STRATEGIC PROJECT SOLUTIONS®

Effective Implementation of Last Planner

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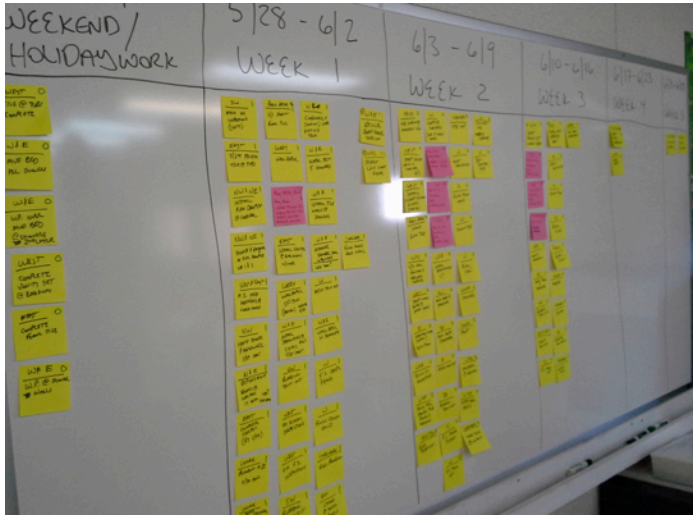
Effective implementation of Last Planner requires adoption of:

1. Properly configured business processes
2. Optimization rules (process, variability and resources)
3. Definition and ongoing use of performance indicators

However...



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Collaborative Scheduling ≠ Last Planner System

We see those implementing Last Planner finding it easier to just implement business processes

Rules are very antagonistic to people and there lays the opportunity for optimization

Standard	Rules	Performance Indicators
Process	Last Possible Moment SHALL be defined based on business / project objectives LRM Date = Last Possible Moment Date – Time Buffer LRM dates SHALL be defined for master and regular milestones Start dates SHALL be calculated based on LRM date minus estimated processing time or lead time depending on optimization objectives Task descriptions SHALL be specific enough for clear assessment of completion and to facilitate better coordination	Schedule Variance Percentage of Anticipated Tasks (PAT5 and PAT10)
Resources	Time buffers WILL NOT be embedded in task durations under any circumstance Independent activities SHALL be created to denote time buffers in order to shield work execution from variability Availability of equipment, space, and people SHALL be confirmed based on lead time Resource forecast SHALL be based on actual processing time (not cycle time or lead time)	
Variability	Clearly define handoffs using ONLY Finish-to-Start relationships Standard Processes SHALL be used to establish production schedules at least four weeks in advance of the start of a process including interfaces between processes	

Sample - Production Scheduling Rules

Standard	Rules	Performance Indicators
Process	Task descriptions and scope SHALL be specific enough for clear assessment of completion by the end of the control cycle Only work that WILL be completed by the end of the next control cycle SHALL be committed on the production plan using the LRM dates as the prioritization criteria Commitment MUST be made by the person that has control over the completion of work being planned If work ready for execution is not truly ready, tasks for removing constraints MUST be identified and added Status of committed tasks SHALL only be defined as either "completed" or "not completed" If tasks are not completed, root cause and associated category SHALL be clearly defined Status of current production plan MUST be updated prior to the creation of the next production plan	Commitment Reliability Task Maturity Production Plan / Overlap Gap Number of Tasks per Production Plan Resource Utilization
Resources	Resources SHALL be committed to prescribed utilisation target leaving room to absorb variability	
Variability	Control cycle MUST be defined (e.g., a day, a week, etc.) Once committed, task MUST be completed as planned	

Sample - Production Planning Rules

Conventional project controls focuses on reporting and forecasting of progress

Production control focuses on how exactly work is executed, effective use of resources and minimizing variability

	Project Controls	Project Production Control
Root	Accounting (cost estimates to complete and update financial statements based on project status)	Use of people as the means for performing production control to the use of physical types of control that might be consciously executed, done implicitly, discovered by accident or even forced by constraints
Focus	Report and forecast project progress (time and cost) mainly through combination of EVA and conventional scheduling practices	How exactly work is planned, executed and improved
Approach	Centralized scheduling; controlling / fixing scope and base lining schedule to track variance; creation of master schedule pushed to project ream members for execution	Incorporates distributed approach to planning work for execution whereby those responsible for the work plan their work (Production Scheduling) and mechanism through which schedule is executed and controlled (Production Planning)
Execution	Performed when needed	Requires attention to detail every day, every week through project lifecycle because it addresses the coordination of resources and the adjustment of plans according to variability in work execution

Questions