



TRAMPETTI

OPERATIONS | FINANCE | MANAGEMENT | PEOPLE



PROJECT CONTROL SYSTEM

PLAYBOOK



Why is a Project Control System needed:

LARGE PROJECTS ACROSS ASSET CLASSES TYPICALLY TAKE 20 PERCENT LONGER TO FINISH THAN SCHEDULED AND ARE UP TO 80 PERCENT OVER BUDGET.

Global Projects Database, IHS Herold, Nov. 19, 2013, herold.com



How to overcome these challenges:

- Create an integrated data management system.
- Engage shareholders to expedite decision making process.
- Hold project teams accountable.
- Standard work process & procedures.
- Key performance indicators.
- Reduce project changes.

Project Controls Playbook



Establish the Baseline (Plan)



Organize and Staff to Achieve the Plan



Communicate the Plan



Execute According to the Plan



Info Monitoring & Reporting



Problem Identification, Analysis and Corrective Action

Step 1: Establish the Baseline

You've set your baseline. What's next? You need to put your plan into action. So, you'll compile a plan to staff up, organize the staff with roles and responsibilities, and begin to move forward to complete the project.

Step 2: Organize the Staff To Achieve the Plan

First, you must establish a baseline aka plan. You would include a project execution plan (PEP). The PEP should include a definition of the technical scope, scope of services, quantities, cost and schedule. In addition, the project manager (PM) prepares the project baseline budgets & a baseline schedule. Before a project launches, the PM establishes a baseline for the scope, schedule & cost. What will the project team do, when will they do it, and how much will they spend? The baseline costs typically are broken down into labor, equipment, material, subcontractor, and Other Direct Costs (ODC's). Why is a baseline important? It takes a snapshot at the beginning of the project for a project team to measure its performance as it progresses. A baseline can be reset with changes in scope & revenue.

Step 3: Communicate the Plan

One key component where PM's fail is communication. Information in your head doesn't serve anyone. It is important to communicate plans, provide updates, and provide direction. Your staff look to you to be the leader and commander in chief. Communicate directly and with confidence.

Step 4: Execute According to Plan

Follow the plan during execution. However, always remember it is important to course correct and pivot if the plan doesn't fit the current situation. It is important to be agile during the execution.

Step 5: Info Monitoring & Reporting

Governance is a key component to the success of a PM's project. Information must be readily available, and it must be good. Incorrect or bad data can break a project. The PM must monitor budgets regularly by measuring performance vs plan. Reports should show progress versus the current budget & forecast. Build the correct reports that are applicable to your project so you have a pulse on what is going on and can observe and trends.

Step 6: Problem Identification, Analysis, and Corrective Action

Be ready to act. Problems will always arise on a project. This is inevitable. So be ready to roll up your sleeves, identify problems and put a corrective action plan in place. Finally, remember to update the plan and start the budget- monitoring, reporting, control cycle again.

Book Your Free Optimization Call

To Discuss How To Optimize Your Project Controls Systems