

	PROJECT MANAGEMENT: Adding Unprecedented Value	Doc. No.	10-13-0007
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CAGROW Project Management Methodology is based on the Project Management Institute, USA framework supplemented by internationally recognized best practices. This approach is adaptable to specific client needs and can supplement client processes in establishing their options, defining their project needs and managing project delivery.

CAGROW recognize that resources are precious and must be spent in the best and most efficient way possible and a strong project management discipline brings added value to the business.

Good project management discipline will achieve the following project objectives:

- HSE compliance
- Completing the Project in-time, within approved cost & budget, no compromise at quality of work, and 98% operational reliability for facility life cycle
- Resolving future risks before problems occur
- Communicating and managing expectations of stakeholders more effectively
- More focus on metrics and fact-based decision making
- SMART objectives used for all stages of the project and monitored by management meetings

Keeping the project on track requires robust management of metrics and project goals that extends across the project team out to suppliers, contractors, client and stakeholders.

CAGROW Project Management Strategy and frameworks include Project Charter, related documents and its implementation to ensure successful achievement of Project goals of scope, cost, schedule, quality and operational reliability.

Project Charter

The Project Charter is a “document issued by the Project Sponsor that formally authorizes the existence of the Project and provides the Project Director/Project Manager with the authority to apply organizational resources to Project activities”. It includes most elements of a preliminary project scope statement, which describes what is and what is not included in the Project. It also helps to control changes to the scope of the Project throughout its duration or life cycle.

As a comprehensive overview of the Project, the Project Charter allows all parties involved (stakeholders) to reach agreement and document major aspects of the Project such as the objectives, the scope, the deliverables and the resources required. The Charter supports the decision-making process and will be used as a communication tool. The Project Charter documents the formal communication between the Project Sponsor and the Project Director/Project Manager, including identifying metrics of success for the Project. Once approved, the Project Charter communicates the current agreement between the Project Sponsor and the Project team throughout the lifecycle of the Project. The Charter provides a high-level overview of the Project including the definition of project success and project resource (people and funds) requirements.

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The Project Manager will prepare additional documents that provide detail on the management of the Project, including a communications plan, an issue log, a risk log, a change management plan, cost & budget and a work schedule.

1.0 PURPOSE AND GOALS OF THE PROJECT

Project Management team will define specific purpose and goals of the project in line with organizational vision, mission and values.

2.0 PROJECT SCOPE

Project scope is the part of project planning that involves determining and documenting a list of specific project deliverables, features, functions, tasks, deadlines, and ultimately costs. In other words, it is what needs to be achieved and the work that must be done to deliver a project.

3.0 LONG LEAD IMPORTED ITEMS

Long lead items which require the longest time to finalize specification, LC opening, design & manufacture, import, port clearance & transport, installation and commissioning.

4.0 PROJECT CONSTRAINTS AND ASSUMPTIONS

Project management team will coordinate with all stakeholders to identify project constraints and assumptions. Effective strategies will be developed to overcome the constraints, predict and eliminate bottlenecks and appropriate testing of assumptions.

5.0 HSE ASPECTS, IMPACTS AND MANAGEMENT

Project Team will elaborate the identified HSE aspects set under the guidelines of Environmental Protection Agency and International Standards, norms and best practices. Project Team will also understand the risks & criticality and prioritizes them. HSE and Waste Management Plans will be developed and implemented throughout the Project lifecycle to achieve specified targets.

6.0 PROJECT MEASURES OF SUCCESS AND ACCEPTANCE CRITERIA

Project Sponsor, Functional Management and Project team will measure the success of the Project that the Project has addressed the business need & opportunity, delivered the specified scope and results & benefits to all stakeholders and achieved the goals that are as follows:

7.0 MAJOR MILESTONES OF THE PROJECT

Project Management Team will determine major milestones and deadlines of the project as per the advice of the project sponsor which must be realistic and achievable.

8.0 HIGH-LEVEL RISKS

The Risk Management Plan documents the processes and procedures that are used to manage risks

The ultimate goal of risk management is to increase the probability of Project success by focusing attention on problem areas early and reducing the amount of costly rework in the future. For each and every risk, there is the potential impact of cost

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overruns, schedule delays and compromises in quality and safety if the risk occurs. Hence, risk management will be applied continuously throughout the Project lifecycle.

A “risk” is an event that has the potential to cause an unwanted change in the Project. A risk is as follow:

- A definable event with a probability of occurrence
- A definable event with a consequence or “impact” if it occurs

A measure of the severity of risk is:

$$\text{Severity} = \text{Probability} \times \text{Impact}$$

For every risk, there will be a “Mitigation Plan.” A mitigation plan either lowers the probability and/or the impact to reduce the severity to an acceptable level.

Risk Management Plan develops a methodology to identify and quantify specific risks to the Project, determine their consequence and associated probability and develop mitigation strategies.

9.0 PROJECT COST AND BUDGET

Cost Management Plan is the process that establishes the policies, procedures, and documentation for planning, managing and controlling the cost. The Cost Management Plan clearly defines how the costs on the Project will be managed throughout the Project’s lifecycle.

Project Manager will be responsible for managing and reporting on the Project’s cost throughout the duration of the Project. Responsibilities also include accounting for cost deviations and presenting with options for meeting the project budget.

10.0 PROJECT ROLES & RESPONSIBILITIES

10.1 Project Sponsor

Provides overall direction, guidance and funding for the Project.

RESPONSIBILITIES include setting the vision and strategic direction, approving the Project Charter and Plan, securing resources for the Project, confirming the Project’s goals and objectives, keeping abreast of major project activities, making decisions on escalated issues and advising in the resolution of roadblocks

10.2 Project Director

Oversees, monitor and control the Project.

RESPONSIBILITIES include monitoring the progress and quality of the Project, coordinating with Project Manager to control Project scope, cost, schedule and budget.

10.3 Project Manager

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Leads the team in planning and implementing the Project from initiation to closure.
RESPONSIBILITIES include planning, execution & control of the Project activities and risk management to achieve project objectives & goals, maintaining project documents, reporting project status and facilitating conflict resolutions within the Project and between cross-functional teams

10.4 Subject Matter Expert (SME)

RESPONSIBILITIES include maintaining up-to-date experience and knowledge on the subject matter, validating recommendations and providing advice on what is critical to the performance of the Project and its produce

10.5 Project Team Members

RESPONSIBILITIES include

- Assisting Project Manager as per specified job responsibilities and supervision of contractors
- Informing the Project Manager and team members of issues, scope changes, risks and quality concerns
- Proactively communicate status and manage expectations

11.0 SAMPLE GUIDELINES FROM PROJECT SPONSOR

Cost	Complete the Project work within approved cost. No cost overrun acceptable.
Scope	Changes in the Scope to be approved by Project Sponsor.
Schedule	Changes in the Schedule to be approved by Project Sponsor. Limited latitude available (up to 2 weeks delay maximum).
Quality	No compromise.
Reliability	Minimum 99% operational reliability required for facility lifecycle.

Sponsor Acceptance

Approved by the Project Sponsor:

Date: _____

(Project Sponsor)