

Communications in Project Controls

AACE International Technical Basis:

Total Cost Management (TCM) Framework

11R-88 Topic: II Process and Functional Skills and Knowledge, (1.c.) Project Control Process

KEY TERMS /ACRONYMS:

- Communication
- Customer Relations;
- Ethics;
- Global Communications;
- Information Technology (IT)
- Interpersonal Communication;
- Progress Report;
- Team Building;

INTRODUCTION:

According to section 11.3 Information Management of the TCM is an integrative process in which the practices and methods all rely on the creation, collection, communication, understanding, analysis, and/or use of data, information, and knowledge.

The TCM continually refers and basis the practices of communication as critical to the fundamental basics of cost engineering. Per section 11.3.1 of the TCM to be successful, information systems must facilitate this communication, and cost engineers must make sure that knowledge is communicated effectively. Each communication raises questions about the best approach, for example: Do we use text, tables, or charts? Do we issue hard copy or online reports? Do we call or e-mail? Do we display ranges or point values? Good communication can make the difference between asset and project performance success or failure no matter how good the planning, measuring, and assessment are.

This Chapter is going to introduce a process methodologies and discussion of communication and ethics.

Introduction to Communications

What is Communication in the Industry?

- Communication is a pipeline in which information is transferred from one person to another.
- Communication defines you as a manager.
- Communication is mental and physical.
- Communication in the industry is reliant on individual, teams and organizations.

Communications is the critical element of cost engineering. Analytical Reporting, Schedules, Planning, Change Management, Decision and Risk Management are only successful if you can communicate the project position in a logical format which works for the best perspective to the team.

Global Communications have continued to change and have a critical impact on the roles and responsibilities of communication with project management and controls. Technology has bridged the impacts of language and in this time period the perspectives of which have been impacted including the following:

- Language
- Social Media
- Interactive
- MMS
- Fax
- E-mail
- Written Correspondence
- Webinar
- Presentations

Interpersonal Communications

- Convey
- Facts
- Feelings
- Values
- Opinions

Effective Communication

- Communications & Team Building
- Customer Relationships
 - Know and manage customer expectations
 - Communicate progress
 - Resolve conflict as necessary
- Team Building
 - Teams are Dynamic
 - Teams are Built
 - Teams must be Sustained



Figure 1- Communication Tools

Communication Translates to Ethics

Effective communication is critically dependent on the ethics within the organization.

- Who you said it to!
- What you said!
- How you said it!
- Why you said it!

These all correspond to the ethical feeling that the organization has and can this be communicated effectively between the respective parties. The context in which the ethics is implied is directly correlated to the manner in which the program will be successful.

Introduction to Ethics

Shifting Ethics are a continual focus for the professional. In the end it can always be stated that a person is forced to deviate from the ethical lines in which they work, this shifting pattern will have a correlation to the success of the program. As such shifting ethics can have an impact on the organization and the client as the individual continues to work. These shifting ethics for organizational leaders can have an impact and as such the reasons for Shifting Ethics for Organizational Leaders:

- **Risk Management**
- **Organizational Functioning**
- **Market Positioning**
- **Civic Positioning**

Ethics Impact on Bottom Line:

Ethics is fundamental and critical to the communication program. Specifically in business it is critical to the program. Organizational Ethics presents the distinction between descriptive, normative, and analytical ethics. Descriptive Ethics is the process in which a neutral and formative manner is utilized to analyze the facts of the situations and review the organization and persons involved. While Normative ethics still seek to develop and defend the judgments of what is right or wrong based on the points of view of the individual and organization. Analytical seeks to justify the normative ethical process.

How bottom line is positively impacted

In the end when you truly evaluate the perspective of the impacts you are reviewing the bottom line of the program and how it impacts the program. As such the program will want to focus on the positive impacts of the ethics as this is the ability to build and manage the business cases and development of the program.

- Revenue Increase: Programs with an ethical basis of business demonstrate a critical metric to the success of the program. In 2008 the Economist Intelligence Unit performed a review of 566 units with 39% of the firms being Vice President and above for the response. "Revenue growth (16%), increasing profit (16%) and cost savings (13%). Among the 68 chief executive officers (CEOs) in the survey, the sentiment is even stronger: one-quarter (25%) of them say that their primary motivation for corporate citizenship is to increase profit.
- Fair: In multiple studies it has been demonstrated that a company with a fair and ethical practice almost 60% of the employees and 80% of the companies executing business will focus on fair ethical treatment as a critical process.
- Honest: Honest and Integrity are the focus of many people. On average on reviews it was shown that greater than 75% of the people when asked on exit interviews mentioned that the lack of honesty and integrity was critical on when they left, beyond economic concerns.
- Marketing: How a product is marketed is critical on the positive impact. When people review the program and why to do business, many companies how they market their customer relations and quality of products is one of the highest marks for positive income and repetitive business.
- Trustworthy: People wish to work for people who they trust. As such the ability to be successful depends on the amount of trust People have as well as the perspective on the amount of trust someone has for the individual or the company.
- Responsive: The impact on revenue is directly based on the responsiveness of the program. Timely and accurate responsiveness to notifications and following of alignment directions are critical to the effective financial control of a program.
- Accountable: The author and editor are accountable for the quality of the document and the integrity. The company or client may bear the responsibility of the document, but the author is often long remembered for the context of the document versus the company. In the end the integrity and reputation of the author could have a long term ramification for the accountability of a document, even if approved by management or the client.
- Respectful: Being respectful in a document is often critical to the interpretation. Even in an adversarial position, the criticality of respect is paramount to the interpretation of the document and the impact. The best document has often been impacted, due to the incorrect context or syntax of a document.

What are the Ethical Dilemmas you may face?

- Justice vs Mercy
- Truth vs Loyalty
- Individual vs Community
- Short Term vs Long Term

CONCLUSION:

Communication is the most critical skill for any project member; it is not just the tool of management.

- Written communication should be clear and concise. Avoid over complication of the document with big words and if it is a document, such as a contract then try and maintain the standard formats in which the document was originally intended. Review the document in alignment to the audience and avoid the traditional pitfalls of communication. Writing documents when tired or emotional. Have at least 2 proofreaders of the document, who are subject
- Spoken Communications are not just a matter of eloquence, but are based on the clear presentation.
- Clear, concise, and direct, these are the key impacts of the communication skills. Your communication patterns should articulate the presentation and remain within the topic paths. Slides should be direct, colors should be minimized and the context of the slides should not read like a book. Presentations are a representative of a topic paper or outline and do not have to have the full identification of the paper. Do not let the presentation effects and cartoons overshadow the presentation so that it loses its impact due to over complication.
- Confirm with your audience during the presentation that the communication is open, direct and clear. Many presentations have been impacted by bad acoustics and the utilization of microphone or recording devices when the natural voice would carry through.
- Remember to check copyright, references and verification if the materials are right protected, you must have the appropriate documentation or references cited.

Ethics

- Comes from within, you can teach them, you can regulate them, but in the end ethics are a personal decision based on the integrity of the individual, but they reflect upon the company and client.
- Is a required skill for the individual, company and client as a key communication interface between the parties is critical in the alignment of the program and are directly related to the success of the team and the financials of a program.
- Ethics Communication is based upon the concept that the communication skills are within the integrity and should be based on fact and without emotion.
- Organizational Ethics presents the distinction between descriptive, normative and analytical ethics. Descriptive Ethics is the process in which a neutral and formative manner is utilized to analyze the facts of the situations and review the organization and persons involved.

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Sean T. Regan, Ph.D. FAACE, CCP, CEP, MRICS
 President
 LGM International, LLC
sean.regan@lgm-international.com
 (702) 338-7687