

Project Objective Definition

The project objective consists of the business benefits that an organization expects to achieve as a result of spending time and exerting effort to complete a project



Project reporting

- 1) Ensure the goals of the project objectives are achieved.
- 2) Sophisticated project controls should be implemented.
- 3) Continuous monitoring and reporting throughout the organization.

this will reflect both the progress that is being made and the level of confidence to be accorded to project goals for cost and schedule.



Project reporting

Project report is divided into four major sections:

1. Cost Control;
2. Schedule Control;
3. Construction Quality Control;
4. Implementation.

Each of these sections contains specific recommended project control measures for implementation.

- ❖ Some of the measures should be implemented at the project level.
- ❖ Some should be implemented at the organization level.

When fully implemented, these integrated measures will provide a project controls system that will allow for effective cost and schedule monitoring, control, and reporting.

Cost control

- ❑ *Budget Control & Reporting*
- ❑ *Cost Control plan*
- ❑ *Construction Cost Estimating*
- ❑ *Contract Cost Management*



Budget Control & Reporting

- ❖ Any Project must have cost control measures to develop a realistic project budget and;
- ❖ Effectively monitor and control this budget.
- ❖ Budget report recommends specific control measures to meet requirements.



Budget Control & Reporting

❖ These specific measures are:

- ✓ developing realistic budget.
- ✓ monitoring and controlling budget.
- ✓ developing budget reports that will meet the requirements of the stakeholders.
- ✓ developing and monitoring key budget performance indicators.



Budget Control & Reporting

❖ These specific measures are:

- ✓ implementing a cost control software system to enhance budget control capabilities.
- ✓ detecting budgetary trends.
- ✓ routine periodic review of key budgetary issues; and
- ✓ implementing a monthly budget status reporting system.

➤ **Achievement of these measures will provide the stakeholders with an effective budget control and reporting system for the project.**



Cost Control plan

- Cost control plan provides recommended cost control measures which, when implemented, will support the achievement of this goal.

- ❖ **These recommended measures are;**

- cost containment initiatives;
- the use of experts reviews to control cost and schedule;
- internal monthly organization control meetings;
- identifying and monitoring areas of potential cost growth.



Cost Control plan

❖ These recommended measures are;

- forecasting potential cost growth associated with change orders and claims.
- estimating and monitoring organization overhead costs.
- implementing a design-to-cost program.
- incorporating organization guidelines for accounting for cost contingencies.



Cost Control plan

❖ These recommended measures are;

- accounting for cost escalation;
- developing program level cost contingencies;
- developing contract level cost contingencies;
- monitoring and accounting for market price fluctuations; and
- recognizing and avoiding potential schedule delays and their associated costs.



Construction Cost Estimating

- Generate reliable and accurate cost estimates throughout the entire cycle of the project.

This is vital to the Cost Control plan.

- Construction cost estimates for a project must be developed in a consistent and systematic manner.

This provides specific guidelines for developing structure construction cost estimates, as well as cost estimating quality control and quality assurance procedures.

Construction Cost Estimating

- Develop estimates that are based on the way that the project will be constructed.
 - This involves developing the crews, equipment, and production rates that would be used to construct the project and developing the estimate based on this information. And can be easily translated into a project construction schedule that is integrated with the cost estimate. This linking of project cost and project schedule fosters effective cost and schedule control throughout the life of the project.



Contract Cost Management

In addition to specific cost management and control measures at the organization level, effective management and control of costs will require specific measures at the individual project contract level as well. These measures are;

- 1. Constructability Reviews*
- 2. Claims Avoidance Reviews*
- 3. Contract Trending*
- 4. effective Contract Administration*

SCHEDULE CONTROL

Effective schedule control includes

- ***control of design schedules,***
- ***construction schedules .***

Design and construction schedules must be developed to accurately reflect the true **durations** of design and construction **activities** and ensure that these design and construction scheduling **requirements** are well coordinated

SCHEDULE CONTROL

➤ *Control of design schedules,*

each designer to develop a detailed design schedule that will be used to monitor and track design progress;

1. Critical design tasks
2. Critical decision dates
3. Critical actions required by all parties involved
4. Requirement for design schedules

SCHEDULE CONTROL

➤ *Control of design schedules,*

When the schedule details provided and implemented then we can report the following;

- ❖ *earned value reporting;*
- ❖ *incorporation of key design schedule activities and milestones; and*
- ❖ *monthly design schedule status reports.*

SCHEDULE CONTROL

➤ *Control of construction schedules*

- ❑ Effective schedule control has enormous cost ramifications.
- ❖ Prolonged schedule durations translate to increased internal organization costs.
- ❖ increased construction and design overheads, and construction cost escalation.

SCHEDULE CONTROL

➤ *Control of construction schedules*

- ❑ Effective schedule control measures are critical to the success of the any project.

❖ Project control report should contains recommendations on specific schedule control measures

when implemented, will provide an effective schedule control system

SCHEDULE CONTROL

➤ *Control of construction schedules.*

Project control report recommendations such as

- ❖ best practices for managing construction schedules;
- ❖ effective use of the Integrated Project Schedule at the organization level;
- ❖ incorporation of scheduling requirements in construction contract specifications;
- ❖ tying construction progress payments to the construction schedule;

SCHEDULE CONTROL

➤ *Control of construction schedules.*

Project control report recommendations such as

- ❖ use of Critical Action Reports;
- ❖ schedule recovery work sessions;
- ❖ use of a schedule quality control plan;
- ❖ developing logical and realistic schedule contingency; and
- ❖ identification of issues that could potentially cause schedule delays.

CONSTRUCTION QUALITY CONTROL

- ❑ Construction Quality control, provides recommended measures to control the quality of construction.
- ❑ Poor quality construction can lead to re-work and disputes, which typically translate to additional costs and schedule delays.
- ❑ to manage and control the quality of construction, it is imperative to implement formal construction quality control and quality assurance programs and procedures.
- ❑ the organization should has a standardized Quality Control plan , tailored to the specific requirements and complexities of each individual construction contract.
- ❑ The organization will also develop a standard Construction Quality Assurance program and approach that will be implemented on all construction contracts.

IMPLEMENTATION

- ◉ A dedicated Project Controls team is required to **develop, implement, and maintain** effective project controls.
- ◉ The Project Controls team must focus its efforts solely on **control and reporting functions**, and **report project status** in an **objective and factual manner** without influence from planning, design, construction, operations, finance, or other stakeholders.
- ◉ The Project Controls team must be **staffed adequately** in order to ensure effective control of program and project costs and schedules.

IMPLEMENTATION

- Establishing the Project Controls team, must have the following aspects of Controls:
 - Implement the Software Control Systems
 - Staff the Project Controls team;
 - update standard design and construction contracts to reflect new requirements;
 - Establish the training programs
 - Establish the Early Risk Task identification
- All of the control measures implemented will be done with the goal of maintaining transparency.
- a visual web-based status tool to be created. This tool will provide instant project status information to Oversight by project team members in the organization