MetaPM Case Study

Project Office – Government

The Challenge

Our client manages the Department's PMO, which supports major projects ($1M+), ensuring effective project delivery.

A departmental internal audit of contract management practices raised issues in managing contract performance, contract transition and rollover activities. It was noted that some contracts were being extended due to insufficient time to source suppliers at the end of the contract. A recommendation was made that visibility over contracts and the contract transition could be improved.

Contract transition identifies when a contract extension needs to be reviewed, when the contract needs to be retendered and when contract handover needs to be commenced. The PMO decided a Contracts Register identifying summary contract information and contract transition lead times would provide the visibility required.

MetaPM's Approach

MetaPM was engaged to develop the Contracts Register to incorporate all contracts across the Division and a Contract Status report to communicate the contract transition status to the Executive team.

The Contract Register contained summary contract information, by business unit, the contract manager, the contract amount, the procurement process used to select the supplier and the contract transition activity.

In consultation with procurement and contract managers, indicative timings where confirmed for each transition activity based on different contract types. This information was then developed into a matrix that was applied across all contracts. All other contract data was validated with contract managers prior to reporting.

The Contract Status report was developed as a Gantt chart displaying all contracts across the Division. On each contract the transition lead times where displayed.

The Results

The Contracts Register and Contract Status Report were extremely well received when presented to the Executive Group. These tools provide visibility over contracts for the first time, resulting in further requests for information across the Division. Some of the issues identified by the Contract Status report are:

- A large number of contracts are finishing at the same point in time, this will create a spike in work load for contract managers and administrators
- A number of procurement projects to source replacement suppliers for strategic contracts are due to start shortly and are currently un-resourced.