Concept Selection Into Execution

“How Much Project Management Is Enough?”
Primary Areas of Discussion

- Measuring Project Management Capability -
- Avoiding Common PM Pitfalls -
Measuring Project Management Capability
The Project Delivery System is everything that is required for project success:

- **Organization** Design & Governance Model
- **Work Processes**, Methods, Systems and Procedures
- **People**: their Knowledge & skills, availability, ability to be effective
An Effective Project Delivery System Provides These Critical Owner Competencies

- **Strategic Management**
  - Partner Relationship Mgmt.
  - Country Issues Mgmt.
  - Program & Project Execution Planning
  - Front End Loading
  - Technology Selection
  - Field Development Planning
  - Scope Management
  - Value Improving Practices
  - Risk Management
  - Organization, Contracting & Procurement Strategy
  - Team Alignment
  - Issues & Interface Mgmt.
  - Continuous Improvement
  - Peer Reviews

- **Tactical Management**
  - Technology Transfer
  - Design Mgmt.
  - Procurement Mgmt.
  - Fabrication / Construction Mgmt.
  - Transport, Installation, Hookup Mgmt.
  - Commissioning & Startup Mgmt.

- **Performance Management**
  - Safety/Health/Enviro. Mgmt.
  - Cost Mgmt.
  - Schedule Mgmt.
  - Quality Mgmt.
  - Operational Predictability
## Matrix Defines the Areas of PDS Effectiveness

<table>
<thead>
<tr>
<th>Project Delivery System</th>
<th>Competencies</th>
<th>Performance Mgmnt. (Cost, Sched., Quality Mgt.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance &amp; Org. Model</td>
<td>Strategic Management</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tactical Management (Des., Proc., Construct. Mgt.)</td>
<td></td>
</tr>
<tr>
<td>Work Processes &amp; Procedures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>People (skills, availability, effectiveness)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# Assess PDS Effectiveness

<table>
<thead>
<tr>
<th>Project Delivery System</th>
<th>Competencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance &amp; Org. Model</td>
<td>Strategic Management</td>
</tr>
<tr>
<td>People (skills, availability, effectiveness)</td>
<td>Performance Mgmnt. (Cost, Sched., Quality Mgt.)</td>
</tr>
</tbody>
</table>

Use Westney’s PDS Effectiveness Yardstick, Checklists, Interviews & Document Reviews to measure each area.
Scorecard for Evaluating Effectiveness

- **Random good & poor results**
- **Consistently good results**
- **Consistently poor results**
- **Random good & poor results**

**People (Skills, Avail., Effectiveness)**

**Work Processes & Procedures**

**Gap**
Common PM Pitfalls and How to Avoid

Westney Consulting Group
Most Common PM Pitfalls

- Program & Project Execution Planning
- Scope Management
- Risk Management
- Issues & Interface Management
Execution Planning Pitfalls

• Do not include all stakeholders
  – Reservoir
  – Drilling & Completion
  – Subsea
  – Floating System
  – Topside
  – Pipeline

• Do not plan/implement all pm functional areas early enough in Define Stage

• Inadequately defined roles & responsibilities
Scope Management Pitfalls

• Incomplete WBS
  – Doesn’t include all stakeholders
  – Non-Standardized
  – Doesn’t include owner pm activities

• Inadequate Change Control process

• WBS not linked to CBS
Risk Management Pitfalls

- Not integrated into single risk register
- Not tied into probabilistic cost estimate for development of P50 cost and contingency
- Contingency is not managed based upon mitigation of risk
- Not assigned to responsible contractor to ensure mitigation
Issues & Interface Pitfalls

• No integrated issues resolution process
• No single point of responsibility for entire project at any given time
  – No integrated WBS
  – No integrated risk
  – No integrated cost
  – No integrated schedule
• Only address technical interfaces
  – Contractual
  – Communication