Estimate Centric Execution & Knowledge management
Fluor Operating System - Interactions

**FLUOR**

OSR (Quality Manual)  
Project Execution Requirements

Knowledge Communities
  - Project Management Manual (PMM)  
  - Standard Project Execution Plan  
  - Standard Project Procedures Manual  
  - Standard Site Procedures Manual  
  - Project Activity Plans  
  - Work Instructions, Checklists, Practices, Specifications  
  - SBU/Office-Specific Practices  
  - Lessons Learned  
  - Expert Identification and assistance  
  - Key internal & external resources links

Global Reference Systems
  - Software Directory  
  - Global Computer Systems

SUBU/SBU–OFFICE

SBU/SBU-Office OSIP
  - Operating System Implementation Plans

SUBU/SBU-Office Specific Reference Systems
  - SBU/SBU-Office Computer Systems

PROJECT

Project Operating System Documents
  - Project Baseline  
  - Project Execution Plan  
  - Project Procedures Manual  
  - Project Site Procedures Manual  
  - Project Activity Plans  
  - Work Instructions, Checklists, Practices, Specifications

Project/Client-Specific Reference Systems
  - Project Computer Systems
Estimate Centric Execution

The Practice of Engineering, Procurement, Construction and Commissioning in
accordance with the Estimate and the Change Management Process
Estimate Centric Philosophy

- Early Project Definition
- Detailed Engineering and Design
- Function
- Schedule
- Cost
- Procurement
- Construction
- Start-Up
Estimate Centric Approach

Fundamental SBU Strategy

➢ Core to Our Value Proposition and Business Strategy:

Bringing Early Certainty of Function, Cost and Schedule
Early Project Definition

The $FOCUS^{sm}$ Process Results

[Graph showing the comparison between typical approach and with $FOCUS^{sm}$ in scope definition over time, highlighting the ability to influence cost.]
Baseline Definition
Baseline Execution Approach

“Baseline Centric Project Execution Standard”

Meet / Exceed As-Sold Values through Improved:

- Planning
- Controlling
- Change Management

Define
Plan
Align
Manage
Control
React

ACCOUNTABILITY

BUSINESS ACUMEN

COMMUNICATION

MEASUREMENT
Project Services Team Ownership

- **Estimating**: Detailed Estimate
- **Project Management**: Focus process overview, Execution plan, Project performance
- **Procurement**: Resource planning & purchasing, Buyout Item Analysis
- **Engineering**: Design services, Work package progress
- **Construction**: Subcontractor/vendor performance, Self Perform progress
- **Project Controls**: Project measurement & reporting, Change Management
- **Information Systems**: Applications support, Project connectivity
- **Project Business Services**: Customer invoicing, Revenue and margin takeup
- **Finance**: SBU financial reporting
- **QAQC**: OSR/OSIP compliance
- **Sales**: FD Services scope, Contract terms
Estimate Centric Execution

Delivering Early Certainty to Function, Cost & Schedule
Knowledge management & systems

Fluor Knowledge On Line (KOL)

Estimating & Project controls
Community
JOB COUNSELING

WE'LL NEED TO DISGUISE THE FACT THAT YOU'RE A MORON.

IRONICALLY, THE BEST WAY IS TO BECOME AN EXPERT IN SOMETHING CALLED "KNOWLEDGE MANAGEMENT."

WE MUST DEVELOP KNOWLEDGE OPTIMIZATION INITIATIVES TO LEVERAGE OUR KEY LEARNINGS.
What is a Knowledge Community?
Some Fluor Community Types
What Do Fluor Communities Do?

• Act as change agent to promote a knowledge sharing culture
• Own and manage their group’s knowledge assets
• Drive content acquisition, filtering and reuse
• Initiate research and collaboration to generate new knowledge
• Assist in developing people
• Promote active Discussion Forums
Knowledge Management Costs

• Implementation Costs
  – Infrastructure, hardware
  – Software purchase/licenses
  – Software development
  – Consulting services
  – Transfer of knowledge from existing systems
  – Knowledge stewardship
  – Training & communication
Knowledge Management Costs

• Operating Costs
  – Membership
  – Knowledge Stewardship
  – Infrastructure
  – Hardware, Software
  – Incentive/reward programs
Cost Estimate Data

• Input
  – Scope of Work
  – Scope of Facilities

• Output
  – Cost Estimate

• Required
  – Engineering data
  – Cost data
Mechanical Cost Historical Data

- Equipment data base
- Collect historical data
- Benchmark for new projects
Questions and Answers