

Portfolio Management Framework: Improving Project Management

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- Update on restructuring EM's portfolio of Recovery Act work
 - Effects and results of change
 - Recovery Act portfolio performance
- EM's Journey to Excellence
 - Translating Recovery Act change to continuous improvement in project management

Topics



- Project Baseline Summary (PBS) “Projects”
 - DOE O 413.3A applied
 - All-inclusive scope → “kitchen sink”
 - Prolonged durations → spanned decades
 - High TPCs → life-cycle costs → \$ billions
- American Recovery and Reinvestment Act
 - “Overnight” infusion of \$6 billion
 - Execute “shovel-ready” projects
 - Save and create jobs “yesterday”

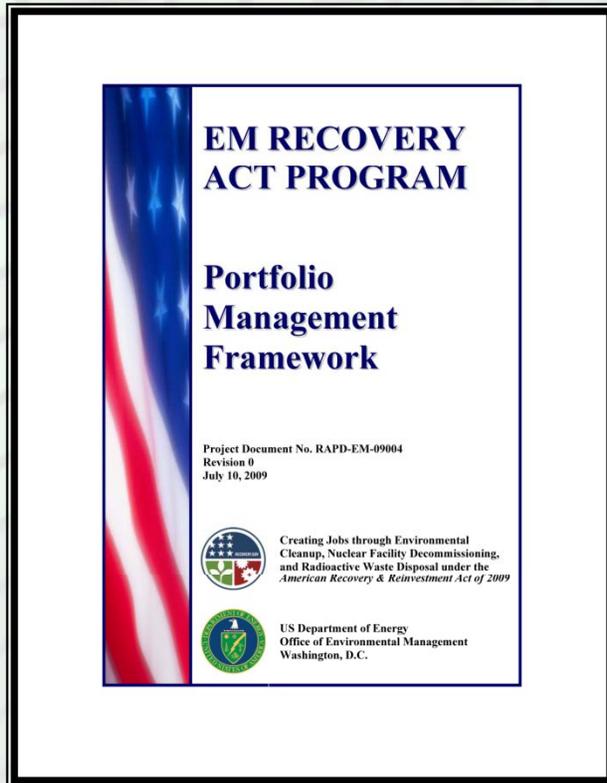


The Need for Change



The Catalyst for Change



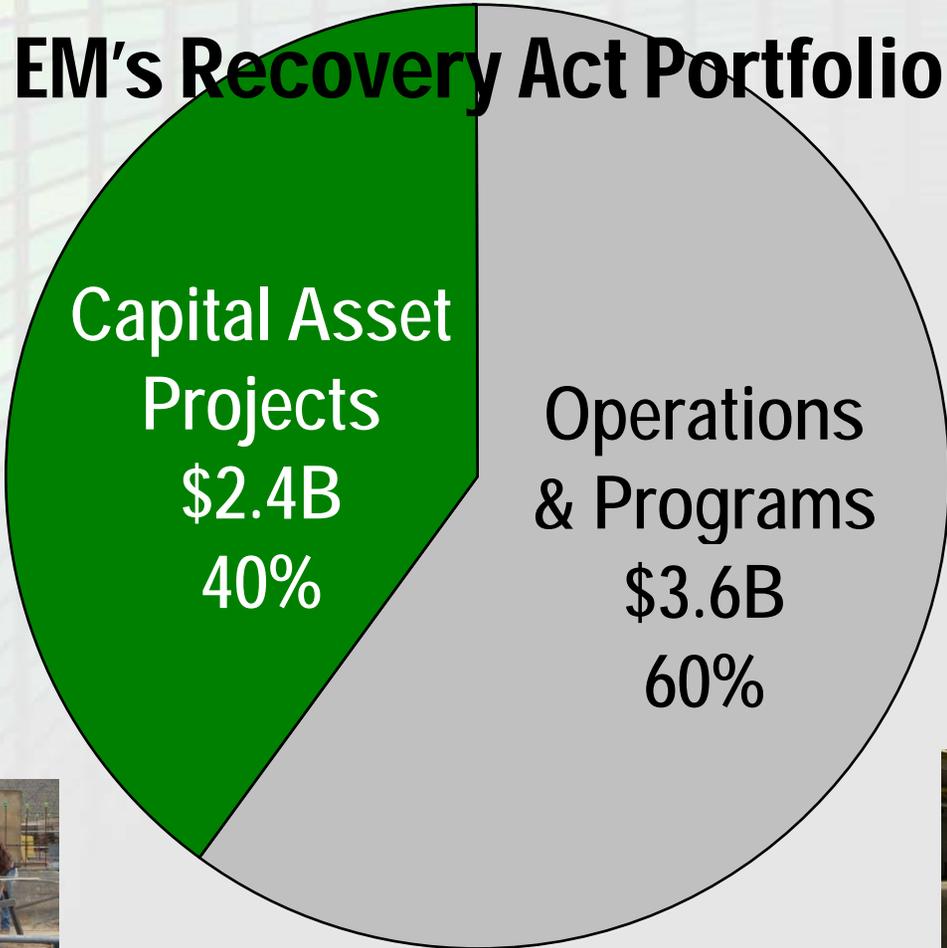


- Issued July 14, 2009
- Differentiate programs, projects and activities from each other
 - Apply DOE O 413.3A to capital asset work only
 - Smaller, more manageable projects
 - Deliver project success

A Significant Change



EM's Recovery Act Portfolio



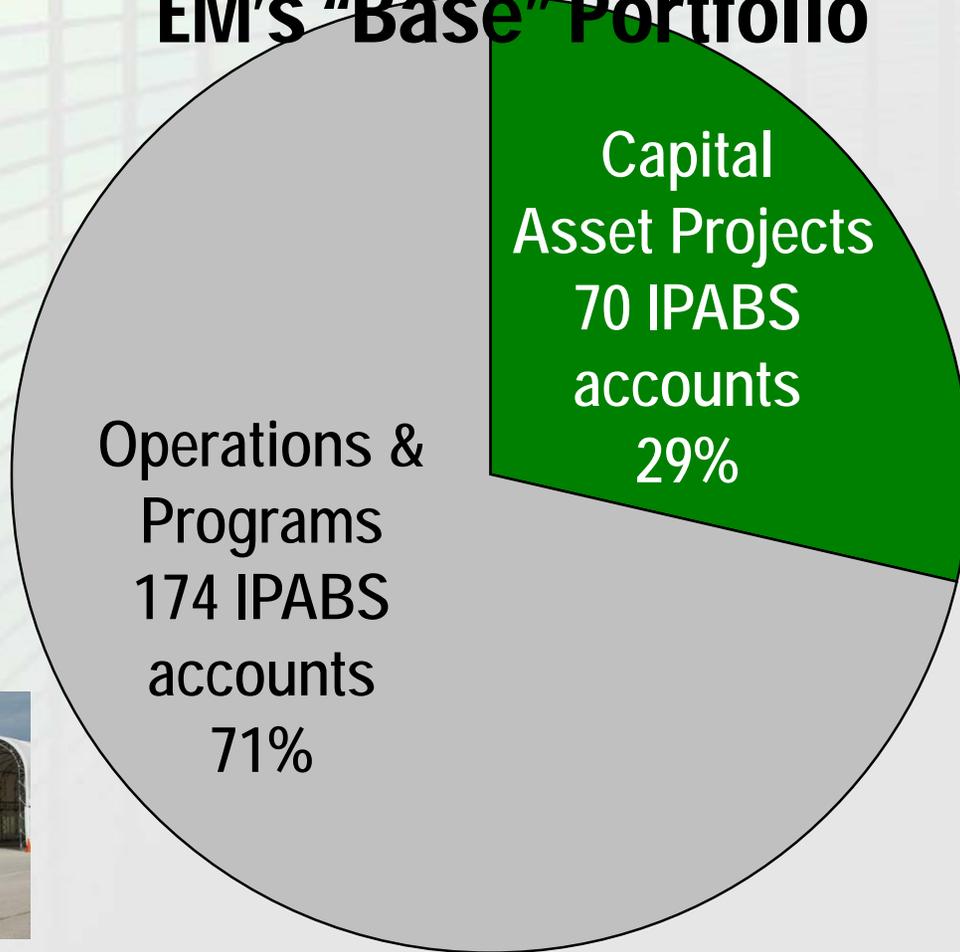
The Result of Change



Change in Motion



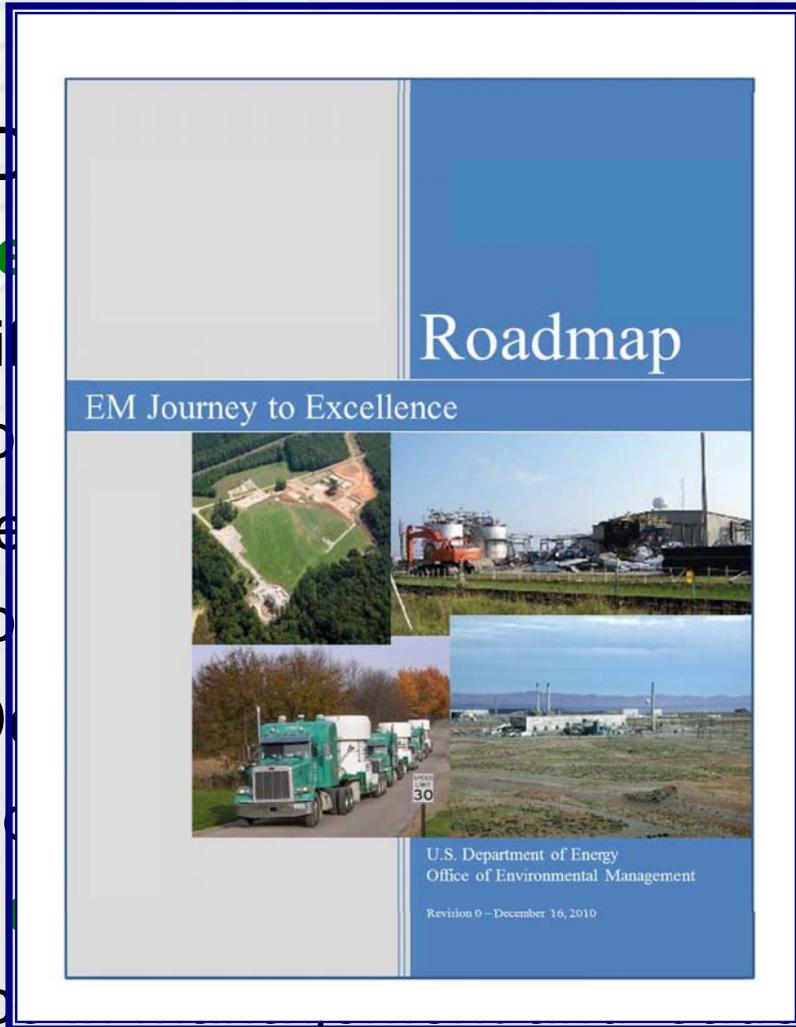
EM's "Base" Portfolio



The Continuum of Change



- What We Do
 1. Complete
 2. Reduce li
 3. Dispositio
 4. Reduce le
leading to
- How We Do
 5. Zero accid
 6. Improve
 7. Excellenc

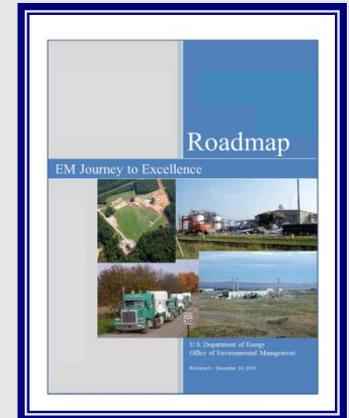


projects

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15

11



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Journey to Excellence



- ✓ FY11 Metric 1.1
 - Maintain CPI and SPI between 0.9 to 1.15
- ✓ FY11 Metric 1.2
 - 90% of CPRs are performed as planned
- ✓ FY11 Metric 1.3
 - 90% of CPR corrective actions are closed out within six months
- ✓ FY11 Metric 1.4
 - Develop meaningful performance measures and track monthly

Goal 1: Successful Completion of Tank Waste Treatment Construction Projects



PROJECT	CPI_{cum}	SPI_{cum}	TPC
Waste Treatment Plant	1.00	1.00	\$12,263M
Salt Waste Processing Facility	0.95	0.94	\$1,339M
Sodium Bearing Waste Treatment	0.92	0.95	\$571M

Performance of Construction Projects

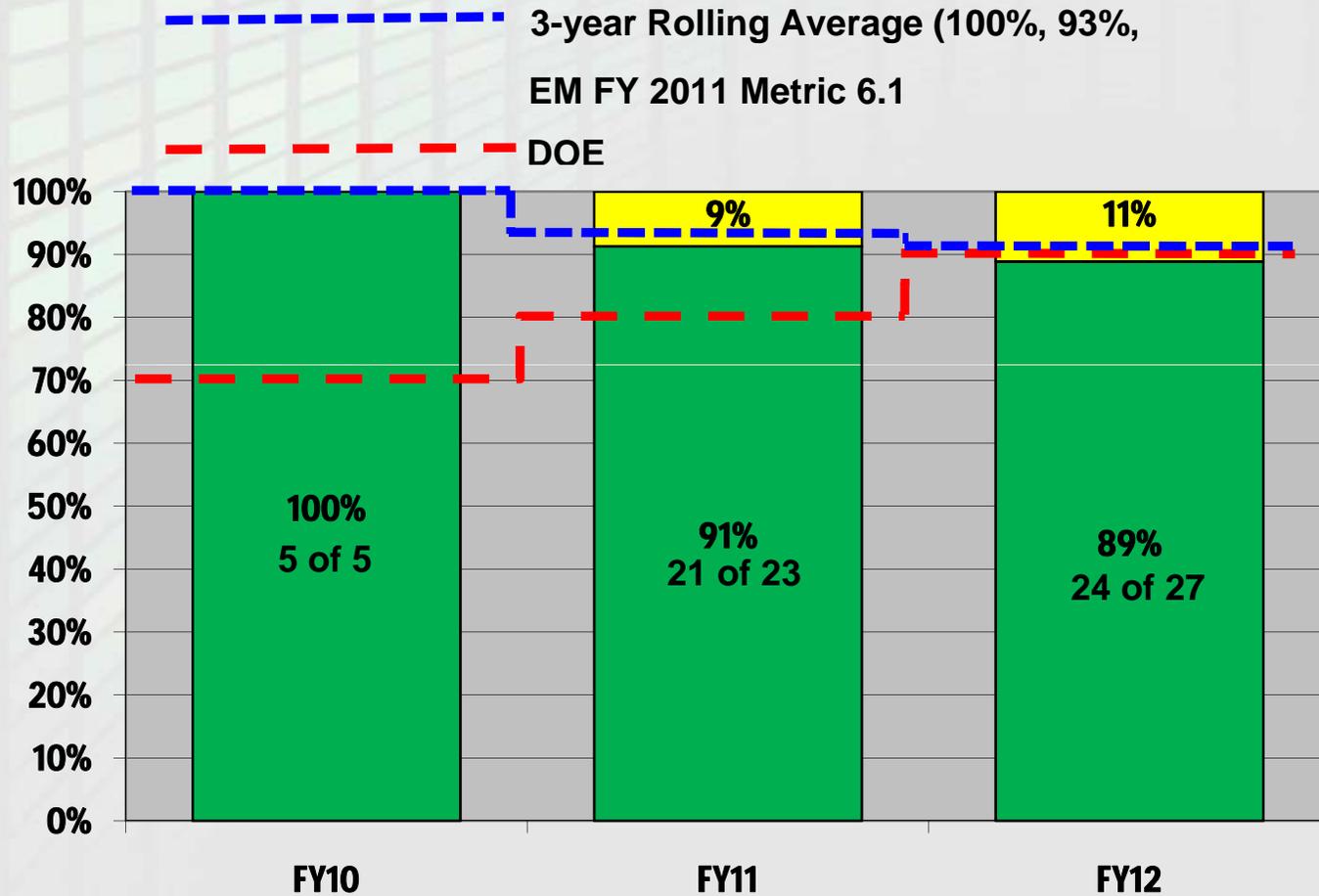


- ✓ FY11 Metric 6.1
 - Complete 90% of projects within 10% of original performance baseline
- ✓ FY11 Metric 6.2
 - Achieve and maintain 95% to 98% data accuracy among field, IPABS & PARS II
- ✓ FY11 Metric 6.9
 - 90% of projects have FPDs assigned at appropriate certification level

Goal 6: Improve Contract and Project Management to Deliver Success



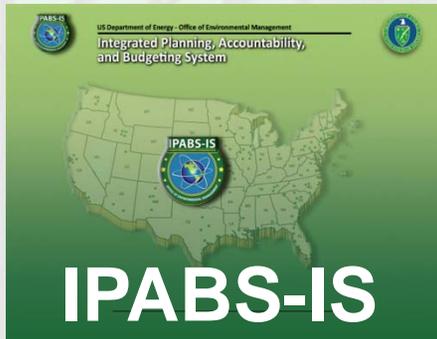
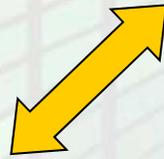
Forecast of Cleanup Project Successes



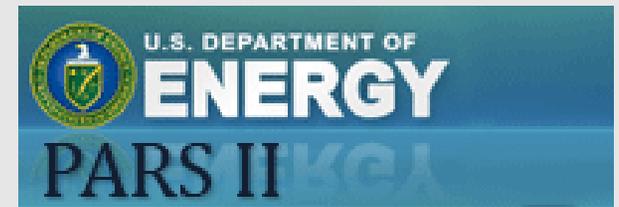
Metric 6.1: Project Successes



Field Element & Contractor management information systems for capital asset projects



IPABS-IS
EM's lifecycle
management information
system for its portfolio



**DOE's management
information system
for all capital asset
projects**

Metric 6.2: Data Accuracy



**Percentage of
FPDs certified
at appropriate
level**

FY 2009		FY 2010		FY 2011	
Actual	Target	Actual	Target	Projection	Target
58%	85%	92%	88%	92%	90%

Metric 6.9: FPD Certification



- Change has been good
 - Recovery Act portfolio restructuring → more manageable work scopes → project success
- Smarter management of work
 - Greater returns on investment
 - Ability to do more work
- Building off of Change
 - “Chunked” entire EM portfolio
- Change = Continuous Improvement → EM’s Journey to Excellence

Conclusion



Don't get caught flat-footed!



Parting Thought