



**THE KEY TO PROJECT SUCCESS?**

# **IT'S ALL IN HOW YOU START!**

**Learn how to lead your projects to success with knowledge transfer**

"An ounce of prevention is worth a pound of cure."

BENJAMIN FRANKLIN





## A PROJECT MANAGER'S STORY

# PLANNING AHEAD

As a project manager, I'm always excited to kick-off a new project.

To successfully deliver the equipment and materials needed for construction, I laser focus on goals for budget and schedule.

I know that 80% of project success depends on how we start. I want everyone to enjoy meeting milestones and working together.

### FRUSTRATIONS AND SYMPTOMS

Unfortunately, once a project is mobilized, I often struggle to balance the many conflicting priorities and keep up with emails and meetings.

Despite all the upfront coordination and information sharing, it seems like it's never enough. It feels like something in this process is missing.

**“Unfortunately, once a project is mobilized, I often struggle to balance the many conflicting priorities and keep up with emails and meetings.”**

# I CAN SEE THAT NON-TECHNICAL ISSUES ARE RESPONSIBLE FOR MOST BUDGET AND SCHEDULE OVERRUNS.

## LESSONS LEARNED

Even after our post-project reviews and compiling a list of lessons learned, the incremental improvements don't seem to solve the problems.

We end up struggling with the same issues. Since Plan A is what everyone knows, we try to stick to it. Changing plans mid project and finding workarounds takes the focus off our goals.

## THE CORE PROBLEMS

I can see that non-technical issues are responsible for most budget and schedule overruns. The most frequent problems include:

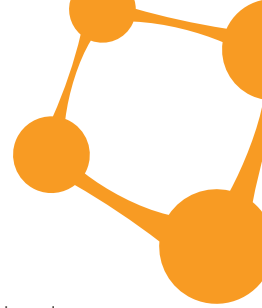
- Reliance on tribal knowledge that leads to assumptions and misunderstandings;
- The most experienced talent has left the industry;
- The new personnel are inexperienced and lack knowledge; and,
- There is insufficient planning and risk management.





**OVER-BUDGET  
AND OVER-SCHEDULE  
IS THE NORM.**





A report on the  
petrochemical industry  
by Reuters Events, 2020  
*Downstream Market  
Outlook*, revealed projects  
\$5M to \$50M struggle  
with many of the same  
issues as larger projects.

A project can do some  
things right, but if the  
equipment and materials  
are **incomplete, incorrect,**  
or **late**, it may **FAIL**.

A project can do some  
things wrong, but if the  
equipment and materials  
are **complete, correct,**  
and **on-time**, it can  
**SUCCEED**.

## THE IMPLICATIONS

We know that every project is at risk for budget and schedule overruns – and the bigger the project, the bigger the risk. The problems are recognized industry-wide and are significant.

A report on successful projects by Pricewaterhouse Coopers, *Successful Capital Project Delivery*, indicated **companies know projects almost always take longer and cost more than expected.**

A study of project success by McKinsey & Company, *The Construction Productivity Imperative*, found that **98% of megaprojects suffer cost overruns and 77% are late.**

A study of 18 companies involved in oil sands development by Canadian Manufacturers and Exporters, *Oil Sands Manufacturing*, determined that:

1. Detailed how-to guidelines are needed to improve communication; and,
2. Projects need efficient supply chains to deliver on-budget and on-time.

## WHERE WE ARE NOW

Our industry is losing many talented professionals who are not easily replaced. Recruiting new personnel is only half of the answer. New personnel lack experience and know-how.

Without effective knowledge transfer from departing and existing talent, the challenges, costs, and risks are escalated.

# **SINCE WE CAN'T REVERSE THE LOSS OF PERSONNEL, WE NEED TO FOCUS ON KNOWLEDGE TRANSFER AS THE MOST COST-EFFECTIVE WAY TO STRENGTHEN SUPPLY CHAINS.**

## **WHAT'S NEEDED?**

Since we can't reverse the loss of personnel, we need to focus on knowledge transfer. It's the most cost-efficient way to strengthen project teams and supply chains.

The alternative is to hire personnel and hope they'll figure it out, somehow.

Since hope is not a strategy, the only reasonable thing to do is address these challenges proactively.

## **WHAT DOES KNOWLEDGE TRANSFER LOOK LIKE?**

Effective knowledge transfer involves:

- Coaching, mentoring, training, and workshops for project teams;
- Guidelines, with instructions and procedures; and,
- Standardized terminology, using a glossary with industry and project terminology.

## **THE BENEFITS AND PAY-OFF**

The main benefits are:

- 1. Reduced risk of budget and schedule overruns;**
- 2. Improved processes that are easier for teams and suppliers to execute; and**
- 3. Enhanced reputation for consistent on-budget and on-time project delivery.**



## HOW ARE YOU MANAGING KNOWLEDGE TRANSFER? **BEING PREPARED IS KEY**

ANSWER THESE QUESTIONS TO DETERMINE YOUR PROJECT MANAGEMENT PREPAREDNESS.

1. How are you addressing knowledge gaps? What more could you do?
2. How do you think the tolerance for project risk has changed?
3. How much effort do you expend to attract and retain experienced personnel?
4. How often do your projects struggle to stay on-budget and on-time?
5. How often do your teams scramble to respond to challenges, instead of focusing on goals?
6. What new knowledge transfer initiatives might you take on?
7. When a project is completed, are teams relieved it's over or proud of their accomplishments?
8. Would you like to learn more about knowledge transfer resources available to assist you?

**KNOWLEDGE TRANSFER IS LIKELY A KEY COMPONENT  
YOUR PROJECT NEEDS TO FULLY SUCCEED.**



**SET UP FOR SUCCESS**

# LEADING THE CHARGE

## ABOUT THE KNOWLEDGE TRANSFER PROJECT

The KT Project is a premier provider of guidelines and training resources for oil and gas projects. The KT Project is based in Calgary, AB, Canada. To reduce your risk of budget and schedule overruns, contact us at:

**Email:** [hello@ktproject.ca](mailto:hello@ktproject.ca)

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**Let the KT Project help you connect the dots.**

