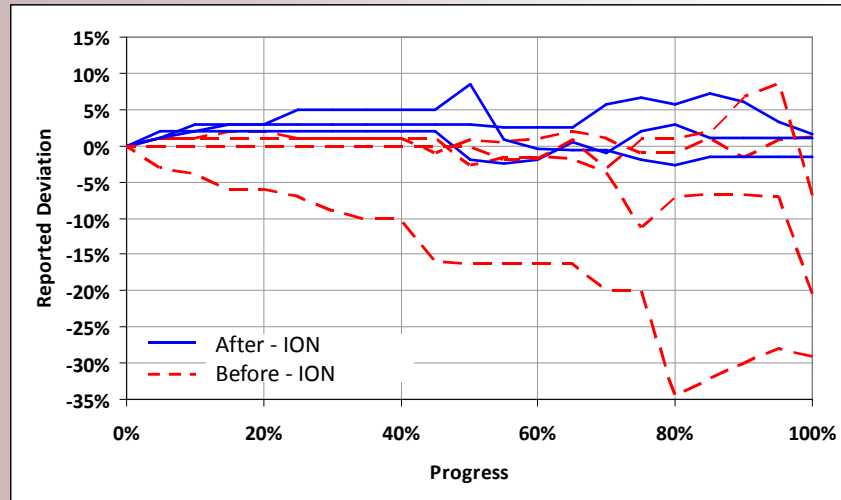
- Training pays dividends  FABRICOM GTI
- Fabricon (GDF Suez) casestudy  SUEZ
- €900 million turnover
- IoN training in EV and controls

		Small & Medium Sized Projects
		Large & Complex Projects



Trends in Project Controls

ROI on Controls



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Communication & complexity!

- Communication the key to influence
- Influence affects outcomes
- Requires 'understanding'
- What is the real objective or value

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Communication & complexity!

- ICCPM – Australia leading the world



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Communication & complexity!

- ICCPM – Australia leading the world
- Next year CRC – MCPP
 - Cooperative Research Centre for Managing Complex Projects and Programs
- \$70 million end-user led research program (with international input)
- Traditional tools *effective but not sufficient*

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Trends in Project Controls

Communication & complexity!

- Effective communication & understanding!



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Communication & complexity!

- HS2 = Regional development

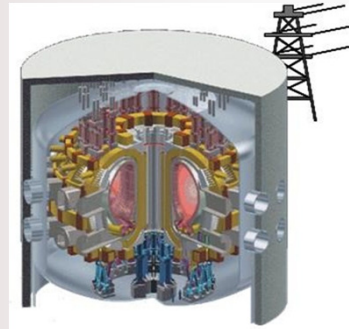
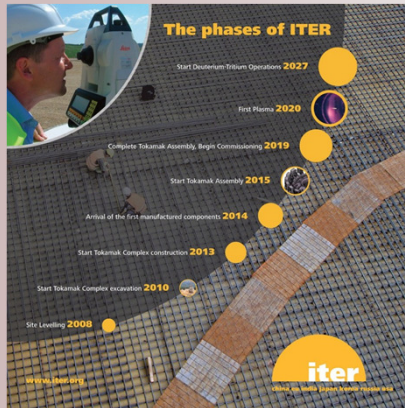


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Trends in Project Controls

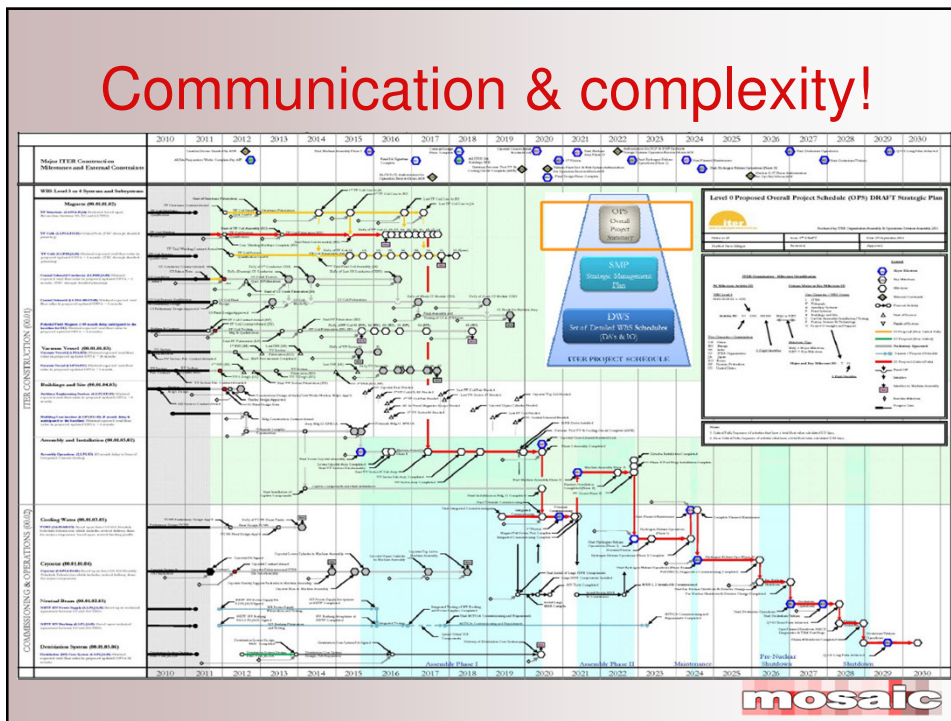
Communication & complexity!

- Make information accessible
- ITER - €13 Billion project!



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Communication & complexity!



Communication & complexity!

- Reinventing Communication
 - Setting the right governance systems, policy and regulations
 - Designing the organisation structure to facilitate communication
 - Developing the people and the networking environment
 - Encouraging open, effective and fearless communication (frightened people won't communicate bad news)

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Communication & complexity!

- Reinventing Communication
 - Plan the communication effort
 - Measure the effect (not the noise)



Reinventing Communication:
*How to Design, Lead and Manage
High Performing Projects'.*

Mark Phillips

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Resources

- <http://mosaicprojects.wordpress.com>
 - PGCS #1 Update – I've been proved wrong!!
 - PGCS #2 The importance of communication
- <http://www.mosaicprojects.com.au>
 - /PM-Knowledge_Index.html
 - /Planning.html



Questions??

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