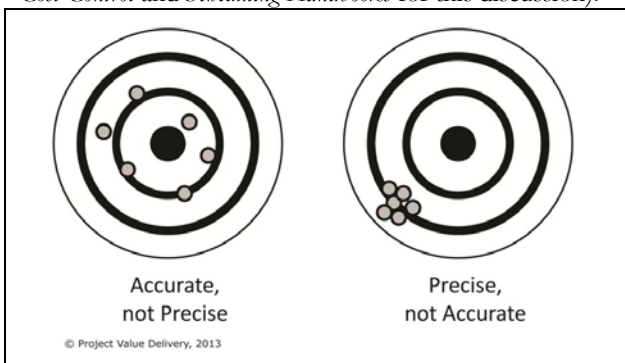


## White Paper 2016-17

### How to Ensure that Project Control Data is Reliable on a Project

*When controlling a Project, a first check to make is that what is measured is reliable and can be used as a basis for analysis and decision-making. Then further checks need to be made as the consistency of data and whether there is a proper coordination. This White Paper concentrates on data assurance; other topics will be covered in other White Papers.*

In this White Paper we concentrate on making sure that the measures of the Project condition are reliable. As a first note, all measurements in Project Control need to be accurate and not necessarily precise (refer to our *Cost Control* and *Scheduling Handbooks* for this discussion).



#### Measurements directly performed by Project Control

Those are measurement of actuals

##### **Cost**

The main issue in terms of cost is to have a timely image of actual cost (including any accruals for external cost, i.e. what is the actual cost spent to-date on the Project). This involves timely timesheets from engineering, proper reporting from suppliers and subcontractors with the least time delay possible, and proper indicators of cost spent on construction activities.

##### **Schedule/ physical progress**

Physical progress needs to be measured appropriately (and independently of the level of effort).

In addition it is worthwhile to check that actual start dates and estimated end dates are given for all activities that are currently being performed.

Data assurance issues are often linked to delays in the update or report of progress, inconsistencies in cut-off dates, lack of consistency in breakdown structures and poorly chosen physical progress indicators.

##### **Project Risk**

Data assurance issues related to the Opportunity and Risk management process include:

- Ensuring that Opportunity and Risk identification and prioritization activities occur with the Project Management team present in workshops and not with individuals in isolation,

- Ensuring that prioritization inputs and quantitative inputs are properly calibrated so as to ensure their consistency and adequacy.

##### **Contract**

In the field of Contract management, checks are mostly related to maintaining the relationship and contractual rights with the Client. Still, it is an essential part of maintaining an adequate picture of the Project situation. Compliance checks include in particular, compliance to notifications and time-bars, document review timelines.

#### Measurements performed by other functions

A number of other data is also managed by the Project which accuracy is essential to keep the Project under control. While not immediately under the responsibility of Project Control, we believe that the Project Control Manager as part of his extended role has a duty to verify from time to time that these measurement processes are accurate enough: these measurements are underlying substantial sources for Cost and Schedule.

It is not rare that the Project Control manager must step in to get those processes and measurements setup and running in some Projects when those are not put in place by the different functions, as their absence would be too much a strain on the control of Project execution. In addition functions must be sensitive to the fact that some

measurement is being required that is useful for the entire Project and not just for their own use.

In general, it is important not to underestimate the power of requesting Scope Owners to commit on the finish budget

and date of ongoing activities. Such commitments must be challenged (in particular for commitment-related padding or inversely for planning fallacy – being overly optimistic when not understanding all the details), still, because they include an element of commitment, can be powerful from the perspective of team alignment. It will give strong data points for forecasting if properly employed. Such a date forecast process is generally embedded in the risk register, procurement plans and some areas of construction.

##### **Engineering**

Data assurance is mainly related to the proper establishment and maintenance/ update of the Master Document Register including actual progress of

**The Project Control Manager's position gives him the possibility to check the consistency of information supplied from various sources**

documents and proper management of changes (adding/subtracting documents).

### **Procurement**

In the Procurement area, the key control points include the effective control of commitments, the establishment of clear full costs for all packages (including all ancillary costs on top of the basic cost of the purchase order or contract), and the compliance to reporting requirements by the suppliers and contractors.

### **Construction**

In the construction area, the main control issues include effective control of local site commitments and effective productivity measurements. Because of the intense nature of construction activities, it is essential that all the proper processes and systems are put in place sufficiently early prior to effective mobilization.

### **Commissioning/ handover**

In the commissioning area, the main control issues include effective control of local site commitments, and effective progress measurements and forecasts (productivity is not always a proper indicator when commissioning activities are driven by construction and the effective availability of systems).

### **Accounting & Finance**

Accounting is a support activity for the Project. Important Project Control issues can be uncovered by a proper setup of warning systems within Accounting. We have to underline the importance of a proper, regular reconciliation between Cost Control and Accounting at the Work Package level to compare Commitment, Actual Cost and Invoiced Costs.

### **Challenging process changes in functions**

As part of data assurance it is essential that the Project Control Manager keep abreast of process or measurement changes that could be instigated by individual functions.

These changes generally derive from the best of intention to accelerate production of the function. However they might jeopardize the entire data breakdown and recording setup. This is issue is related to the setup of the data structure, refer to our [White Paper 2016-14 'The Real Nature of a Project Baseline: the Project Data Structure'](#).

## **Conclusion**

Ensuring accuracy of data is a first essential role of Project Control. If data is not accurate there is no chance to give a proper view of the current and forecast state of the Project, and therefore to take proper decisions.

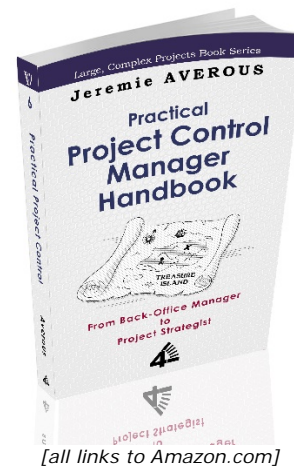
The Project Control Manager's position gives him/ her the possibility to check the consistency of information supplied from various sources. He/she needs to rely on the accountability of each 'Scope Owner' that need to take ownership of cost and

schedule. Still the Project Control Manager should intervene to rectify situations even if strictly speaking the data in question is not under his responsibility. Being in charge of making sure the Project is effectively under control it is his duty to intervene and sometimes even compensate failing segments of the Project to make sure it remains fully watertight data-wise.

**Ensuring Data Assurance is the first condition of proper decision-making on a Project. Inaccurate data is too often used that leads to poor decision-making.**

**Find all these principles of Project Control Management exposed in a comprehensive manner in our new Handbook,**  
**[Practical Project Control Manager Handbook](#)**

(now published, available in [Paperback](#) and [Kindle](#) versions!)



[all links to Amazon.com]



**We Empower Organizations to be Reliably Successful in  
Executing Large, Complex projects.**

Discover more on  
**[www.ProjectValueDelivery.com](http://www.ProjectValueDelivery.com)**