

# Bottle Packaging System- BAP002

## Project Status Report

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### Date

Equipment Ready to Ship: April 2021

### Produced By

*Project Manager*

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## Current Status of the Project

### Progress

During the reporting period, the project has achieved significant milestones in its development. In particular, the project reached the successful completion of the equipment procurement and preparation phase, as well as the production of the BAP002. These milestones signify important steps forward and significantly contribute to the project's success.

### Situation

At present, the project is operating in a state of stable and positive conditions. The team is demonstrating productivity and efficiency in their work following the project plan and reaching the established goals.

A more detailed insight into the project situation is given by the variance indexes:

- Cost Performance Index = 0.989
- Schedule Performance Index = 1.006
- Cost Variance = - 7.33
- Schedule Variance = 4.67

The CPI and the CV value indicate that the project is slightly over the budget, and there are cost overruns that need to be addressed and managed effectively. However, from the SPI and the SV, it can be inferred that the project is progressing ahead of schedule, suggesting that the project team is effectively managing resources and achieving milestones ahead of the planned schedule.

### Semaphores

Throughout the reporting period, no red lights have been observed, indicating that the project is progressing without any significant issues. The project remains on track, and no critical challenges or obstacles have been identified. Additionally, there have been no yellow lights observed during this period, except for the one mentioned in the risks section, which has already been resolved by the team.

## Milestones

### Completed Milestones

The project has reached several important milestones showcasing progress and ensuring a smooth development process. These milestones include:

1. **Project kick-off:** The project started with a clear vision and defined objectives. Stakeholders came together to establish the project scope and outline the necessary steps for success.
2. **Design and development of the product:** the team worked on designing and developing the Bottle Packaging System. They focused on creating a functional solution, using modern technologies and best practices.
3. **System integration and testing:** The various components of the product were integrated to ensure seamless operation. Rigorous testing was conducted to verify performance and functionality and identify any issues that needed to be addressed.
4. **Quality control and assurance:** A dedicated focus on quality was maintained throughout the project. Continuous monitoring and evaluation ensured that the product met high standards and exceeded customer expectations.

### Next steps

The next important milestone in the project is the delivery of the equipment. This step includes the following key activities:

1. **Shipping the equipment:** The project team needs to arrange for the safe transportation of the equipment to the project site. They need to work with logistics partners to ensure proper packaging and handle any necessary customs or regulatory requirements. The goal is to ensure that the equipment arrives on time and in good condition.
2. **Coordinating with the installation team:** Once the equipment arrives, a dedicated installation team takes over. The project team must collaborate closely with this team to schedule installation activities and allocate necessary resources. This coordination ensures that the installation process aligns with the project timeline and requirements.
3. **Monitoring the installation phase:** During the installation phase, the project team must keep a watchful eye on the progress to make sure that the equipment is installed correctly, meets safety standards, and functions as intended. Any challenges or issues that arise are promptly addressed to minimize delays.
4. **Tracking the project's progress:** Throughout the process, the project team must track the overall progress by monitoring milestones, evaluating key performance indicators, and comparing project outcomes to the predetermined goals. This tracking helps identify any deviations or risks and enables timely adjustments.

## Main problems (risks and more)

### Occurred in the period and how they were fixed

During the reporting period, the project faced a specific challenge related to the deployment of the BAP002 machine. During the testing phase, it was observed that the machine was improperly aligning the bottles, resulting in an incorrect number of bottles per box. Upon discovering the misalignment of bottles, the project team took immediate action to rectify the situation.

The machine underwent a thorough recalibration process, where adjustments were made to the alignment mechanism. By carefully readjusting the machine's settings and ensuring the precise alignment of the bottles, the issue was successfully addressed.

### Forecasted in the next period and how to fix them

Shipping equipment is a delicate operation that can present several challenges and may impact the smooth execution of the project. However, with careful planning and proactive measures, the following issues can be effectively addressed and solved:

1. **Delayed deliveries:** Delays in equipment shipments can occur due to various reasons such as logistical issues, customs clearance procedures, or unforeseen transportation disruptions. To mitigate this problem, it is essential to work closely with reliable shipping partners who have a proven track record of on-time deliveries. Additionally, establishing clear communication channels and tracking systems can help monitor the progress of shipments and address any potential delays promptly.
2. **Damaged equipment:** Despite efforts to ensure secure packaging, there is always a risk of equipment being damaged during transit. To minimize this risk, it is crucial to employ robust packaging materials and techniques that provide adequate protection. Collaborating with shipping partners who specialize in handling delicate or valuable equipment can also help reduce the likelihood of damage. In case damage does occur, having appropriate insurance coverage in place can speed up filing claims and facilitate repairs or replacements.
3. **Cost overruns:** Shipping equipment can be a significant expense, and unforeseen cost overruns can strain project budgets. To mitigate this problem, it is crucial to evaluate shipping quotes in advance. Additionally, actively monitoring the shipping budget can help detect and address any deviations from the budget promptly.

## Invoices and Revenues

### Invoices in the period and planned in the next one

During the reporting period, there weren't any unexpected invoices.

As described before, the project team expects to receive additional invoices for shipping in the next period. However, this should not affect the final cost of the project because it was already considered during the risk analysis.

### Revenues in the period and planned in the next one

The company has fulfilled its payment obligations by correctly paying 20% of the total price, aligning with the agreed-upon terms. This means that the revenues are on track and that no foreseeable challenges or difficulties are expected in the upcoming payment cycles.

## Costs

### Period balance

The period balance is negative, considering the customer payment of €290,000 (20% of the total price) and the Actual Cost of Work Performed, which amounts to €730,000.

However, the ACWP slightly differs from the BCWS (amounting to €718,000) meaning that the negative period balance was expected and won't affect the project negatively.

### Extra costs and minor costs

During the reporting period, there were no notable additional expenses incurred. However, some minor costs were recorded for the recalibration of BAP002. These costs are considered insignificant and fall within the approved project budget.

## Conclusions

In conclusion, this project has reached a significant milestone as the product has been successfully produced and is ready for shipment.

Despite the project being over budget, it is currently running ahead of schedule. This demonstrates the efficient management of resources and the team's ability to expedite project tasks. Going forward, it is essential to implement diligent cost control measures to mitigate the budgetary impact and maintain a favorable project trajectory.

Overall, while there have been some challenges along the way, the project has successfully achieved its primary objective of producing the product. By addressing the calibration issue, proactively considering potential shipment problems, and closely managing costs, the project team has positioned itself for successful delivery and customer satisfaction.

Sincerely,  
Martina Brocchi