

Planning & Cost Control Process P-PC-01

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1. OBJECTIVES

The objective of this process is to define the planning process, define the coordination between departments in different phases in the projects and develop a cost report.

2. STAKEHOLDER

- Projects Control
- Engineering
- Purchasing
- MEP
- Procurement
- Project Manager
- Contracts
- Tender

3. LIABLE STAKEHOLDER

- Projects Control
- Engineering
- VMO
- Project Manager
- Operation
- Contracts
- COO
- CEO

4. TERMS AND DEFINITION

- **PsM:** Projects Manager
- **PM:** Project Manager
- **COO:** Chief Operation Officer
- **CEO:** Chief Executive Officer
- **HoD:** Head of Department
- **PMO:** Project Management Office
- **VMO:** Vendor Management Office
- **DC:** Document Controller
- **P6:** Primavera P6 Schedule Tool
- **WBS:** Work Breakdown Structure

- **EOT:** Extension of Time
- **GM:** Gross Margin
- **EAC:** Estimate at Completion
- **MOM:** Minutes of Meeting
- **E1 Log:** Drawing list
- **E2 log:** Material List
- **VO:** Variation Order
- **PO:** Purchase Order
- **CS:** Comparison Sheet
- **KPI:** Key Performance Indicator
- **RFQ:** Request for Quotation
- **TIA:** Time Impact Analysis
- **Revised Time Schedule:** Schedule created if there's an approved extension of time, variation orders, or any changes/delays caused by client.
- **Recovery Schedule:** Schedule created due to internal delays to achieve agreed finish date.

5. RELATED DOCUMENTED INFORMATION

- Baseline Submission Checklist, F-P-PC-01-01
- Baseline Narrative, F-P-PC-01-02
- Work Package Budget, F-P-PC-01-03
- Monthly Target Report, F-P-PC-01-04
- Action Plan, F-P-PC-01-06
- KPI Report, F-P-PC-01-09
- Cost Report Narrative, F-P-PC-01-10
- Monthly Operation Plan by Project, F-P-PC-01-12
- Material List (E2 Log), F-P-PC-01-13
- Monthly Operation Plan by Sector, F-P-PC-01-14
- Revenue/Cost Plan, F-P-PC-01-15
- Project EAC, F-P-PC-01-16
- Monthly Progress Presentation, F-P-PC-01-17
- Ongoing Project Status Report, F-P-PC-01-18
- Deployment Plan-Summary, F-P-PC-01-19
- Top-Staff Summary Form, F-P-PC-02-03
- MOM, F-P-QD-06-02

- Site Daily Report, F-PQP-01-04
- Scope of Work (Procurement), F-P-TN-02-01
- Scope of Work (Purchasing), F-P-TN-02-02
- Scope of Work (MEP), F-P-TN-02-03
- Sourcing Strategy, F-P-TN-02-05
- Project Execution Plan, F-P-TN-02-06
- Sourcing Plan, F-P-TN-02-07
- Engineering Drawing list/E1 log, F-P-EN-01-01


6. PROCESS DETAILS

6.1 PROCESS INPUT

- Project Documents
- Milestones


6.2 Process Operations

Sr.	Process Cycle Description	Responsibility	Form
Planning			
1	Awarded Projects According to Project Launching Process (P-TN-02), documents to be received from Tender to start creating the baseline with resource loaded based on approved milestones (if any) within 45 days.	Projects Control Tender	
2	Projects control HoD shall assign a team for the new awarded project. Primavera P6 admin to give access to the assigned team to the new project and define the roles.	Projects Control P6 Admin	
3	PM shall arrange for operation coordination meetings (Refer to P-TN-02 Project Launching Process). The meeting purpose is to define sequence and execution methodology.	PM	
4	For Engineering list (E1 Log), Projects Control shall send two months look ahead within 5 working days after the operation coordination meeting and receiving the Drawing List from Operation/Engineering dept. and MEP dept.	Projects Control Operation/Engineering MEP	Engineering Drawing List/E1 Log F-P-EN-01-01

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	The assigned Project Control Engineer shall specify the submission dates for all items in the E1 log according to the initial project schedule within 25 working days and resend it to Operation/Engineering and MEP.		Project Execution Plan F-P-TN-02-06
5	The assigned team shall study the project's documents, customer requirements, consider the risk concerns, and review the nominated subcontractors schedule baseline plans and determine the required resources.	Project Planning Team	
6	Operational time schedule (Internal Baseline) shall be developed if there's a change in sequence or internal delay led to unrealistic completion date, within one week from the change. (No client approval)	Project Planning Team	
7	Review & Approval Project Planning team shall review the baseline with Projects Control Sector Section Head to approve the following: <ul style="list-style-type: none"> - Critical path - Milestone - Cashflow - Resources - Execution layout & sequence - Activity codes - Resource codes - Calendar - Narrative 	Project Planning Projects Control Sector Section Head	Baseline Submission Checklist F-P-PC-01-01 Baseline Narrative F-P-PC-01-02
8	After approval, baseline shall be submitted to client along with narrative and sent to Contracts department for information.	Project Planning Team	
9	Client comments to be reviewed by planning Sector section head before modifying it on the baseline.	Planning Sector Section Head	
10	Update & Reporting <u>Internal</u> Site planning sends to the planning Sector section head the following reports: <ul style="list-style-type: none"> o Project progress presentation- monthly (by 7th of next month) 	Site Planning Planning Sector Section Head	Monthly Progress Presentation F-P-PC-01-17


	<ul style="list-style-type: none"> Expected cash in/cash out/ revenue-monthly (on 23rd of each month) Update sourcing plan bi-weekly (Refer to point 14) Daily Site Report <p>Planning sector section head sends to HoD the following reports:</p> <ul style="list-style-type: none"> Consolidated sector progress presentation-monthly (by 10th of next month) Consolidated expected cash in/cash out/ revenue per sector - monthly (on 25th of each month) Forecasted revenue/cash in/cash out for next year every November. <p><u>External (According to Client's Requirements)</u></p> <ul style="list-style-type: none"> Daily Weekly/Bi-weekly Monthly MOM (If needed) 		<p>Monthly Operation Plan by Project F-P-PC-01-12</p> <p>Site Daily Report F-PQP-01-04</p> <p>Monthly Operation Plan by Sector F-P-PC-01-14</p>
Procurement Planning (Procurement Follow-up)			
11	<p>After tender handover meeting, the following documents shall be received:</p> <ul style="list-style-type: none"> Project Sourcing strategy (Material list & delivery durations) Scope of work from each dept Work Package budget <p>Planning sector section head prepare Sourcing Plan and send to Project Planner.</p>	<p>Procurement</p> <p>MEP</p> <p>Planning Sector Section Head</p>	<p>Sourcing Strategy F-P-TN-02-05</p> <p>Material List (E2 Log) F-P-PC-01-13</p> <p>Scope of Work F-P-TN-02-01/02/03</p> <p>Work Package Budget F-P-PC-01-03</p>
12	<p>Project planner adds dates to Sourcing Plan according to baseline.</p> <p>In case the baseline is not yet approved, planner estimates construction dates according to project milestones with PM.</p>	<p>Project Planner</p> <p>PM</p>	<p>Sourcing plan F-P-TN-02-07</p>

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13	<p>Using sourcing plan (by Planning) & work package budget (by VMO), a monthly target report shall be created within 1 month at the beginning of each year for Procurement, MEP and purchasing items.</p> <p>The distribution is as follows:</p> <ul style="list-style-type: none"> - COO - HoD - Team leaders of relevant department - Projects Control 	<p>Planning Head Office</p> <p>VMO</p>	<p>Monthly Target Report F-P-PC-01-04</p> <p>Work Package Budget F-P-PC-01-03</p>
Follow-up/Updates			
14	For bi-weekly follow-up, sourcing plan shall be updated by VMO with actual dates of CS, PO issuance, RFQ, etc. and sent to project planner on 10 th and 20 th of every month.	MEP Procurement Purchasing	Sourcing Plan F-P-TN-02-07
15	Update submittal, approval, and delivery to site dates from Site logs bi-weekly on Sourcing Plan and send to planning Sector section head to review and send to Planning Head office.	Project Planner Planning Sector Section Head	Sourcing Plan F-P-TN-02-07
16	In case of delay in the dates, an internal meeting to be conducted for each department and project to discuss the area of concerns and an action plan to be submitted after the meeting to the concerned parties.	Planning Sector Section Head	<p>Sourcing Plan F-P-TN-02-07</p> <p>Action plan F-P-PC-01-06</p>
17	Action plan to be updated weekly and sent to the concerned parties.	Project Planner	Action plan F-P-PC-01-06
18	Every quarter, sourcing plan to be revised according to re-planned value of work and actual project status, if there are major changes.	Project Planner	Sourcing Plan F-P-TN-02-07
19	For monthly follow-up, using Work Package Budget and sourcing plan to develop monthly targets for PO's and subcontracts.	Planning Head Office	<p>Work Package Budget F-P-PC-01-03</p> <p>Monthly Target Report F-P-PC-01-04</p>
20	KPI report shall be prepared and sent to COO, HoD.	Planning Head Office	KPI Report F-P-PC-01-09

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Delay Analysis			
21	Contracts send the log of delay events with start and end dates of each event to site planner.	Contracts	
22	Select the method of delay analysis with the assistance of Contracts department.	Site Planner Engineer Contracts	
23	In the case of TIA method, Site Planner Engineer shall develop the delay analysis within 2 weeks from receiving log of events if log of events a maximum of 6 events. As for impacted as planned, any number of events will be applicable.	Site Planner Engineer	
24	Submit to contract department the report of delay analysis including XER files and narrative.	Site Planner Engineer	
25	Once the EOT is approved and received from the client, a revised Time Schedule to be prepared within 2 weeks from receipt.	Site Planner Engineer	
26	In case of a recovery schedule, recovery plan issuance within 2 weeks.	Site Planner Engineer	
27	In case of Variation order, Contracts shall send a variation notification via email to prepare local time impact analysis within 5 working days. For global impact, contracts dept. shall include the variation order in the events logs and send to projects control engineer. Refer to Variation Order Process (P-OP-02)	Contracts	
Cost Control			
28	Reference to cost control manual, the cost report is prepared up to 3 months & discussed with the Cost Control Section head.	Cost Control Engineer Cost Control Section head	Cost Report Narrative F-P-PC-01-10
29	After the approval of the Cost Control Section Head, the report is discussed & signed by PM along with his comments within 2 working days.	PM	
30	The cost report is distributed to the following: <ul style="list-style-type: none">- CEO- COO- Operation Manager	Cost Control Section head	Cost Report Narrative F-P-PC-01-10

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	<ul style="list-style-type: none"> - Technical Affairs Manager - Projects Control Head of department - PM - PsM - Site Projects Control Team - Projects Control DC 		
Global Reports			
31	Deployment plan to be prepared quarterly according to the approved organization staff plan by Cost Control Section Head in coordination with PsM then sent to HR. (Refer to P-PC-02 Staff Hiring Plan Process)	Cost Control Section head	Deployment Plan F-P-PC-01-19
32	Revenue/Cost Plan to be prepared by Cost Control Section head based on the forecasted revenue/cost for next year every November. Projects control HoD shall update quarterly the following for each project to be approved by COO and CEO: <ul style="list-style-type: none"> – Revised contract. – Revised estimate at completion (EAC). – Revised gross margin (GM) percentage. Approved reports shall be sent to Finance.	Cost Control Section head Projects Control HoD COO CEO	Revenue/Cost Plan F-P-PC-01-15 Project EAC F-P-PC-01-16
33	Meeting to be conducted quarterly between Projects control HoD, PMO, Operations Manager, COO, CFO and CEO to discuss the status of the cash-in/cash-out/ revenue/gross margin for Rowad projects.		MOM F-P-QD-06-02
34	Planning head office shall issue ongoing projects status report on a quarterly basis then sent it to concern parties.		Ongoing Project Status Report F-P-PC-01-18

6.3 PROCESS OUTPUT

- Baseline
- Monthly progress presentation
- Monthly Cash In/Invoicing/Cash Out
- Delay Analysis Report
- Cost Control Report
- Global Reports

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7. PROCESS RISK ASSESMENT

Included in the risk register form No. F-P-QD-05-01 "Risk identification and assessment" maintained by the HOD, along with the action plan to address risks and opportunities".

8. PROCESS CONTROL

- Sources of data used in reports.
- Meeting deadlines and submission dates.

9. PERFORMANCE MEASURES

- Cost Report
- Baseline

10. DOCUMENT CHANGE HISTORY

No.	Revision Level	Description of Changes	Effective Date
01	00	New Process	01/12/2016
02	01	All Points	02/02/2022
03	02	Points: 10, 13, 19, 31, 32, 33, 34	07/06/2023

ROWAD
MODERN ENGINEERING