

# “EFCOG’s Knowledge Portal Review” 2010 Waste Management Symposium



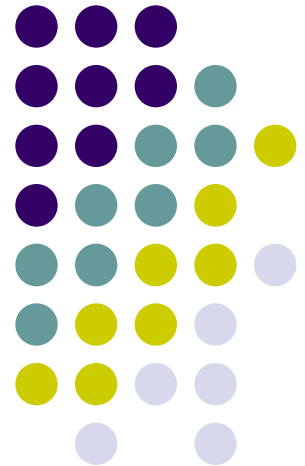
Presented by

Bob Miklos

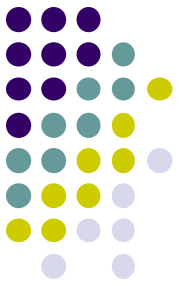
Vice Chair, Project Management Working Group

Panel Session 39

March 9, 2010



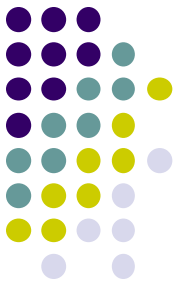
# Project Management Working Group (PMWG) Purpose Statement



- Enhance project management (PM) capability and execution to meet Department of Energy (DOE) critical mission requirements in a way that delivers:
  - More reliable performance
  - More cost effective delivery
  - The capability to sustain performance in the future

**DOE Sponsors: Paul Bosco, Bob Raines, Lowell Ely, Jack Surash, Dan Lehman**  
**65 Participants from DOE Contractor Community**

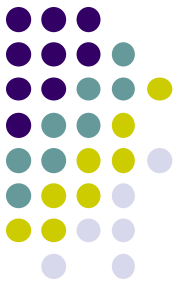
# PMWG Three Key Strategic Objectives



- Institutionalize the PMWG as a “go to” source of effective, proven project, cost estimating, and construction management processes and tools, which can be used by PM and construction management (CM) organizations responsible for executing DOE work
- The PMWG will promote the on-going assessment of organizational and project performance, focused on driving timely corrective action to prevent failures
- The PMWG will support EFCOG and member company initiatives in the human capital arena, focusing on program and project management functions

**Used to Guide our Initiative Development**  
**PMMWG Subgroups: Cost Estimating and Construction Management**

# Project Management Working Group Discussion Topics



- Support upcoming revision to DOE O 413.3A, *Program and Project Management for the Acquisition of Capital Assets*
- Support Project Assessment and Reporting System (PARS) revisions
- Continued support of DOE Corrective Action Plan (CAP) corrective measures
- Results of survey on PM certifications
- Research & Development (R&D) white paper preview (Project Management Institute)
- Identification of best practices in project management

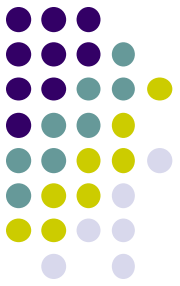
# Support Upcoming revision to DOE O 413.3A



The Office of Engineering & Construction Management (OECM) is scheduled to post the draft DOE O 413.3B into Revcom in April 2010 and is planning to finalize and publish the document by July 2010

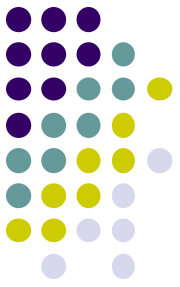
- Some major changes being proposed for the revised Order include the Following:
  - **Exclusions** - Program Secretarial Offices are generally excluded from most requirements of this Order if it meets some criteria including GETTING OFF THE GAO HIGH-RISK LIST and completion of 90% of projects across a three-year rolling average, not to exceed by more than 10% of the original cost baseline for the original approved scope at Critical Decision (CD)-2
  - **Funding Request** - Programs or projects can submit a budget request for construction prior to CD-2 approval if specific criteria are met
  - **Full Funding** - Construction projects with total project costs (TPCs) less than \$50M are encouraged to request all construction funds within the same appropriation year of start of construction
  - **Funding Profile** - When a project is baselined, the funding profile will be part of the baseline and, within the Department, should only be changed by the approving Acquisition Executive

# Support Upcoming revision to DOE O 413.3A (continued)



- **Phased Critical Decision** - Specifies requirements that must be met to allow phasing of CD-3 to accommodate long lead procurements
- **Performance Baseline Deviation** - Modified the Deputy Secretary of Energy approval of Performance Baseline Deviations to only when there is an increase in "excess of the lesser of \$100M or 50% (cumulative) of the original CD-2 cost baseline
- **Earned Value Management System (EVMS) Certification** - Allows the Project Management Support Office (PMSO) to perform EVMS Certification review of sites for projects greater than \$50M but less than \$100M
- **Project Documentation** - Requirement to provide to OECM essential project documentation

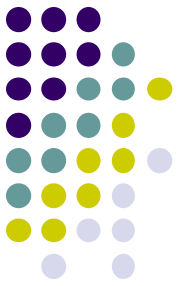
# Support of Project Assessment and Reporting System (PARS) Revisions



- Next generation of the PARS under development:
  - OECM collaboration Web established
  - Integrated development team established including contractor input
- PARS II OA&CPP Software will:
  - Collect summary-level project data using web interface
  - Aid Federal Project Director (FPD), Program and OECM each month
- Contractor Project Performance (CPP)
  - Web interface for uploading contractor project files
    - Earned Value, Schedule Variance, Management Reserve Risk
    - Utilized monthly by Contractor

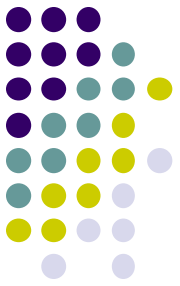
**PARs will automate the upload of contractor earned value, schedule data, and provide common view of project performance metrics in a dashboard format**

# Continued Support of DOE CAP Corrective Measures



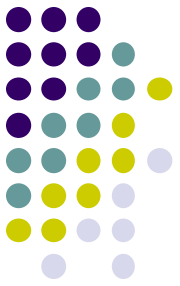
- Supported DOE PM CAP Effort
  - Eight corrective measures total, Five worked in 2009
    - Front end planning/Requirements definition
    - Workforce enhancement/Staffing model
    - Full funding strategy
    - Cost estimating improvement
    - Improve Project Risk Assessment, Communication and Management
- Support DOE PM CAP Effort
  - Four remaining corrective measures
    - Improve project risk assessment, communication and management
    - Improve acquisition strategies and plans
    - Improve project oversight and management
    - Improve adherence to project management requirements

# Results of Survey on PM Certifications



- Joint action by EFCOG and National Laboratory Directors Council (NLDC) to describe field implementation of PM certification programs
  - Survey conducted
  - Results transmitted January 18, 2010, Daniel B Poneman, Deputy Secretary of Energy
  - Survey Content:
    - PM Qualification/Competency Model
    - Number of Qualification Levels
    - Project Risk Evaluation Processes (Prior to PM Assignment)
    - Internal PM Training
    - External PM Training
    - Internal PM Certification Process
    - External PM Certification Process
    - Continuing Education Requirements

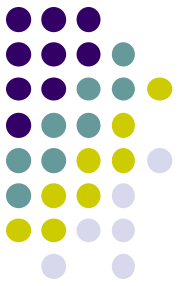
# Results of Survey on PM Certifications (continued)



- Mentor/Protégé Process
- PM Lessons Learned/Knowledge Management
- HR Career Track/Individual Development
- Succession Planning
- Recognition as a Critical Skill
- Certified EVMS Tools/Training
- Outcome
  - No universal project management qualification program across contractors
  - Performance Management Process and individual development plans are common basis for progression
  - External certifications, such as Project Management's Institute Project Management Professional is widely used to supplement corporate training

**Approaches adhere to basic principles inherent to all PM qualification programs and produce highly qualified project managers to meet risk-based needs**

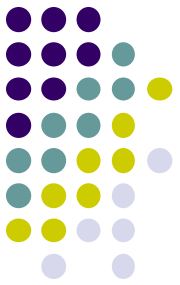
# R&D White Paper Preview (Project Management Institute)



- The objective of the *Project Management in Research and Development* white paper (under development) is to establish a clear and concise value proposition for the use of project management principles in the delivery of R&D projects that is universally acceptable to the principal investigator/scientist and the activity customer
  - R&D projects have unique attributes as a category within the DOE portfolio
  - A structure approach and framework for the execution of smaller, non-413.3 R&D projects can provide beneficial results
  - Utilizing tools and techniques allow for common R&D characteristics
    - Greater scope variability at later stages of project execution
    - Managing risks within the discrete cost and schedule parameters are desirable results
  - Recent U.S. General Accounting Office (GAO) finding indicated the need for a more structured approach to managing R&D projects
  - The ability of researchers to use existing highly structured approach (DOE O 413.3A) on smaller projects is problematic
  - Tailored processes and tools are needed

**Effective application of PM techniques on R&D projects can result in improved project performance (cost and schedule) while achieving technical performance goals**

# Identification of Best Practices in Project Management



- EFCOG PMWG and NLDC's Chief Operating Officers working group contractors were surveyed. EFCOG and NLDC together represents over 60 DOE Contractors
  - Results transmitted January 18, 2010, Daniel B Poneman, Deputy Secretary of Energy
- High Value Best Practices:
  - Project Manager Qualifications and Experience
  - Risk Management
  - Integrated Safety Management
  - EVMS
  - Acquisition Management
- Critical Success Factors: The factors that differentiate between project success and failure are often related to leadership and the nature of relationships among the various parties that come together to deliver the completed project
  - Institutional ownership
  - Leadership and peer involvement
  - Contractor-DOE working relationship