

PM FIELD RESOURCE · THE MONTHLY REVIEW

Find the position. Forecast the finish.

● SIDE 1 · STEPS 1 TO 5

Steps 1 to 5. Run them on every phase before the prebill.

**GRACE'S
RULE**

Update the Estimated Hours before you read any other number. **Percent complete, Revenue, the invoice and the forecast all come from them.**

01 STEPS 1 TO 5

1

Compare

Effort to date against the plan, the target and the Budget Effort.

All 3 measure money spent. Step 5 measures the work done.

READ: EFFORT, BUDGET EFFORT

2

Assess

Each major task against the Module 5 plan and the Phase Roadmap.

Review it with the team. List the open tasks.

OFF THE DASHBOARD

3

Estimated Hours

Hours to date plus hours to finish, person by person.

You make sure the hours are updated by working with the Project Accountant.

BST: ESTIMATED HOURS

4

Estimated Effort

Estimated Hours × rate. The total effort to the end.

The Project Accountant updates EAC from it when the two differ by a large amount.

BST: ESTIMATED EFFORT, EAC

5

Percent complete

Effort to date ÷ Estimated Effort.

Then compare Estimated Effort with the target effort to make the forecast.

READ: REVENUE, INDEX

Percent complete = Effort to date ÷ Estimated Effort · Revenue = Percent complete × Budget Effort

02 THE NUMBERS

NUMBER	HOW YOU GET IT	OAKHAVEN DD
Budget Effort	The contract fee for the Task. Grace says fee.	\$280,000
Target effort	Budget Effort less your profit goal. No column on the dashboard.	\$224,000
Effort	The burdened dollar value of the hours charged. Effort is cost.	\$112,000
Estimated Effort	Estimated Hours × rate. Your working forecast.	\$280,000
Effort Performance Index	Revenue ÷ Effort. 1.0 is break even. The plan is 1.25 at a 20 percent goal.	1.00

03 READ THE FORECAST

WHERE ESTIMATED EFFORT LANDS	WHAT IT MEANS
At or below the target effort	The phase keeps its planned profit.
Above the target, with profit at or above the floor	Profit drops below the plan. The phase is at risk.
Profit below the floor, or above the Budget Effort	Off track. Above the Budget Effort, the phase loses money.

04 WORKED EXAMPLE · OAKHAVEN DD

**WHAT THE REVIEW
FOUND**

- **\$112,000 of Effort to date**, on plan and 50 percent of the target
- **Senior staff on the estimate reconciliation**, and the elevations not started
- **The team's estimate** brings Estimated Effort to \$280,000
- **40 percent complete**, $\$112,000 \div \$280,000$
- **EAC still at \$224,000**, 25 percent low
- **Forecast profit \$0**, none of the \$56,000 plan

Sources. Module 9 videos 9A and 9B. BST terms as reviewed by the Grace BST trainer. Oakhaven is a fictional example.

PM FIELD RESOURCE · BILL, COLLECT, ACT

Bill, collect, judge, plan.

● SIDE 2 · STEPS 6 TO 8

Steps 6 to 8 turn the position and the forecast into action.

05 STEPS 6 TO 8

6

Bill

Percent complete × Budget Effort, minus the total billed to date.

Bill every month. Unbilled Days above 30 means earned work waited more than one billing cycle.

READ: REVENUE, UNBILLED DAYS

7

Check the AR

Each open invoice and its age.

Make the specific ask at day 45. Call at day 60, with the PIC aware. Accounting follows up with accounts payable.

MODULE 3 AR GUIDE

J

Judge the state

On track, at risk or off track.

Use the forecast and the milestones. The Index shows only the profit earned to date.

READ: SCHEDULE VARIANCE DAYS

8

Plan the month

Who works on which task, hours by week, handoffs, recovery actions.

Schedule the hours in BST with the Project Accountant. Then tell the team the plan.

BST: TASK SCHEDULE HOURS

Oakhaven DD invoice = 40% × \$280,000, minus \$84,000 billed = \$28,000

06 THE 3 STATES

STATE	TEST	RESPONSE
On track	Estimated Effort is at or below the target effort, and the work due is done.	Continue with the plan.
At risk	Forecast profit below the plan, and at or above the margin floor. Or an early warning in the weekly check.	Work the recovery levers. A gap you can close goes on next week's PM Plan as a Priority.
Off track	Forecast profit below the margin floor, a missed milestone, or Estimated Effort above the Budget Effort.	Size the gap. Take a recommendation to the PIC with the situation, the options, your recommendation and the first action.

07 THE 4 RECOVERY LEVERS, IN ORDER

1 **Close the open decision**

A decision holds up the work or causes redraws.

2 **Rework the resource plan**

Give each task to the lowest cost role that can do it well.

3 **Re scope the work**

Fit the remaining work to the remaining Budget Effort.

4 **Price the changes**

Scope changes cause the problem. Go to Module 10.

Oakhaven DD is off track. Forecast profit is \$0. No open decision causes the gap, so the Project Manager uses lever 2. The recommendation to the PIC is to move the elevations to a second Design Professional and reduce senior and Principal time to oversight and review.

08 THE WEEKLY CHECK

EVERY WEEK, BEFORE THE TEAM MEETING

- Compare hours.** Task Schedule Hours against the timesheet hours for the week
- Hours on plan, work behind.** An early warning. The phase is at risk
- Hours Remaining below zero.** The team charges faster than scheduled
- Check the work.** The tasks those hours were meant to finish
- Hours under plan, work behind.** Short staffing, or a late start
- Fix it with the Project Accountant.** Add Estimated Hours, or remove future hours

THE ONE THING TO REMEMBER

Name the state, then do its response this month.

Off track goes to the PIC as a recommendation. At risk goes on next week's PM Plan as a Priority.