



Cleopatra Global Survey Findings 2023:

New insights into Project Controls and Cost Engineering

MARCH 9TH



Agenda

- Our research goal
- Approach we followed
- About our survey respondents
- Selected key findings & recommendations
- Q&A



What was our main goal with this research?

‘Continuous Improvement’

To inspire and increase success for organizations in our field.



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graph LR; A[Collect data about current processes] --> B[Determine what makes a project successful]; B --> C[Share recommendations to help reach continuous improvement];
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Collect data about current processes

Determine what makes a project successful

Share recommendations to help reach continuous improvement

Speakers

> Aafje Jansen-Romijn

***Managing Director,
Cleopatra Enterprise***

30+ years experience in the field

Overseeing the business operations of the company

Leading the consultancy services



Speakers

> Babette Schep

***Senior Cost Engineer,
Cleopatra Enterprise***

Has led numerous Cleopatra software implementation projects, including

- leading a Needs Assessment Workshop
- training the team
- assisting in initial pilot projects

The clients Babette has worked with include TC Energy, Rijkswaterstaat, Nouryon, and Tüpraş



Our 7-step approach

Brainstorming

- Topics
- Questions

Determining the type of the survey

Revising

- Topics
- Questions

Distributing the survey

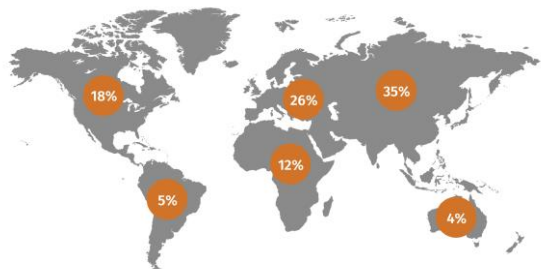
Analyzing the collected data

Interpretation of the data

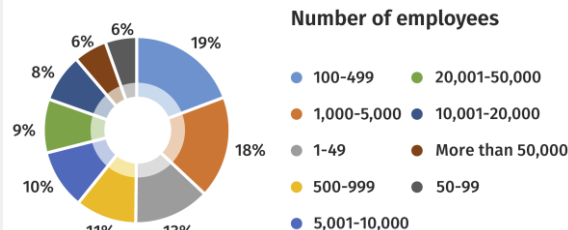
Creating the survey report

About our survey respondents

Location of the respondents



Company size



Seniority of participants



>50%

Senior or
managerial level

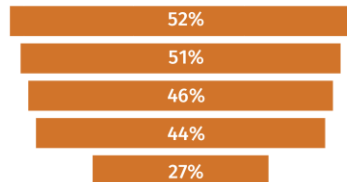


21%

Decision-makers in
c-level management,
director, and head of
the department

Job functions

Cost Estimation
Cost Control
Project Management
Planning/Scheduling
Risk Management



Organizational type



35%

Contractor



34%

Client/Owner

Industry



50%

Construction
industry



29%

Infrastructure
or EPC



43%

Oil and gas
industry

How did we define 'success'?

Based on the attributes that have a positive impact on a project, we defined 3 types of success.



Schedule success

<25% of the project had a schedule overrun in the previous 3 years



Cost success

<25% of the project had a cost overrun in the previous 3 years



Success

Schedule success
+ cost success

Key findings & Recommendations



Importance of Project Controls



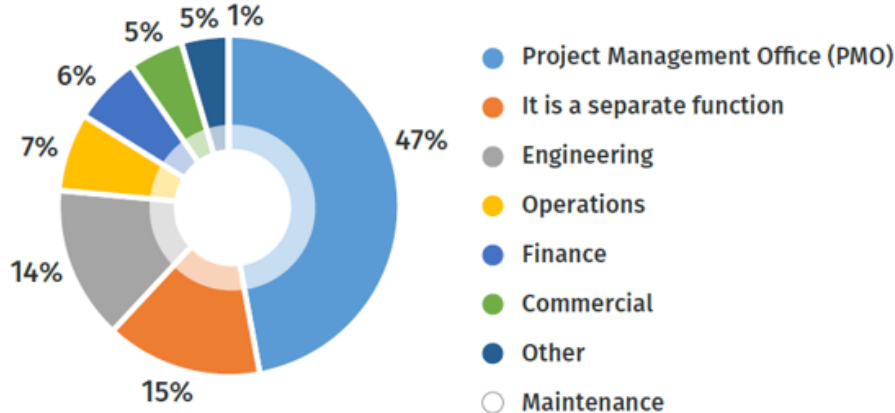
90% of participants find **project controls** important or extremely important.

Position of Project Controls (PC)



Finding

Department in which the PC function is positioned



Recommendation

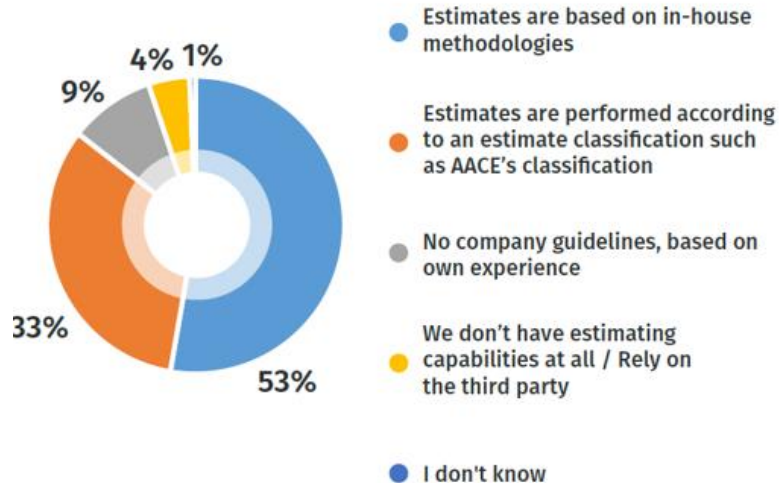
- Place the PC function independent.
- Keep the function reporting objectively
- Realistic estimates, schedules and project findings.

Clear methodologies for cost estimation



Finding

- Level of maturity of cost estimating capabilities



- Companies that are using a clear methodology are 10% more successful.



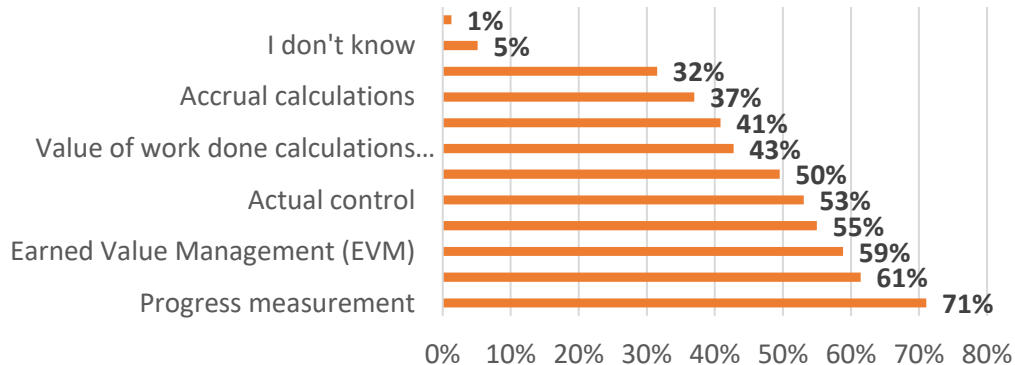
Recommendation

- Clear methods mean successful projects.
- Sound business decisions can be made only based on clear methodologies.

Cost management methods are used; benchmarking lacking

Finding

- Cost management methodologies used



- Almost all methodologies are applied.
- Almost none of the organisations use benchmark methodologies

Recommendation

- Start using benchmarking to capture and normalize data centrally.
- Benchmarking can enable organizations to increase effectiveness and efficiency.
- Benchmarking results in more reliable and transparent cost estimates.

Earned Value Management (EVM) still has more potential in NL



Finding

- The methodologies used for cost management in NL are in line with the global results.
- However, Earned Value Management (EVM) and progress measurement are used way less in NL.



Recommendation

- Use EVM that provides a simple set of metrics to identify early warnings of performance issues.
 - Measure amount of work performed
 - Tell how project is performing now compared to plan
 - Forecast how the project will perform in the future
- EVM starts with progress measurement.

Project Controls Team Roles

A Good Team Composition



Up to
40%
More Successful

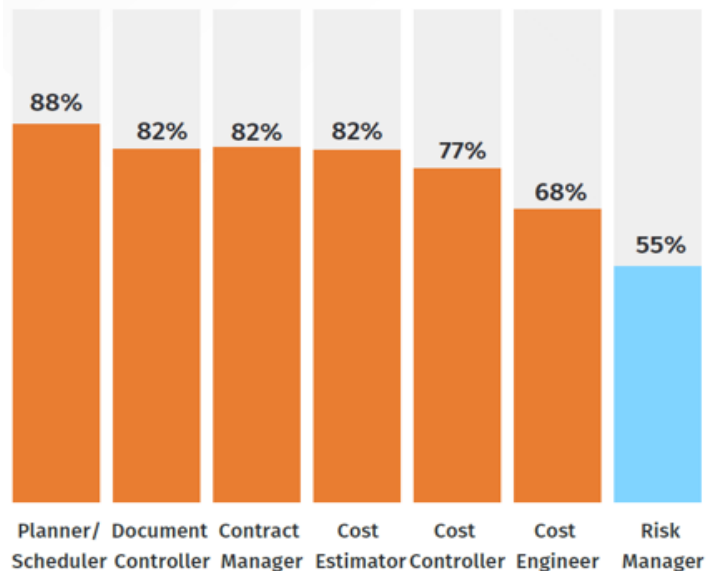
Organizations with **good project control team composition** of at least 5 roles defined are **35% more cost-successful and 40% more schedule-successful.**

Have designated team roles



Finding

How often a role exists within a project team



Recommendation

- Invest in an experienced risk manager since this role allows you to mitigate the risk and its potential impact.
- The bigger your project gets, the more important it is to have specific roles designated.

Integrated Processes & Tools

INTEGRATED PROCESSES & TOOLS



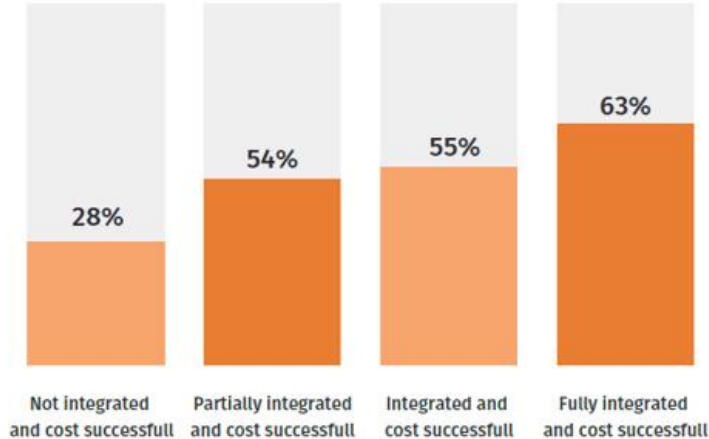
Up to
35%
More Successful

Fully integrated processes lead to more cost-success



Finding

- Success based on integration between processes



- Only 14% of organizations are fully integrated.
- Projects with fully integrated processes are 35% more cost-successful.



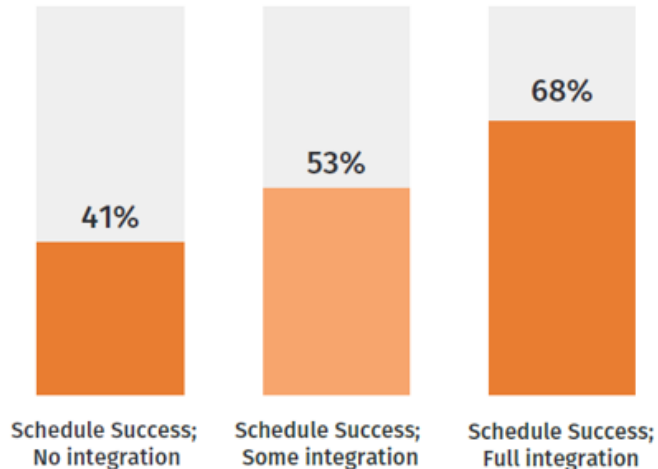
Recommendation

- Leave the silos behind and create more connections between your PC processes for proven project success.
- Benefit from the tools that can support you to fully integrate the PC processes.

Fully integrated PC software tools bring more schedule-success

Finding

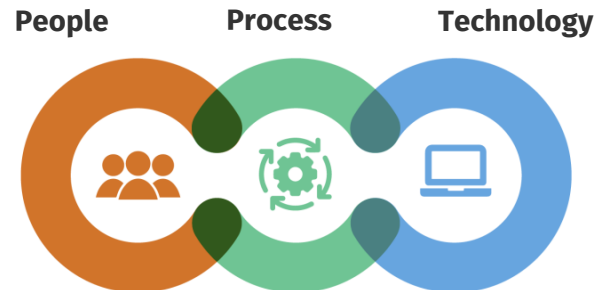
- Success based on integration between tools



- Only 6% have all relevant tools integrated.
- Organisations with fully integrated tools are 27% more schedule-successful.

Recommendation

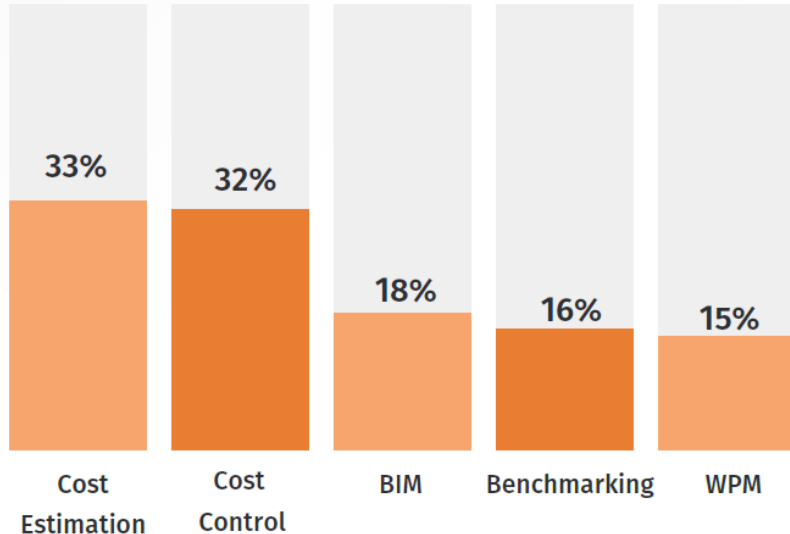
- Manual data transfers are prone to major errors during data integration.
- For increased productivity and data accessibility, integrate software tools into your project control processes.



More to gain with advanced project control tools

Finding

The tool usage



Recommendation

Start using advanced project controls software for

- Standardized work processes
- Centralized database and documents
- Increased productivity and data accessibility
- Less errors

Benefits and barriers for using tools – do you recognize these?

Barriers



These results also indicate that there are organizations not using tooling yet. We can see that the main barriers are

- The respondents' unwillingness to change
- Lack of time and resources
- Insufficient skills
- Lack of funding

Benefits



At the same time, organizations acknowledge the benefits of tooling and agree it

- Reduces human errors
- Increases predictability and accuracy
- Improves project quality

Back to where we started...Hopefully with inspiration for success!

‘Continuous Improvement’ is possible.



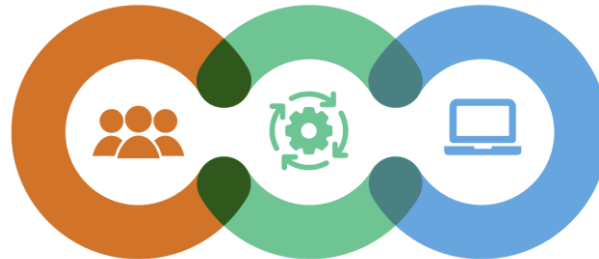
**Employ the right
methods**



**Get the right people
in your PC team**



**Integrate your work
processes and tools**





Q&A

Thank you for joining us!

You can download our full survey report
via www.costmanagement.eu/survey-2022