



COMM™ Program Management Standards Overview

Realize Corporate Business Goals and Maximize the Return on Capital Assets

COMM™ Program Management Standards

LARGE CAPITAL PROJECTS – CAN'T LIVE WITH THEM, CAN'T LIVE WITHOUT THEM

CURT Owner members by their nature will always be developing and implementing large capital assets – such assets are absolutely necessary to produce the products they sell and often include proprietary components that provide competitive advantage.

Yet industry-wide, developing and implementing large capital assets remains frustratingly unpredictable, with cost and schedule over-runs plaguing some projects and companies, but not others. Given the emphasis paid to project management already, if the solution were there then the industry should be doing better. But the answer isn't there, so opportunity for improvement still exists.

A frequent culprit in disappointing capital asset development and implementation is programmatic – the challenge is how owners plan, communicate, and make decisions about large capital assets during their development and implementation. Like most complex systems, there are a lot more ways to get it wrong than to get it right.

“Most of the big mistakes that companies make in developing and executing these projects stem from a basic lack of being able to pursue a common goal with clarity and good behavior.”

– *Industrial Megaprojects*, Edward Merrow

PROGRAM MANAGEMENT SOLVES PROBLEMS THAT PROJECT MANAGEMENT CAN'T

The solution for owners is to implement program management standards that enable coordinated communication and decision-making across their entire capital asset programs.

CURT's Construction Owners Management Model™ (COMM) contains the key program management standards necessary to achieve the predictable capital asset development and implementation results owners want.

Developed by CURT's Owner members, the standards define “what excellence looks like” for the key areas of program management that can contribute most to creating predictability and competitive advantage for owners (see sidebars, this page and following).

Leading North American Utility relies on Program Management to execute multi-year, multi-billion dollar capital construction program

Facing an unprecedented capital asset construction program, a major electric utility focused on key program management standards such as product delivery process, supplier management strategy and accountability matrix to achieve impressive results compared to industry averages:

- \$1.8 billion in capital savings on new generation, 10-35% below industry average
- \$1.6 billion in capital savings on new environmental control systems, up to 29% below industry average

This was achieved *while improving safety and operational reliability*

- 66% reduction in contractors recordable incident rate, translating into over \$40 million in savings
- Plant operational reliability of 99.7%
- Environmental systems operating at 70% better reliability than industry average

CURT's COMM standards drive improvements to Owner communication and decision making processes and deliver superior results over the entire capital asset development and implementation cycle

For more information on this case study and the CURT COMM™ standards, contact:

Brian Stamper
CURT Member Concierge
The Construction Users Roundtable
4100 Executive Park Drive, Suite 210
Cincinnati, OH 45241-4023
513-563-4131 | www.curt.org



COMM™ Program Management Standards Overview

PROGRAM MANAGEMENT DEFINED

CURT defines program management for large capital assets as the communication and decision-making required for the development and implementation of the large capital assets necessary to achieve the strategic goals of an enterprise. This is much more than project management or project portfolio management.

CURT's Owner members have identified four collections of program management standards that outline the essential consistencies and expectations required to achieve results:

- **PG 1.0: Capital Asset Development and Implementation:** Defines how the Capital Asset Development and Implementation function will execute its program management responsibilities for the construction of capital assets
- **PG 2.0: Capital Asset Supply Chain Management:** Defines how Supply Chain Management and the Capital Asset Development and Implementation process collaborate to execute capital asset construction successfully
- **PG 3.0: Capital Asset Governance & Culture:** Defines the Program Management governance, oversight, performance, and support responsibilities for capital asset development and implementation
- **PG 4.0: Capital Asset Process Improvement & Risk Management:** Defines how priorities for program management are developed, including the use of scenario and tradeoff planning at the program level

Global Engineering Technologies Owner invests in decision support to improve decision-making

Careful selection and rigorous implementation of decision support technologies used in the capital asset development and implementation process can improve business outcomes substantially. For example, a recent technology transformation undertaken by a CURT member enabled

- Demonstration to its business client that a 50% larger plant would require only 6% more capital
- Production of reliable, detailed plant configuration simulation results for executive review and decision making

Using the Capital Asset Development and Implementation standard for tools and technology, this leading practice CURT member is developing an enterprise data hub to

- Aggregate the disparate data necessary for capital asset decision-making
- Capture data “end-to-end,” from design through implementation and back to estimating
- Provide quick-access search capability feeding 2D/3D CAD visualization

COMM standards adoption enables the integration and coordination required for large-scale technology transformation initiatives to succeed.

COMM is a real-world body of knowledge built on CURT's greatest assets: owner knowledge, collaboration, and industry expertise. Your voice counts! Participate in CURT today to learn more about the COMM framework and how your organization can collaborate with other owners in defining “what excellence looks like” for capital construction programs:

- **LEARN** about minimum and leading practice performance
- **COLLABORATE** with peers to define gaps and opportunities
- **CONNECT** with leading practice professionals
- **IMPROVE** your capital program processes

Want to learn more? Visit our COMM webpage today: <http://www.curt.org/comm.aspx>