



## **Mn/DOT Project Management Peer Review**

### **Office of Project Scoping and Cost Management**

**December 2009**

#### ***What is the Project Management Peer Review?***

Mn/DOT's Office of Project Scope and Cost Management conducted a peer review in the area of project management in October 2009. The project management peer review looked broadly at project management across all areas of Mn/DOT, including the entire lifecycle of transportation projects from planning through development, construction and maintenance. It also looked at implementation of project management within program areas. The peer review is intended to consolidate best practices that can be integrated across Mn/DOT as well as identifying tools and training that can help ensure successful project management. The peer review was conducted with the help of a consultant team – CTS and CH2M HILL, and the peer review panel included representatives from several state DOTs that have successfully implemented a project management culture as well as the FHWA. The peer review focused on areas consistent with the Mn/DOT Strategic Vision: collaboration, trust, transparency and accountability.

#### ***Why Project Management?***

Mn/DOT's new Strategic Vision calls us all to be leaders in transportation committed to upholding public needs and to collaborate with internal and external partners to create a safe, efficient and sustainable transportation system. There is a strong tie between the values and commitments identified in our Strategic Vision and the effective use of project management processes, tools and techniques to successfully carry out those values and commitments. In addition, we have seen more of our private sector partners and other state DOTs implementing project management practices to an industry standard to better manage scope, cost, schedules and overall risks of projects. Under the current economic challenges we face, project management is a tool that can help us to efficiently manage the existing risks and constraints to delivering projects on time, on budget and within the committed scope and in following through on our commitments to partners and stakeholders.

#### ***How was the Peer Review Conducted?***

The 10-member Peer Review Panel conducted approximately 20 interviews of Mn/DOT staff during the week of October 5<sup>th</sup>. Approximately 100 Mn/DOT staff participated in the interviews. The interviews encompassed project phases from planning through maintenance as well as functional group areas, program areas, several complex projects, and several key initiatives that support project managers. Following the peer review, the Office of Project Scope and Cost Management conducted several follow-up interviews with other program offices to ensure a broad understanding of the current state of project management within Mn/DOT.

#### ***What are the Deliverables?***

The Peer Review Team has developed a report for Mn/DOT that includes findings on state of the practice and best practices and gaps on project management within the Department. The report includes recommendations to improve project management within Mn/DOT. The report also includes knowledge and best practices from other States in project management and references the project management industry standard, the Project Management Body of Knowledge, or PMBOK®. Mn/DOT is looking for specific recommendations on organizational structure, roles and responsibilities, issue tracking, risk management, project management plans, and performance measures that tie to public perception, transparency and quality of life.

#### ***What will Mn/DOT do with the Report?***

Based on the recommendations of the report, Mn/DOT will develop an implementation plan, and the next phase of the project will be the start of implementation. It's expected that this journey will take some time as it will include a change management process to ensure organizational integration and a successful sustained shift in the culture.

### ***What were the Initial Findings?***

The Peer Review panel initially identified several successes and best practices:

- Implementation of the early scoping processes and support for Total Project Cost
- Good project delivery focus and culture (schedule, budget, quality)
- Routine project reviews
- Sharing resources across districts and across functional areas (and the flexibility to do so)
- Empowered to use consultants
- Formalized scope amendment process is used
- Strength of existing training programs (i.e., PM skills & functional areas); management recognizes the value of training
- Innovative Contracting – Design-Build and others examples
  - Promoting innovation
  - Promoting design-build across the districts
- Utility group and process – exemplary performance via improved processes and tools (this was also acknowledged by construction staff in the construction group interview)
- REALMS – Right of Way tool
- Schedule delay reports – systematic tracking of reasons for delay
- Hear Every Voice & CSS programs

The panel also noted several challenges and opportunities:

- A recognized need to clearly define the term “Project Manager”
- Lack of a project management culture (for everyone – not just PMs)
- A need to define roles, responsibilities and implement tools, goals and objectives
- Provide well-established and understood performance measures, accountability, and authority
- Improve early involvement of construction staff in project design
- Track and keep project commitments (e.g., environmental commitments) through hand-offs
- Address turnover among PMs; address less-experienced PMs
- Improve processes to make retaining consultants easier – especially focused services (e.g., public involvement, materials, Operations & Maintenance)
- Integrate lessons learned into future process improvements (e.g., construction and maintenance feedback into design)
- Place appropriate organizational value on project management
  - Suggest career path and positions (including pay & recognition)
  - Prerequisites – experience and required training
- PPMS – does it really do the job at the project level?
- Re-invigorate/implement PM training (assess current curriculum)
- Encourage participation in innovative contracting
- Look at processes and dollar limits – do they inhibit delivery of small maintenance projects?
- Promote broad adoption of state-of-the-art project development/delivery practices (e.g., innovative contracting; project chartering; project management plans)