

Control

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When looking at the origins of cost overruns and missed completion dates of capital projects, a solid line can be traced back to productivity levels. While it's certainly not the only cause, it stands out because so much of it is controllable.

And yet, achieving and maintaining consistent productivity levels has been a challenge for contractors overseeing capital projects because they lack the visibility into their operations that would allow them to adjust in real time. They also lack the ability to control those processes that impact productivity directly.

This is partly because the industry has been slow to embrace technology that enhances efficiency and productivity. Many contractors still rely on manual processes for estimating, scheduling, and project management that haven't changed much in decades.

There are several tried-and-true ways that contractors can regain control over the factors that impact overall productivity levels. While nothing will deliver dramatically ill. Deg. (ntr2ig2) 1 922 (them ma (tad) us ntr) 028



The concept behind EVM is simple: Track a project's scope, schedule, and cost data in real time as a means of measuring performance against what was planned and budgeted at the start of a given project. For contractors, these metrics help them maintain control over the factors that can sink productivity levels — such as scope changes or internal and external risks, for example.

To do this most effectively requires project management software that can store and process the reams of capital project data in one place.

Starting with relevant source data, ideally from past projects similar in scope, contractors can evaluate the kind of changes and risks that played out and how EVMs schedule and cost performance metrics responded. This historical lookback serves as a way to predict future performance for the current project.

a project. This is a big reason why contractors are turning to earned value management (EVM) metrics.



