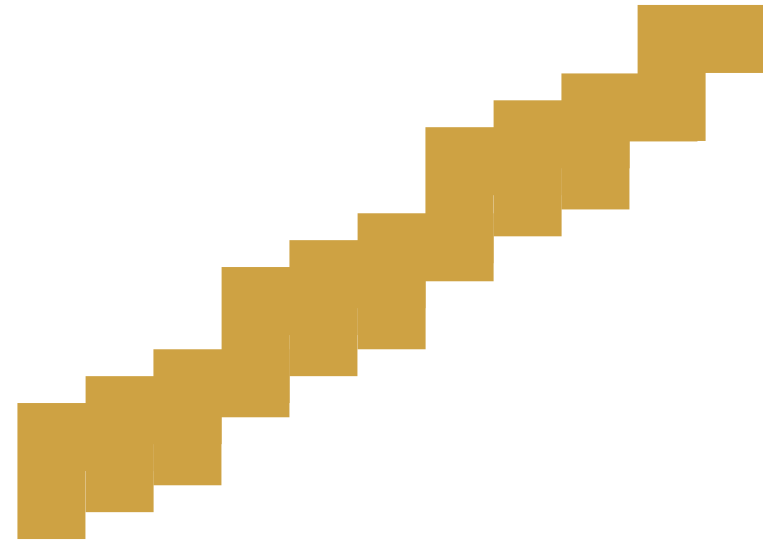


Ten steps for project success

Earned Value Management is the tool

S1.2/Back to Basics Zone



who is Sanjiv Parekh?



Projects Managed
\$20m - \$6b (AUD)



Project Team/Department Managed
15 - 48 project controllers

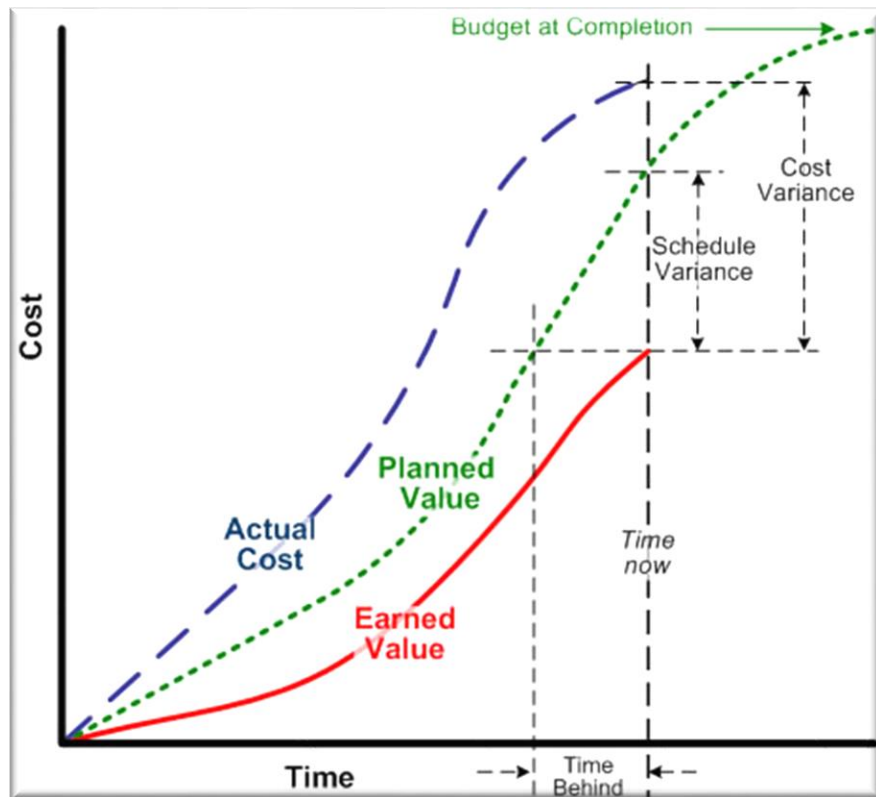
I am an accomplished project consultant, advisor, and manager known for successfully transforming projects, programs and portfolios by implementing people, processes and tools for end-to-end project delivery. I bring industry practitioner experience gained in the team of owner, EPC/EPCM, consulting, and contractor organisations for their projects, function, and department at the regional, national and global levels working with industry leaders like Bechtel, Jacobs, Ausenco, Downer, Thiess, GHD, UGL, Rio Tinto and Reliance. I integrate a wide spectrum of processes and practices from a variety of public and private industry sectors such as Mining and Metals, Oil and Gas, LNG, Chemical and Petrochemical, Coal, Power, and Defence.



In this session, we will be sharing our thoughts on how

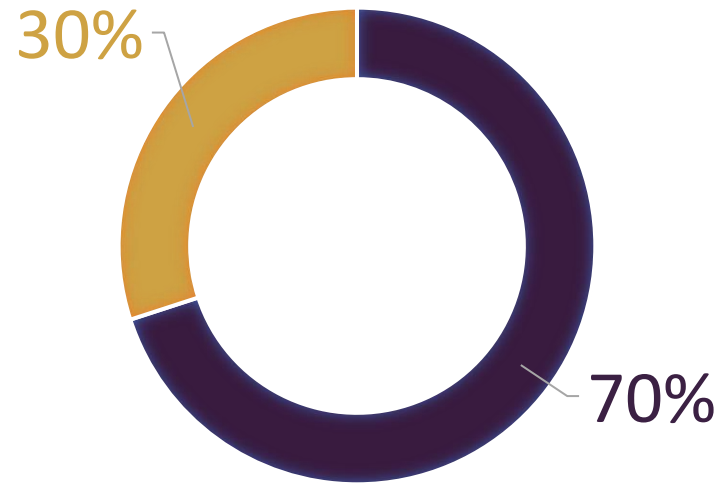
Earned Value Management (EVM)

can help deliver projects on time, on budget.





How many projects have you seen delivered on time, on a budget?



70% of projects fail due to a lack of proper people, processes and tools.

1

The inputs

Definitions and details



scope | objectives | deliverables

what constitutes 100% of the project?

Resources

Who's doing what next?



internal | external | timing

right people, at right time.

2

Plan and schedule

Keys to execution

3

WHO

WHEN

WHERE

How

WHY

WHAT

plan (what and how) schedule (when and who).

Poll 1

Schedule Performance Index (SPI)

Which one is true?

1. $SPI = EV/PV$
2. $SPI = PV/AC$

EV = Earned Value

PV = Planned Value

AC = Actual cost



Budgeting

Use rates you know

4

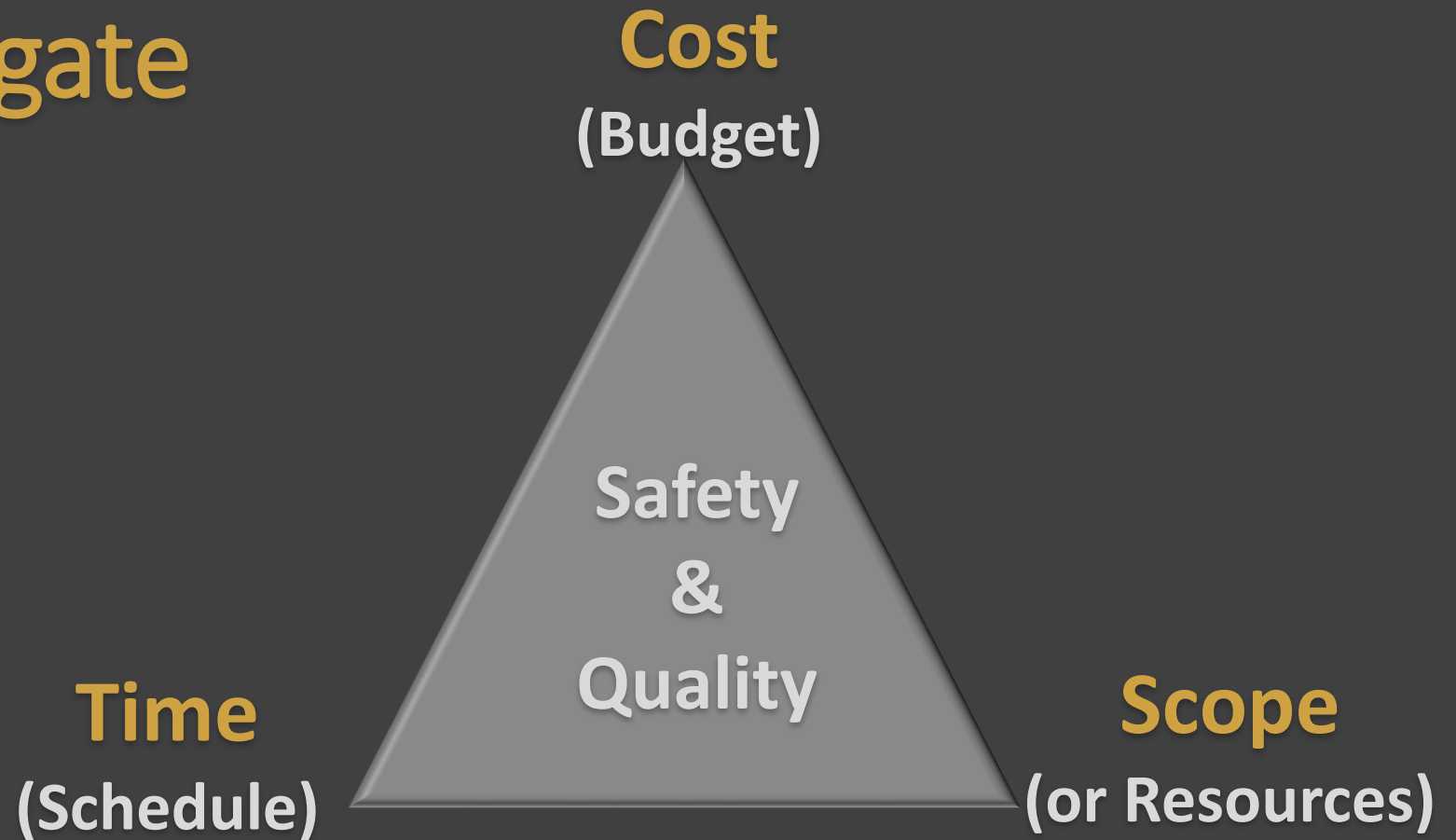


rates for budget, actual and forecast.

5

The starting gate

Rely on baseline



define the baseline for total scope.

6

Evaluation

Your definition of progress



outputs | metrics | milestones

agree and communicate Rule of Credit (RoC).

Cost control

Align actual costs to the project budget



directs | indirects | total

true understanding of money spent to date.

7

Poll 2

Cost Performance Index (CPI)

Which one is true?

1. $CPI = EV/AC$
2. $CPI = EV/PV$

EV = Earned Value

PV = Planned Value

AC = Actual cost



8

Monitor

Monitor, monitor, monitor



progress | performance | productivity

you cannot manage, what you cannot measure.

9

Forecast

Avoid surprises



early warning | accurate forecast | re forecast

use the earned value data to forecast.

Poll 3

Estimate at Completion (EAC)

Which one is true?

1. $EAC = AC + ETC$
2. $EAC = Budget - AC$

AC = Actual Cost

ETC = Estimate to complete



1

Change

You can count on it

0



baseline | changes | re baseline

change is the only constant in life and in projects.

1 to 10

1. **The inputs** - *Definitions and details*
2. **Resources** - *Who's doing what next?*
3. **Plan and schedule** - *Keys to execution*
4. **Budgeting** - *Use rates you know*
5. **The starting gate** - *Rely on baseline*
6. **Evaluation** - *Your definition of progress*
7. **Cost control** - *Align actual costs to the project budget*
8. **Monitor** - *Monitor, monitor, monitor*
9. **Forecast** - *Avoid surprises*
10. **Change** - *You can count on it*

Thank you



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