



Project Controls Expo – 18th Nov 2014

Emirates Stadium, London

**Getting the truth, the whole truth and
nothing but the truth from your critical
suppliers**

Aim

By the end of this presentation, you will have the skills and knowledge to understand the cause, then implement a strategy to combat the provision of, what you perceive as being untruthful project controls information from your supplier.

About the Speakers

Ben Vaughan

- ❑ Extensive experience gained by working for prime contractors and their customers
- ❑ Sabah al Ahmed Sea City, Queen Elizabeth Class Aircraft Carriers & Type26 Global Combat Ship
- ❑ Risk, Earned Value, Planning & Scheduling and PM

Michelle Glasgow

- ❑ Extensive experience gained working in Defence, primarily in Maritime but also Land domain
- ❑ Astute Class, Submarines In Service Support & Cannon (Armoured Vehicle Programme)
- ❑ Project Management including Planning, Scheduling, SRA, Risk & EV

BMT HI-Q SIGMA

- ❑ A professional services company of 150 consultants across offices in Bath, Winchester and London
- ❑ Operating in the Defence, Energy, Transportation, Government and Justice sectors
- ❑ Achieved a turnover in 2013/14 of £17.6m
- ❑ Services include Programme Management, Risk, Systems Engineering, Investment Analysis, Enterprise Architecture and Training
- ❑ As an employee benefit trust with no manufacturing or supply chain interests, we provide truly impartial advice
- ❑ Part of the wider BMT Group, a company of over 24 companies and 2000 people

Welcome to clear thinking

Agenda

1. What is the truth?
2. Answering the question
3. Establish what you know
4. Identify the causes
5. Examples
6. Response strategies
7. Strategy summary
8. Conclusion
9. Best excuses
10. Questions
11. Bath Rugby Competition

What is the truth?

- ❑ 'The situation to the best of everyone's knowledge and as accurate as you can possibly achieve'
- ❑ Incorrect Project Controls information can be a major issue on your project and lead to poor decision making
- ❑ By understanding the reasons you are not getting the truth and the strategies to implement, you will become a better project manager
- ❑ From working in customer and supplier organisations we know the reasons are more complex and don't always rest with the supplier
- ❑ It's too easy to suggest the cause is simply deceitful contractors

Answering the question

How do you get the truth, the whole truth and nothing but the truth from your critical suppliers?

1. Establish what you know
2. Identify the underlying causes
3. Implement strategies to increase confidence
4. Assess and re-implement from step 1 if you do not have the confidence you feel is necessary

Establish what you know

In order to assess why you are not getting the truth, the first step is to understand your own position, as this will enable you to identify the cause.

1. You know you are definitely not getting the truth
2. You suspect you are not getting the truth, but you have no evidence
3. You're getting the truth, but you reject it because 'it's not the right answer'
4. You don't know if you are getting the truth or not

Establish what you know

You are the customer and I am the supplier, I am going to give you four statements and you need to decide if you:

- Know it's wrong**
- Suspect its wrong but are not sure**
- Know its right but you don't like the answer**
- Don't know if its right or wrong**

Hold up the coloured card corresponding to your answer

Establish what you know

Know it's wrong

Suspect its wrong but are not sure

Know its right but you don't like the answer

Don't know if its right or wrong

Ed Miliband could be the next Prime Minister of Great Britain and Northern Ireland



Establish what you know

For balance...



Establish what you know

Know it's wrong

Suspect its wrong but are not sure

Know its right but you don't like the answer

Don't know if its right or wrong

David Moyes was successful at managing Manchester United

MANCHESTER UTD
UNDER DAVID MOYES

- 1ST HOME LOSS TO WEST BROM SINCE 1978
- 1ST HOME LOSS TO NEWCASTLE SINCE 1972
- 1ST HOME LOSS TO EVERTON SINCE 1992
- 1ST EVER HOME LOSS TO SWANSEA
- 3 DEFEATS IN A ROW FOR 1ST TIME SINCE 2001
- 1ST LEAGUE LOSS TO STOKE SINCE 1984

Establish what you know

Things are not always as they may first appear...

First 31 games in charge at Old Trafford



David Moyes

18 wins

6 draws

7 losses



Sir Alex Ferguson

12 wins

10 draws

9 losses

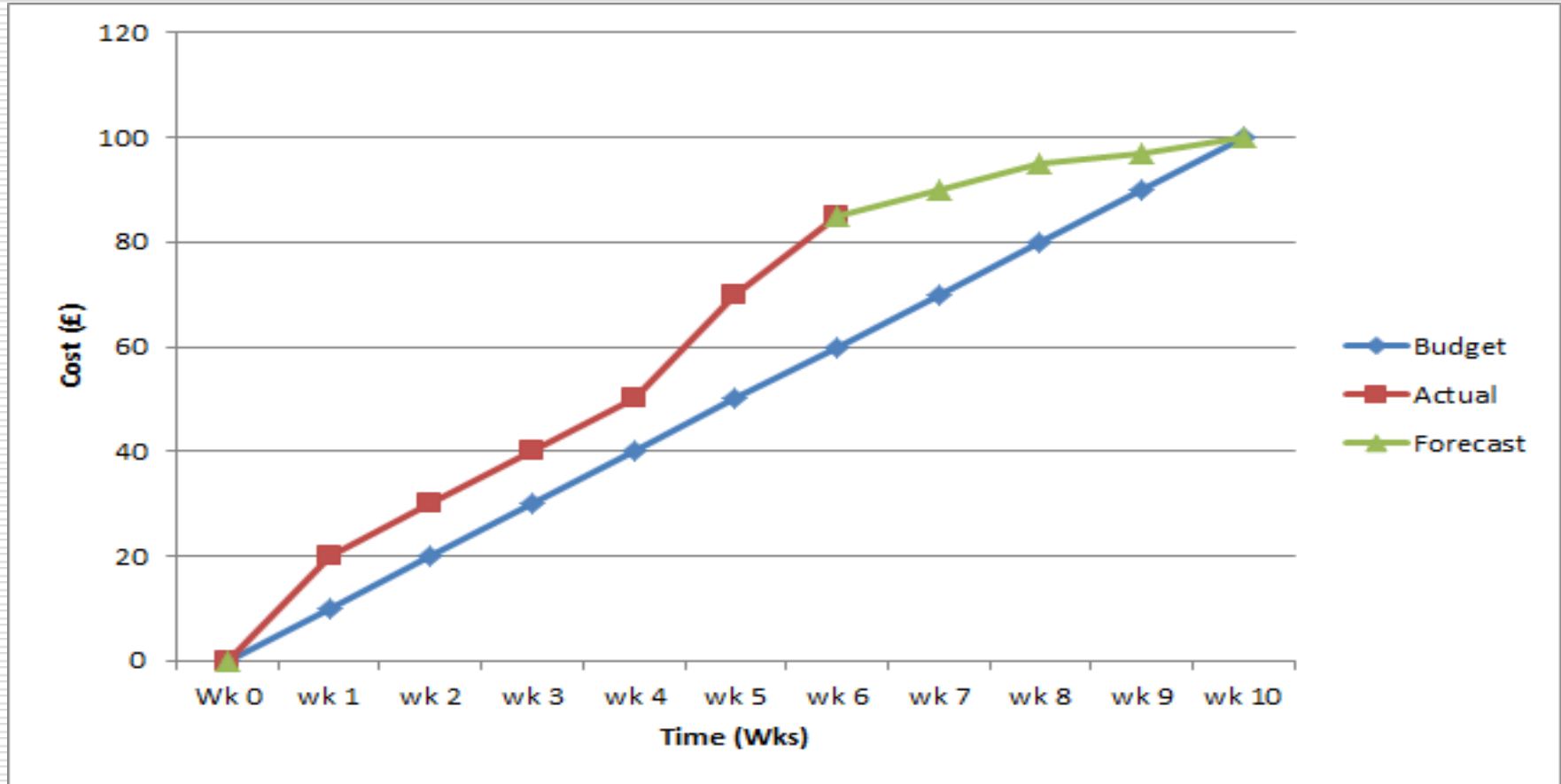
Establish what you know

Know it's wrong

Suspect its wrong but are not sure

Know its right but you don't like the answer

Don't know if its right or wrong



Establish what you know

Know it's wrong

Suspect its wrong but are not sure

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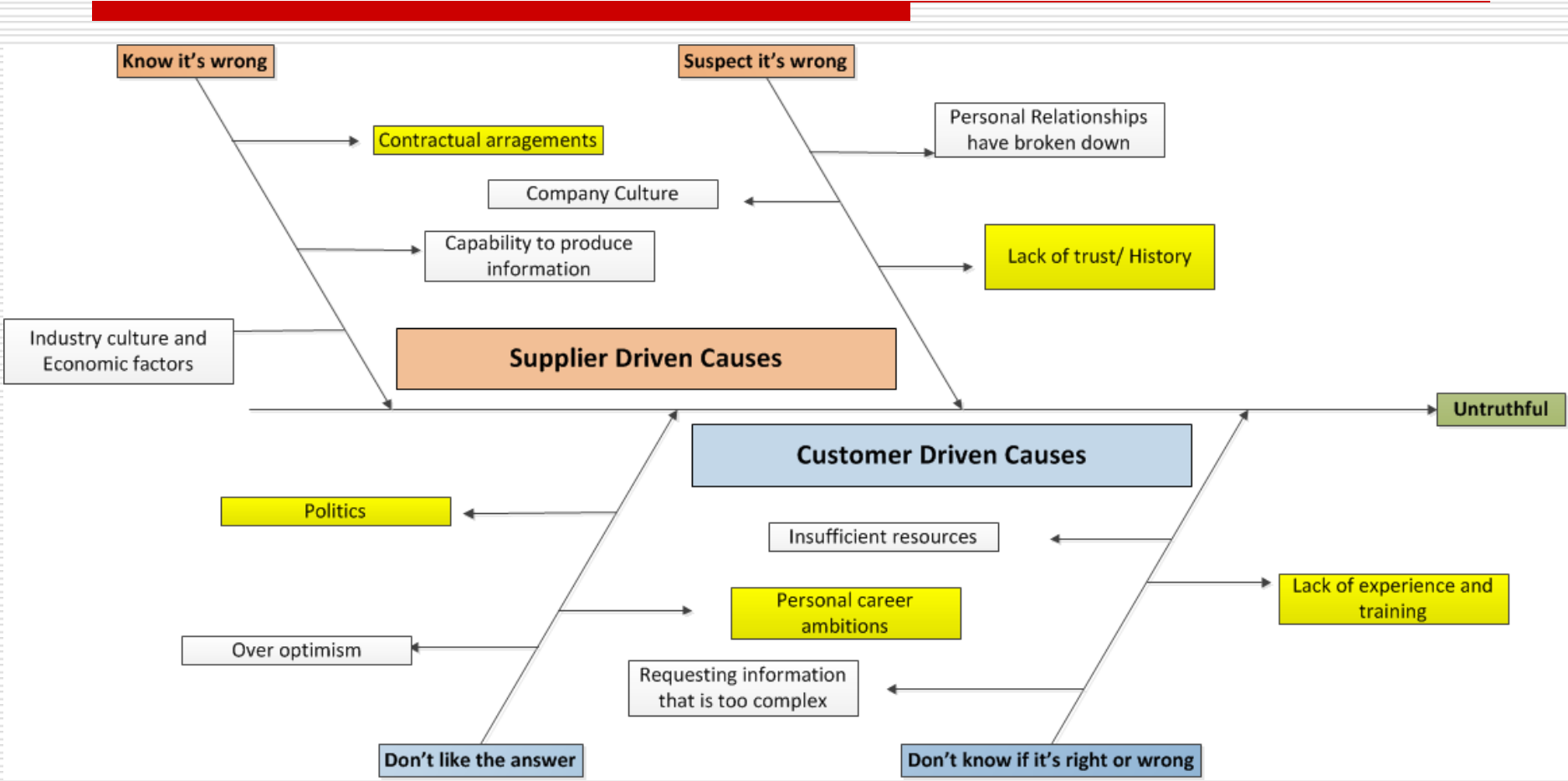
Consider the ellipse $(x^2 / 4) + (y^2 / 1) = 1$. The equation describing this ellipse after it has been rotated thirty degrees counter clockwise is $7x^2 - 6\sqrt{3}xy + 13y^2 - 16 = 0$.



Identify the causes

	Certain	Un-certain
Supplier Cause	<p>I Know it's wrong</p> <p><i>Independent 3rd party to provide assurance</i></p>	<p>I suspect it's wrong</p> <p><i>Gather evidence</i></p>
Customer Cause	<p>I don't like the answer</p>	<p>I don't know if its right or wrong</p>

Identify the causes



Examples

- ❑ Contractual arrangements – Earned Value SPI is used as measure to inform payment of fees
- ❑ Personal career ambitions – Cost estimates are suppressed until key individuals have left the programme
- ❑ Trust/History – Assumption that they are being untruthful based on previous programmes together
- ❑ Politics – Politically acceptable estimate of cost/time/performance to get through business case and funding gates, when everyone knows it's extremely over optimistic
- ❑ Lack of skills/experience – particularly prevalent lower down the supply chain, could be a customer issue if asking for data that is too complex

Response Strategies

I Know it's wrong

- **Work pro-actively with the supplier**
 - Build relationships
 - Establish joint working
 - Joint communications
 - Share skill sets
 - Independent 3rd party to provide assurance

Response Strategies

I suspect it's wrong

- Investigate to acquire the evidence
 - Work with the supplier
 - Utilise independent 3rd party to gather evidence (e.g. another Project Manager)
 - Understand that it might be right

Response Strategies

**I don't like the
answer**

- Understand the actual facts**
 - Understand your situation
 - Address cultural & political issues
 - Understand the delta and manage it

Response Strategies

**I don't know if its
right or wrong**

- Improve skills and knowledge**
 - Get certainty around the situation
 - Training
 - Independent Trusted Advisor

Response Strategies

	Certain	Un-certain
Supplier Cause	<p><i>Establish joint working</i></p> <p>I Know it's wrong</p> <p><i>Independent 3rd party to provide assurance</i></p>	<p><i>Work with the supplier</i></p> <p>I suspect it's wrong</p> <p><i>Gather evidence</i></p>
Customer Cause	<p><i>Understand the delta and manage it</i></p> <p>I don't like the answer</p> <p><i>Address cultural & political issues</i></p>	<p><i>Training</i></p> <p>I don't know if its right or wrong</p> <p><i>Improve skills and knowledge</i></p>

Strategy Summary

- Understand your starting point – 4 box grid
- Understand the root causes
- Overarching strategy is key
- Quick fixes – uncertainty
- Longer term fixes – certainty
- Ensure the right strategy is implemented or the problem will still be there

Conclusion

- ❑ The most important part of the process is understanding yourself
 - Implementing a strategy such as training when actually your issue is political will be no help!
- ❑ You need to be in a position of certainty to make decisions about the strategies you will implement
- ❑ Other than don't know, most causes are best managed by closer working relationships with your suppliers
- ❑ Political issues cannot always be tackled, understand the 'true' picture
- ❑ Personal career ambitions are our biggest motivator
- ❑ Don't always assume that the supplier is delivering incorrect information, the situation is usually far more complex

Best excuses

‘we did not have time to update the schedule because we are so far behind schedule’

‘Oh, I thought earned value was like golf, the lower the score the better right?’

‘The sooner we get behind schedule, the more time we have to make it up’

‘The last time we did planning, things didn’t go to plan, so now we don’t plan’

‘My dog ate my Schedule Risk Analysis’

Questions?

Competition

