

PMO Consulting @ Chemfab Alalis Limited (CAL)

Project : CEC

Project Status, Finding and
Recommendations



CHEMFAB ALKALIS LIMITED

Consulting Sessions

- 1st Session
 - 29-30-31-Oct, 1-Nov-13
 - Focus: Understand challenges in project, create PMO & PM Team with accountability, identify key processes required, baseline WBS
- 2nd Session
 - 8-9-Nov-13
 - Focus: Verify whether schedule is developed correctly, resolve dependency, remove unnecessary constraints, assign resources to WBS activities, formalize regular standup meeting
- 3rd Session
 - 20-21-Nov-13
 - Focus: Baseline schedule, steps for project tracking, steps to create a project Microsoft project schedule for a new project, audit certain processes like standup meeting, streamline configuration management, training on generating various kinds of reports, standardized one weekly report for management

Briefing - Agenda

- Stakeholders
- Project Statistics
- Roles & Responsibilities
- Challenges & Concerns
- Best Practices
- Recommendations
- Findings
- Next Steps



Stakeholders

Attendees

- **Sponsor of PMO Consulting**
 - Mr. VR Raguraman
- **Support for PMO Consulting logistics**
 - Mr. Hari Har Pandian
 - Mr. Chandan
 - Mr. Srinivasan
- **Active attendees**
 - Mr. N Kalyansundaram (Sr. VP)
 - Mr. Prakash (AGM – Projects)
 - Mr. Sagar (Management Trainee – Project),
 - Mr. Mohammed Imamuddeen (Management Trainee - Operations)
 - Mr. Jawahar (Management Trainee – CA - Finance)

Attendees

● Support Function Heads of Project *

- Mr. V Subramaniam (Sr. Consultant Projects)
- Mr. M.Marichelvan (Sr.Manager – Electrical)
- Mr. N.Jayachandran (Sr.GM –Instrumentation)
- Mr. Venugopal (DGM–Mechanical)
- Mr. J.Nopalan (DGM–Process)
- Mr. Prakash (AGM–Projects)
- Mr. J.Sarfudeen (Sr.Manager–Materials)
- Mr. Swamidurai (AGM–EHS)
- Mr. Kannappan (Sr.Manager–HR)

* Who are helping in finalizing WBS, Activities, Dependencies, Resources of their department related work in the project

Project - Statistics

Project Objective

Project I Phase : Modernization and up-gradation of plant-1

Project II Phase :– CCU + Flaker

Project Statistics

Phase		Actual	Original Plan	First Revision	Second Revision	Third Revision
Phase-1	Start Date	Aug'12	Jun'12	Sep'12		
	Finish Date		Jun'13	Sep'13	Dec'13	25-Jan-14
	Duration		12 Months	15 Months	18 Months	19 Months
	Cost		39 Cr	51.38 Cr		
Phase-2	Start Date	Dec'12	Sep'12			
	Finish Date		25-Dec-13	30-Mar-14		
	Duration		15 Months	18 Months		
	Cost		16 Cr	26 Cr		

Project Milestones

Milestone Name	Finish	Status
Erection of structurals, pipes, fittings, Electrical equipment and Instruments Primary Brine	30 Dec '13	On Track
Completion of Erection of structurals, pipes, fittings, Electrical equipment and Instruments Sec Brine	31 Dec '13	On Track
Completion of Electrolyzer Area	25 Jan '14	On Track
Completion of Anolyte pit Extension 1	29 Nov '13	On Track
Anolyte pit Extension 2	18 Dec '13	On Track
Completion of Erection of structurals, pipes, fittings, Electrical Equipments and Instruments in Cell House	31 Dec '13	On Track
Completion of Civil and Equipment Erection	04 Dec '13	On Track
Erection of structurals, pipes, fittings, Electrical Equipments and Instruments in CL2 and H2 Handling	18 Jan '14	On Track
Erection of structurals, pipes, fittings, Electrical Equipments and Instruments for Dry CL2 Handling	31 Dec '13	On Track
Completion of Hypo Blowers	26 Dec '13	On Track
Completion of Acidic Wash Tower	19 Nov '13	On Track

Project Milestones

Milestone Name	Finish	Status
Commissioning of Caustic OHT	05 Dec '13	On Track
Commissioning of DCS	04 Jan '14	On Track
completion of instrument cabling & termination main cable	09 Jan '14	On Track
Completion of Field Instrument Erection	03 Jan '14	On Track
completion of Loop Check and Calibration	04 Jan '14	On Track
Completion of Instrument Precomissioning	10 Jan '14	On Track
Commissioning of Primary Brine	20 Jan '14	On Track
7. Commissioning of Sec Brine	18 Jan '14	On Track
Commissioning of Cell House	25 Jan '14	On Track
Commissioning of Cl ₂ -H ₂	25 Jan '14	On Track
Commissioning of Dry Cl ₂	21 Jan '14	On Track

Immediate Cause of Variation

- **External**

- ❖ Delays is statutory approval
- ❖ Too much dependencies on contractors. They didn't provide enough resources as per the contracts signed.
- ❖ Delayed detailed engineering by consultants

- **Internal**

- ❖ The initial Project scope is finalized in September 2012 due to lack of clarity in scope
- ❖ Delayed order finalization
- ❖ Inefficient monitoring and controlling systems for project

Root Cause of Variation

- No detail estimation was done with respect to cost, schedule, resources before making commitment
- No impact analysis was done whenever revised new date is communicated to the stakeholders
- Requirements were not clear finalized time and cost without detail estimation and risk analysis
- Lack of ownership
- Poor project management skills

Project Challenges

- Monsoon
- Legal aspects
- Doing construction in running plant
- Enhanced safety regulations
- Community objection



Roles & Responsibilities

New Role Assignments

- PMO Champion
 - Mr. N Kalyansundaram (Sr. VP)
- Project Manager (PM)*
 - Mr. Prakash (AGM – Projects)
- Project Coordinator PC)*
 - Mr. Mohammed Imamuddeen (Management Trainee - Operations)
- Project Management Team Members (PM Team)*
 - Mr. Sagar (Management Trainee – Project),
 - Mr. Jawahar (Management Trainee – CA – Finance)

*PM, PC, PM Team are project specific role and they exists only for the duration of Project : CEC Project. However it is suggested that a separate project team should be formed with current team members and other responsibilities in another project.

New Role Assignments

- Project Team Members
 - Mr. V. Subramanian (Projects –Technical Consultant)
 - Mr. Nitin S Cowlagi (VP Finance)
 - Mr. M.Marichelvan (Sr.Manager – Electrical)
 - Mr. N.Jayachandran (Sr.GM –Instrumentation)
 - Mr. Venugopal (DGM–Mechanical)
 - Mr. J.Nopalan (DGM–Process)
 - Mr. Prakash (AGM–Projects)
 - Mr. J.Sarfudeen (Sr.Manager–Materials)
 - Mr. Swamidurai (AGM–EHS)

*It is project specific role. Various SME with various technical or business skills who are allocated for the project

New Roles & Responsibilities

- PMO Champion*
 - Helps in defining, refining and approving Project Management processes, templates, checklist, forms, standards and guidelines etc.
 - Identifying training needs of project(s)
 - Second level of escalation
 - Remove impediments which Project Management Team cannot address
 - Take reports from Project Manager (s)
 - Present project status to the board members

*It is organization role and not specific to any project

New Roles & Responsibilities

- **Project Manager**

- Coordinate with functional heads in estimation, planning, monitoring and controlling
- Develop project schedule, cost estimates, risk register, communication plan, stakeholder register with the help of project management team and project team
- Ensure and Validate project team members are doing the work and updating the status on regular basis
- Resolving any impediments which team members cannot be resolve.
- Conduct daily standup meeting in Project Area*
- Ensure various project chart* are updated in project area
- Participate in Operation Standup meetings and share the progress
- First level of escalation within the project

*** Discussed separately in this briefing reporting.**

New Roles & Responsibilities

- **Project Coordinator**

- Coordinate with team members and updates mpp on regular basis
- Maintains the integrity of mpp
- Prepares weekly reports (every Saturday) and send report to PM, PMO by 12 PM.
- Helps project manager in fulfilling his responsibilities.
- Participants in regular standup meetings
- Escalate issues to PM


New Roles & Responsibilities

- **Project Management Team**
 - Help PM in full-filling all his responsibilities

New Roles & Responsibilities

- **Project Team Members**

- Help project manager in planning activities like estimating, scheduling, risk identification etc.
- Complete the project work as per the plan
- Communicate any deviation from plan to project manager and other team members
- Identify risks & develop their contingency and mitigation plan
- Accountable for their respective Project Schedule
- Coordinate with their departmental heads to get the resources and support
- Escalate project issues to Project Manager



Challenges & Concerns

Concerns

- Most of the project management team member joined after project planning was over (Jun'12). So there is nobody to defend estimates and assumptions.
- Estimates with buffers are not available for each deliverables.

Problems in Existing Scheduling as on 28-Oct-13

- Duplicate items identified and planned
- No across project dependency defined
- No resource assignments
- Out of scope items included in project sub-schedules
- Cost of activities not traceable
- Resource database their allocation and availability is not traceable.
- Unnecessary constraints put almost for all activities on the project
- No critical path reflected in project schedule
- No baseline!
- No task tracking and updating remaining work

The background of the slide is a light blue surface covered with numerous small, realistic water droplets of varying sizes. The droplets have highlights and shadows, giving them a three-dimensional appearance.

Best Practices

Cost & Schedule Estimation

- Estimate the every work item and related buffers separately and manage buffers separately
- To complete your cost estimates ask contractors to submit their cost (in case of T&M) or use your budgeted cost.
- To complete you schedule ask contractors to submit their planned schedule (with resources in case of T&M and without resources in case of FFP). Use this plan schedule and put this into your master plan. While doing this ensure that your target date do not shift.
- Items in your BoM, Activities of WBS, Resources of WBS must be in sync with each others

Implement your processes

- Define your planning and monitoring & controlling processes (I will help you in reviewing)
- Ensure people follow those processes
- Perform period audits to know the conformance (I will help you in auditing)
- Perform every day standup meeting in project. (If needed I can help you in formalizing this process)
- Perform retrospective at the end of each month or milestone. (I can help you in conducting this first time)
- No body should keep bad news with him. It is better to expose that as earlier as possible.



Recommendations

Define These Processes* Recommended

#	Project Name	Process Owner
1	Document Review Process	Mr.Prakash
2	Risk Identification	Mr.Imam
3	Project Scheduling	Mr.Sagar
4	Cost Estimation	Mr.Jawahar
5	Resource Allocation	Mr.Pradeep
6	Contracting Process	Mr.NKS
7	Project Status Reporting	Mr.Prakash
8	Risk Management and Control	Mr.Imam
9	Change Management	Mr.NKS
10	Configuration Management Process	Mr.Sagar
11	Stand up meeting	Mr.NKS
12	Update plan project process	Mr.Prakash
13	Retrospective Meetings	Mr.NKS

*Above processes need to defined by the owners identified above. They will be reviewed by consultant

Maintain these Documents*

#	Document Name	Owner
1	Project Schedule	Project Manager
2	Cost Estimates	Finance
3	Risk Register	Project Manager
4	Assumption and Constraints Log	
5	Issue Register	Project Manager
6	Minutes Of Meeting	Project Manager
7	Action Register	Project Manager
8	Project Charter	
9	Change Log	Project Manager
10	Change Request	Project Manager
11	Impact Analysis	
12	Communication Management Plan	
13	Requirement Traceability Matrix	
14	Stakeholder Register	Project Manager
15	Resource Pool	
16	Configuration Register	

*Above documents has been given to the project team. They need to fill above templates for the current project.

Stakeholder's Expectations

Stakeholders	Department	Expectations
Mr.K.Venugopal	Mechanical	Completing project on time
Mr.N.Jayachandran	Instrumentation	Scope of project is complete.
Mr.J.Nopalan	Process	Better layout of plant
		Timely completion and hand over to production department.
Mr.C.Srinivasan	Plant	More Production
Mr.V.Raguraman	Administration	Shut down period to be minimized
		Complete project on time
		Safe implementation
Mr.V.Subramanian	Project	Properly Engineered
		Easy to operate & sustainable
		Completion in time
Mr.N.Kalyana Sundaram	Operations	Timely completion on or before 25-Jan-2014.
		Detailed project plan on time
		No compromise on safety & quality
		Existing production capacity should not come down
Mr.Harish	HR	Proper handing over of Operations. Operation staff can work independently without taking help from Project.
Mr.T.Jayachander	QA & R&D	Effective utilization of resources
		Increase capacity & Reduced power consumption
		Effective utilization of power.
		Create a team for operation who will validate project objectives during the operation.
		Performance trial run



Findings

Strengths

- Serious commitment for good project governance and planning from top management
- Project team members are serious and always ready to learn new things
- Departmental heads are committed for the project
- All employees are very friendly to each other and company have a very positive working environment

Weaknesses

- Bottom up estimates of duration, cost, resources, scope was missing at the time of making commitments
- No baseline project schedule found (Resolved)
- Risk register is missing
- Issue register is missing
- Action register is missing
- No stand up meeting of project team (Resolved)
- Poor reporting and early warning systems (Project Manager understood only in March 2013 that Project cannot be completed in June 2013)
- Poor monitoring and controlling system (Strengthened now)

Risk Management

- Contingency reserve 3% is not managed and utilized separately?
- No risk register available, hence no risk monitoring and controlling activities. If risk occurred then ad-hoc work is the way of managing risk

Resource Management

- No central repository from where any type of resource's availability, utilization, type etc can be known
- Stakeholder expectations not documented. Therefore stakeholder analysis is not performed and stakeholder management strategy is missing
- Every department was not adequately involved estimation, scheduling and assumptions documentation

Configuration Management

- Type of document, naming convention, storage location, version, access permissions not documented (Initiated now, team need to fix this)



Next Steps

Next Steps of Action

Planning

- Make standup meeting heart beat of the project (Started)
- Keep Project area updated with impediment listing, risk listing and Task Board (Started)
- Remain excited, enthusiastic, concerned, alert, punctual and disciplined in standup meetings. Helps others in resolving impediments and doing work.
- On daily basis keep project schedule updated with related information
- Conduct project weekly project meeting of 1 hours with all department head, project team member, PM Team, PMO & PM
- Every last Saturday of the month conduct month retrospective meetings with project team, project management team, PMO and PM and document the lessons learned.

Next Steps of Action

Project Coordination

- Daily standup between project team members. Meeting should be coordinated by PM (started)
- Operations standup meeting should also include progress & impediments updates from project manager
- Impediments and risk should be managed effectively.

Next Steps of Action

Updating Project Plan

- Before leaving for the day project coordinators should inform project coordinator about the work progress and PC should update MPP on daily basis
- Project Manager should ensure that project progress is up to date
- Before updating mpp, PC should take backup of mpp (follow the configuration management processes).

Next Steps of Action

Governance (Reporting, Monitoring, Controlling, Escalation)

- Team coordinators should take the reports from Project Coordinator and share with their department head, as and when required.
- Project Coordinator should make a weekly report for management and send to the management on every Saturday 12pm.
- Inter team impediments should be removed by project team members
- External to team impediments should be owned by project managers
- Any impediments should be resolved in 24 hours or whatever time given by impediment owner. If he is not able to resolve the impediments on time or feel that he will not be able to address then he must escalate within the time
- Any slip to milestone should be taken very seriously and team should be helped to get out from the problem. If management is not able to pay attention and remove impediments then project plan should be allowed to be revised.
- Raise early warning related to any delays or failure so that there are no last moment surprises and timely action can be taken
- Project manager need to look take critical path very seriously and keep watch on non-critical activities
- No change should be allowed to baseline plan without appropriate level approval.

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