

Program Management Forum



*“Why do most large scale
programs fail?”*

And does program controls really work?

Patrick Kennerson



What Is It ?

Why Do I Need It ?

How Do I Do It?

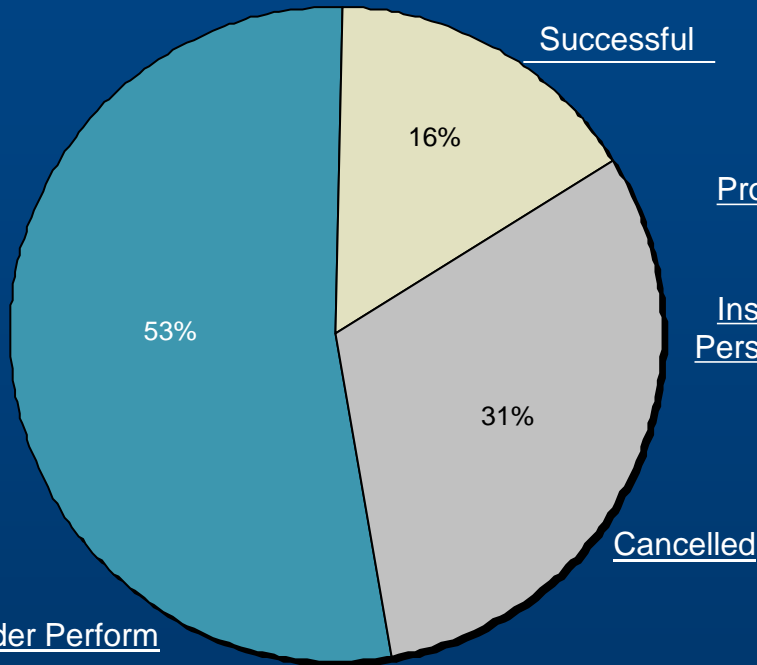


Yes, but you must know...

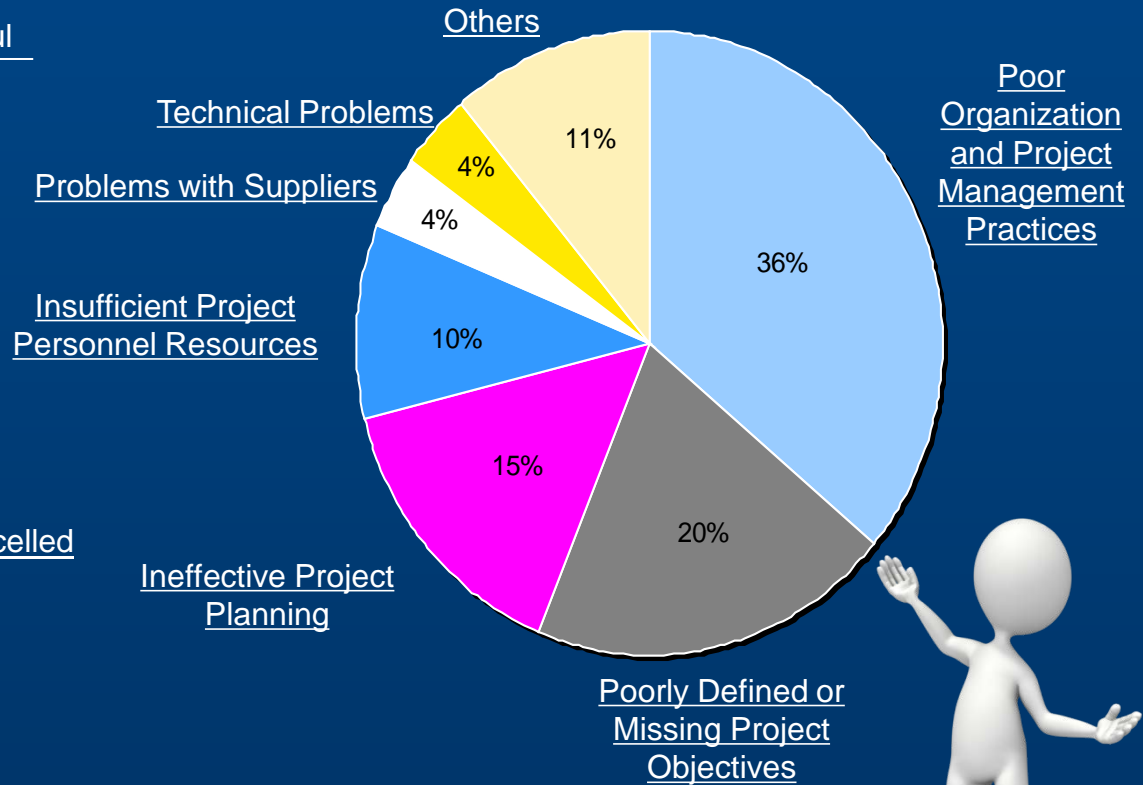


Don't take my word for it....

Large Programs Success Rates



Why Programs Fail



What Role Does EVM Play?

“Earned Value represents the “Gold Standard” of best practice in program management. It’s required on most government Contract above a certain level of spent.

In simple terms, Earned Value is the contract (or authorised) budget *value* of work accomplished on a project, typically to date. Earned Value is expressed using budget (and currency) values of the local environment (e.g. £ or \$).

This is one of the reasons why Earned Value has been misinterpreted in the past - **it's not a financial tool**, it is a tool for program management.



For most organisations, the challenge lies not just in the mechanics of the method, but more often in the **cultural change** required to underpin good Project Management. Additionally, when most organisations first attempt to use best practice techniques, they typically find that it **highlights weaknesses** or gaps in the project planning and control processes and capabilities

The Challenges



the planning process must identify all major project deliverables clearly, within the PMB

a robust baseline Plan needs to be developed

measures of physical progress must be assessed routinely and processes need to provide data in a timely manner (e.g. costs) and need to be structurally compatible with the needs of the management system.

For example!



There's Room For
Improvement!

70% of projects are:

- Over budget
- Behind schedule

52% of all projects finish at
189% of their initial budget

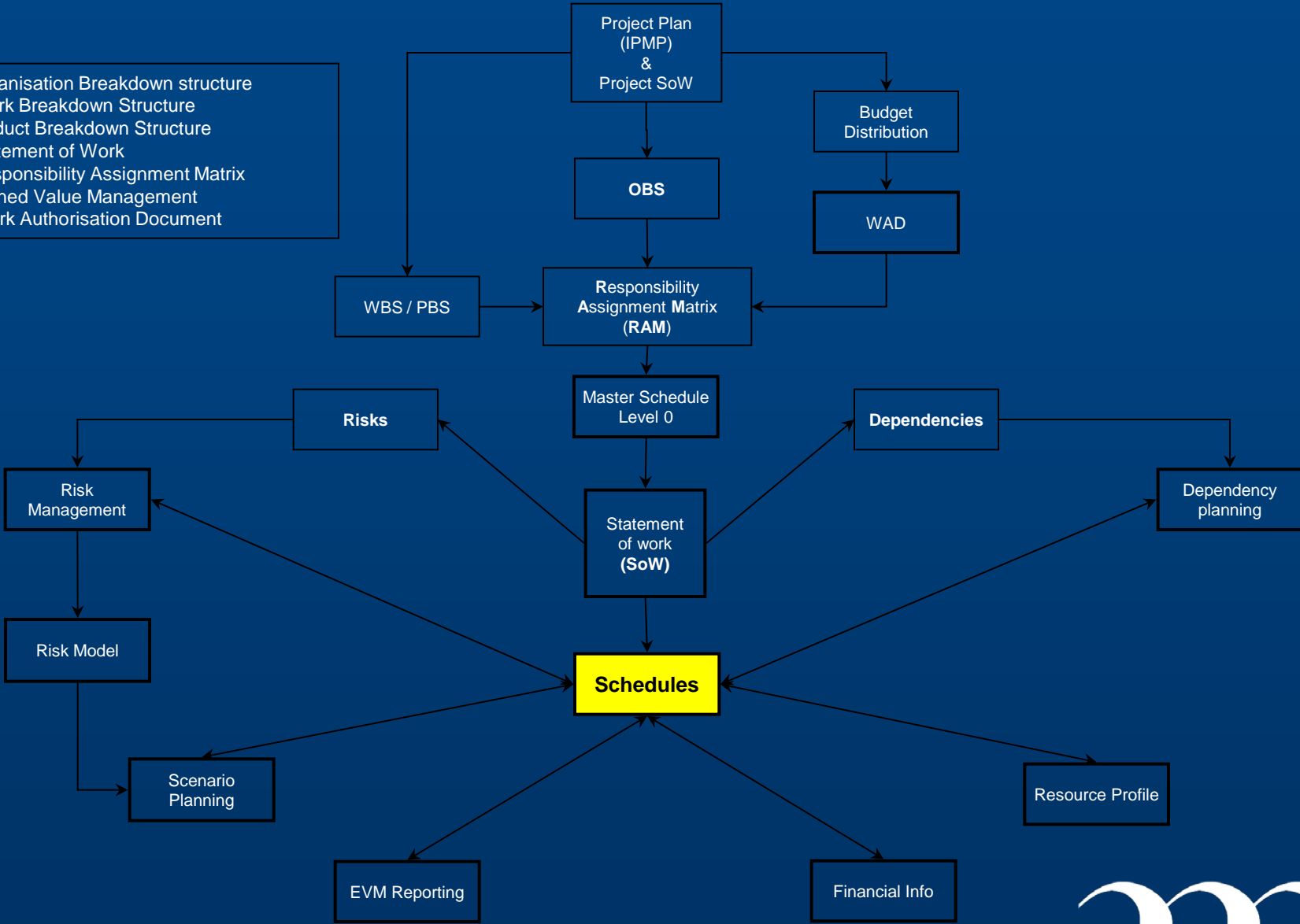
And some, after huge
investments of time and money,
are simply never completed.

Source: The Standish Group



Programme Control - System

OBS - Organisation Breakdown structure
WBS - Work Breakdown Structure
PBS - Product Breakdown Structure
SoW - Statement of Work
RAM - Responsibility Assignment Matrix
EVM - Earned Value Management
WAD - Work Authorisation Document



Questions?



Anyone....

Everyone

ME



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