



Reporting to enable strategic decisions

Measuring progress and making decisions focused on successful project delivery

Creating clear structures and boundaries

Establishing and sustaining the right cultural environment

www.naodefencevfm.org
for more information visit our website

THE FOUR LEVELS OF SUCCESSFUL PROJECT CONTROL

Establishing and sustaining the right cultural environment

Open, trusting and honest relationships between client, prime contractor and supply chain.	<ul style="list-style-type: none"> ▶ Explicit "no surprises/no blame" culture (defined as not penalising staff for bringing potential problems to light early) between all parties. ▶ Regular and timely discussion of all matters that affect the project with no no-go areas. ▶ Mutual benefits through shared ownership of end product or outcome between all parties. ▶ Clarity of purpose and common understanding at all levels throughout all organisations. ▶ Agreements between the parties to undertake a project as a partnership or alliance.
Measurement of client - contractor relationships	<ul style="list-style-type: none"> ▶ Regular independent assessments of client-contractor relationships as these develop during a project.
Supportive and open corporate environment	<ul style="list-style-type: none"> ▶ Explicit "no surprises/no blame" culture (defined as not penalising staff for bringing potential problems to light early) on the project and within the wider project organisation. ▶ Clear information requirements with clear purpose. ▶ Clear boundaries of authority and action. ▶ Clear link between corporate and project governance.

Measuring progress and making decisions focused on successful project delivery

Analysis of credible, timely and relevant metrics monitoring progress against the performance, time and cost baseline.	<ul style="list-style-type: none"> ▶ Forward-looking analysis of information from techniques (such as Earned Value Management, milestones, planning/scheduling or risk management) and metrics (such as costs or in-service availability measures). ▶ Verification/validation of data.
Arrangements for transparency and accuracy	<ul style="list-style-type: none"> ▶ Shared data environment or clear method for sharing documentation between all stakeholders. ▶ Co-location of client and contractor teams/staff. ▶ Arrangements for access to contractor/client's data. ▶ Use of IT where practical (common software, email connection).
Contract as key component of project control	<ul style="list-style-type: none"> ▶ Recognition of contract as control tool during negotiation. ▶ Commercial staff reside with project. ▶ Contract is realistic, mutually beneficial and reflects ownership of risk.
Project-to-project peer reviews and learning from experience	<ul style="list-style-type: none"> ▶ Formal and informal mechanisms for exchange of ideas, problem-solving and sharing experience between projects for benefit of project staff. ▶ Formal capture of lessons learned.

Creating clear structures and boundaries

Efficient organisational structures, responsibilities and lines of authority.	<ul style="list-style-type: none"> ▶ Management boards; frequency and purpose of meetings; project controls and performance measures all agreed at the start. ▶ Clear delegated authorities and decision-making / escalation criteria. ▶ Flexible approach demonstrated by both client and contractors.
Project management, commercial, financial and technical skills available.	<ul style="list-style-type: none"> ▶ Projects can select staff. ▶ Organisation has a career development and skills training structure in place that covers each area of expertise. ▶ Tenure in post for a large proportion of a phase and over key events.
Thorough review and understanding of project delivery plan, objectives, assumptions, risks and opportunities.	<ul style="list-style-type: none"> ▶ Explicit review and agreement of work packages, costs, specification, risks and opportunities prior to contract signature and setting of performance, time and cost boundaries. ▶ All stakeholders clearly informed and engaged in establishing structural foundations and boundaries. ▶ Subject matter experts used in drawing up cost and risk models.
Set performance, time and cost boundaries when all risks are understood / formal investment approval gates.	<ul style="list-style-type: none"> ▶ Performance, time and cost boundaries based on clear understanding of risks and grounded in realism. ▶ Performance, time and cost boundaries and delivery plan independently reviewed before submission to investment board. ▶ Clear information and evidence requirements for business case.
Ability to make trade offs / change management mechanism.	<ul style="list-style-type: none"> ▶ Mechanisms in place (such as working groups) for making informed trade offs between time, performance and cost as project progresses and delegated authority to do so. ▶ All stakeholders clearly informed and in agreement. ▶ Mechanism to apply lessons learned as project progresses.

Reporting to enable strategic decisions

Consistent reporting system for all projects feeding into analysis for senior management.	<ul style="list-style-type: none"> ▶ Reporting system based on principle of "generate once, use many times". ▶ Clear purpose for reporting system (whether that is to track delivery, track against corporate targets or for forward planning). ▶ Analysis of reports by dedicated staff.
Formalised, regular system of senior management review to give assurance of delivery.	<ul style="list-style-type: none"> ▶ Clear information requirement, format and purpose for regular reviews. ▶ Feedback mechanism.
Independent, non-advocate reviews.	<ul style="list-style-type: none"> ▶ Clear purpose for independent input (advice for project staff or assurance for senior managers, or both). ▶ Avoidance of duplication and over-burdening project staff. ▶ Benefits are clear - not viewed as a hurdle to overcome.
Ongoing measurement of supplier performance to learn lessons.	<ul style="list-style-type: none"> ▶ Collection of data and maintenance of historical database. ▶ Senior level contact with contractors. ▶ Analysis of trends and issues.