

4-6 October, Nationals Park, Washington DC



“I Paid for Cost Management Software. Why are they still using spreadsheets?”
Recognizing Mistakes that Break Cost Tool Implementations

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365

Cost management software has made rapid advances and is proven to make cost controllers more efficient, but it will not be successful at your company if you do not involve the cost practitioner early and often in deployment



About Me



- Turnarounds thru Starcon Int. 2005-2010
- Shell thru Turner & Townsend 2013-2020
 - Multiple work streams
 - Piloted cost software
- Omega in 2020 to develop and implement cost tools



About Omega 365

- Software and consulting
- Norwegian, privately held
- Established in 1991
- 1,750 employees worldwide at 18 offices
- Award-winning Houston office with 100 team members
- Microsoft Gold Partner



What are Digital Cost Management Tools?

Project-controls specific software utilized for the express purpose of cost engineering *and* meets the required specifications for cost control software as specified in AACE Recommended Practice 94R-18.



What does an implementation look like?

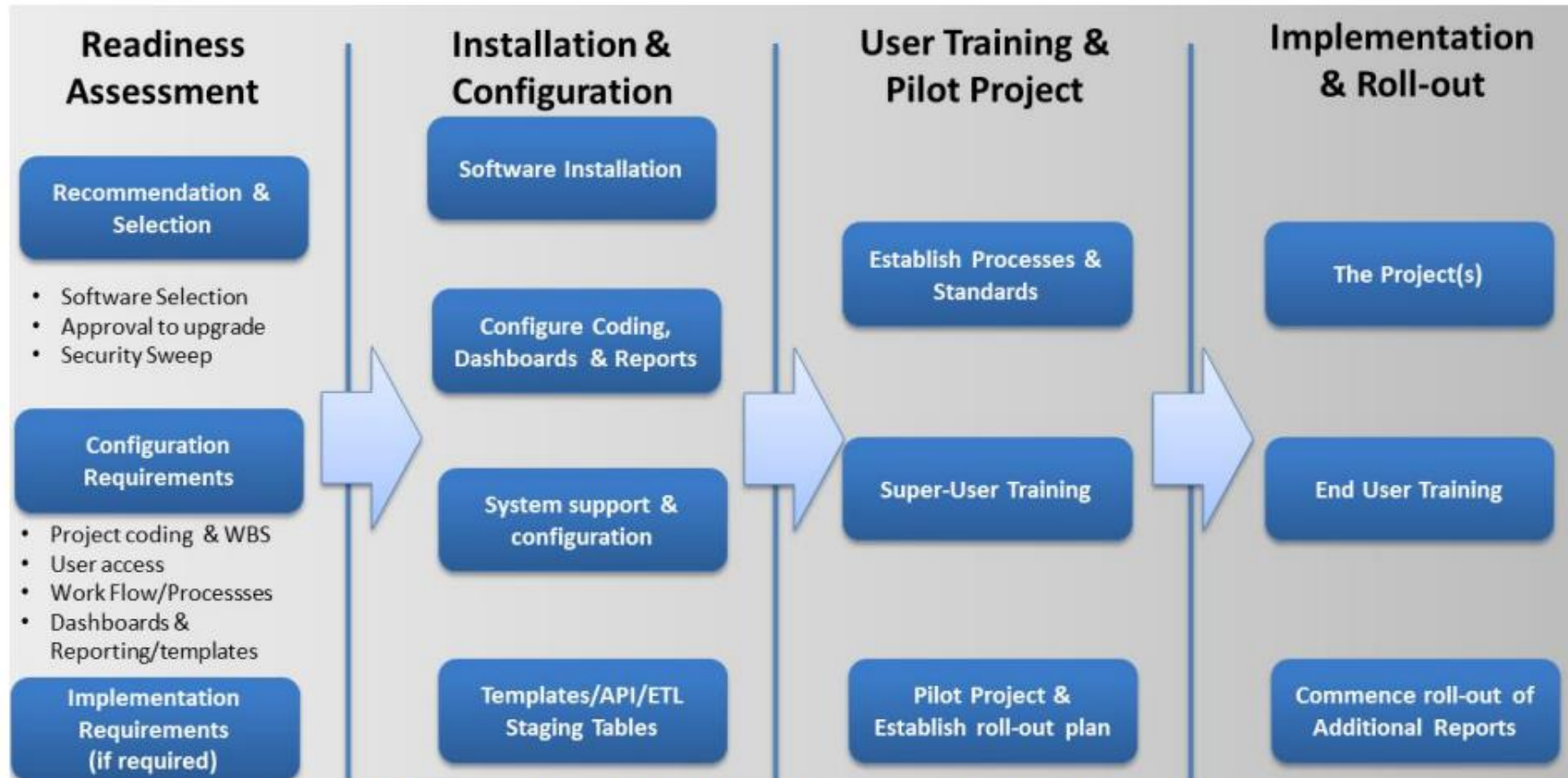


Figure 1: Process map for effective cost control software deployment and implementation

AACE RP 94R-18

Where do Implementations Go Wrong, and what can be done about it?



Mistake #1 – The Wrong People Are in the Room

- Project Controls Practitioners
 - Project Controls Leadership
 - Project Management
 - Finance
 - IT

Mistake #2 – Not Enough Self Reflection

- Ask yourself “Why am I doing this?”
- Focus on end user’s pain points
- Is software the answer?

Case Study – Monthly Report Template

Mistake #3 – Picking the Wrong Software

- Cost management is subjective
- Different tools have different approaches to the same problem
 - Small players may be as good as big players

Mistake #4 – Too much automation

- Automation saves time at the cost of flexibility
- Highly repeatable tasks can be automated
- Tasks accomplished through expert judgement cannot

Case Study – Project Structure Based on SAP Code

Mistake #5 – Too much customization

- Customization overrides software design to match the organization
 - Can have unintended consequences
 - Can lock organizations out of free upgrades
- Try software out-of-the-box before customizing
 - Ask why you wanted a tool in the first place



THANK YOU