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Defence Equipment and Support Project Controls

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Version 1.0

Who are Defence Equipment & Support (DE&S)?

Delivering Defence Equipment & Support for the UK Armed Forces

- Buying new equipment
- Supporting in-service equipment

Annual Budget Circa £14bn

12,500 staff HQ in Bristol

Approx 1,500 staff in Project Controls

Take 1 - A History of EVM within UK Defence Procurement

Catalyst – Challenged Projects
- Nimrod MRA4
- Astute Class Submarine Programme

2003 –UK MoD Mandated EVM on Development Projects
- But only Considered for other procurement phases

Some successful deployment on selected acquisition Projects

Benefits not universally recognised

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DE&S Transformation

The need for change

2013 – present

Draw in Industry expertise

- Bechtel & CH2MHill

Establish Controls Approach

- New PC Function
- Process (Set, Manage & Maintain)
- Upskilling Staff
- Tool development

Take 2 – Todays Challenge

Transformation

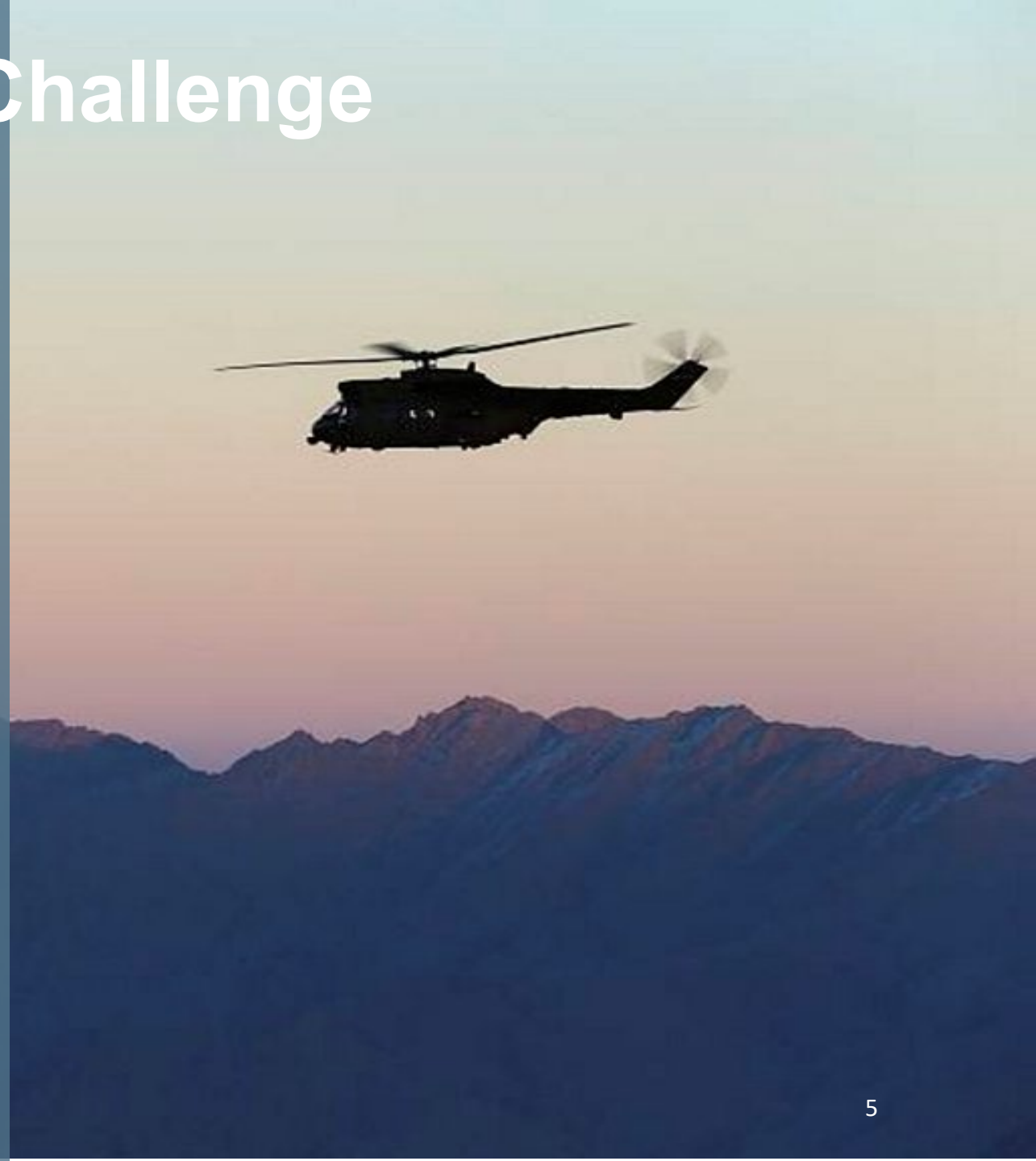
- **Skills**
- **Processes**
- **Decision Making**

- **Standardisation**
  - **Set, Manage & Maintain**

- Getting the value from Earned Value

- Adopting New ways of Working

- Taking 10,000 people through the Transformation Journey



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Earned Value within DE&S

- DE&S Business
  - Operational Costs circa £1bn
  - Supplier Costs circa £14bn
- Overall PMB
- Internal Team performance
  - CPR's & Analysis
  - Schedule health
  - Schedule interfaces / Dependences

- External EVM from Suppliers
  - Risk based approach
  - Appropriate
  - Tailorable
  - Standardisation
  - IBR's

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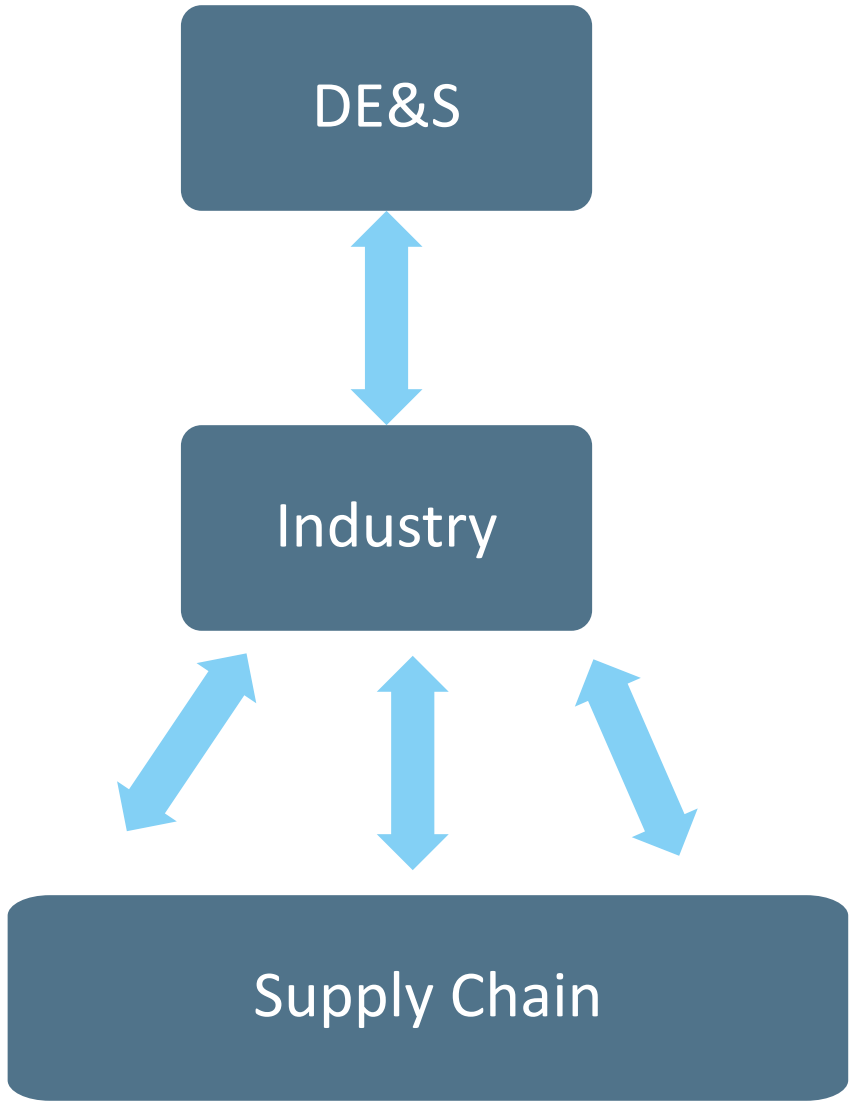
How we work:
Interface with industry

- EVM mandated for all applicable new contracts and at break points on current contracts
- Standardised requirements including EVMS, cost performance reports 1-5, WBS & dictionary, schedule, risk, estimate at complete, IBR
- Tailored to the project based on risk, product and contract type, complexity and value
- DE&S guide published via Commercial Managers Toolkit



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EXEMPLARS: LEADING FROM THE FRONT

Our Exemplars are pivotal in developing the case law that will define how we take P3M forward into the organisation.

→ Our 1000+ projects

→ Breadth adoption

→ Exemplars

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EVM Tailoring

5 base levels of EVM

Variable for contract size, scope, complexity and risk

Judgement required!

Controlled variation

Future Iterations will cover full Project Controls suite

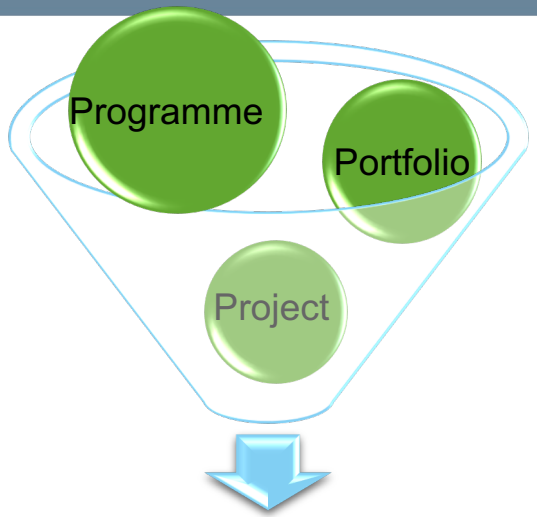
Requirement	Level 1	Level 2	Level 3	Level 4	Level 5
Organisation					
Earned Value Management Plan[1] and Project Control System Description (PCSD)	X	X	X		
Work Breakdown Structure (WBS)	X	X	X	X	
WBS Dictionary	X	X	X	X	
Planning, Scheduling and Budgeting					
Contractor Master Schedule	X	X	X	X	
Plan on a Page (POAP)				X	X
Milestone Schedule					X
Analysis and Reporting					
Contractor Performance Reports (CPR)					
Format 1 – WBS	X	X	X	O	
Format 2 – Organisation	X	O			
Format 3 – Change	X	X	X	O	
Format 4 – Staff	X	O			
Format 5 – Variance Analysis	X	X	X	O	
Format 6 – Schedule Reports	X	X	X	O	
Format 7 – Electronic EVM Data	X	X	O		
Format 8 - ETC and EAC*	X	X	O		
Spend against Plan				X	O
* ETC and EAC Frequency					
Comprehensive - Quarterly	X				
Comprehensive - Annually		X	O		
CAM Assessment - Monthly on CPRs	X	X	X		
In year spend forecast	X	X	X	X	X
Revisions and Data Maintenance – Change Control	X	X	X	X	
Risk[2]					
Risk and Opportunity Management Plan	X	X	O		
Cost Risk Analysis	X	X	O		
Schedule Risk Analysis	X	X	O		
Active Risk Manager (or similar Risk Register)	X	X	O		
Authority Oversight and Governance					
Integrated Baseline Review	X	X	X		
Demonstration Reviews	X	X			
Surveillance Reviews	X	X			

PC Tool Suite

We're introducing a complete suite of fully integrated tools to provide the critical insight we need to manage our projects, programmes and portfolios in the most effective way.

Leveraging industry-standard software, the suite will provide:

- Enterprise WBS
- Scheduling capability
- Cost Management capability
- Analytical tools to enable Earned Value Management
- Time recording
- Schedule risk analysis



Primavera P6 (Scheduling)

Enterprise Product Portfolio Management

Primavera Risk Analysis

Business Intelligence Publisher

Unifier

Business Intelligence Enterprise Edition

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LFE

Standardise as much as possible

Appropriate Levels of application

Acquisition vs Support Contracts

The people dimension

SQEP & Critical Skills

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Q&A

Thank you

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