

Refocusing project controls to drive megaproject success

With the number of megaprojects increasing across the capital projects industry, one fact stands out: their sheer size and scale sets them up to underperform. This problem offers some good news—the opportunity to overdeliver is as large as the projects themselves!

Project controls teams are ideally positioned to drive performance, but to capture the full performance potential of megaprojects, they need to refocus their activities from “Project Controls” to “Project Performance”. Only by doing so will they seize significant value to help everyone win by completing projects ahead of schedule and under budget.

Endless opportunities

Without a doubt, megaprojects leave substantial opportunity on the table. With project costs sitting at around US\$1 million a day, every movement in the schedule is valuable. While megaprojects suffer from uncertainty, ever-changing site activities, and long and diverse supply chains, there are daily opportunities to capture savings. Months of time on each package can be saved across the project lifecycle by identifying and pursuing these opportunities.

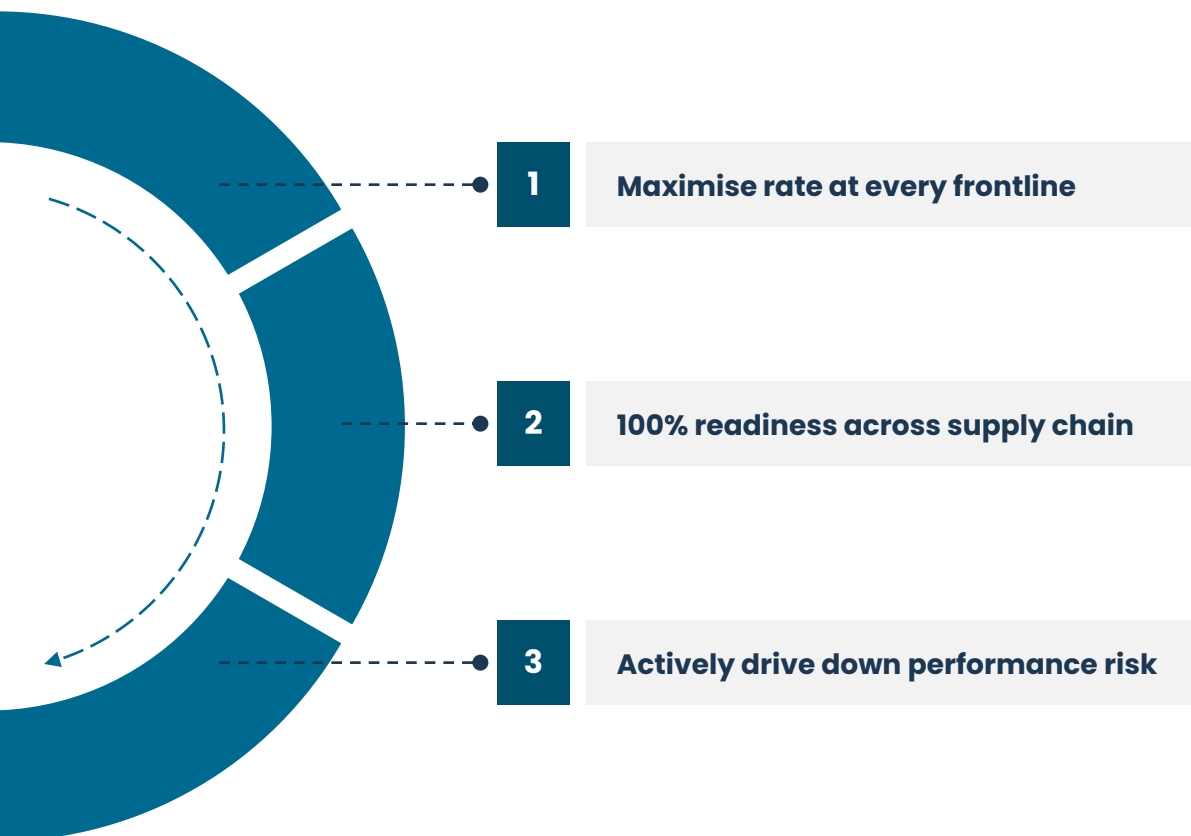
Project Controls teams are central to this endeavor. They have access to the data, the right technical skills to find insights and communicate them, they know the targets, can identify valuable opportunities, challenge assumptions, foresee risks and drive action. But too often they are hampered by wordy reporting explaining why something happened instead of looking to the future for how things can be done better.

Project Controls is uniquely positioned to drive project performance and create a culture of continuous improvement for the benefit of everyone. By shifting their focus from 'controls' to 'performance' and realigning their activities, you can increase performance and capitalise on a massive opportunity to overdeliver. Project Controls teams need to be in the driver's seat to create a culture of daily improvement by focusing on six key areas to push megaproject performance—three of which are active changes and three of which are enablers.

Three active levers for driving high performance

Proactively drive performance:

Change how we act | *Enable performance*



1

Maximising construction rate at every frontline

To maximise rate and improve overall efficiency, you must know every detail of every process. Only then can you start building a foundation for high performance and improvement by stabilising process and setting clear rates and owners. Everyone, from the supply chain partners to the frontline, must know what they need to be doing, how they need to do it and when it needs to be done by. Processes can then be improved to guarantee firm deadlines and fine-tuned to maximise rate by ensuring daily readiness across teams, clarity on target timings for each process steps, and a reduction in handover downtime.

2

Ensuring 100% readiness across the supply chain

Readiness feeds construction rate. To ensure construction stays on schedule, teams need to know when materials will arrive and what needs to be executed every day, so the next team is 100% ready to complete their tasks tomorrow. This focus must be applied by each shift, team and package and tracked accordingly. Tracking your critical inputs allows you to see where delays are occurring, giving everyone the opportunity to act early enough to recover lost time. As each delay extends project length, early awareness ensures a quicker recovery and keeps construction on schedule.

To accomplish this, each team needs to be aware of task completion deadlines for every package—percentage-based performance tracking should be replaced with a simple metric: 'done' or 'not done'. Upstream teams must be construction led with precise actions for their tasks. This smooths out demand bumps, letting teams recover if deliverables are missed. It also ensures everyone along the supply chain can see when packages are ready so work can begin without delay.

3

Actively driving down performance risk

To keep project rate on schedule, risks must be assessed and consequences identified. Tracking risks should be elevated to the same level of importance as construction rate and team readiness. Doing so gives teams ample time to identify risks and find solutions before they become lengthy delays. Key questions must be answered to identify what action in each project step actively drives down performance risk, such as:

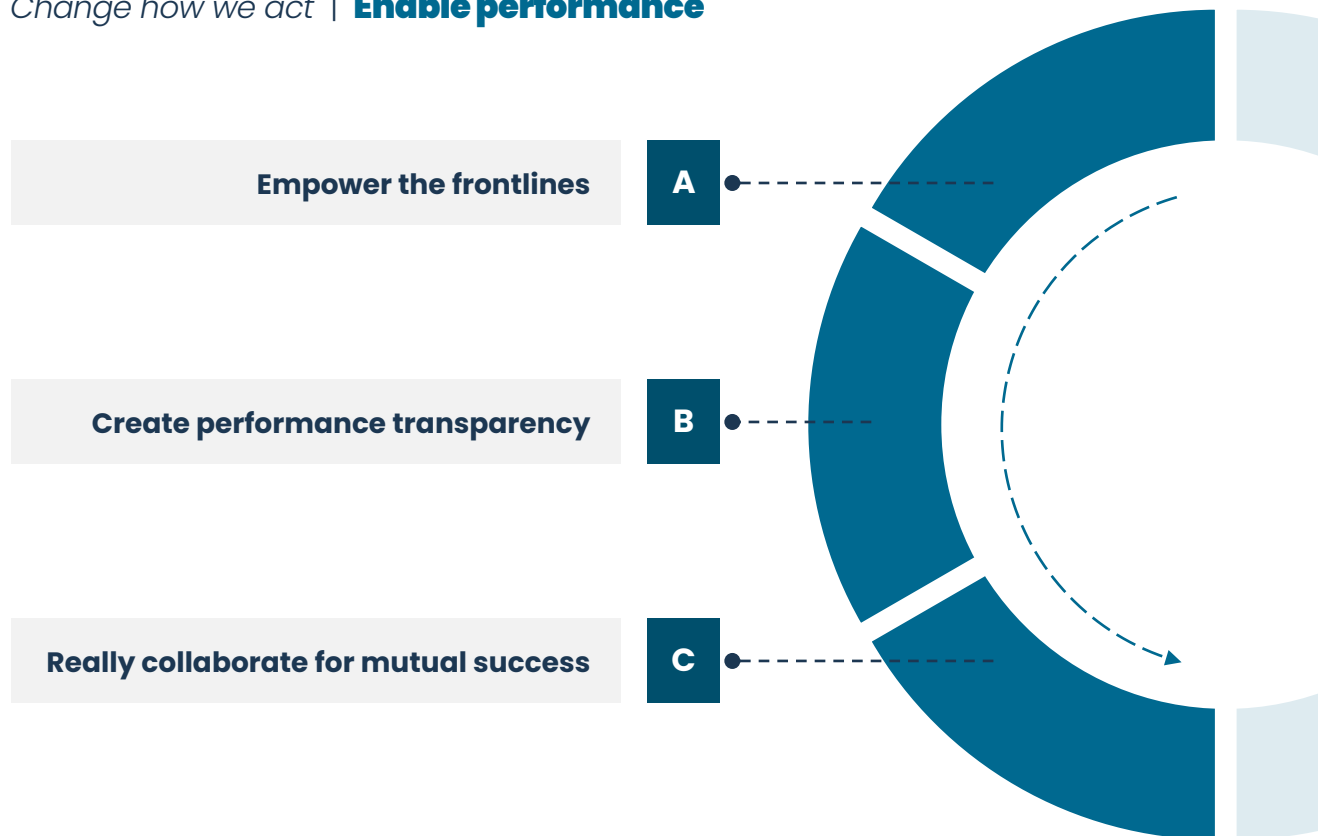
- What risks will cause us not to achieve maximum rate?
- When will they impact us?
- What actions can we take to remove those risks?
- How much investment is needed to remove them?
- What is the timed action plan to execute them?

Planning for risks and agreeing on the required actions to avoid them ensures construction rate is not impacted, allowing projects to stay on (and even ahead of) schedule.

Three passive enablers for achieving high performance

Proactively drive performance:

Change how we act | **Enable performance**



A

Empowering the frontline

All performance comes from the frontline. Everyone, from leadership to Project Controls teams, must support and empower the frontline, especially frontline team leaders like crew bosses. If there is no change in behaviour at the frontline, then no value can be generated. Empowering them fosters a culture that drives readiness and feeds rate.

Front line team leaders must be enabled to perform, and everyone must act to support their performance. For example, leadership should be removing barriers to speed up processes. Supply chain teams must be 100% focused on feeding construction on time. Project Controls must be providing everyone with targets, structure and insights so tasks are accomplished and improvements are made wherever possible.

B

Creating Performance Transparency

To ensure readiness, you must have a digital foundation to provide 'real-time' transparency. Seeing where performance is happening, where delays are occurring, and where supplies are, empowers everyone to achieve readiness. Once established, go one step further to automate processes. For example, automatic payments for contractors completing packages or drones to scan progress can save critical time and provide critical insights. Without a digital foundation you will not be able to drive frontline application to improve efficiency. Creating a digital foundation means you have one integrated source of truth acting as a key enabler for performance.

C

Collaborating for mutual success

Building collaboration is crucial for completing projects on schedule. Creating a culture of constantly increased rates to 'beat the schedule' every day starts with owners and rolls down across teams. This means spending time upfront building trust, creating strong partnerships and finding the right incentives to drive performance, not just for end of the project completion but also hitting performance targets during construction as well. The benefits are enormous, as establishing a collaborative culture allows everyone to move from a 'safe plan for us' to 'best results for all' mindset. When the whole project team wants to reap the benefits of an empowered and collaborative culture, stability and significant value can be captured by everyone.

Conclusion

Project Controls teams are the driving force for achieving high performance on megaprojects. In order to really capture the full performance potential of megaprojects, Project Controls teams need to refocus their activities and outputs. By embodying a performance mindset, they can reduce inefficiency, empower other project teams, drive a culture of collaboration, and help achieve high performance and seize the significant opportunity to overdeliver on megaprojects.

About the author



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Guy brings extensive experience across a range of industries to Partners in Performance. He is Managing Director of our Europe region and Global Leader of the Capital Practice.



Partners in Performance helps clients unleash their true potential – at a business, commercial and people level. Working as close partners, we enable our clients to achieve game-changing results that drive lasting impact. Contact us to find out more: pip.global | info@pip.global

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