

## Bridging the Gap



### **PEP- Project Execution Plan**

A Project Execution Plan is much more than a chart showing timescales. It is a document describing how, when and by whom a specific target or set of targets is to be achieved.

It's based on the implementation strategy, and translates into the document defining, integrating and coordinating all documents required to fully plan the implementation: It defines how implementation should be executed, monitored and controlled in the context of enterprise management areas.



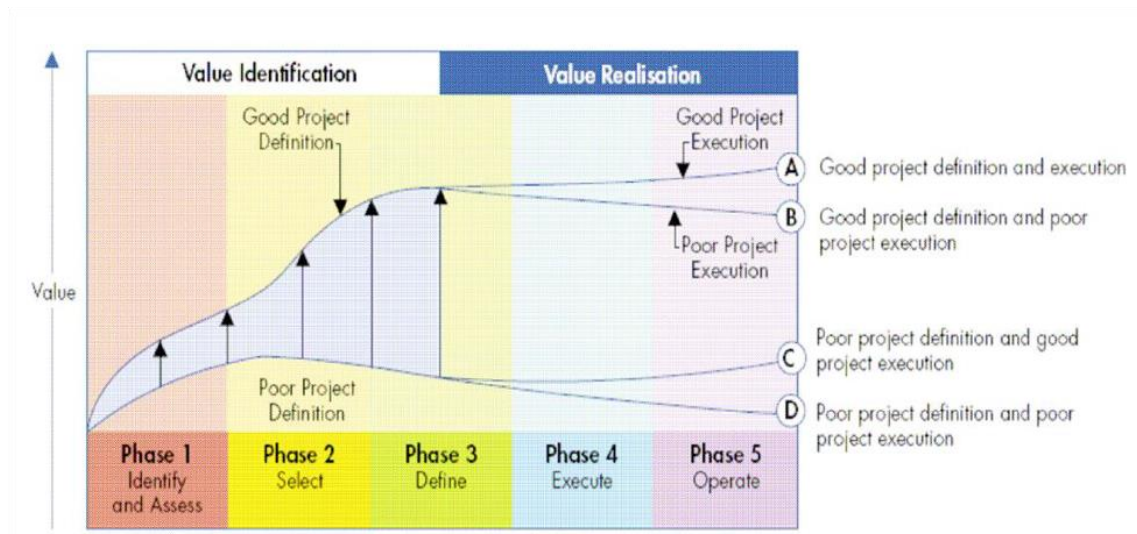
Among main enterprise definitions for implementation, PEP sets owner's and contracted scope, implementation organization and strategy, construction methods, work breakdown structure (EAP), baselines for budget and schedule, monitoring and control approach, contracting and acquisition packages, safety management, environmental management and implementation risks, commissioning and delivery into operation, and so on.

The PEP has an important function in the application of a procurement route.

The key objective at all times should be to ensure that the plan both documents what has gone before, in terms of decisions that have been taken, and looks ahead to set a framework for future action.

**Studies have been assessing relationship between PEP and enterprise success.**

In all instances, PEP definition level on authorizing has a significant influence on enterprise results according to productivity achieved in execution.



To properly prepare PEP, it is vital that the enterprise implementation team takes an active part in it. Integration of development and implementation teams to prepare a PEP decreases transition impact, develops common expectancies and clear objectives, defines business priorities and ensures that the implementation strategy adopted shall meet safety and performance requirements.

In preparing the item referring to contracting strategy, supply team's participation is equally important.

### Elements making up PEP

The analytical structure of the Project Execution Plan (PEP) are given below:

Project Execution Plan (PEP)		
ITEM	SUB-ITEM	DESCRIPTION
1		Enterprise characterization
	1.1	Business objective
	1.2	Enterprise objective
	1.3	Project development directives and restrictions
	1.4	Enterprise description
	1.5	Scope statement
	1.6	Products and subproducts
	1.7	Enterprise interfaces
	1.8	Related enterprises and subprojects
	1.9	Performance key indicators (ICDs)
	1.10	Investment approval
2		Work breakdown structure (WBS)
3		Execution methodology
4		Contracting strategies
5		Contracting scope definition
6		Supply plan
7		Enterprise organizational structure
8		Project team
9		Responsibility matrix
10		Risk management
11		Occupational health and safety (OH&S)
12		Planning and control
13		Cost management
14		Communications
15		Engineering
16		Quality assurance and control
17		Construction organization
18		Construction plan
19		Pre-commissioning and commissioning
20		Ramp-up and delivery into operation
21		Operation and maintenance
22		Administration and economic management during implementation
23		Insurances
24		Environmental management during implementation

Fundamental items of the implementation plan for enterprise success are:

- Safety
- Change management
- Risk management
- Implementation organization
- Contracting strategies

In order to obtain the required definition level for enterprise approval, PEP should meet the following requirements, but not be limited to them:

- Formal and clear definition of enterprise objectives, restrictions and goals.

- Enterprise scope meeting business needs.
- Scope structuring into work packages, with product and activity list and description.
- PEP formally communicated to and understood by all the project team and stakeholders.
- Board and shareholders agreement with project objectives, products, restrictions, goals and scope, and taking active part in it.
- To define implementation goals, enterprise products, sub products, and their acceptance criteria, business unit representatives had an active part in the project team, particularly operation and maintenance representatives, as well as implementation team representatives.
- Plans for containing planned changes impacts into team makeup have been defined and their efficacy has been ascertained.
- Schedule is integrated to budget, covers enterprise cycle (from FEL to delivery), has activity definition compatible with project size and shows defined critical path and loaded resources.
- Variation analysis identifying risks and setting up mitigation plan for schedule and cost items has been made.
- Risk management plans have been integrated to all enterprise management areas and include processes for monitoring, control e reassessment during execution.
- Different acquisition, contract and partnership modalities, among others, were formally appraised.
- Strategy adopted is compatible with project goals (schedule, cost, quality etc.), and there is critical formal time limit analysis ensuring that equipment and services are received when facilities are ready to receive them.
- Implementation plan formally covers equipment and material supply and storage infrastructure and logistics, besides labor displacement and lodgings.
- Execution follow-up reports have been defined, as well as their issuance, distribution and control plan.

Project success depends on many factors both within and outside the control of the project team.

**Projects do not succeed only because of a project execution plan but their potential success is ensured if there is an appropriate plan, effectively utilized.**