



PROJECT PRODUCTION
INSTITUTE

2014 Inaugural Symposium

San Francisco | 3 December 2014

Safety Briefing

Omni Hotel Chief of Security

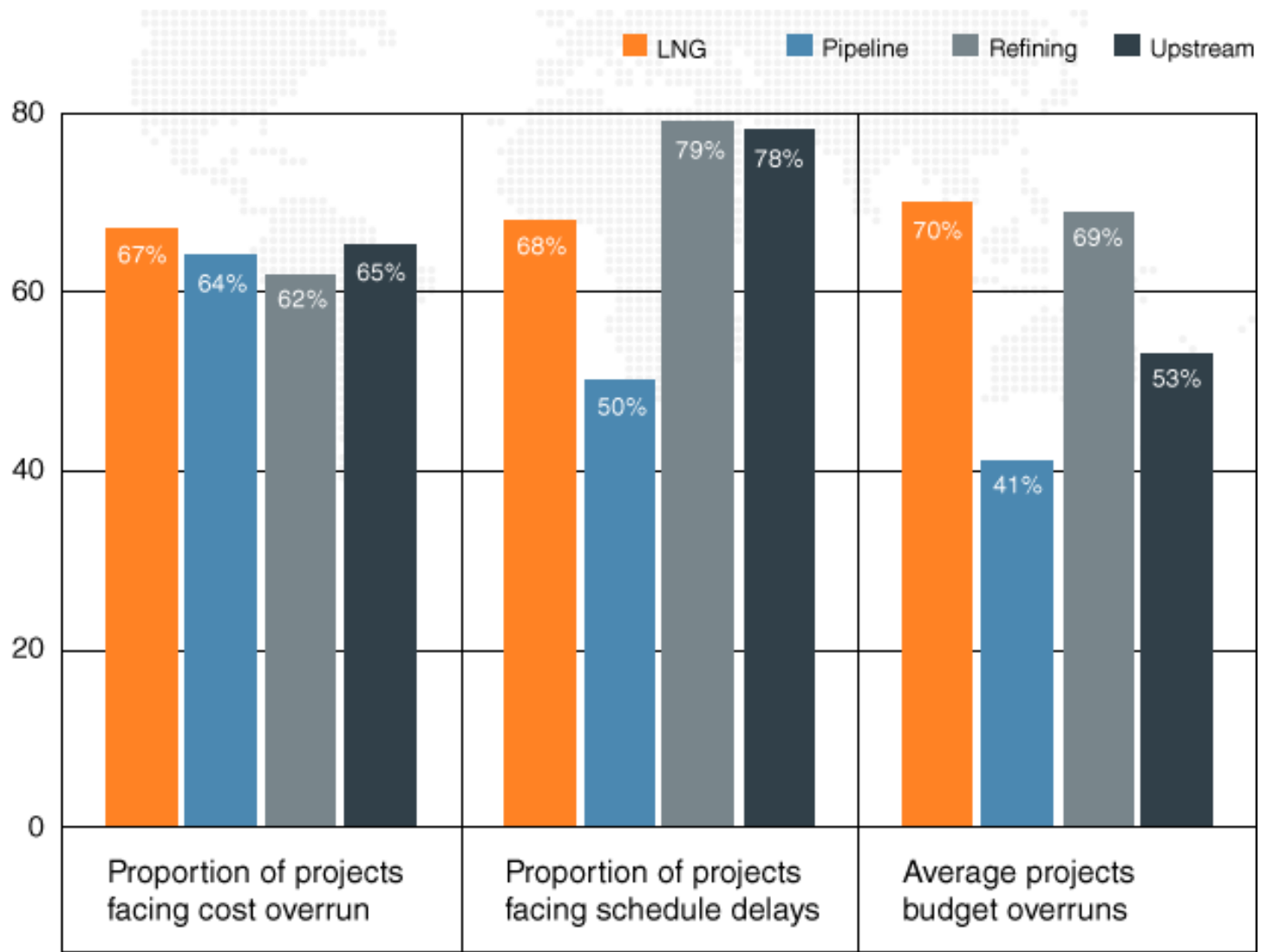


Why PPI

Civil infrastructure, energy and industrial projects are **complex, dynamic systems** that challenge the capabilities of today's approach to project delivery.

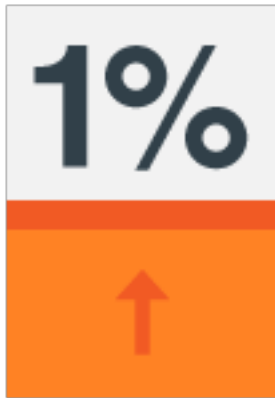
Massive project **cost overruns, schedule delays and increasing claims** demonstrate the impact of inefficient management approaches.





Adapted from Ernst & Young 2014





improvement
in efficiency
would save in excess of
USD150 BILLION ANNUALLY



PMI Body of Knowledge includes functional areas such as scope, time and cost management, as well as quality, risk and procurement management.

These functions are essential to managing large and complex projects, but they are by no means the only activities required to support successful project outcomes.

This conventional approach is largely missing a crucial dimension – **designing and managing work execution at a detailed, controllable level.**



Project Production Management (PPM) shifts the focus from functional project management processes to **designing and controlling project work processes and optimizing the use of resources.**



The principles of Project Production Management have been extensively researched and documented by Operations Management and Industrial Engineering researchers and practitioners.

These methods have been applied successfully in manufacturing and other sectors over many decades with consistent results – higher productivity of labor, increased returns on invested capital, more efficient work processes, and less waste.



Although application of Production Management to project delivery has created significant value for those who have properly implemented it, **this approach has yet to be adopted as standard practice.**



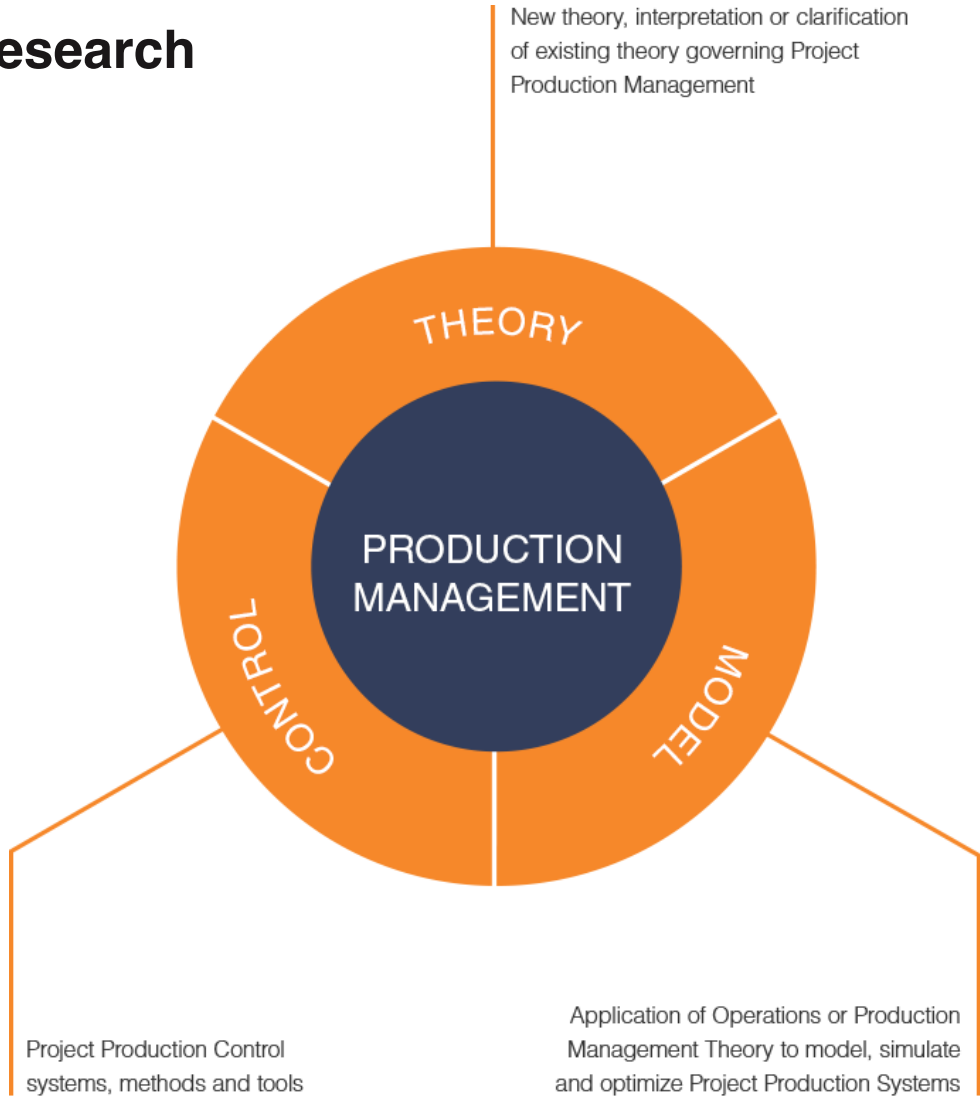
Project Production Institute

The Project Production Institute **increases industry awareness and facilitates a shift in thinking** in support of the application of Project Production Management theory and methodologies to major capital projects.

PPI **funds research and disseminates knowledge** about the application of operations management and systems theory to the delivery of complex and critical projects.



PPI Research



PPI Dissemination

- Annual Symposium
- Published Papers
- Educational Seminars
- Stanford CIFE VDC Certificate Program



TECHNICAL COMMITTEE



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PPI Vision

- Massive capital project cost and schedule overruns no longer occur
- Energy, industrial and civil infrastructure organizations are creating customer and shareholder value through efficiently delivering their projects
- Industry practitioners use PPM as a standard element of project delivery
- PPM is a core element of academic research and instruction



Agenda

Welcome & Opening Remarks	Mike Williams PhD P.E. PPI
Why Project Performance Must be Improved	James B. Porter DuPont (retired)
Retrospective of Project Management Practice	Roberto J. Arbulu SPS
Is Production Outside Management?	Prof. H. Glenn Ballard PhD UC Berkeley
Challenges and Myths of Offsite Assembly Strategies for Mega Projects	Alan Richard Deloitte
Projects as Production Systems – A Conceptual Framework “Next Practice” PPI’s Research Program	H.J. James Choo PhD SPS
Factory Physics® – The Basis for Understanding & Managing Production	Mark Spearman PhD Factory Physics, Inc.
Implementation of Decentralized Control in Combat Operations and Project Delivery	Chris Fussell Mike LeFever McChrystal Group
Last Planner Project Production Control	Prof. H. Glenn Ballard PhD UC Berkeley Roberto J. Arbulu SPS
Effective Implementation of CII/COAA Advanced Work Packaging	Prof. Iris Tommelein PhD UC Berkeley
Application of Simulation Models to Optimize Oil and Gas Well Delivery	Prof. Martin Fischer PhD Forest Flager PhD Stanford University
Project Production Management Experience at Stanford University’s CIFE	Prof. Martin Fischer PhD Stanford University
PPI Look Ahead - 2015 and beyond	Mike Williams PhD P.E. PPI

