

PGCS

**Project Governance and
Controls Symposium 2015**
6-7 May 2015 at UNSW Canberra at
the Australian Defence Force Academy

Platinum Sponsor



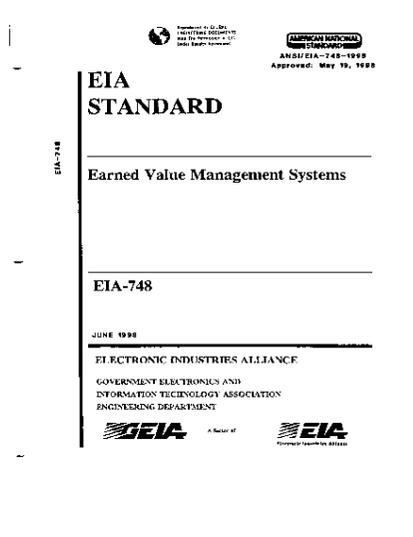
Steve Wake
Chairman
Association for Project
Management
UK

The UK MoD EVM operating environment

(maybe)



Three nations divided by a common language

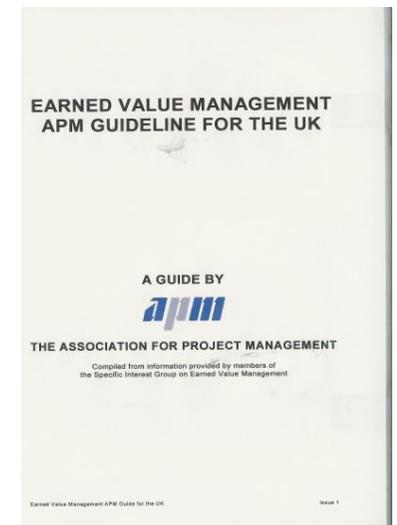


AS 4817—2006

AS 4817—2006

Australian Standard™

Project performance measurement
using Earned Value



2004: USA . UK Reciprocity Agreement



apm

NDIA
NATIONAL DEFENSE INDUSTRIAL ASSOCIATION

Earned Value Management System Standard Equivalence Agreement

Government Electronics and Information Technology Association (GEITA) Systems, Standards and Technology Committee and National Defense Industrial Association Program Management Systems Committee (NDIA) are the subject matter owners for the ANS/EIA-748-A, Earned Value Management Systems (EVMS) reaffirmed August 28, 2002.

Association for Project Management (APM) is the subject matter owner for the APM Earned Value Management (EVM) Guide dated May 2002 ISBN code 1-903494-03-6.

APM and NDIA agree:

- The EVMS Guidelines in the respective documents cited above are equivalent in their intent as of the date of this agreement.
- Both are living documents and must be revised periodically to reflect emerging program performance management practices.
- APM and NDIA will review ANS/EIA-748-A and APM EVMS Guide every three years at a minimum and more frequently in the event of a significant change to either document in order to maintain equivalency.

APM and NDIA will publicize this agreement to Government and Industry organizations and encourage them to recognize the equivalency of ANS/EIA 748 and APM EVM Guide in contracts, partnering agreements and other applicable business transactions.

This Equivalency Agreement for EVM Guidelines is effective commencing July 1, 2004 and remains in effect until either APM or NDIA provides written notification of withdrawal, to be effective 90 calendar days after the date of the notification.

Information contacts:

The Chairman
Association for Project Management
150 West Wycombe Road
High Wycombe
Buckinghamshire
HP12 3AE
UK

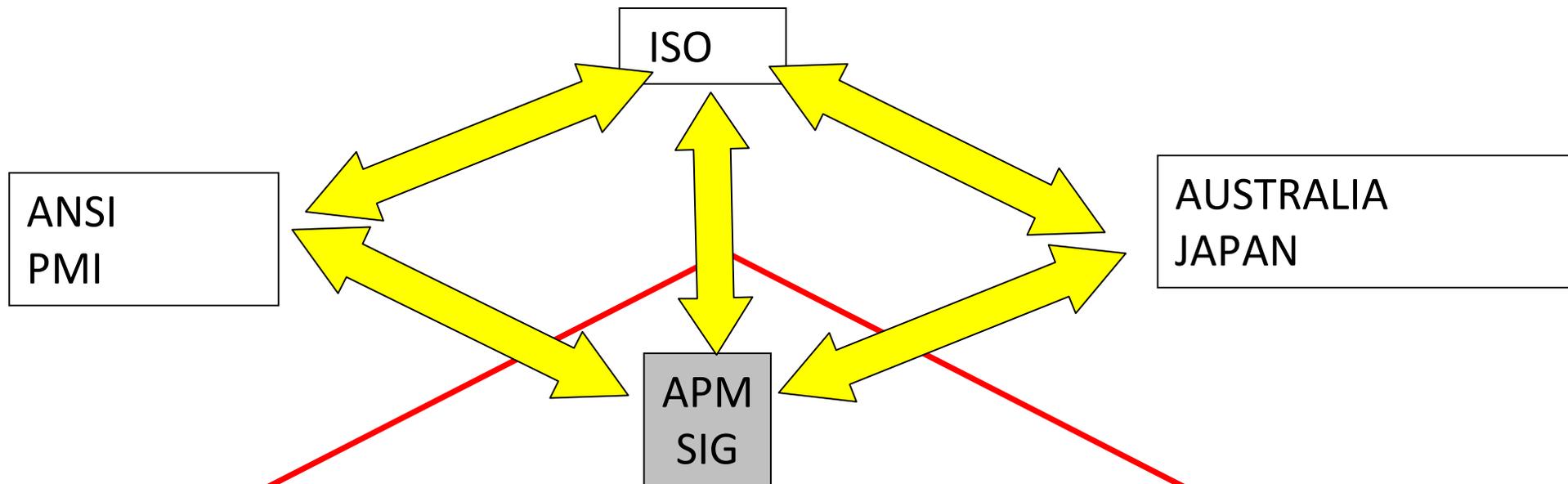
Director for Procurement
National Defense Industrial Association
2111 Wilson Boulevard, Suite 400
Arlington, Virginia 22201-3061
USA

For APM:

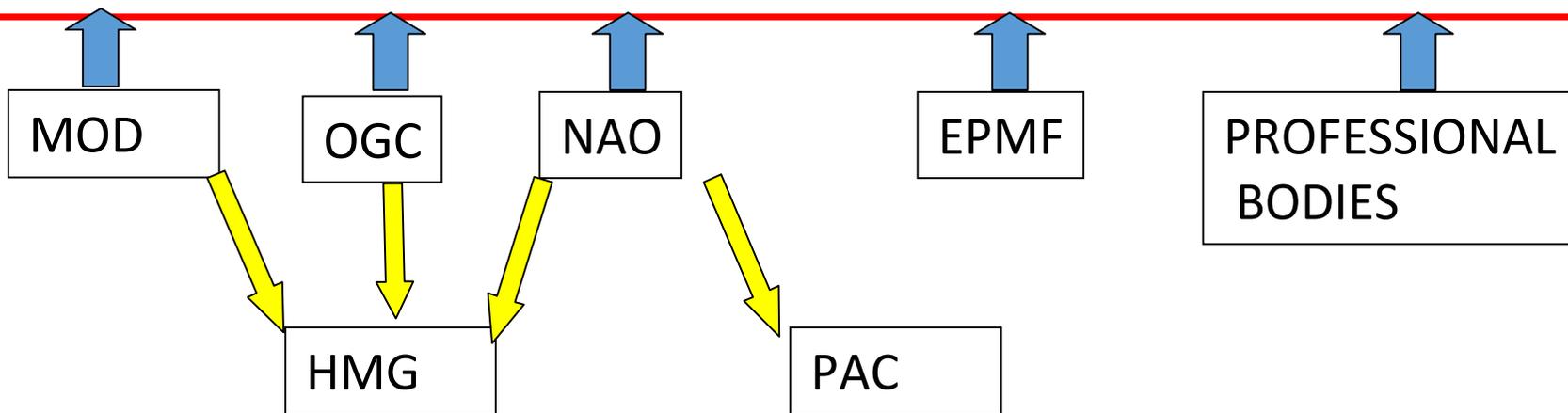
Steve Wake
APM Council
APM Earned Value SIG Chairman

For NDIA:

for Jim Gasbarro
NDIA
PM Systems Committee Chair



UK SECTORS: DEFENCE, GOVERNMENT, TRANSPORT, CONSTRUCTION, RETAIL, ENGINEERING ETC



2006 - The UK Mandate

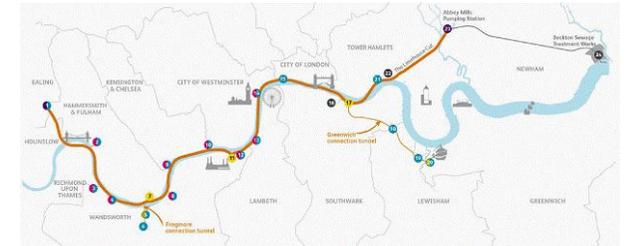


- “ Mandate the use of EVM from 01 Jan 06 for the Demonstration phase of all new Category A, B and C projects for DPA and DLO hosted IPTs.
- “ Encourage IPTs to assess the usefulness of EVM for the management of all other stages particularly Assessment and Manufacture for STP projects.

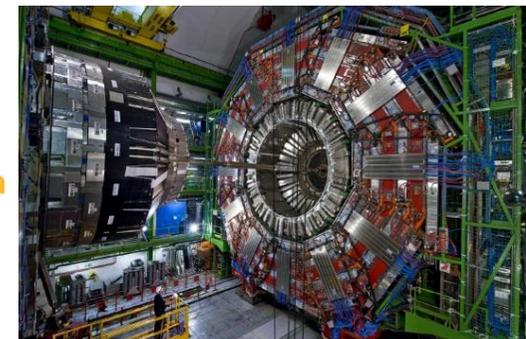
It Was a Trap!



Neverthelessõ



iter
china eu india japan korea russia usa



2015 ñ .

Where is Australia?



Promoting National Security Since 1919



Earned Value Management System Standard Equivalence Agreement

The National Defense Industrial Association Integrated Program Management Division, through SAE International's Technical Standards Board, is the subject matter owners for the EIA-748-C: Earned Value Management Systems (EVMS) reaffirmed March 2013.

Association for Project Management (APM) is the subject matter owner for the Earned Value Management: APM Guidelines 2nd edition, ISBN 978-1-903494-26-4 and the Earned Value Management Handbook, ISBN: 978-1-903494-50-9.

NDIA and APM agree that:

- The EVMS Guidelines in the respective documents cited above are equivalent in their intent as of the date of this agreement.
- Both are living documents and must be revisited periodically to reflect emerging program performance management practices.
- NDIA and APM will review EIA-748 and EVM: APM Guidelines every five years at a minimum and more frequently in the event of a significant change to either document in order to maintain equivalence.

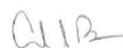
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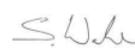
This Equivalency Agreement for EVM Guidelines is hereby reaffirmed as of February 14, 2015 from the original Agreement dated July 1, 2004 and remains in effect until either NDIA or APM provides written notification of withdrawal to be effective 90 calendar days after the date of the notification.

Information contacts:

The Chairman
National Defense Industrial Association 150
Integrated Program Management Division
211 Wilson Boulevard, Suite 400
Arlington, Virginia 22201-3061
USA

The Chairman
Association for Project Management
West Wycombe Road
High Wycombe
Buckinghamshire HP12 3AE
UK

For NDIA IPMD

Carol S. Boser
NDIA IPMD Chair

For APM

Steve Wake
APM Chair

The UK MoD Project Controls/EVM Operating Environment

(maybe)

When was this?

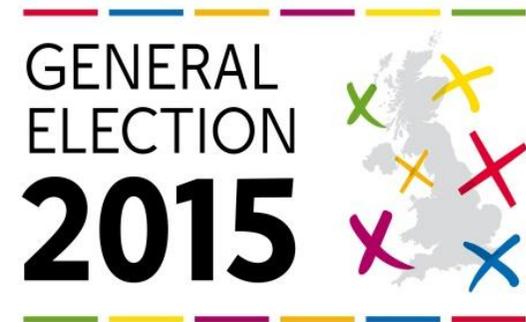
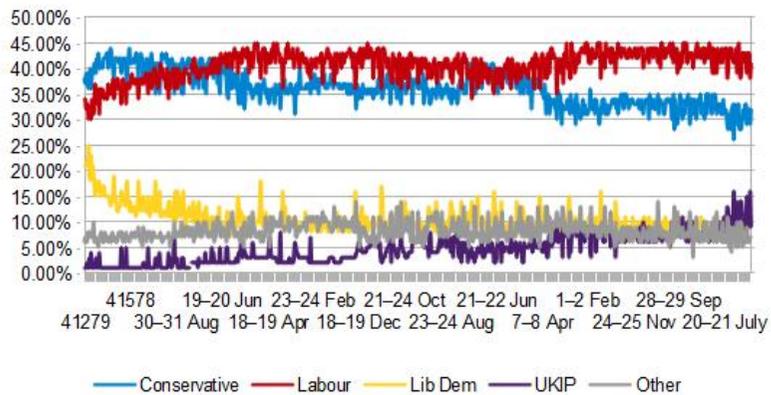
DE&S lacks systems and expertise on most equipment projects to link industry payments to progress, even though this technique, known as earned value management, has been mandated since the 1990s. Our review of a sample of major defence projects found that most underspend had not come from efficiencies, but from poor project team or contractor performance.



MINISTRY OF DEFENCE



Opinion polling for the 2015 United Kingdom General Election



Donq worryõ .. (maybe)





MINISTRY OF DEFENCE



Cabinet Office

association for
project management
apm

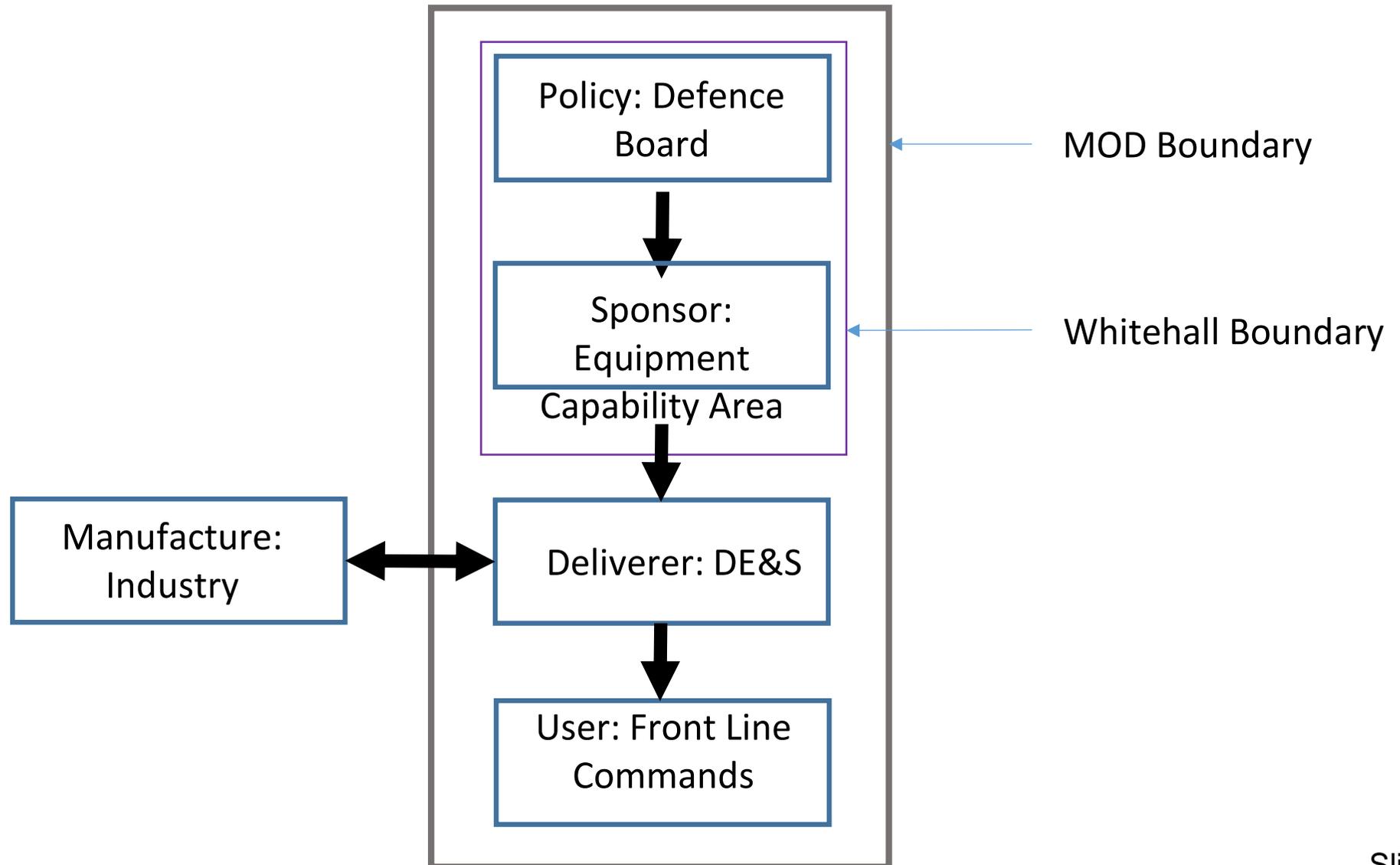
Ministry of Defence

- “ Long transformation programme
- “ Finally resulting in new body April 2015
- “ Performance measures as yet unset

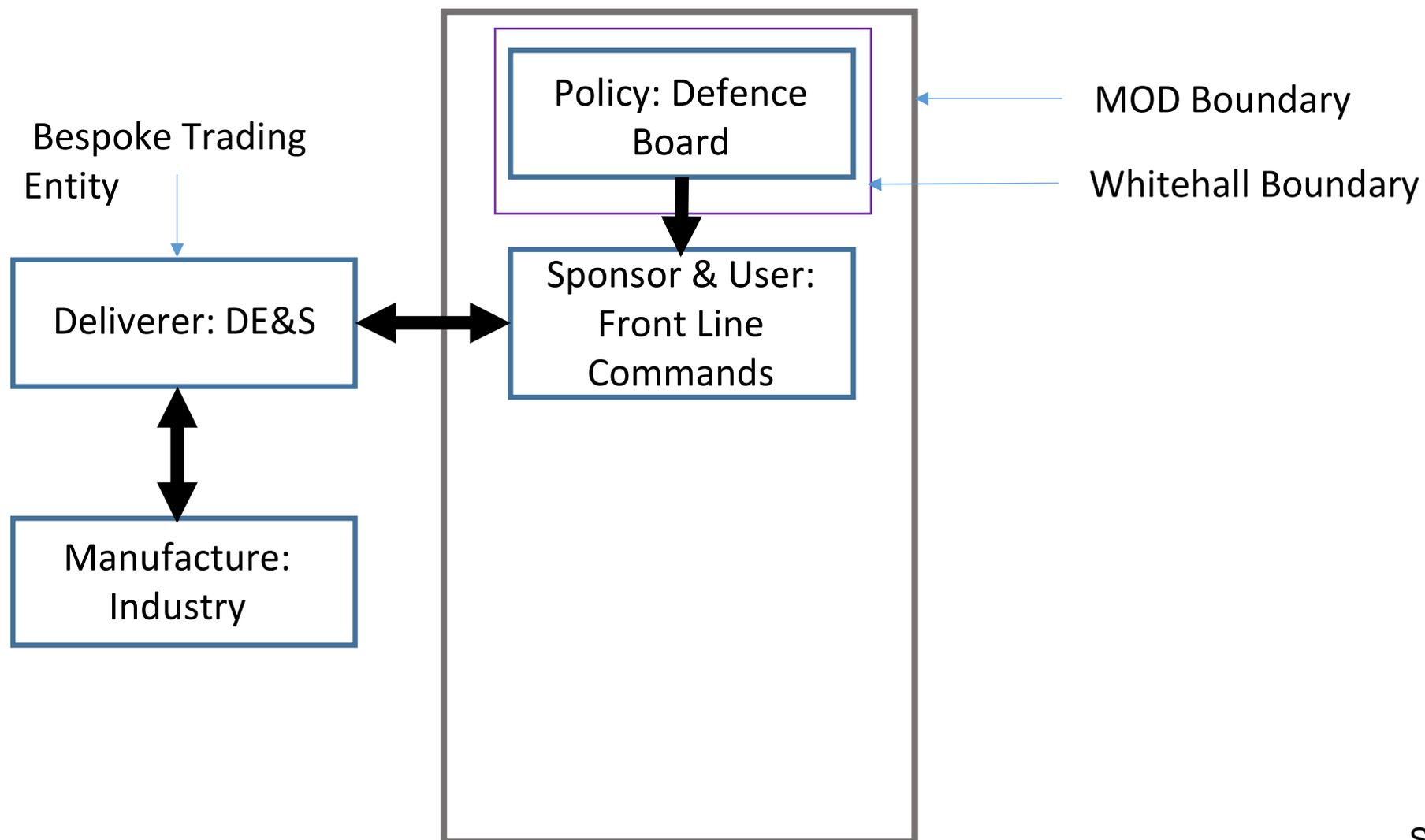
EVM in MOD

- “ **Earned Value Management Our Policy**
- “ EVM is mandated for all Defence Equipment and Support (DE&S) Cat A, B and C projects (i.e. with a value of £20M or more), that are entering Demonstration phase. Beyond the mandated group, the use of EVM or other project control techniques must be considered, based on the level of risk and value for money.
- “ Source: The Commercial Toolkit on AOF – Vers 1.1 dated 1 Sep 2010
- “ [https://www.aof.mod.uk/aofcontent/tactical/toolkit/downloadsindexed/evm/evm_cps.pdf?zoom_highlight=%22earned+value%22#search="earned value"](https://www.aof.mod.uk/aofcontent/tactical/toolkit/downloadsindexed/evm/evm_cps.pdf?zoom_highlight=%22earned+value%22#search=)

MOD (Old Structure)



MOD (New)



Major Projects Authority

“Looks at project performance across UK government

“High level sponsorship

Accountability

- “ Project leaders need to be empowered to get the job done, we currently have:
 - “ complex accountability structures
 - “ unclear lines of responsibility
- “ We are increasingly clarifying the accountability and responsibility of project leaders with formal letters of appointment, explaining:
 - “ the role
 - “ accountability
 - “ tenure
- “ With a full understanding of remit, SROs will be able to have more rigorous discussions with decision makers

Strategic Prioritisation / Front end loading

“ Vision . Strategic Prioritisation

- “ Make the right decisions about the projects portfolio based on a holistic understanding of resourcing, constraints, risk and interdependencies
- “ Identify underperforming projects early and intervene where necessary to turnaround, disaggregate or cancel these projects
- “ Inform transition discussions around the departments project portfolio in advance of, and following, the 2015 election

Vision . Front end loading

- “ Ensure that the initiation phase of a project is undertaken rigorously and only the right projects are started, by assessing:
 - “ alignment with policy priorities, deliverability, benefits and risks, and that delivery options are flexible

Why people matter

Talent Management Leads to Success



Source: PMIqPulse of the Profession: The High Cost of Low Performance, 2014,

We are developing capability at several levels

1. INDIVIDUAL - build competence, capability and confidence.

2. PROJECT TEAM – individual competence is critical but a complex project will not achieve success without a high-performance team. Mix of hard and soft elements

3. DEPARTMENTS – create the environment for success

4. CROSS GOVERNMENT- provide professional leadership, advocacy and focus for learning and evolution



association for
project management

apm

UK Government and APM

“40 years of co-existence

“APM not at the table

**“IF YOU’RE NOT AT THE TABLE, YOU’RE ON THE
MENU.”**

MICHAEL ENZI

© Lifehack Quotes



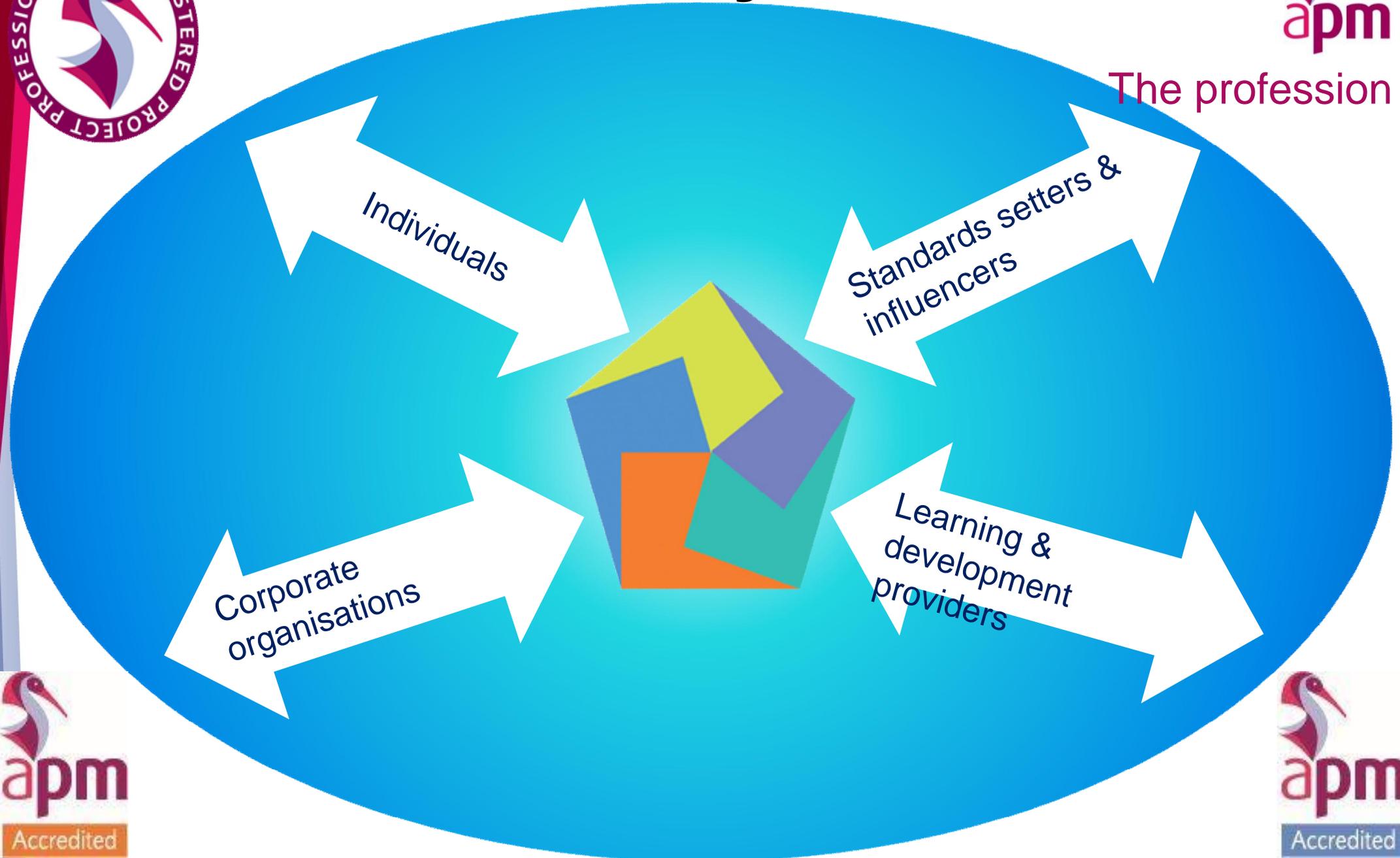
How?



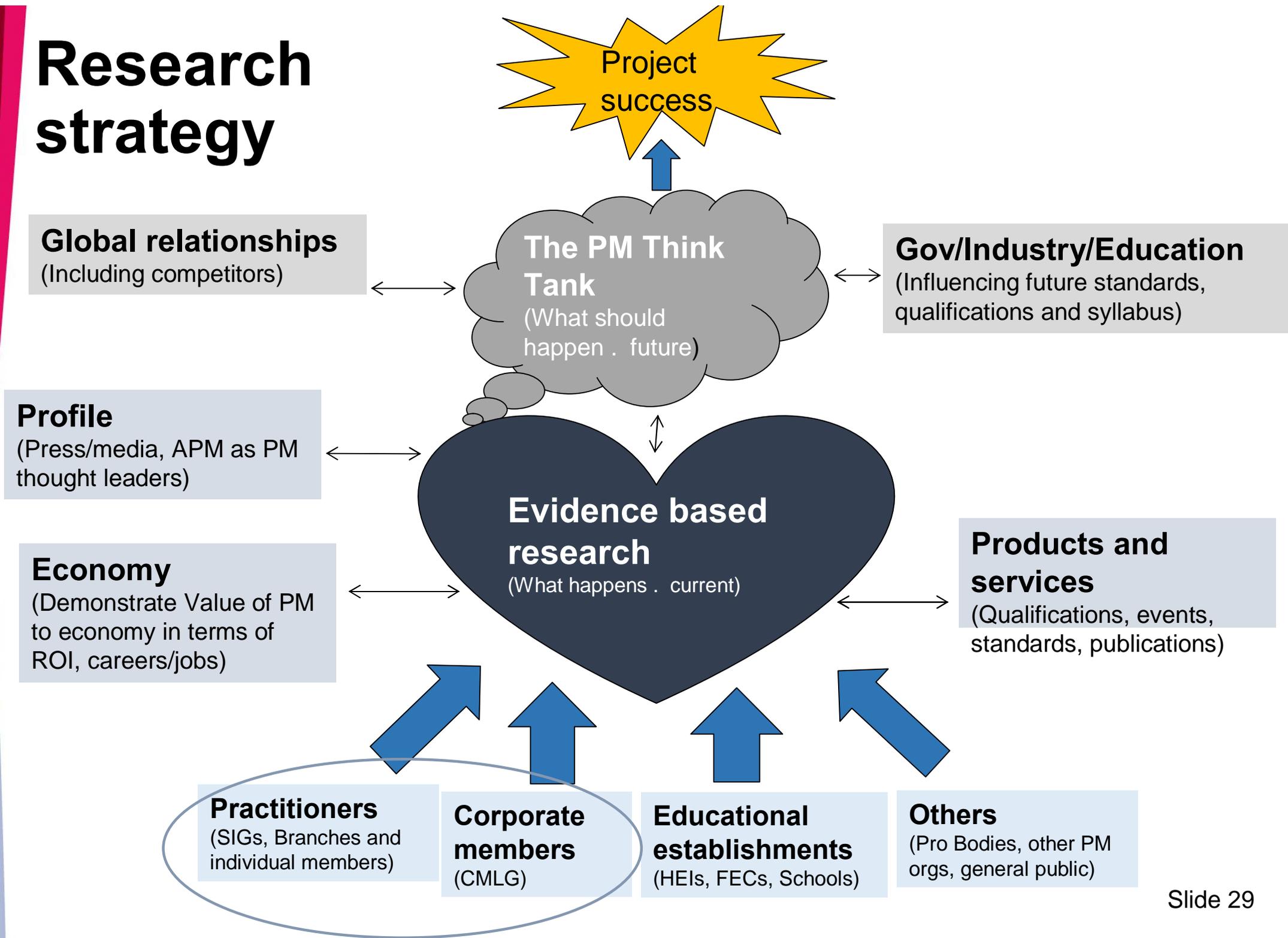
The community we serve



The profession



Research strategy



About APM

c.21,000
individual
members

c.560
corporate
members

Engaging with
c. 500,000
people online

Leading
member of the
IPMA

c.90,000 APM
qualified and
growing

200+ events
nationally
every year

Educational
charity

Turnover
£7m+

Preparing to
become a
chartered body

APM Update

21,567 individual
members

567 corporate
members

c.15,000 APM
qualifications
takers year to date

Application for
Chartered Status
ongoing

Project magazine
re-launched March
2015

Refreshed *APM
Competence
Framework*

Revised
Practitioner
Qualification

Award winning
association

Annual conference
held on March
19th

APM . keeping good company



Making it work

- “ Major Projects Authority sets the framework
- “ Major Projects Leadership Programme develops senior management (300 so far)
- “ Next level down - 800 starting 2015
- “ APM sets the standards and provides knowledge drawn from practitioners.
- “ Chartered status will help a bit too.

Today

- “ Major Project Authority creating Project Delivery Community throughout Central Government including MoD.
- “ Workshops formulating recommendations to Cabinet Office throughout 2015.
 - “ APM is participating.

Considerations April 2015

“ MoD - DE&S April 1st set up as a bespoke trading entity Bechtel C2MHill

Bernard Gray: until end 2015

Tony Douglas: New Civil Aviation T5 He brings a wealth of international experience and expertise in project and programme management, organisational leadership and business strategy,

“ Cabinet Office – **Francis Maude** ?

Major Projects Authority ?- John Manzoni CEO CS

New Head ?

Current Tim Banfield Director Strategy

“ National Audit Office – Reforming Defence Acquisition

“ PAC – Public Accounts Committee – Margaret Hodge??

“ Association for Project Management

Chartered status

“ Oxford University – Said – Major Projects Leadership Academy

“ –SROs – **Paul Chapman**

“ Cranfield-Next tier down





What is my objective for
this Symposium?

My objective for this Symposium
is to bring project management
into your life and organisation

... in the form of ...
project governance and controls

What do you need for project management to happen?

• and project governance and controls

I need:

“ To recognise that there is a problem

“ Proof that it works

“ People who can do it

BUT

**I won't do it unless
someone gives me very
good reason to**

Project management needs to become part of the culture:

A combination of
mindset and toolset
supported by strong
sponsorship

AND

Project governance & controls

TO

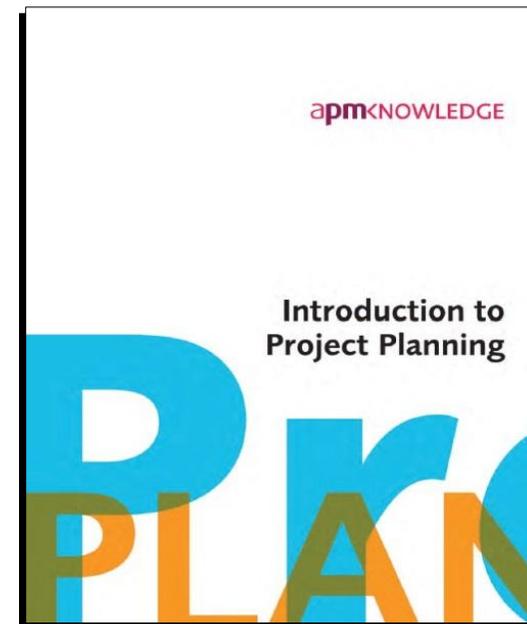
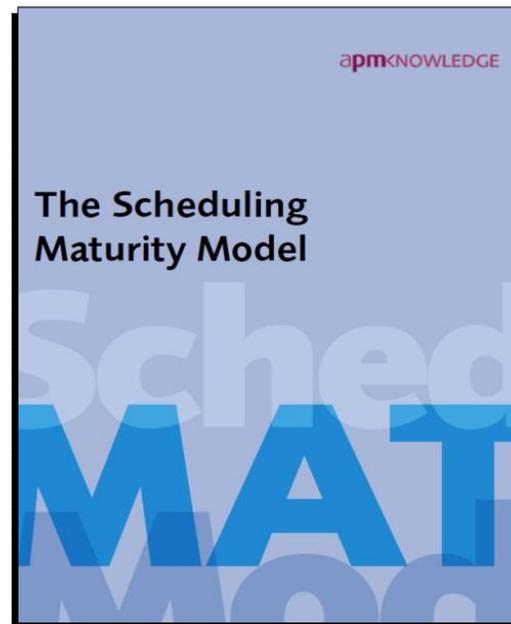
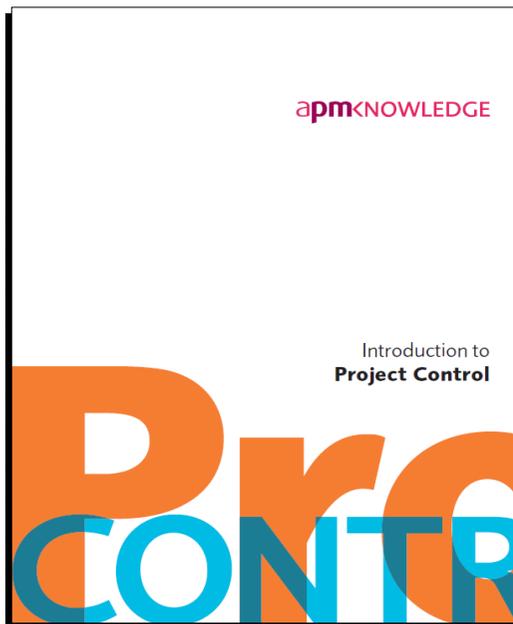
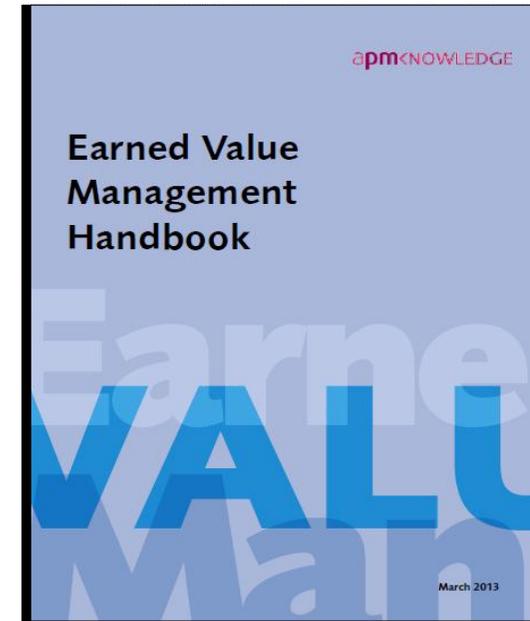
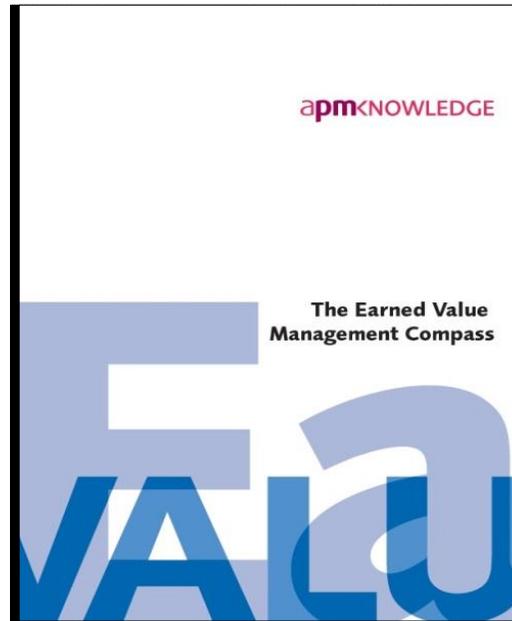
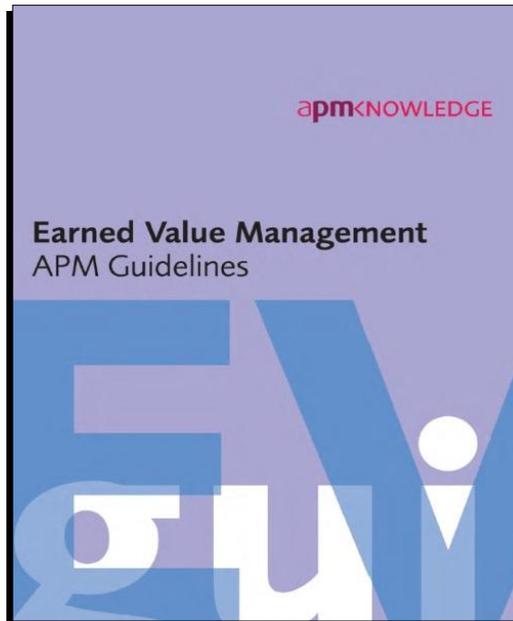
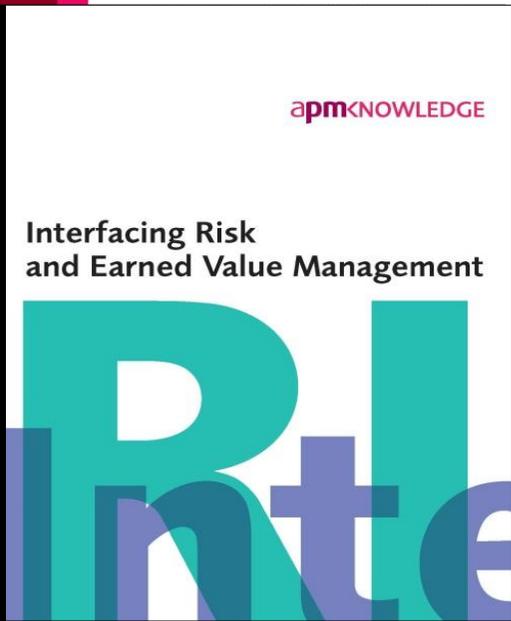
**Provide management with the
right information to make
timely and effective decisions**



Are standards worth it?

- “ Some are good and get used (or not)
- “ Some are bad and get used (or not)
- “ BS6079 Project management
- “ PRINCE
- “ **AS4817–2006**

PMC SIG Publications



Earned Value Management APM Guidelines

Distributed with the support of
Delftek

Earned Value Management System Standard Equivalence Agreement

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USA

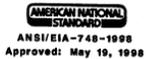
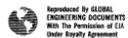
For APM:

Steve Wake
Steve Wake
APM Council
APM Earned Value SIG Chairman

For NDIA:

Peter A. Wynne
for Jim Gasbarro
NDIA
PM Systems Committee Chair

Earned Value Management Handbook



EIA STANDARD

Earned Value Management Systems

EIA-748

JUNE 1998

ELECTRONIC INDUSTRIES ALLIANCE

GOVERNMENT ELECTRONICS AND
INFORMATION TECHNOLOGY ASSOCIATION
ENGINEERING DEPARTMENT



A Sector of



Earned Value Management



Syllabus
May 2011



Earned Value



APMG'S EARNED VALUE MANAGEMENT FOUNDATION EXAMINATION

SAMPLE PAPER

Multiple Choice

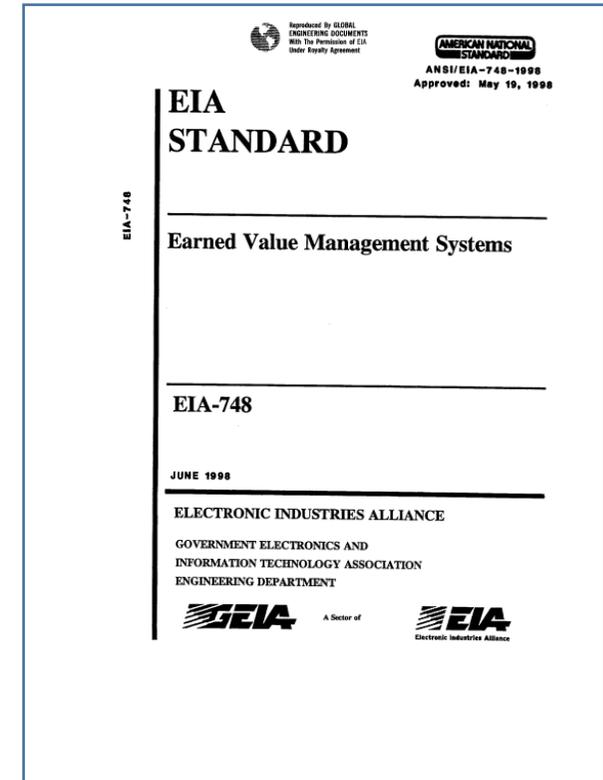
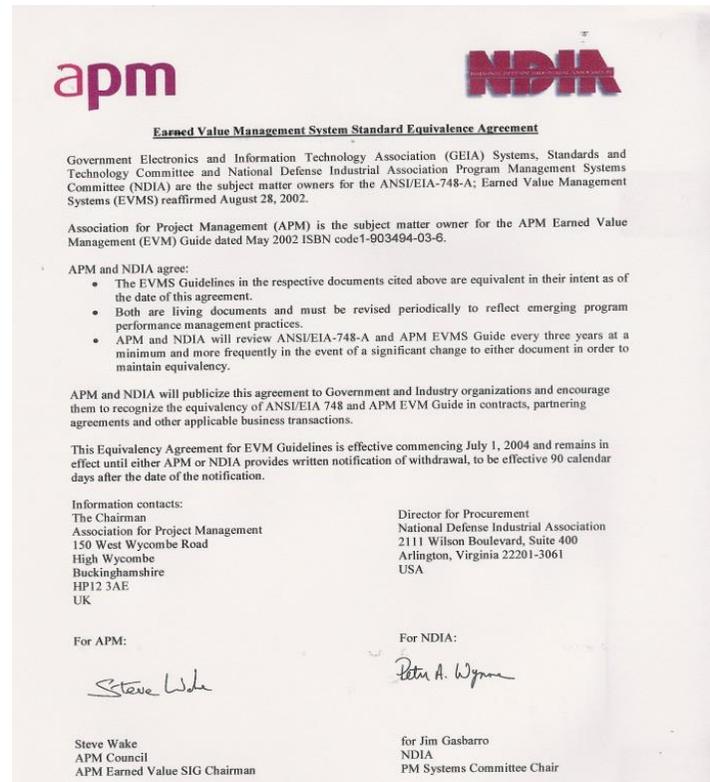
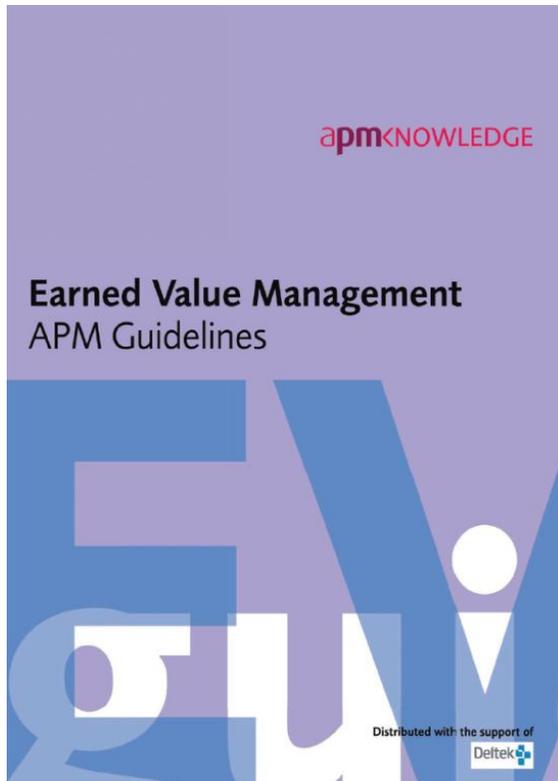
60- (minute paper)

Instructions

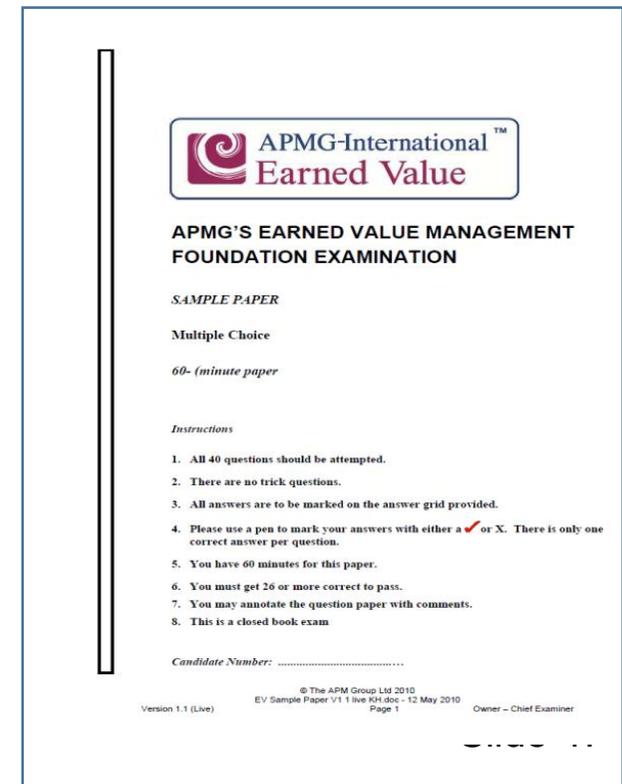
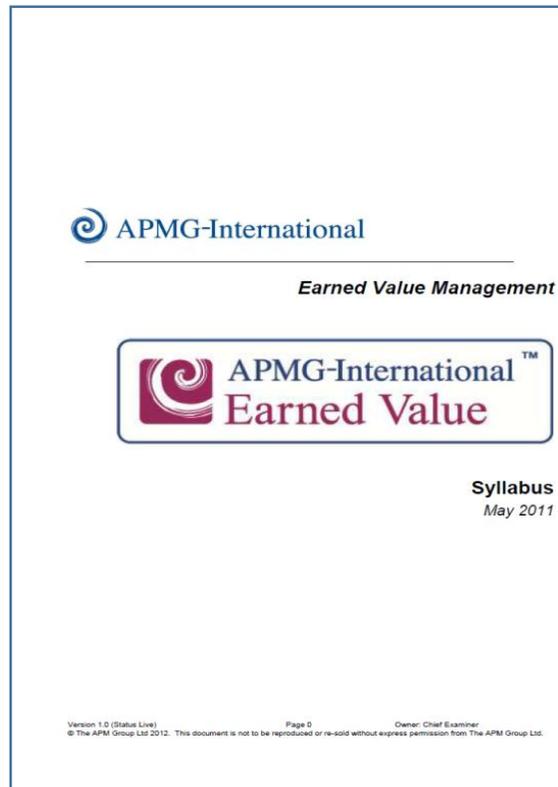
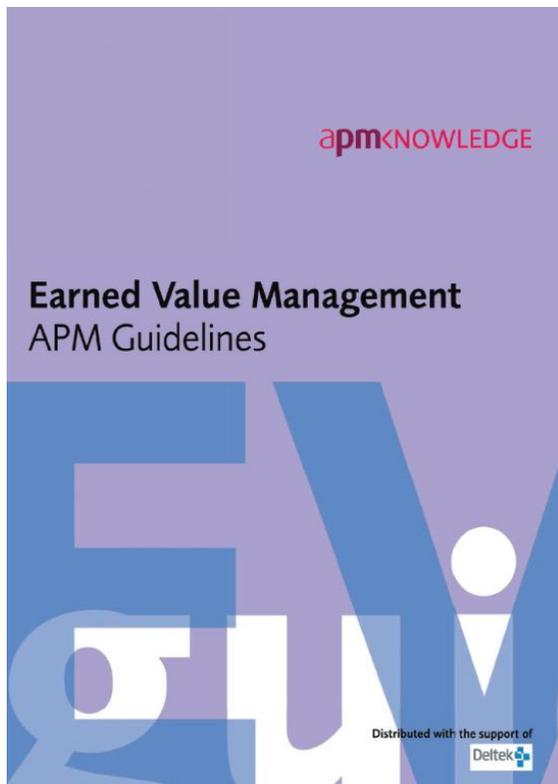
1. All 40 questions should be attempted.
2. There are no trick questions.
3. All answers are to be marked on the answer grid provided.
4. Please use a pen to mark your answers with either a ✓ or X. There is only one correct answer per question.
5. You have 60 minutes for this paper.
6. You must get 26 or more correct to pass.
7. You may annotate the question paper with comments.
8. This is a closed book exam

Candidate Number:

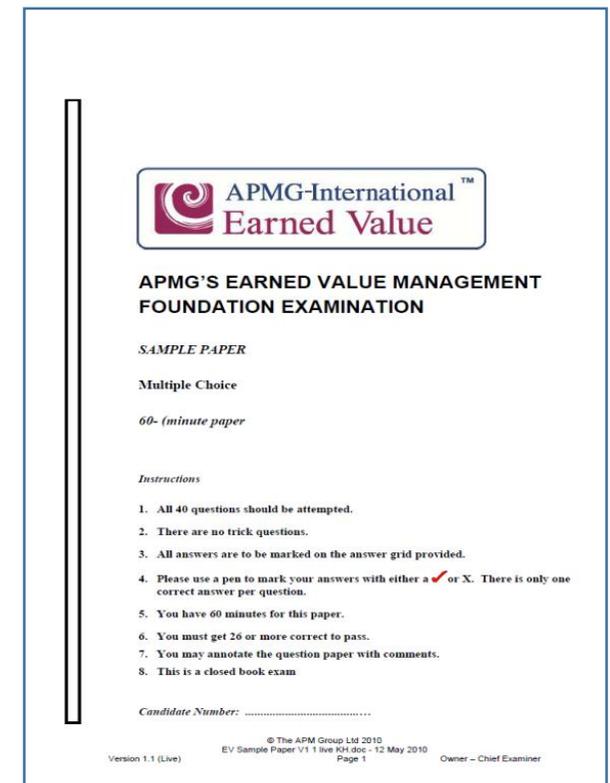
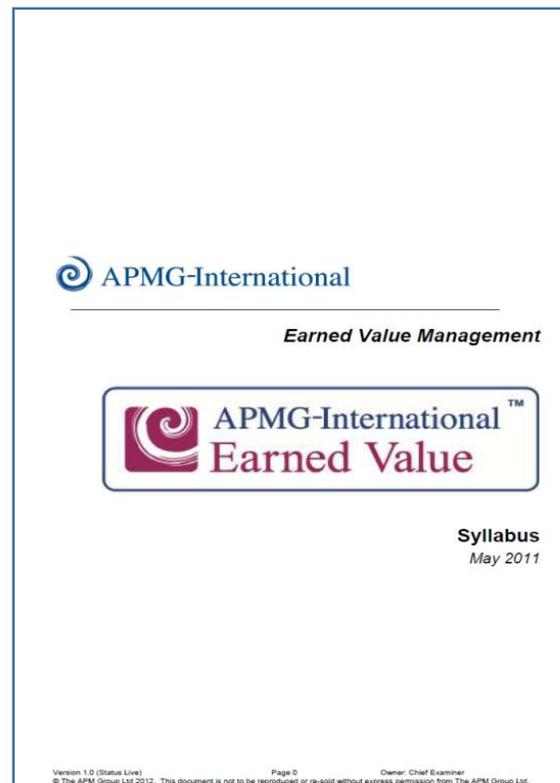
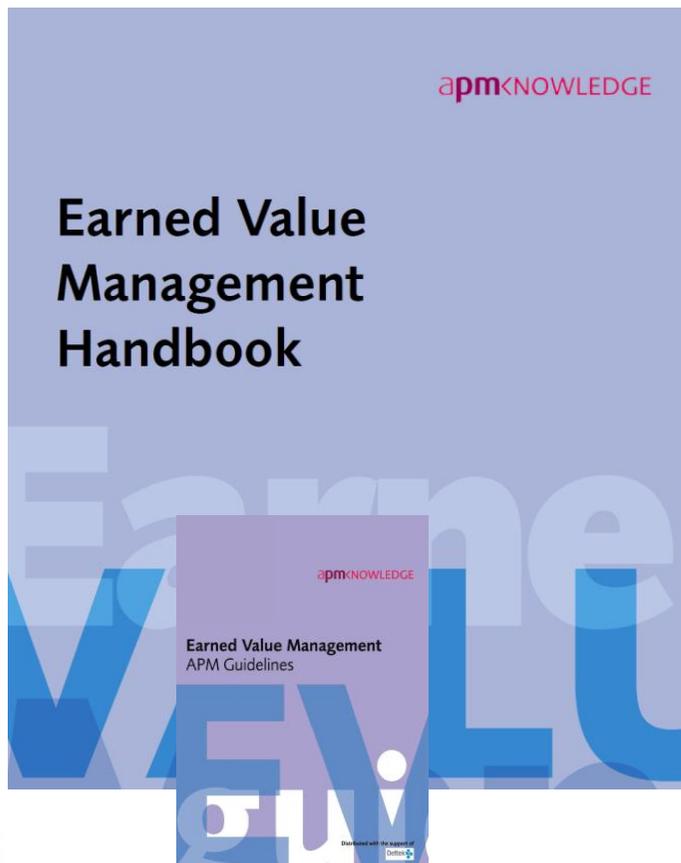
- “ The APM Guideline is the de facto standard for EVM in the UK
- “ It is reciprocal with the US ANSI 748 EV standard via the Reciprocity Agreement between the APM and the NDIA



- “ The APM Guideline is linked to the APMG Syllabus
- “ The APMG Syllabus is linked to the APMG Foundation exam
- “ The APM Guideline is the study guide for the EV Foundation level exam
- “ **The EVM Certification Exams are available around the world**



- “ The APM EVM Handbook incorporates the APM Guideline and expands the material
- “ The APMG syllabus is linked to the EVM Handbook
- “ The APMG syllabus is linked to the EV Practitioner exam
- “ The EVM Handbook is the study guide for the EV Practitioner exam
- “ **The EVM Certification Exams are available around the world**

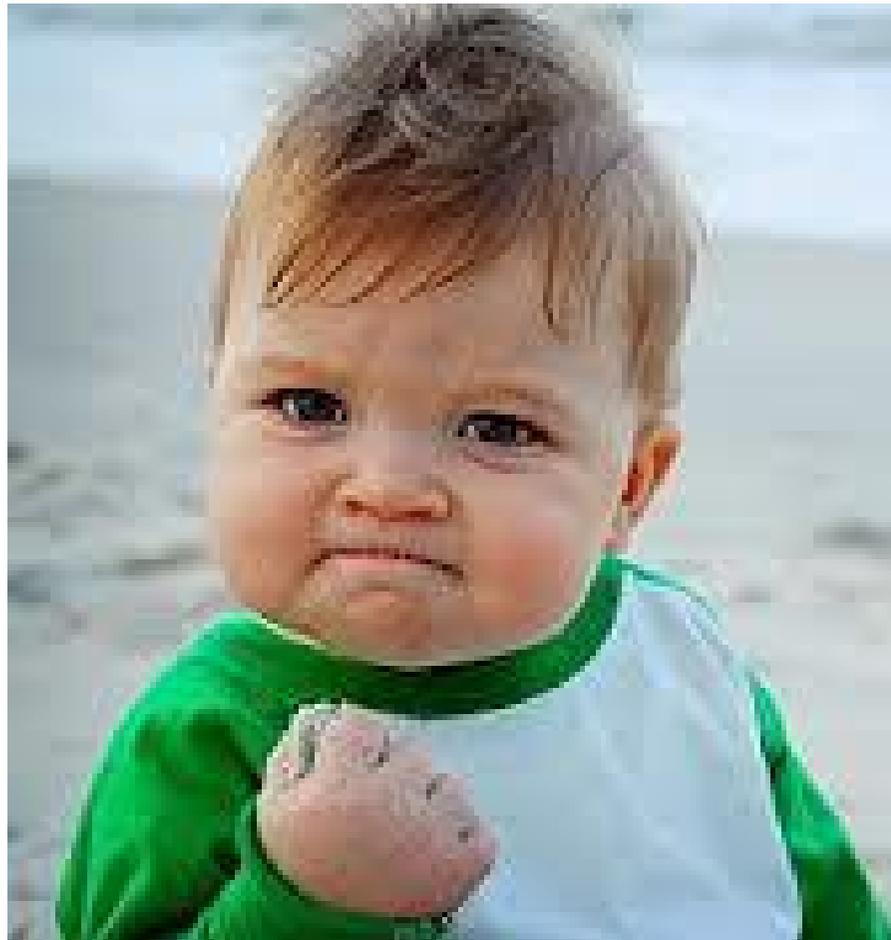


The USA NDIA - APM Agreement

- “ Reinforces the power of EVM as THE control method
- “ Makes the globalization EVM easier and cheaper and possible through equivalence
- “ Makes industry, government and the profession take EVM seriously
- “ Reinforces that EVM is here to stay and is recognised around the world

BUT!!!!!!!!!!!!!!!!!!!!!!

**If we want our projects to
succeed**





KEEP
CALM

AND

KEEP YOUR FOOT
ON THE GAS

Keeping our foot on the gas

“2 APM supported events (2015)

EVA in the UK 20: June 16-17 - London

ITER: 3-4 September - France

Information: www.evaintheuk.org

Contact: swprojects@blueyonder.co.uk

PGCS

**Project Governance and
Controls Symposium 2015
6-7 May 2015 at UNSW Canberra at
the Australian Defence Force Academy**

Platinum Sponsor



UNSW
AUSTRALIA

Canberra

Q&A

**Steve Wake
Chairman
Association for Project Management
UK**