

# Implementation of a Comprehensive Project Management Program

## An Approach Using the GOSP Model for Project Portfolios in a Highly Regulated Environment

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# Agenda

1. Project Management in a Highly Regulated Environment –
2. The GOSP Accountability Model
3. GPEx – A Functional Model Using GOSP
4. Conclusions

# 1

## Project Management in a Highly Regulated Environment

# Project Management in a Highly Regulated Environment

## The Challenge

- Global Market – Local Regulations – Local and Global Market Drivers
- Highly sensitive business
  - Predictability of outcomes is important for utilities & publicly traded companies (construction/outage schedules; cost)
  - Nuclear risk – highly regulated activities
  - Economic viability
  - National energy policies
  - Influence of public opinion
  - Large spread of project portfolio from multi billion \$ EPC to services

→ *Enterprise RISK*

# 2

## The GOSP Accountability Model

# Global Project Excellence (GPEx)

- Chartered in April 2014 to lead development and implementation of global project processes and standards:
  - Founded on industry standards (e.g., PMI PMBOK®)
  - Flexible and scalable to apply to any project
  - The enabler for sustained performance gains through, monitoring, reinforcing, and continuous improvement

# Establishing Organizational Alignment

- Achieving project excellence requires a comprehensive system of governance and oversight
  - Standardizing process is good, but organizational commitment is required to be effective
  - Governance, Oversight, Support, Perform (GOSP) Accountability Model applied to ensure that the new standard is effectively implemented throughout Westinghouse.
  - Each organization provides an accountable person, Organization Project Excellence (OPEX), to ensure that the project excellence standard is permeated throughout their entire organization.

# Establishing Organizational Alignment

- Achieving project excellence requires a comprehensive system of governance and oversight

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**Critical process control: GPEx/OPEx structure provides necessary oversight to ensure process is inclusive of all project process requirements and ensures procedure compliance**

ard

**Each organization is expected to fully participate**

Organization Project Excellence (OPEx), to ensure that the project excellence standard is permeated throughout their entire organization.

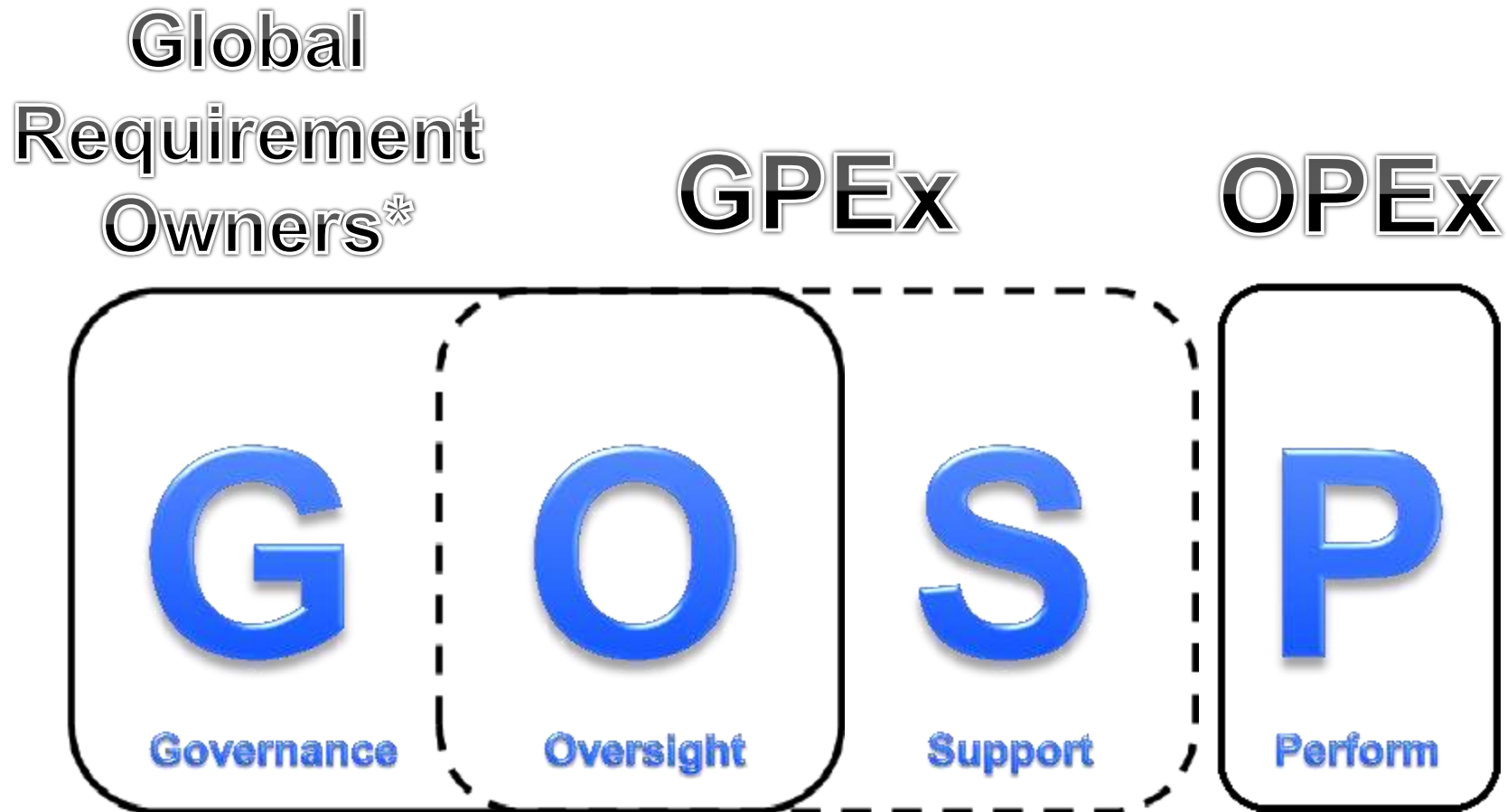


# The Governance, Oversight, Support and Perform (GOSP) Accountability Model

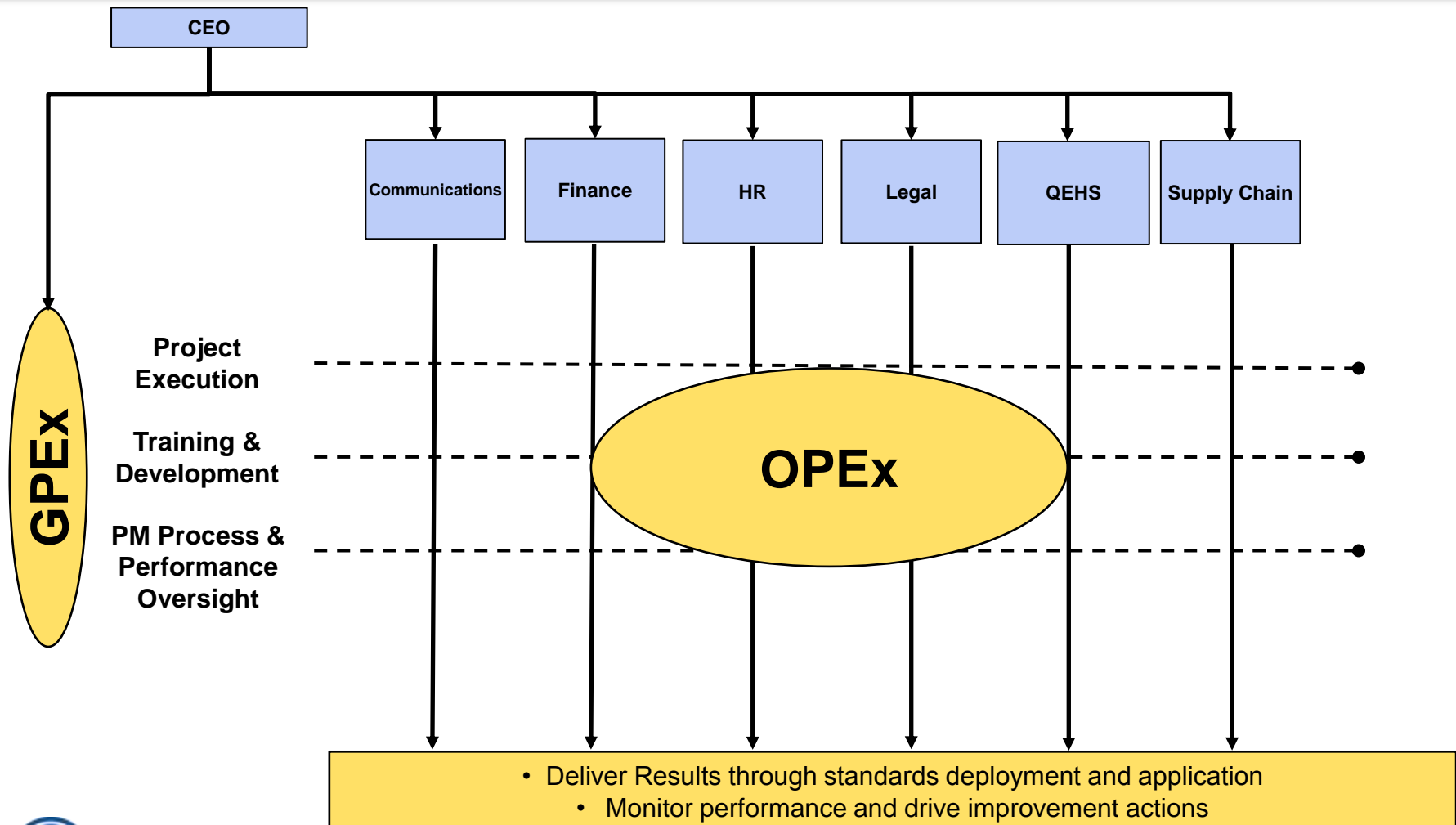
- Defines organizational accountability throughout Westinghouse for entire process from *Setting standards through Project Delivery*
  - Responsibilities are distinguished:
    - Ownership of programmatic standards (governance and oversight)
    - Execution (support and perform).
- **Governance** (Tell you)
    - Develop Standards
    - Rollout Standards
    - Drive Standardization
    - Continuous Improvement
  - **Oversight** (Check you)
    - Audit for Adherence and Learning
    - Trend Analysis
  - **Support** (Help you)
    - Coach, Mentor, Advise, Enable
  - **Perform** (Do for you)
    - Perform GPEx Projects

# Westinghouse Global PM Accountability Model

## Global Requirements Owners Level

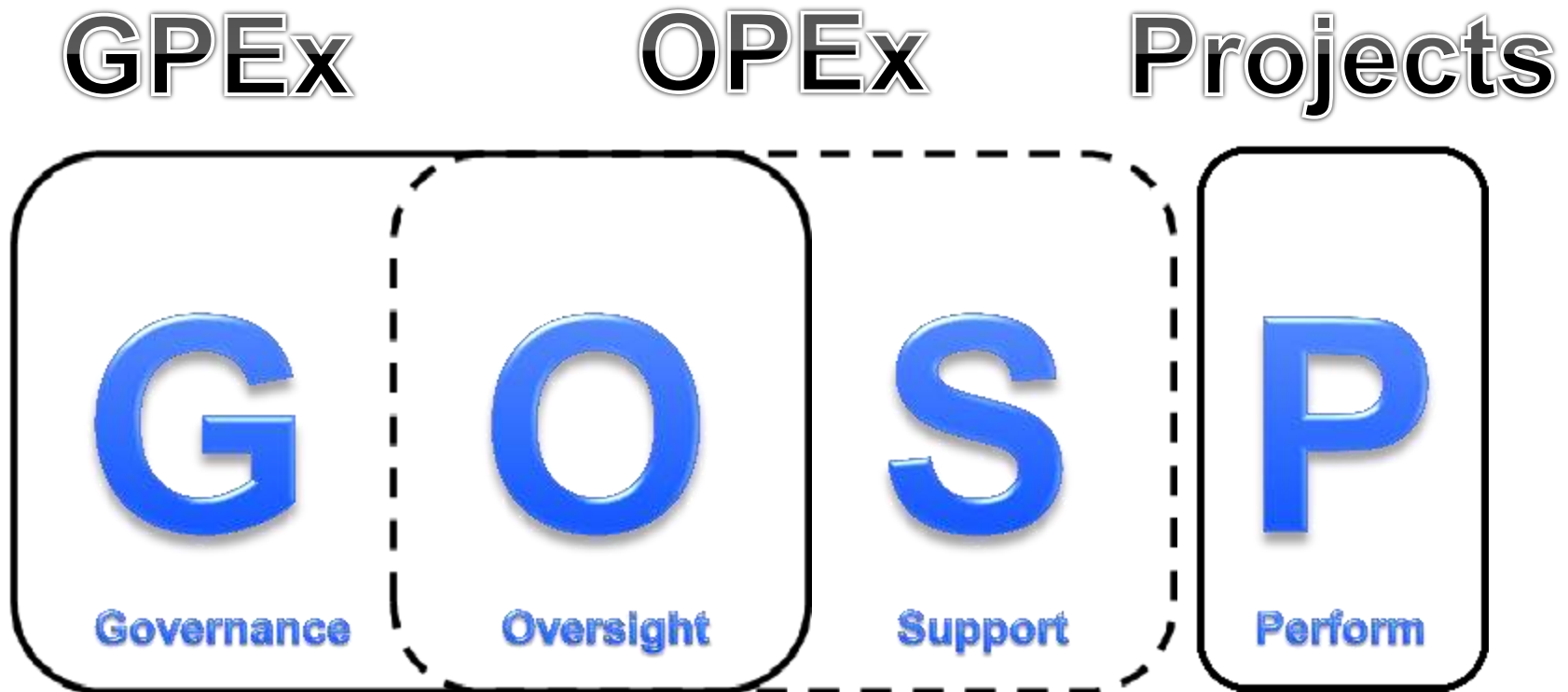


# GOSP Model for Governing Requirements to Support GPEx



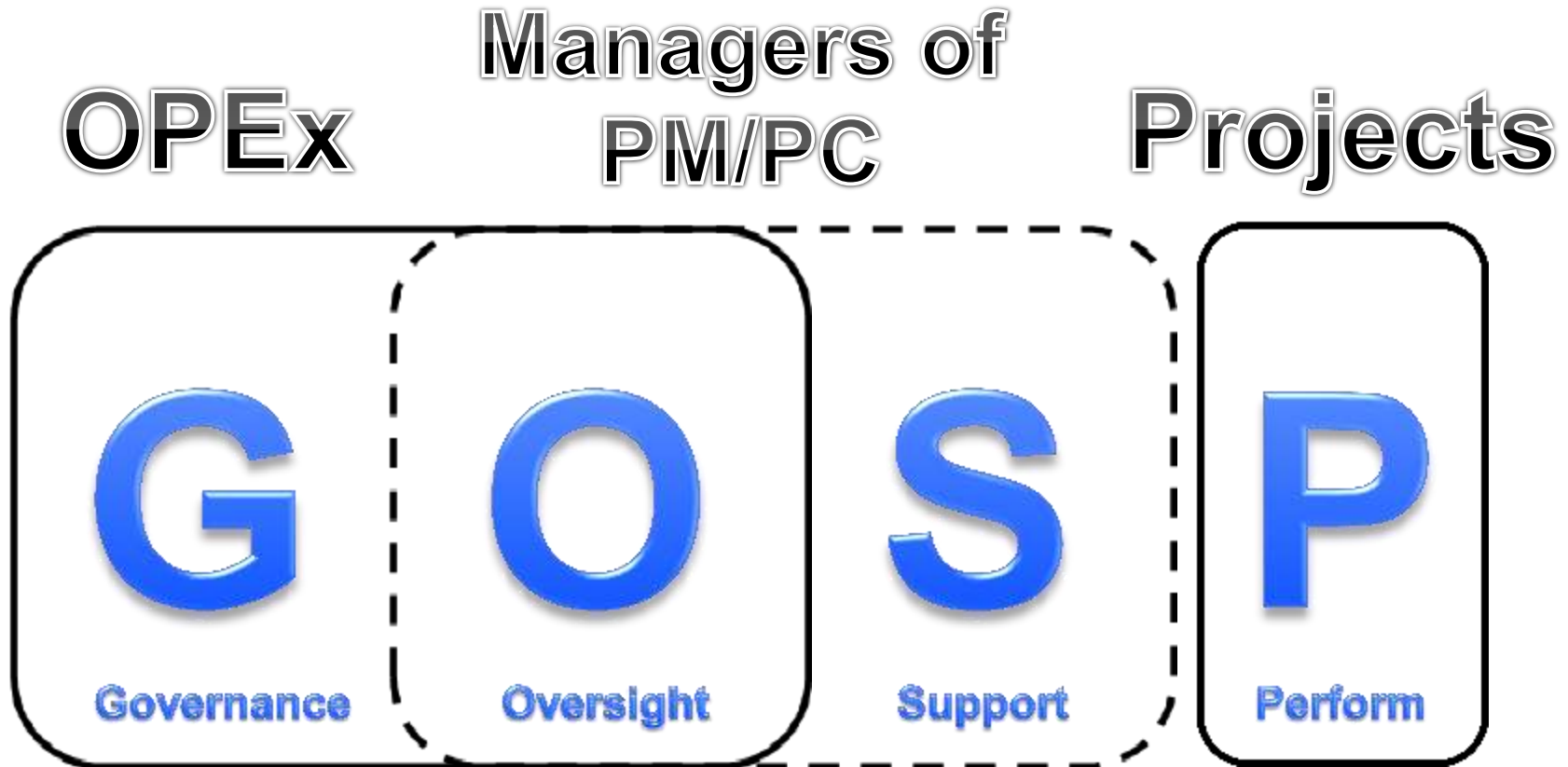
# Westinghouse Global PM Accountability Model

## GPEX Level



# Westinghouse Global PM Accountability Model

## OPEx Level

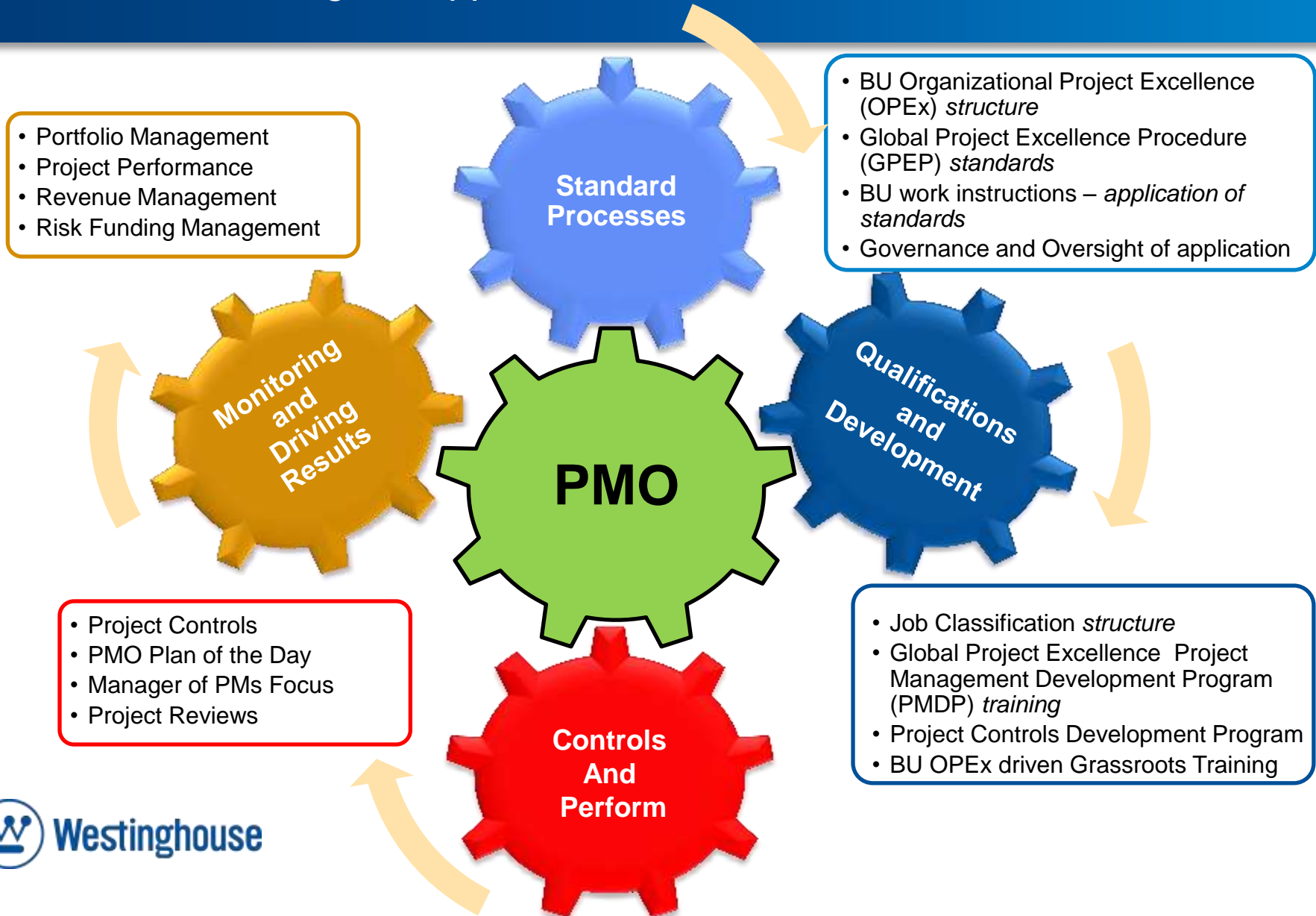


# 3

## GPEx – A Functional Model Using GOSP

# Global Project Excellence – PMOs

## *Governance, Oversight, Support and Perform*



# GPEX Functions



# GPEX Functions

- All work is organized around 3 primary functions:



“People” - career path, training, mentoring, and validation of capability via qualification cards & approval review



“Process” - processes, procedures, templates, and tools for project management



“Performance” - metrics to ensure procedure adherence, process improvements and project performance

# Functions Governed by GPEx



## Process

- Process Groups/Project Lifecycle
- Integration Management
- Scope Management
- Time Management
- Cost Management
- Quality Management
- Human Resource
- Communication Management
- Risk Management
- Procurement Management
- Stakeholder Management



## People

- Project Management
  - Training/Qualifications
  - Career Path
- Project Controls
  - Training/Qualifications
  - Career Path



## Performance

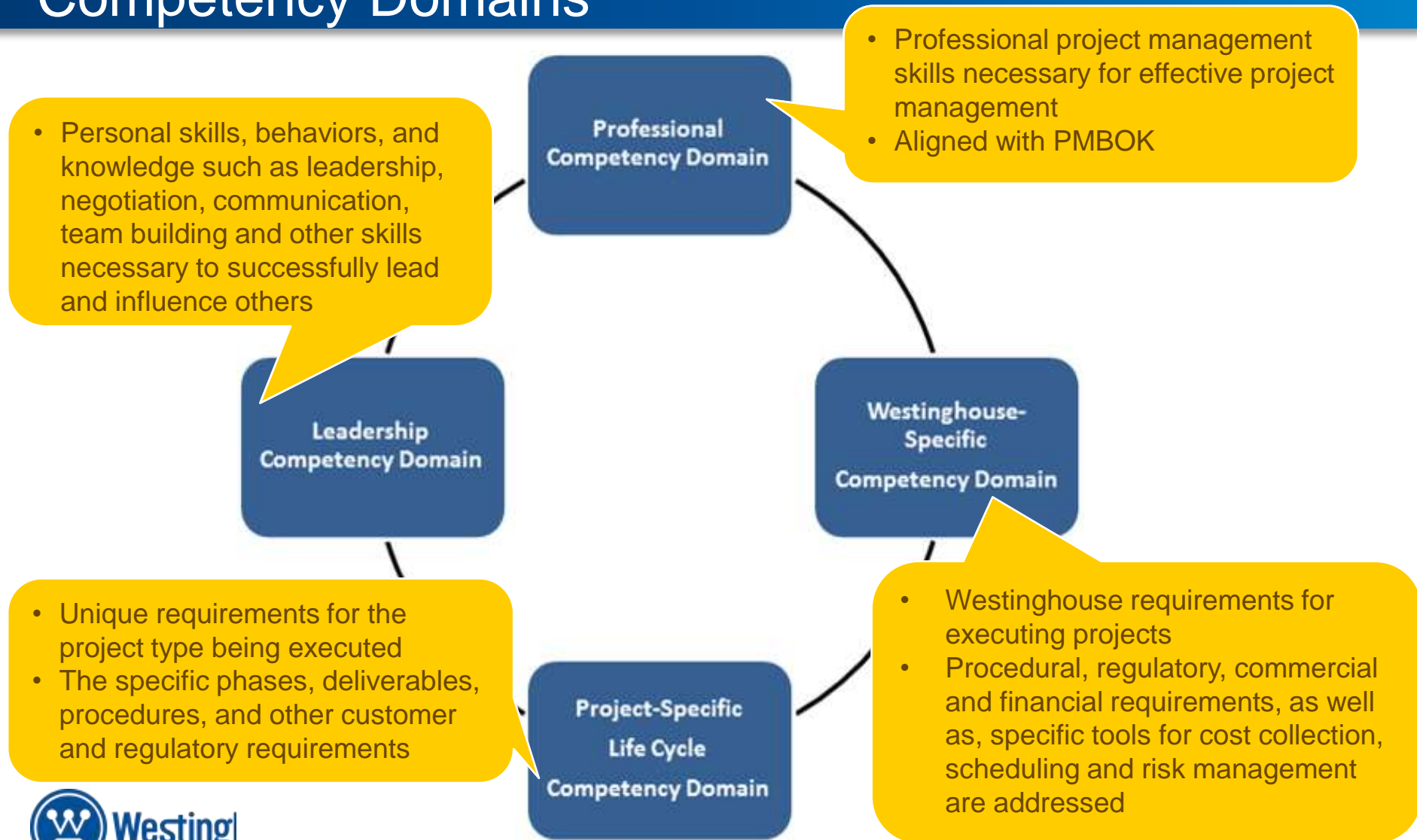
- Performance Measures
- Process Effectiveness
- Project Audit Standards
- GPEx/OPEX Web Portal

# People Function

Project Manager Development Program

Project Controls Development Program – being developed

# Competency Domains

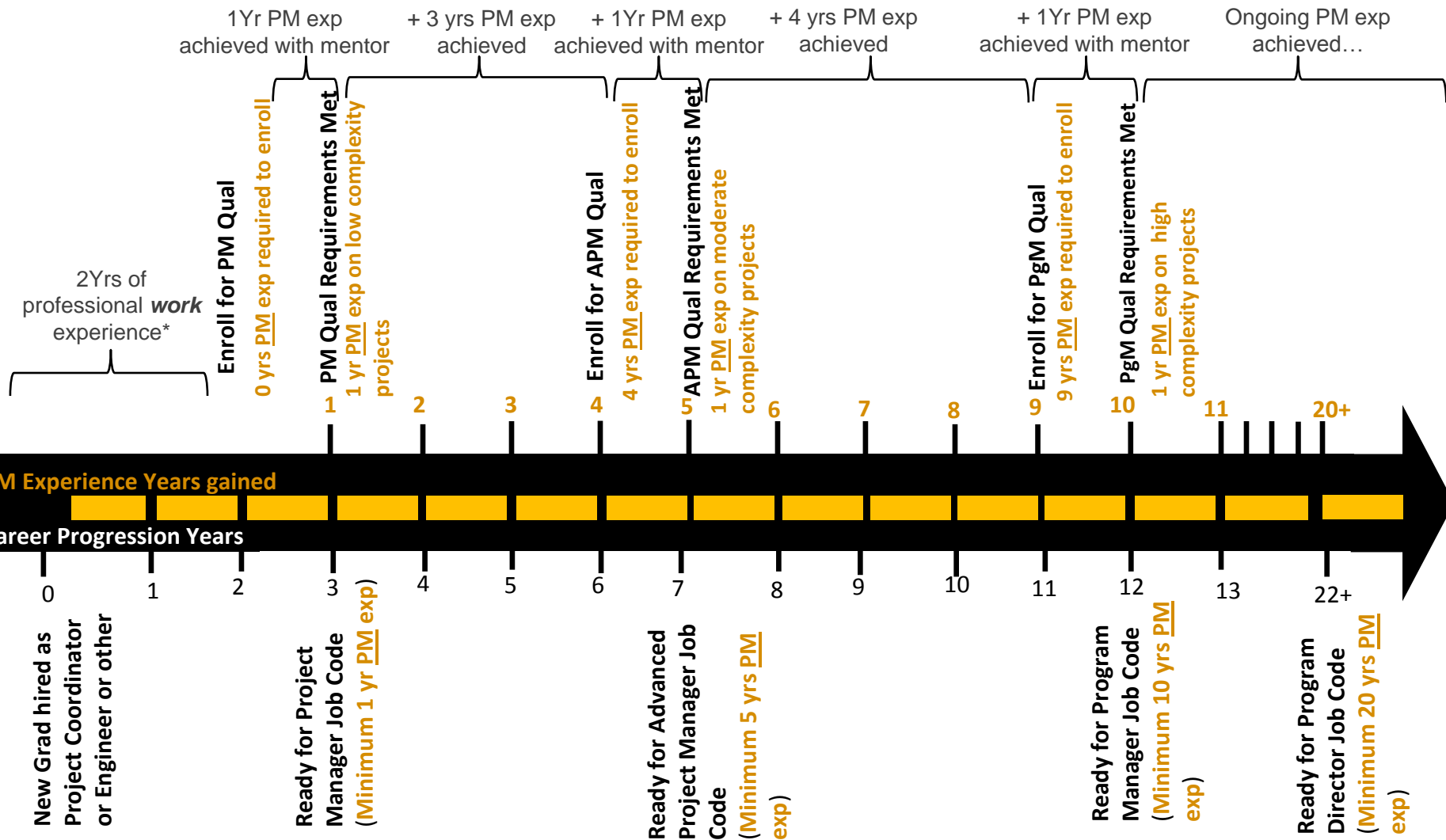


# Qualification Levels

Qualification Level	Project Type
<b>Project Manager Qualification</b>	Low complexity scale, typically <5M USD, small team size with members in same Product Line, etc. <u>Qualification focused on PMBOK® fundamentals</u>
<b>Advanced Project Manager Qualification</b>	Moderate complexity scale, typically >5M to 30M USD, team members span Product Lines and vendors, etc. <u>Qualification focused on PMI® PMP certification and Advanced concepts for complex and troubled projects</u>
<b>Program Manager Qualification</b>	High complexity scale, typically >30M, several sub-Projects, cross business, large, diverse teams, significant vendor oversight, etc. <u>Qualification focused on PMI® Standard for Program Management</u>

# Career and Qualification Progression Roadmap

Example shown demonstrates minimum Years PM Experience requirements



# Process Function

## Global Project Excellence Procedure (GPEP)

# Global Project Excellence Procedure (GPEP)

## Comprehensive and Interactive for usability

### Process Steps and Requirements



### GPEP TOOLS AND TEMPLATES

- GO Change Workbook Template
- GO Complex Project Charter - Non-saleable Template
- GO Complex Project Charter - Saleable Template
- GO Complex Project Management Plan Template
- GO Integrated Project Baseline Review Checklist
- GO Integrated Project Baseline Review Approval Form Template
- GO Lessons Learned Template
- GO Non-Complex Charter and Project Plan Template
- GO Primary Project Manager Turnover Checklist
- GO Project Kickoff Meeting Template
- GO Project Review Financials Template
- GO Project Review Presentation Template
- GO Project Scale Assessment Tool
- GO Risk Assessment Worksheet (RAW) Template
- GO SAP Tech Manual - Enterprise update

- Risk Management Plan section of the Project
- [WEC 3.1.1, "Design Plan"](#)
- [WEC 3.1.6, "Process/Design Failure Mode"](#)
- [WEC 3.2.7, "Design Process"](#)
- [WEC 3.3.1, "Design Reviews"](#)

### Learning Aids and Training

- [Risk Management Planning Job Aids](#)
- [Identifying Project Risks Job Aids](#)
- [Performing Risk Analysis Job Aids](#)
- [Risk Response and Control Job Aids](#)
- [Risk Management Planning SkillBriefs](#)
- [Identifying Project Risks SkillBriefs](#)
- [Performing Risk Analysis SkillBriefs](#)
- [Risk Response and Control SkillBriefs](#)
- Atlas course: Risk Management Planning (proj\_27\_a01\_bs\_enus)
- Atlas course: Identifying Project Risks (proj\_27\_a02\_bs\_enus)
- Atlas course: Performing Risk Analysis (proj\_27\_a03\_bs\_enus)
- RM190 Active Risk Manager (ARM) Users Training
- PMBOK Guide, Sections 11.1, 11.2, 11.3, 11.4, and 11.5

- Easy to follow process instruction consisting of inputs, process steps, outputs and references
- Aligned to related Westinghouse procedures and learning aids
- Comprehensive list of Templates and Tools
- 4 WEC Level 2s to be voided, additional approx. 60 Level 3s may be voided over time





# Understanding how the Offer Process and the GPEP Process Interface for proposal development

BMS-GCM-1

## High-level view of Offer Development Procedure

Decision to bid

Assemble team

Gather &amp; Approve inputs for Offer (plan)

Deliver Offer

W2-18.2-101

Initiating

Planning

Executing, Monitoring, &amp; Controlling

Closing

## Global Project Excellence Process (GPEP)

Perform initiating and planning steps to define project inputs for offer (scope, schedule, cost, risk, etc.) since these process steps are comprehensive of what is needed to estimate the proposed project

# Global Project Excellence Process (GPEP)

## Critical controls within process

### Initiating

- **Project Scale Assessment** tool - assigns a complexity score based on risk characteristics, sets project management requirements commensurate with complexity
  - A qualified project manager is to be formally assigned; co-author required if assigned project manager is not qualified
  - Project Controls resources are recommended for moderate to high complexity
- Requires formal acknowledgement and strategy to complete planning and confirm performance management baseline, in the case when project execution must start before planning is completed
- Key output is approved **Project Charter**

# Global Project Excellence Process (GPEP)

## Critical controls within process

### Planning

- **Project Management Plan template**
  - Standards stated - deviations are noted and approved
  - Integrates all PMI® Knowledge Areas to define scope, analyze risks, develop schedule and establish cost
  - Subject matter experts are engaged in defining scope
  - Project reserves are confirmed
- Key output, “**Integrated Project Baseline Package**” approved via Integrated Project Baseline Review (IBR), includes:
  - Project Management Plan
  - Project Scale Assessment, Scope Baseline (Scope, WBS + Dictionary)
  - Schedule Baseline, adjusted for risks
  - Cost Breakdown Structure (CBS)
  - Cost Baseline, adjusted for risks
  - Risk Register
  - Stakeholder Register
  - IBR approval forms

# Global Project Excellence Process (GPEP)

## Critical controls within process

### Executing, Monitoring, & Controlling

- **Integrated Change Control template**
  - Change Workbook manages process with clarity and transparency
  - Captures the chronology of every potential issue and realized change
  - Confirms funding decisions for realized risks vs unplanned project impact notice (PIN)
  - PIN requires formal approval
- **Project Review template** (see next slide)
- **Schedule Monitoring reports:**
  - Look-ahead Schedule and Schedule Forecast
  - Critical Path and Earned Value measurements
  - Schedule Variance reports with narrative analysis
  - Schedule Data Quality and Adherence Report
  - Resource Forecast/Histograms
- **Cost Monitoring reports:**
  - Actual Cost Report and Earned Value measurements
  - Forecast Estimate to Complete
  - Forecast for Revenue, Billing and Cash Flow

# Global Project Excellence Process (GPEP)

## Critical controls within process

- Project Review template

### Project Overview

- Profit Center – [Profit Center #]
- Project Def/WBS – [Project #]
- Sales Order # – [Sales Order #]
- Original As-Sold Contract Price/Margin % – [\$XXXM / XX%]
- Current Contract Price/Margin % – [\$XXXM / XX%]
- Liquidated Damages – [Y/N]
- Contract Type – [Fix Price, etc.]
- Customer – [Customer Name]
- Plant – [Plant Name]
- Project Start – [DD/MM/YYYY]
- Project Substantial Completion – [DD/MM/YYYY]
- Project End – [DD/MM/YYYY]
- Overall % Complete [xx%]

Project Health									
	Safety	Schedule	Procurement	Technical / Quality	Resources	Commercial	Cost	Risk	OVERALL
Reporting Month									
Prior Report									

PROJECT COST REPORT									
Total Project	BUDGETS			COSTS		FORECASTS		VARIANCES	
	① As Sold (Original Cost Baseline)*	② Cumulative Approved Changes	③ Current Budget at Completion [BAC] [1+2]	④ Actual Project-to-Date (PTD)	⑤ Committed Costs	⑥ Estimate to Completion [ETC]	⑦ Estimate at Completion [EAC]	⑧ Variance at Completion [VAC]	⑨ Changes on EAC from Last Review [MM/DD/YYYY]
Labor Hours/Manhours			0				0	0	
Labor Cost			0				0	0	
Material & Services (M&S)			0				0	0	
Travel & Living (T&L)			0				0	0	
Other Costs			0				0	0	
Total Labor, M&S, T&L and Other Costs	0	0	0	0	0	0	0	0	0
Management Reserve			0				0	0	
Contingency Reserve			0				0	0	
Total Allocated Budget (TAB)	0	0	0	0		0	0	0	0
Margin	0	0	0					0	
%	#DIV/0!	#DIV/0!	#DIV/0!				#DIV/0!	0.0%	
Mark-up Ratio [MUR]	#DIV/0!	#DIV/0!	#DIV/0!				#DIV/0!	0.00	
Total Contract Price (TCP)			0				0	0	
Invoices							0		

# Global Project Excellence Process (GPEP)

## Critical controls within process

### Closing

- **Feedback Loop to Commercial Team** for updating project record on project performance
- Confirmation that all quality-related activities satisfactorily completed
- Formal Customer Acceptance

# Performance Function

# Performance Oversight



- People Metrics
  - Supply vs Demand (business need driven development/hiring decisions - enables cross utilization of project management personnel to support business needs)
  - Time to progress through qualification (1 year completion expectation)
  - Time to promote to new job title following completion of qualification (improves employee satisfaction and job retention)
- Process Metrics
  - % of organizations implementing GPEX
  - % of projects completing Integrated Project Baseline Review
  - % compliance with JSOx reporting requirements
  - Passed due billing milestones
  - COPQ performance
  - Schedule data quality and adherence for moderate and high complex projects
  - Schedule risk analytics for moderate and high complex projects

- ✓ Metrics to ensure compliance with People and Process standards
- ✓ Facilitated by GPEX and OPEX
- ✓ Performance metric standards now being established for global rollout



# 4 Conclusions

# Conclusions

- ✓ GPEX based on GOSP is the Westinghouse response to drive excellence in project execution into global project portfolios
- ✓ The model is based on global people, process and performance functions
- ✓ GPEX means project accountability of the entire organization

# Thank You For Your Attention