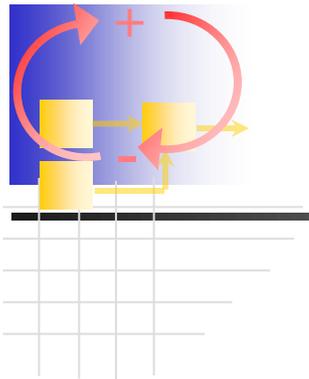


ESD.36 System Project Management

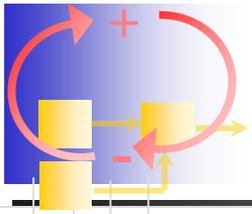
Lecture 7

The Rework Cycle

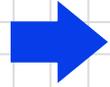


Instructor(s)

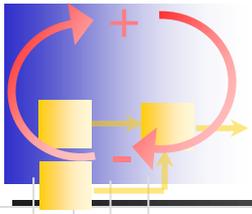
Dr. James Lyneis



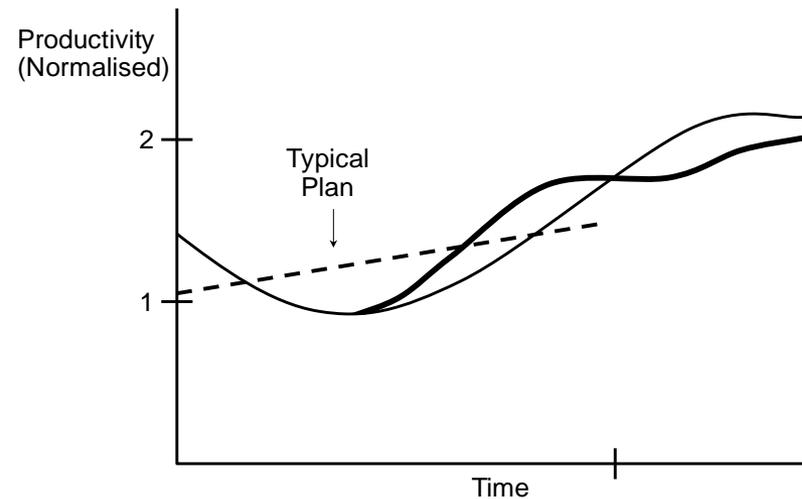
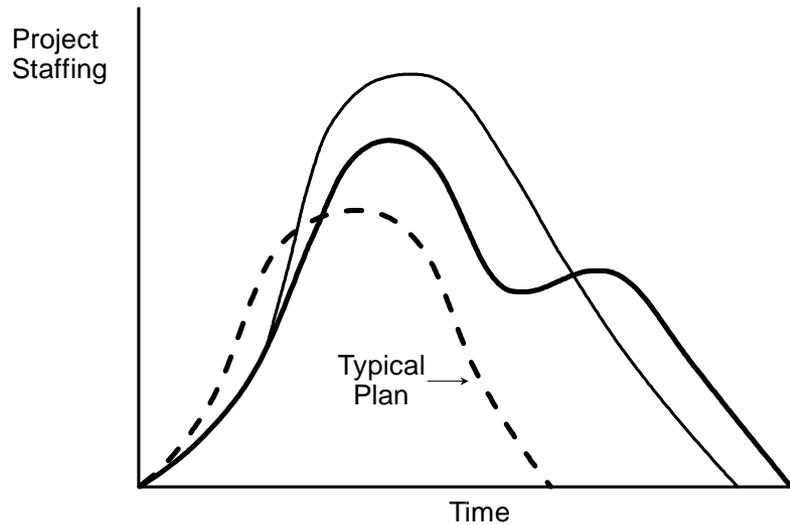
Today's Agenda



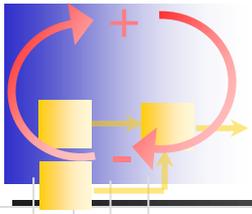
- Overview: Causes of Project Dynamics
- The Rework Cycle
- Integrating Tools in Project Planning
- Simple Model of Project Dynamics, Pt. 1



Typical Behavior Modes on a Project

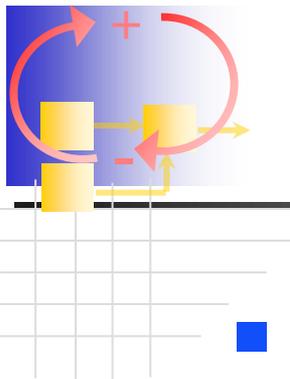


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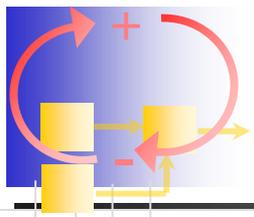
Drivers of Project Dynamics

- The “rework cycle”
- Feedback effects
 - Negative, controlling
 - Positive, re-enforcing, often “vicious circles”
- Knock-on or domino effects within or between work phases
- *Knock-on or domino effects between projects*

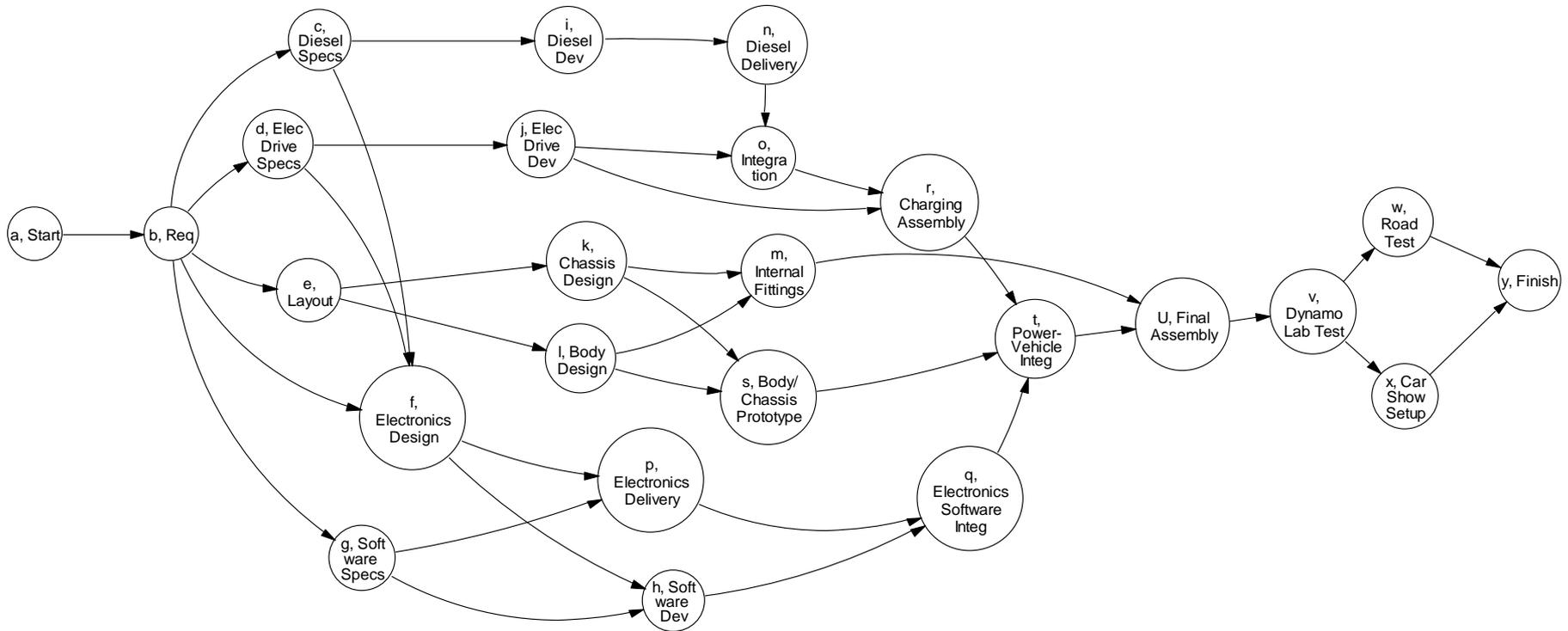


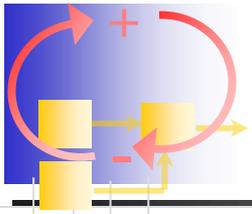
Today's Agenda

- Overview: Causes of Project Dynamics
- ➔ ■ The Rework Cycle
- Integrating Tools in Project Planning
- Simple Model of Project Dynamics, Pt. 1



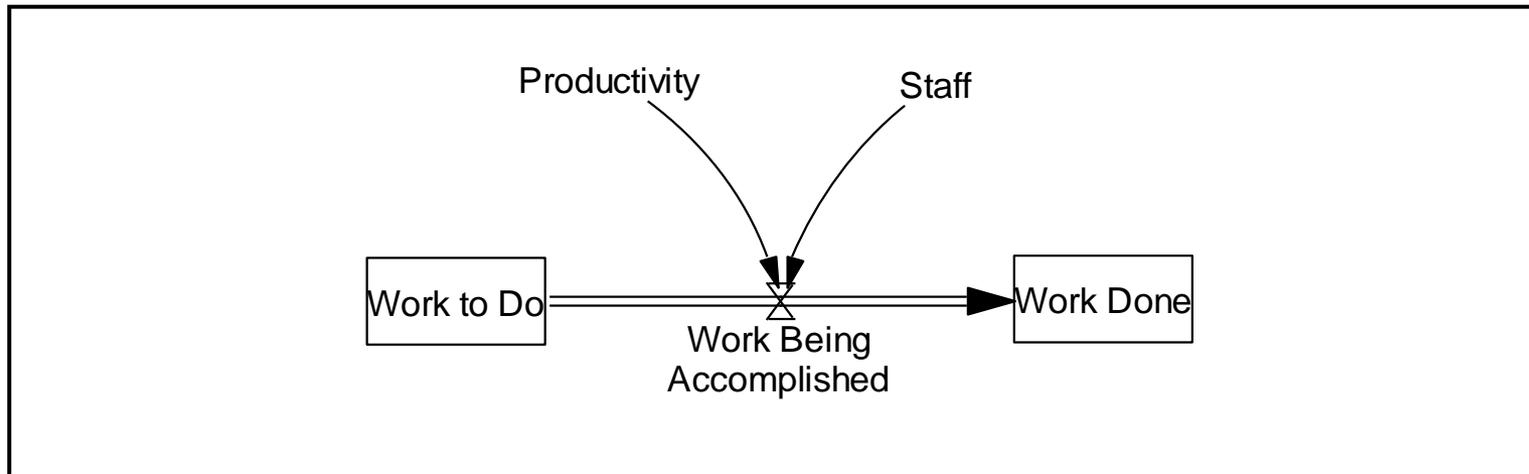
Network Diagram for NMM Case (from 2010 Homework #1)



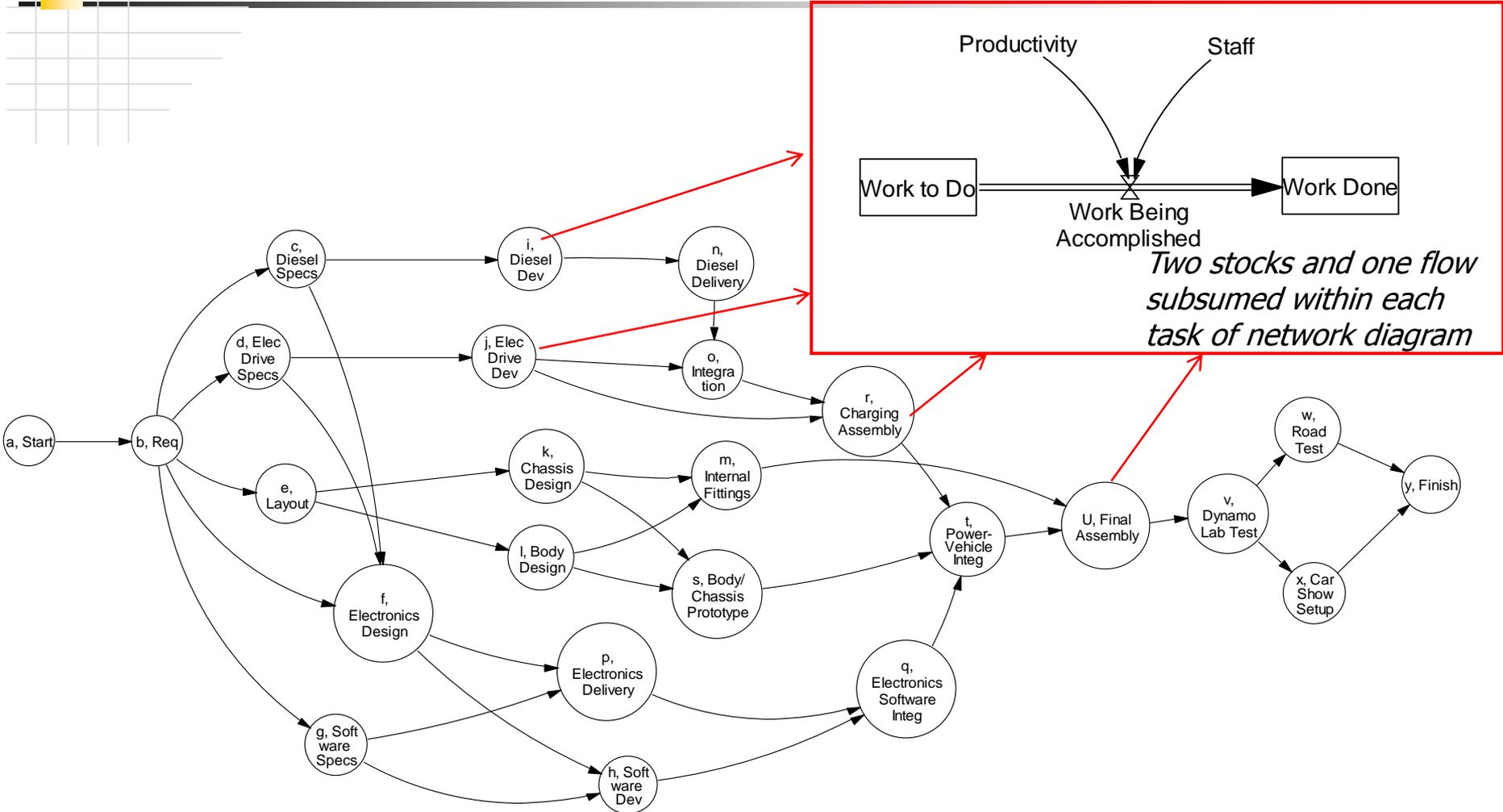
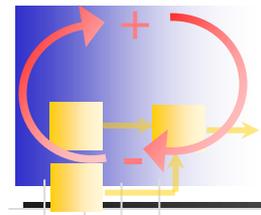


The Network View of a Program – Task Accomplishment

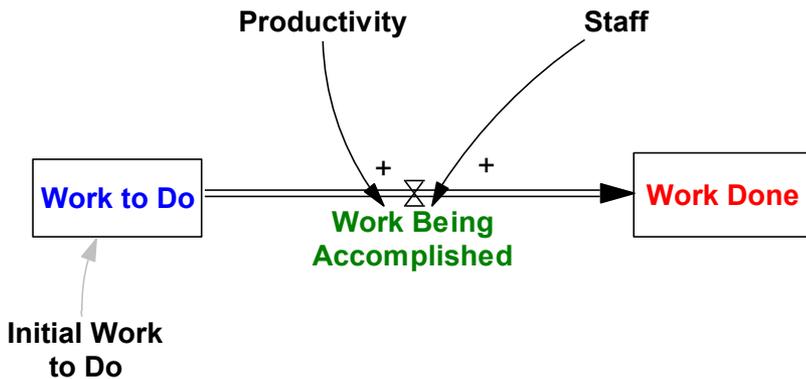
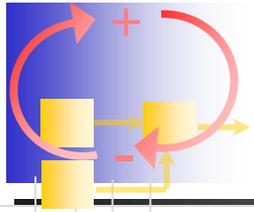
Task Accomplishment – Task X



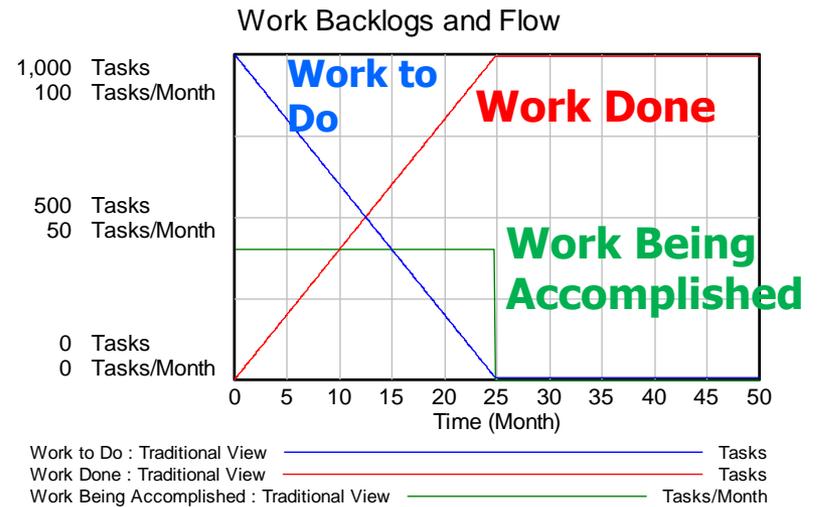
Network Diagram for NMM Case

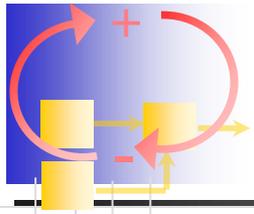


Aggregate Model of Network View

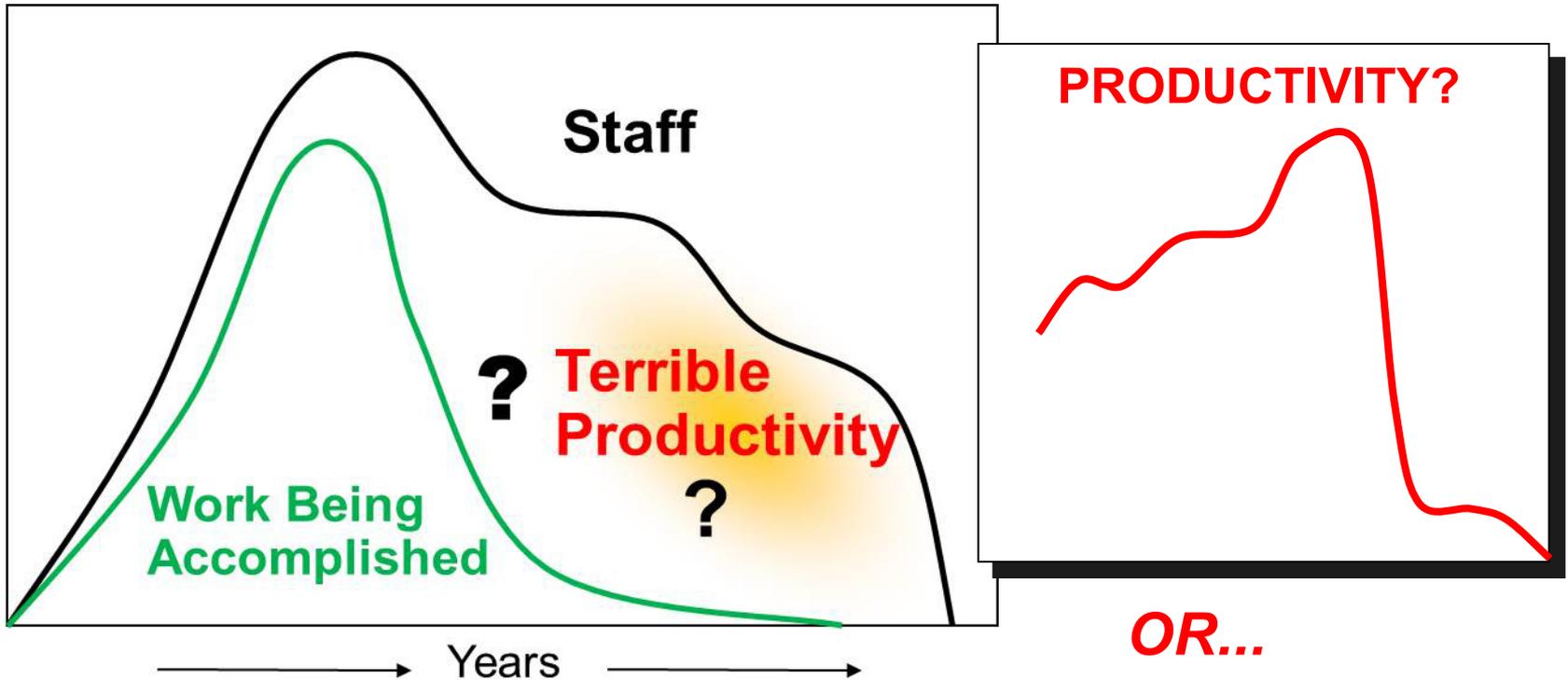
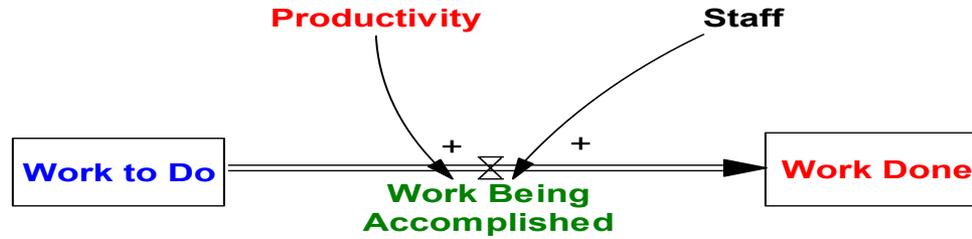


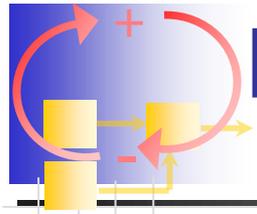
Initial Work to Do = 1000 tasks
 Productivity = 1 task/mo/person
 Staff = 40 people



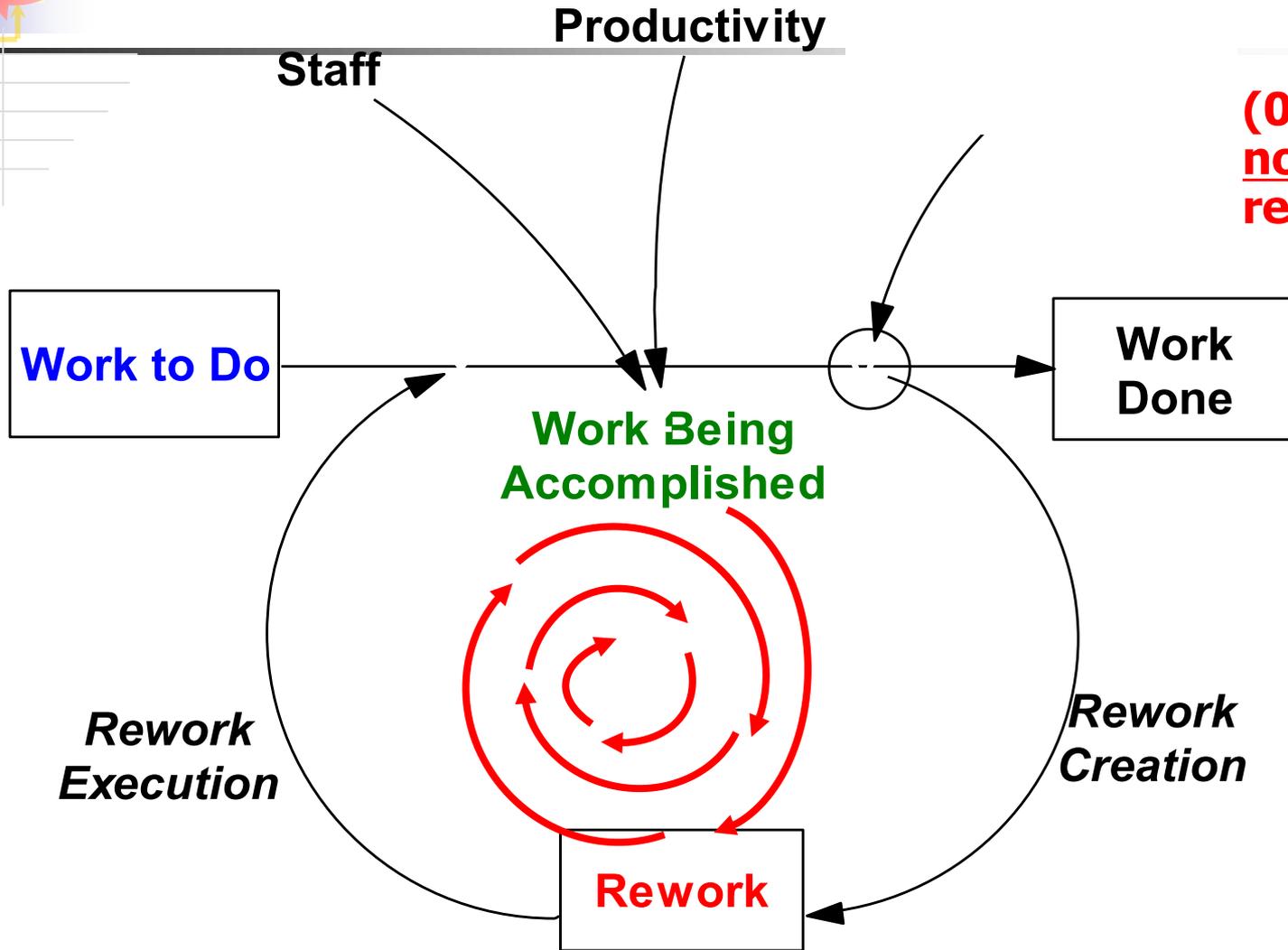


Data Often Tell a More Complex Story

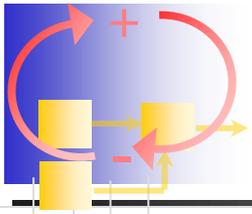




Effort is being spent elsewhere ...



(0-1: fraction
not to be
reworked)



Definitions

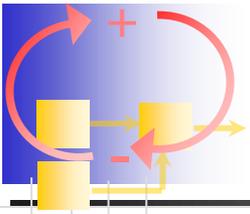
- **Productivity --**

Work accomplished per hour of effort,
regardless of completeness or correctness

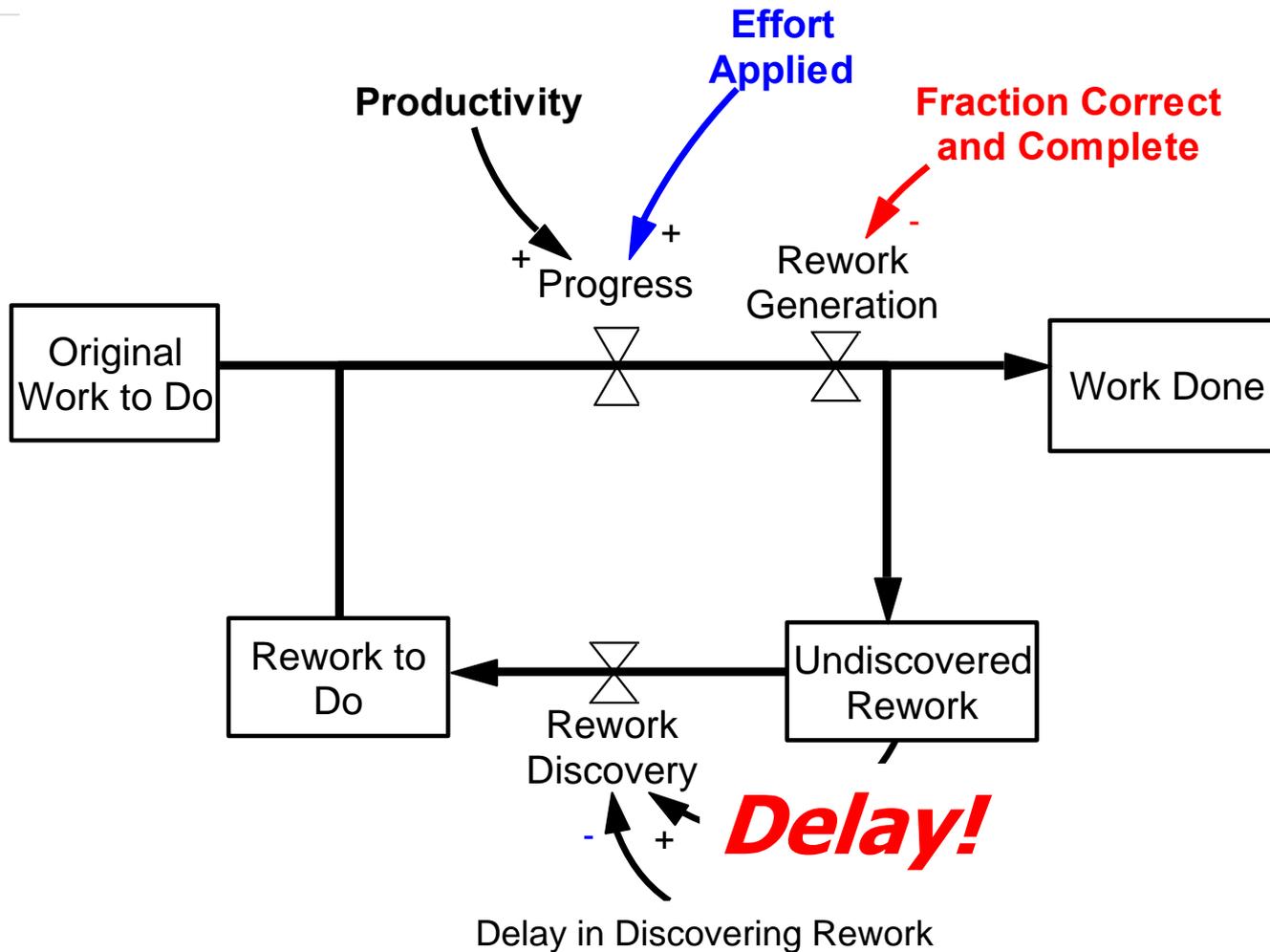
- **Fraction Correct & Complete --**

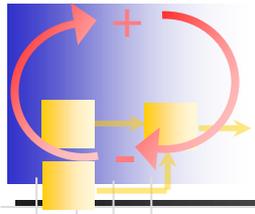
Fraction of work just accomplished that will
not need rework. “Work Quality”

Later we will revisit the iron triangle to
consider “delivered quality.”

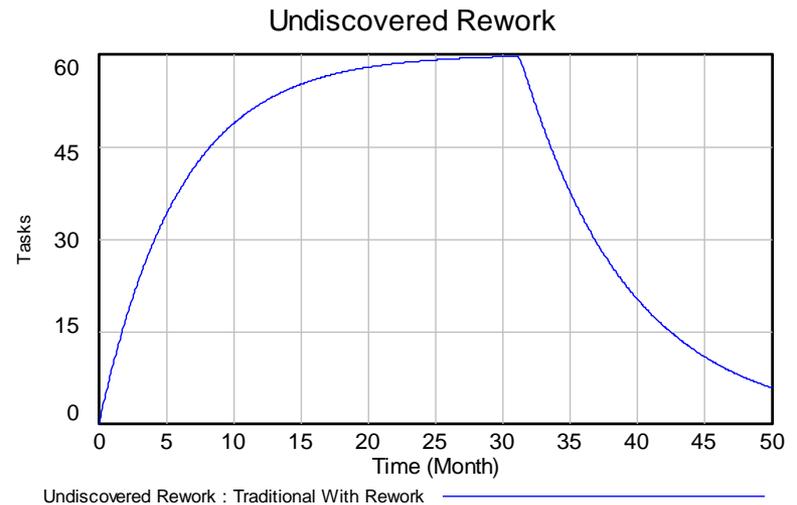
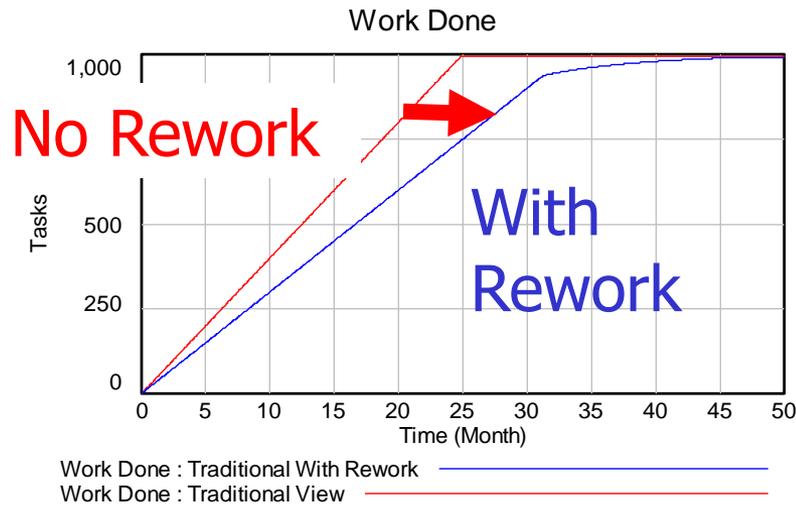


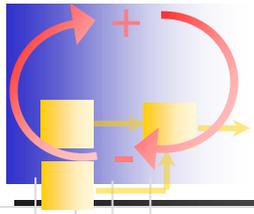
The Rework Cycle



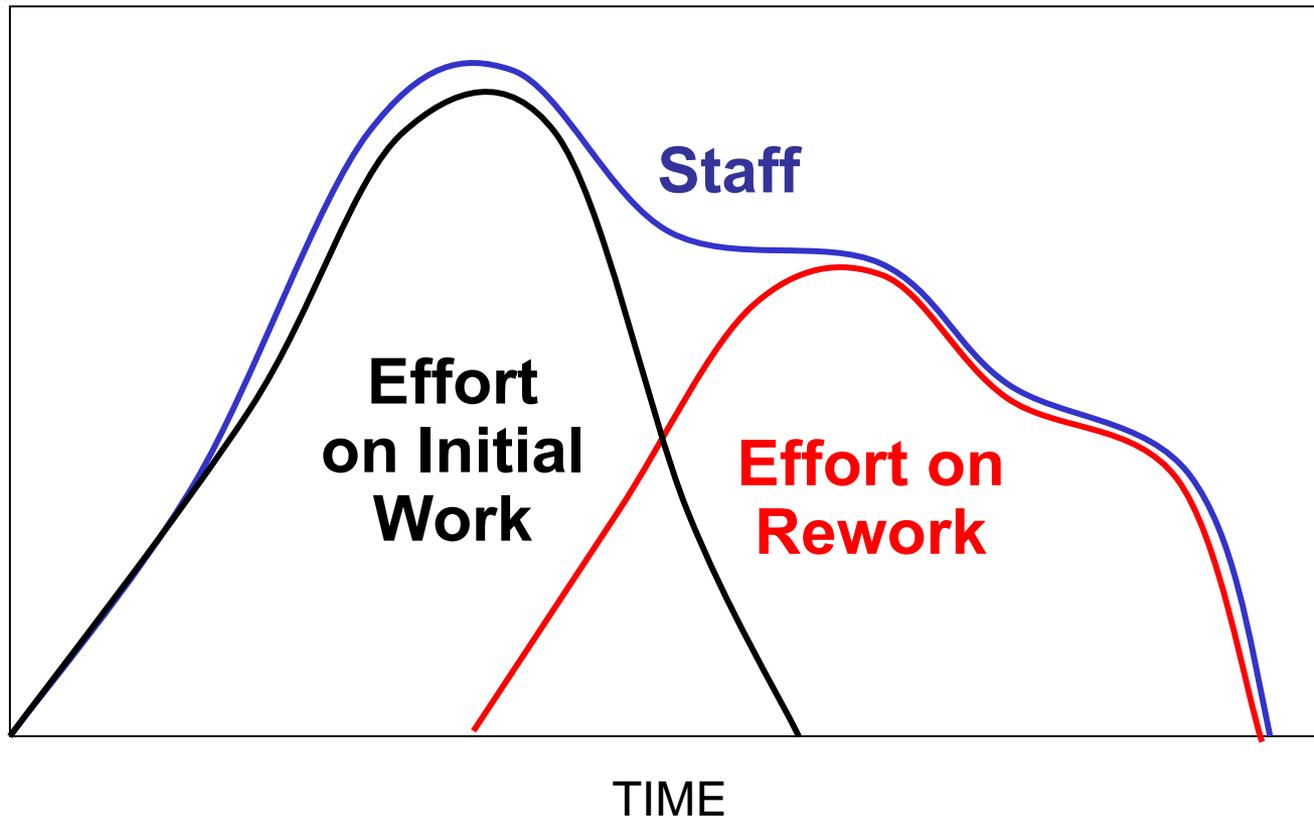


Adding Rework Delays Completion ...

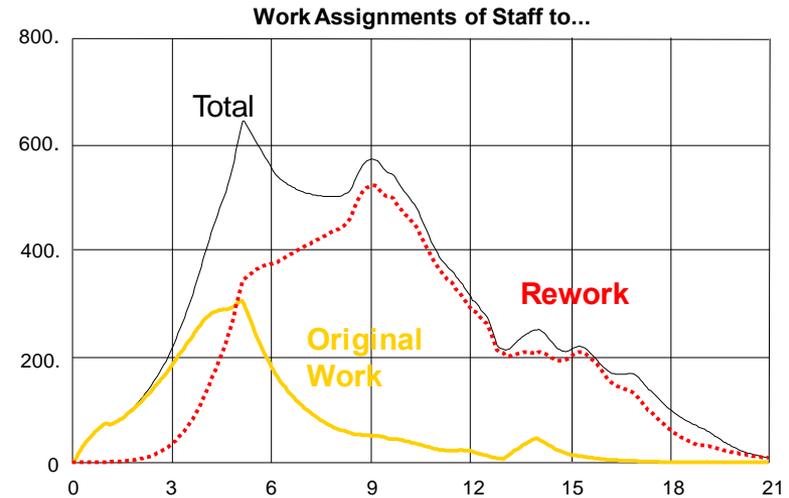
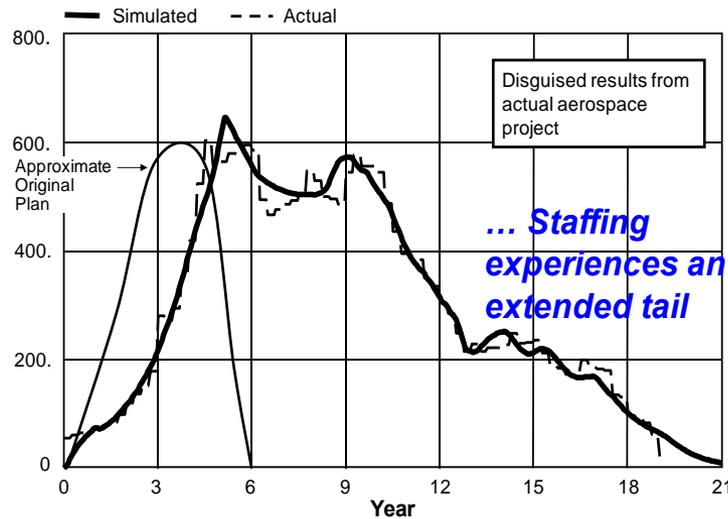
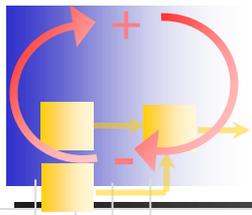




So, What Happens on Projects?

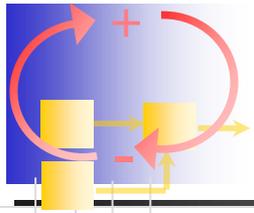


Rework creates and extended staffing tail



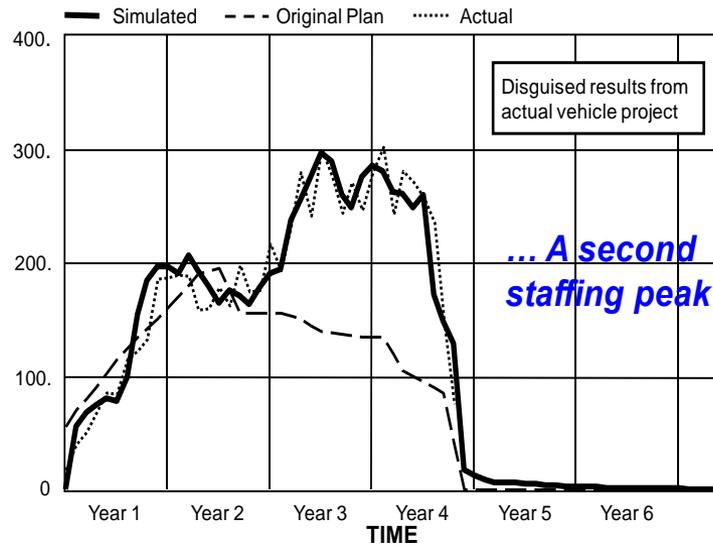
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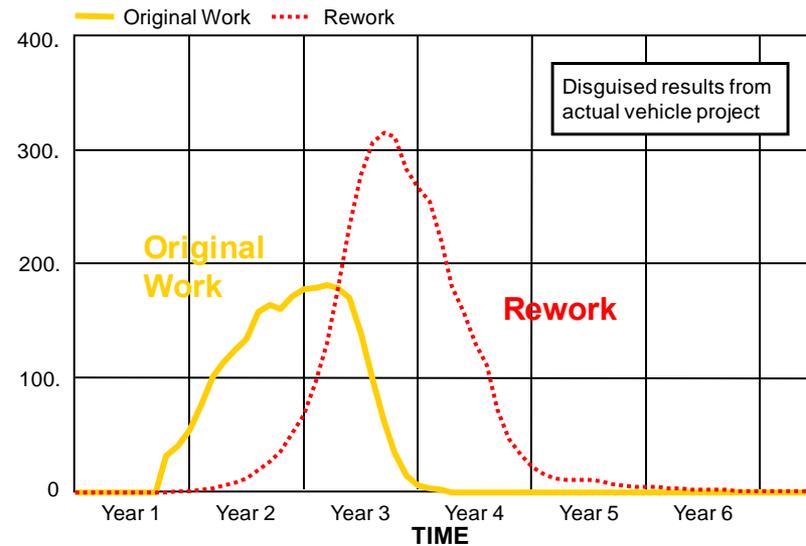


... or a second staffing peak

Program Staff, Simulated vs. Data (Equivalent Staff)

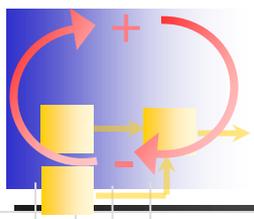


Work Assignments of Staff to...

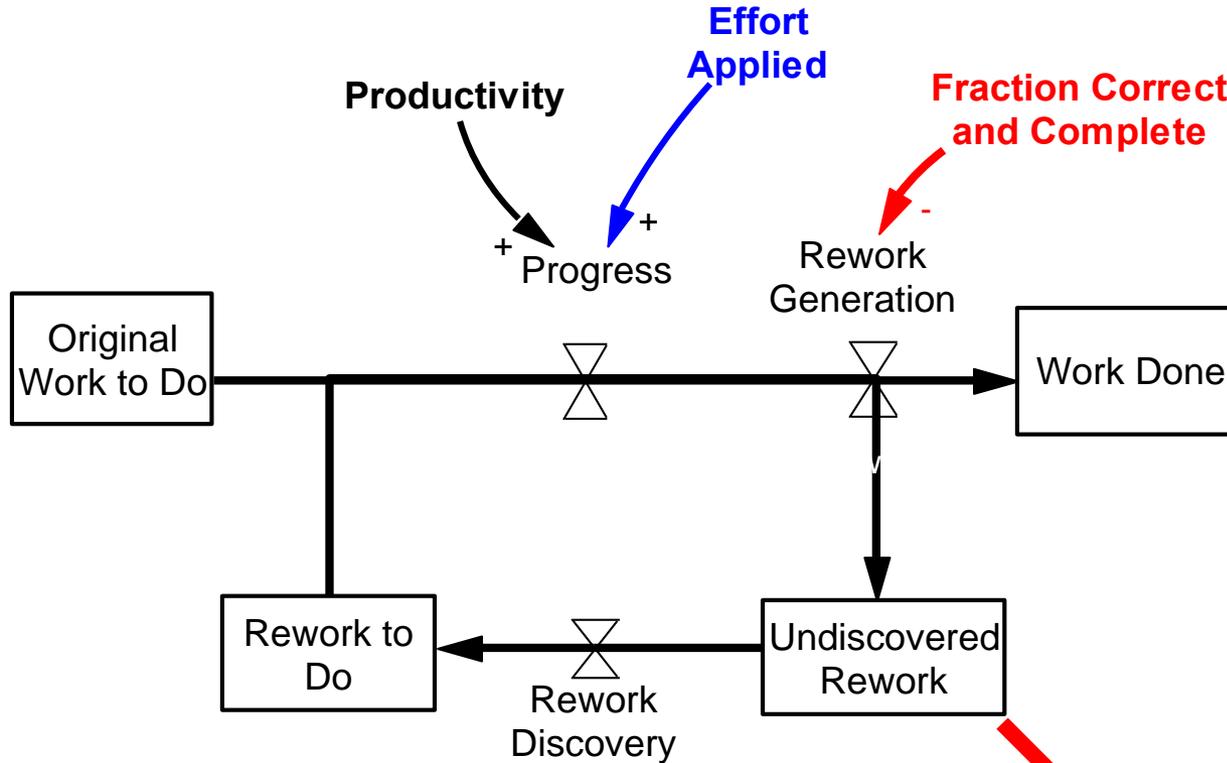


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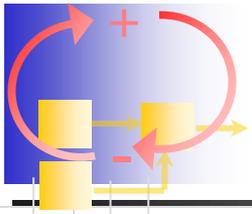
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Consequences of Undiscovered Rework

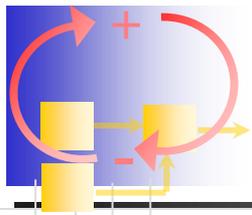


1. Overestimates of Progress

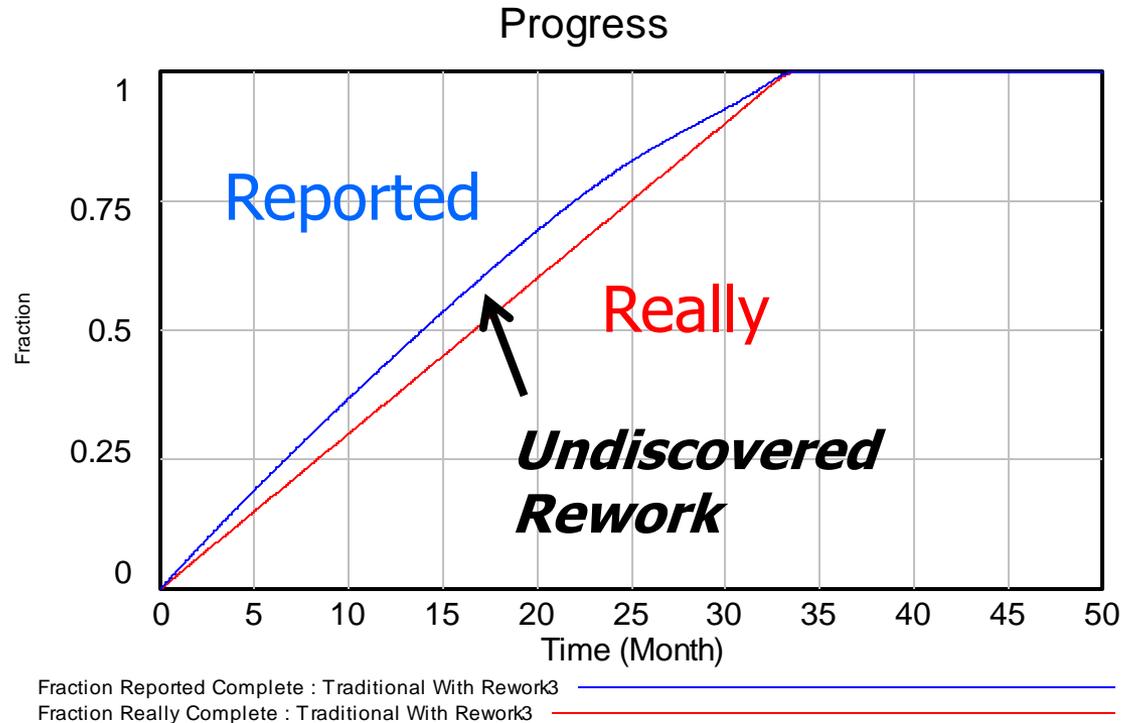


Additional Metrics (Used in Model)

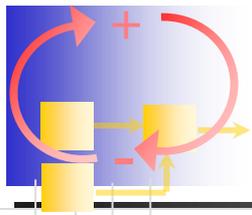
- Fraction Reported to be Complete =
$$\frac{\text{Work Done} + \text{Undiscovered Rework}}{\text{Initial Work to Do}}$$
- Fraction of Work Really Complete =
$$\frac{\text{Work Done}}{\text{Initial Work to Do}}$$



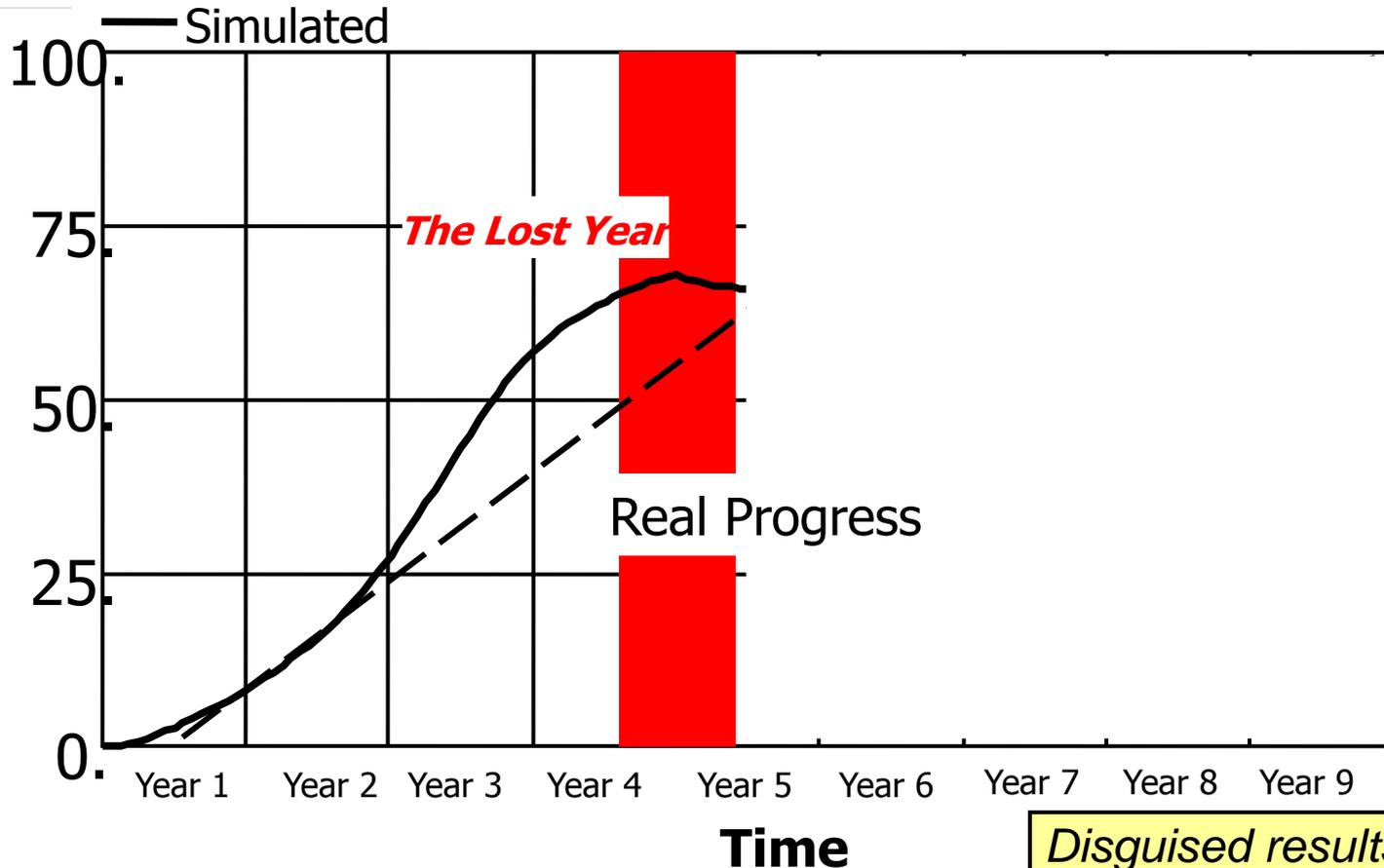
Undiscovered rework generates progress-measuring errors ...



Rework Cycle Creates "The Lost-Year" ...



Design Progress (Percent Complete)

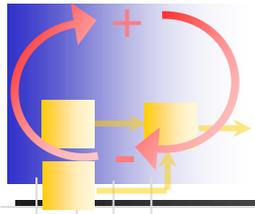


Source: Ken Cooper

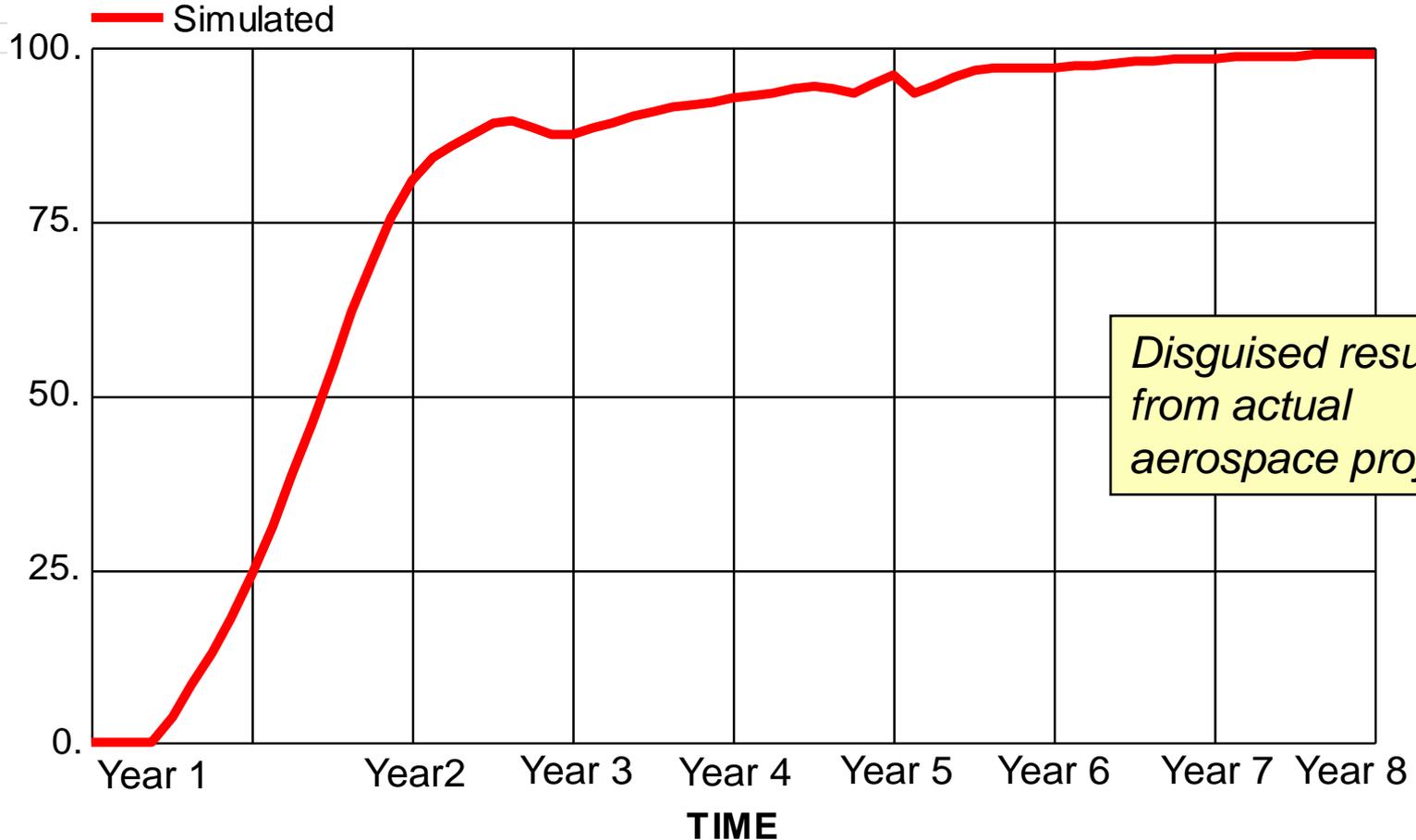
*Disguised results
from actual
aerospace project*

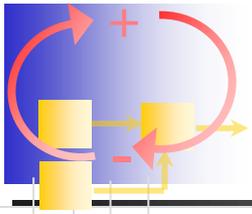


and the "90% Syndrome" ---



Design Progress (Percent Complete)

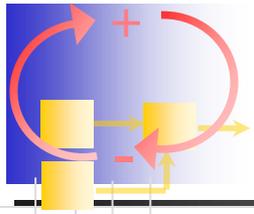




Survey Question 1

Does your organization **measure** rework?

1. Yes, we keep data on how much rework is being **discovered**
2. Yes, we keep data on how much **work being done** is rework (vs original work)
3. Yes, both 1 and 2
4. No, we do not keep data on rework being discovered

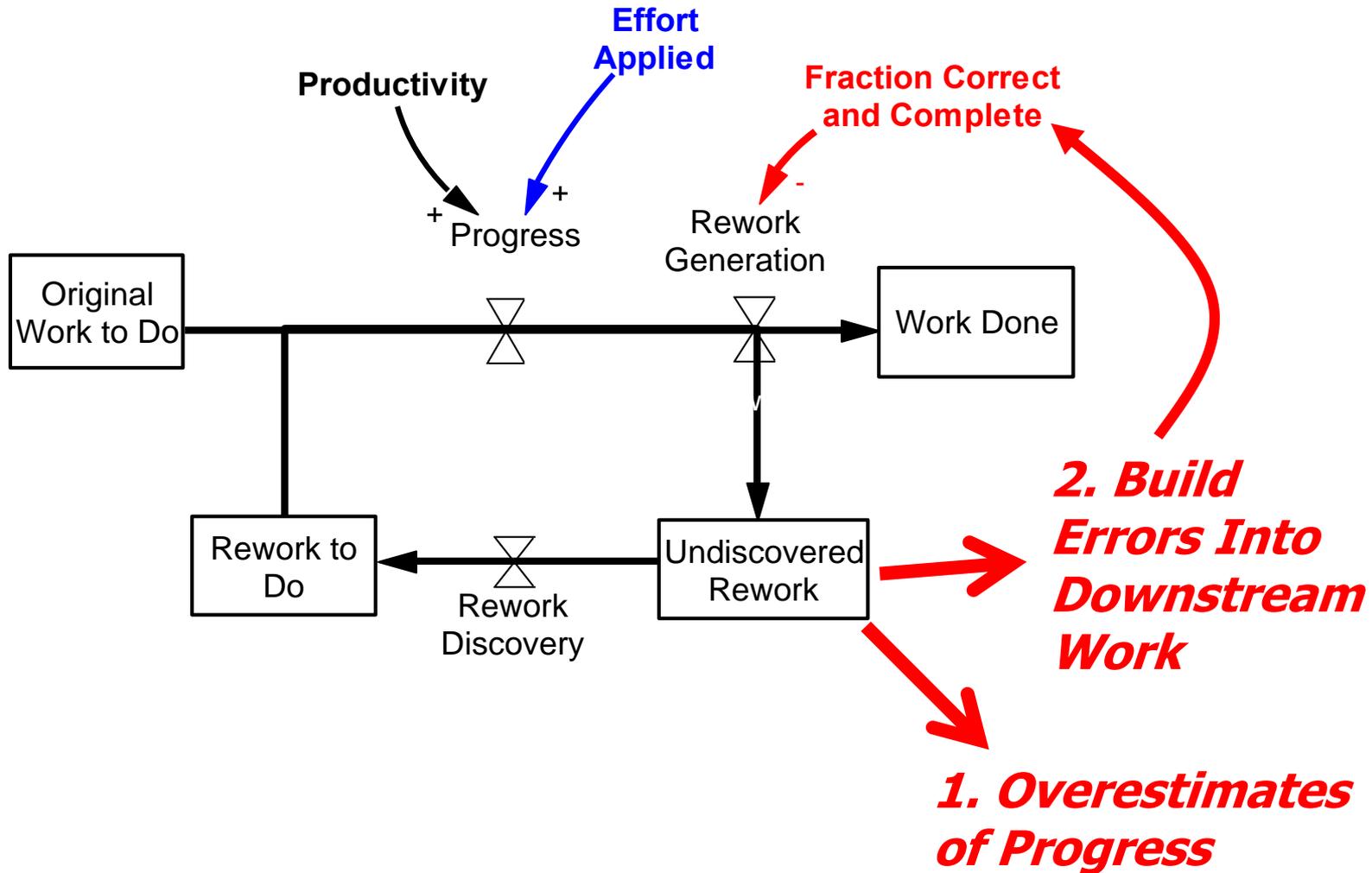
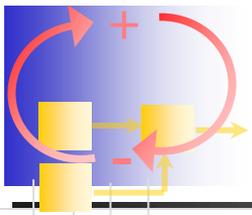


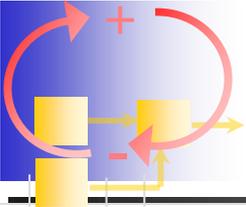
Survey Question 2

Does your organization recognize rework in executing the project?

1. Yes, by adjusting progress estimates to reflect expected remaining undiscovered rework
2. Yes, by building rework tasks into the project graph
3. Both 1 and 2
4. No, we only react as rework is discovered

Consequences of Undiscovered Rework

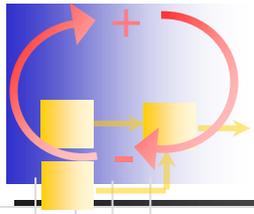




Survey Question 3

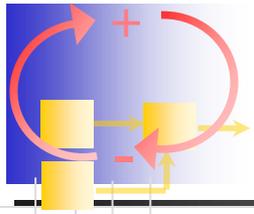
How significant is the “Errors on Errors” feedback on typical projects in your organization?

1. Very
2. Modest
3. Weak
4. None



Units of Work – SD Model

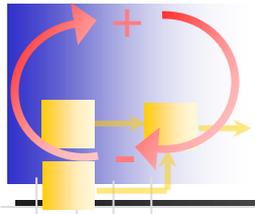
- “Tasks” -- ideally, of uniform size and fungible
- In actual applications, might use things like:
 - Drawings, work packages, lines of code, ...
 - Tons of concrete, feet of steel, feet of wiring, ...
 - Parts designed
 - Sometimes %
- Can represent “precedence” constraints



“Quality”

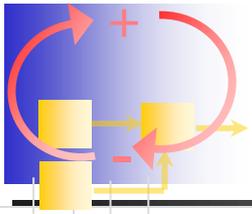
Need to distinguish between:

- Instantaneous “work quality” (fraction correct and complete)
- Delivered “quality” – remaining “bugs” (undiscovered rework) when product shipped
- Product capabilities, “fit and finish” (a part of scope in model)



Fraction Correct and Complete

- Represents unplanned iterations; planned iterations are separate tasks
- Sources of errors many fold:
 - Mistakes from inexperience, fatigue, ...
 - Technical complexity/uncertainty
 - Work done “correctly” but ultimately needing rework because it builds on
 - Incorrect prior work
 - Assumptions about technology or customer requirements which prove incorrect



Two Types of Iteration

Planned Iteration

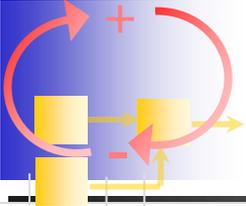
- Caused by needs to “get it right the first time.”
- We know where these iterations occur, but not necessarily how much.
- Planned iterations should be **facilitated** by good design methods, tools, and coordination.

Separate tasks in the rework cycle

Unplanned Iteration

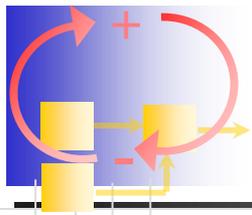
- Caused by errors and/or unforeseen problems.
- We generally cannot predict which unplanned iterations will occur.
- Unplanned iterations should be **minimized** using risk management methods.

“Quality” problems in the rework cycle

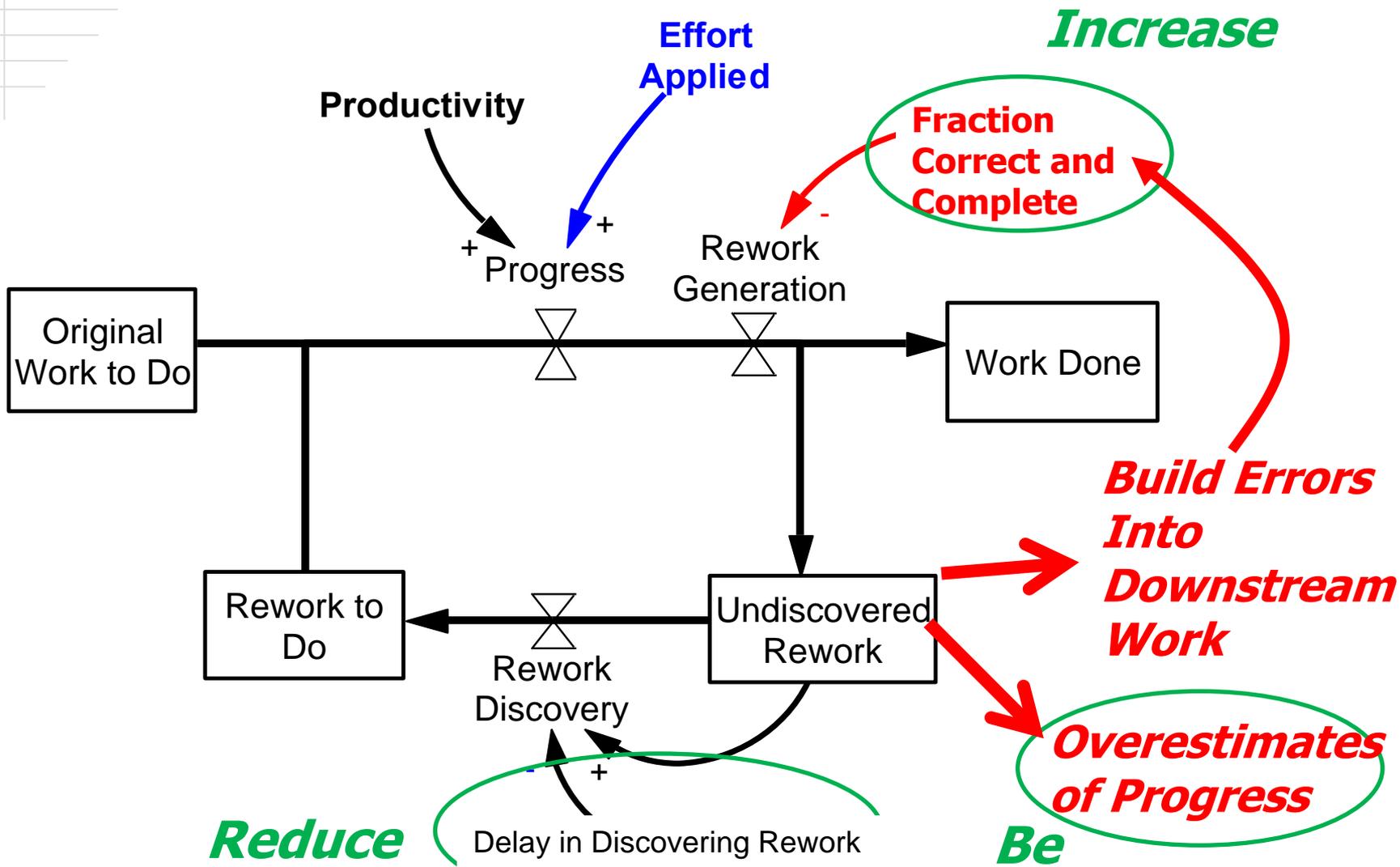


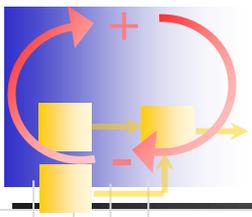
Qualitative Insights

- Undiscovered Rework is one of the most important single factors driving schedule and budget overruns
- Most management reporting systems overestimate real progress and discourage reporting of rework



Lessons: Recognize the rework cycle and minimize its consequences





Dynamics of Project Performance

The “rework cycle”

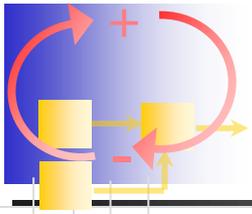
- Fraction correct and complete ✓
- Undiscovered rework ✓

Feedback effects on productivity and fraction correct (**Next class**)

- Negative, controlling
- Positive, re-enforcing, often “vicious circles”

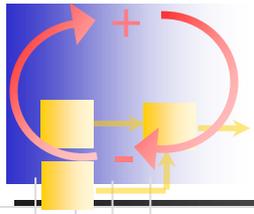
Knock-on effects between work phases (**Next**)

- Availability and quality of work products
- Progress to discover upstream rework



Today's Agenda

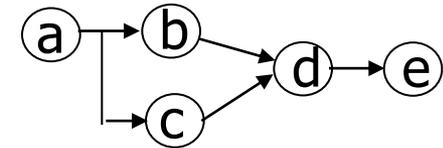
- Causes of Project Dynamics
- The Rework Cycle
- ➔ ■ Integrating Tools in Project Planning
- Simple Model of Project Dynamics, Pt. 1



Fundamental Approaches

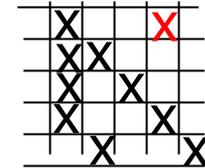
- Network-based (graph theory) methods

- CPM, PERT,
- Task is a node or an arc



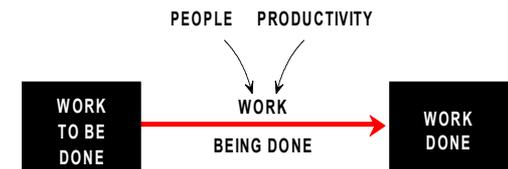
- Matrix-based methods

- DSM - Tasks are columns and rows
- Interrelationships are off-diagonal entries



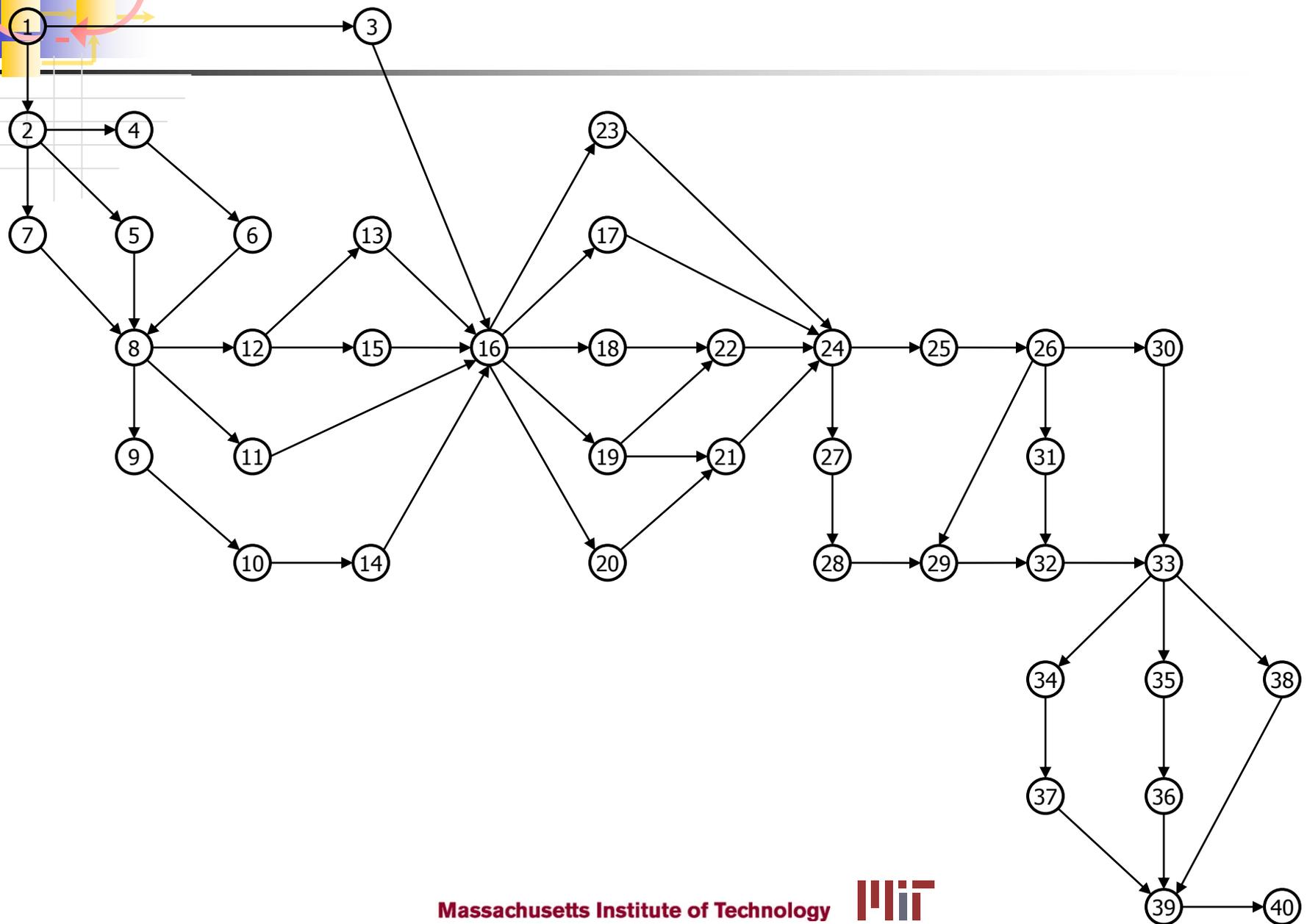
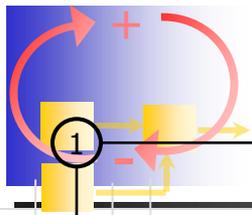
- System Dynamics

- Feedback loops, causal relationships
- Stocks and flows simulation
- Tasks that are done or waiting to be done are stocks – “amount of work”
- Doing project work causes a “flow”

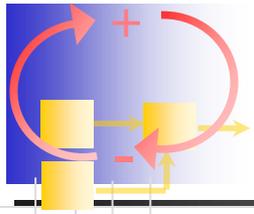


What have we learned thus far?

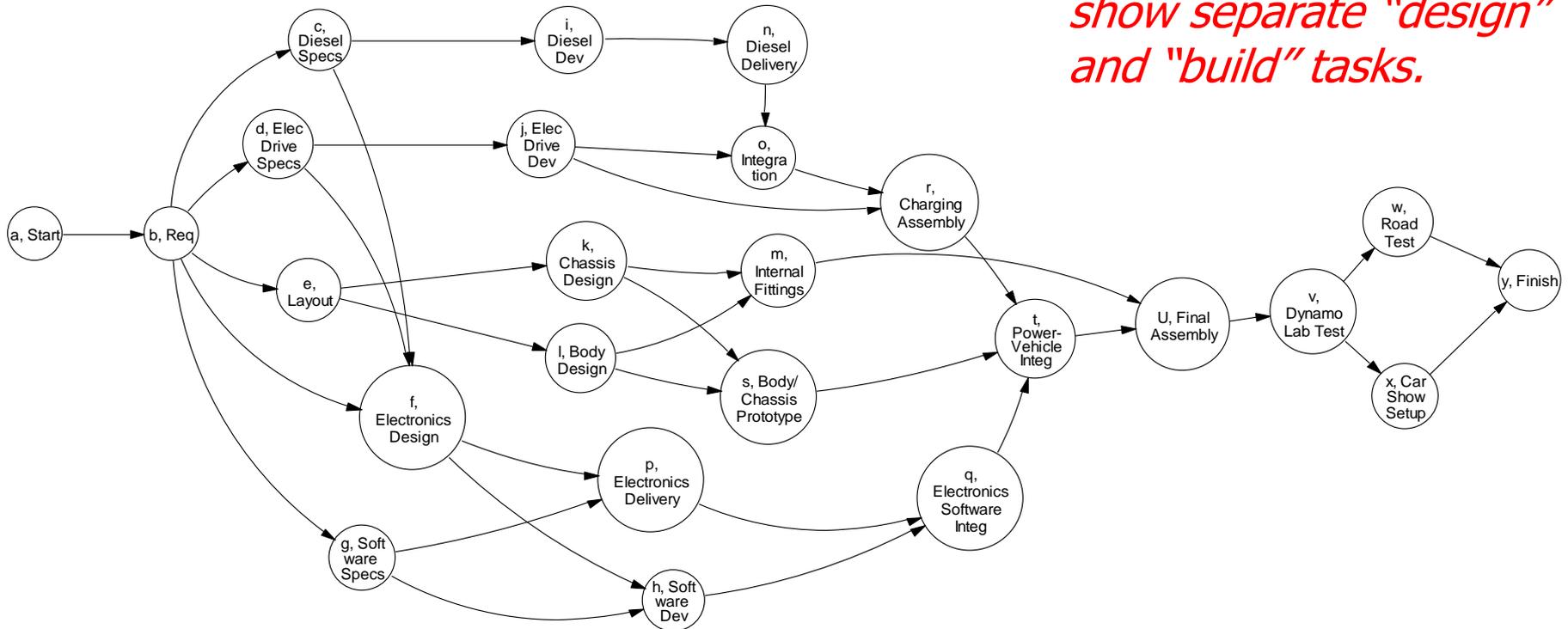
Network View of *CityCar* Project



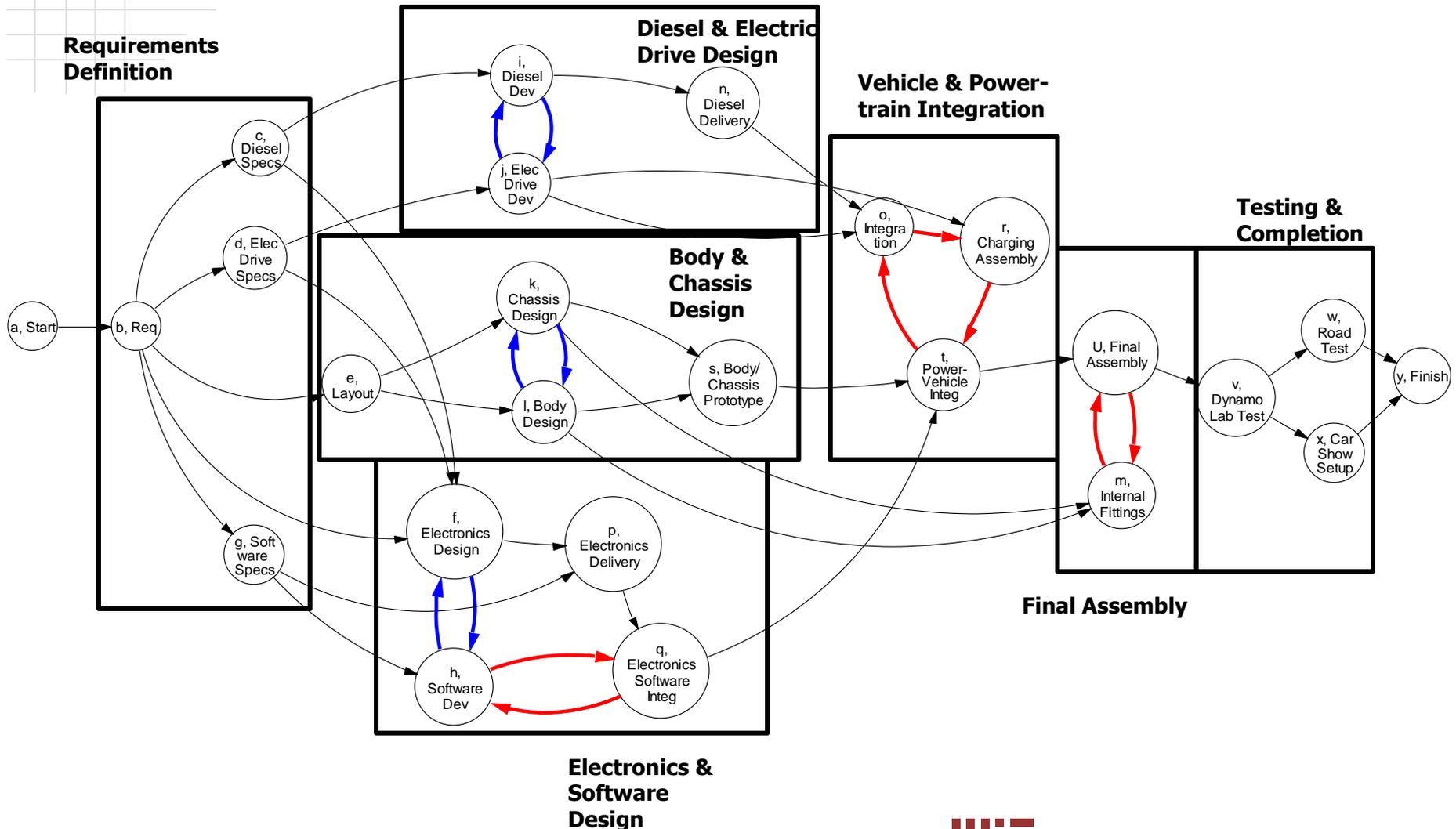
Network Diagram for NMM Case (from 2010 Homework #1)

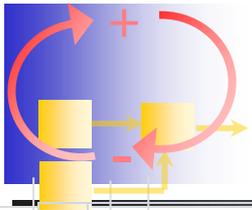


Note: Diesel, Elec Drive, and Software do not show separate "design" and "build" tasks.



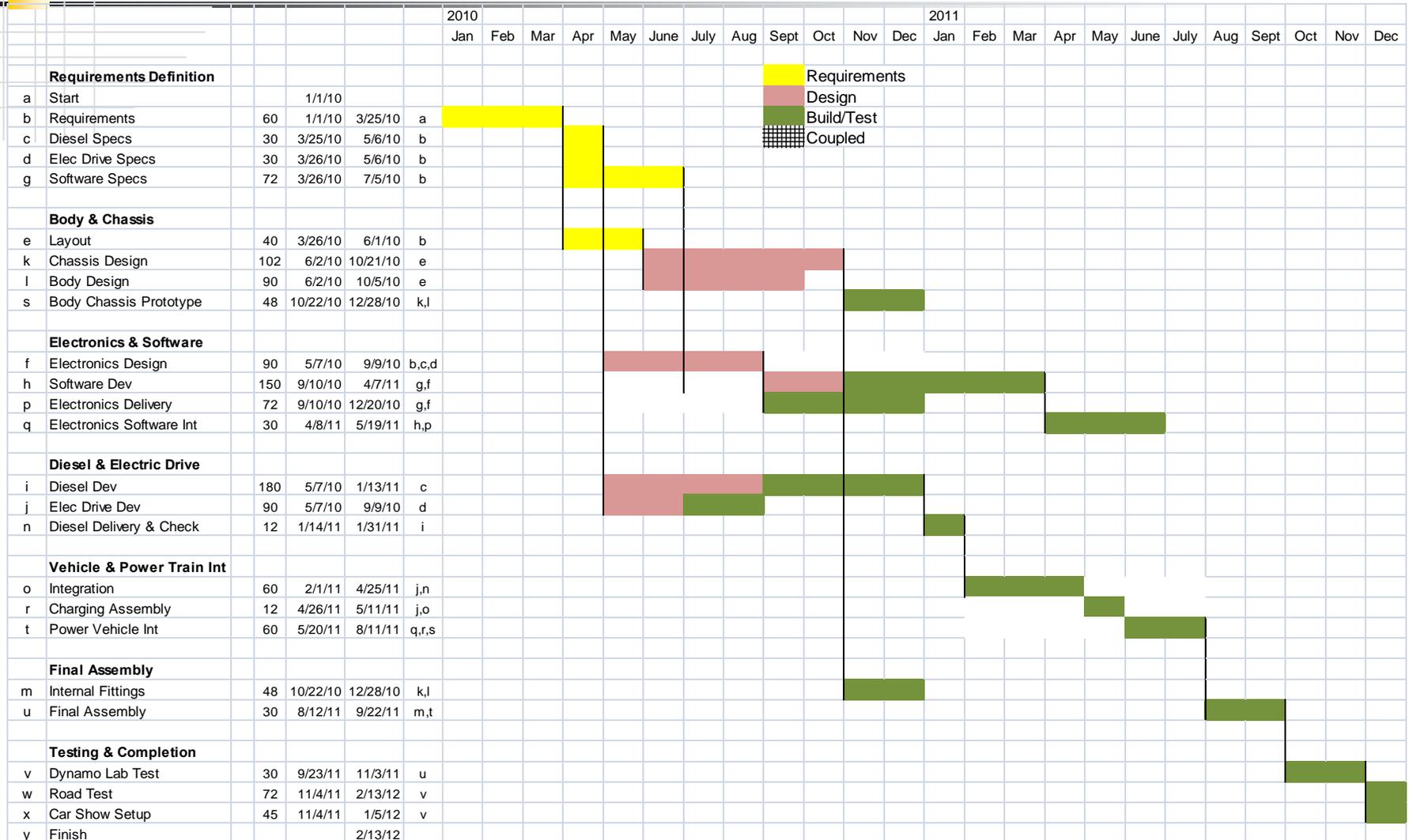
Organizing the Tasks by "Metatask"



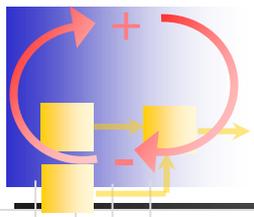


"Gantt" Chart with Metatasks Shown

Note: dates approximate; JML estimates of Diesel & Electric, Software Design/Build Split



What Messages Come From DSM and SD regarding the network/Gantt plan?



- DSM ?

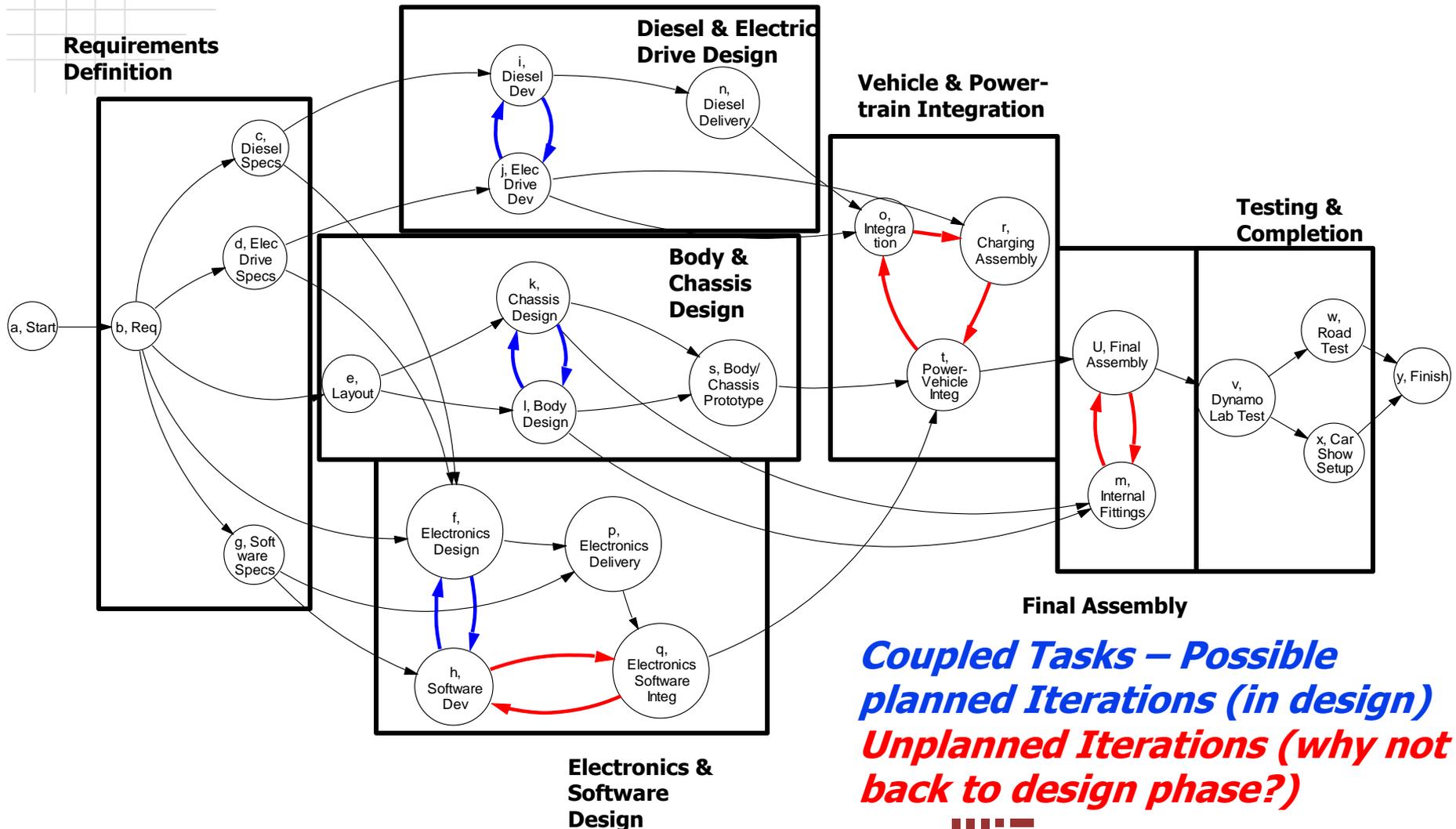


- SD ?

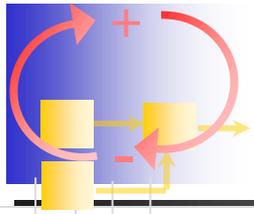


- How/when is rework discovered?

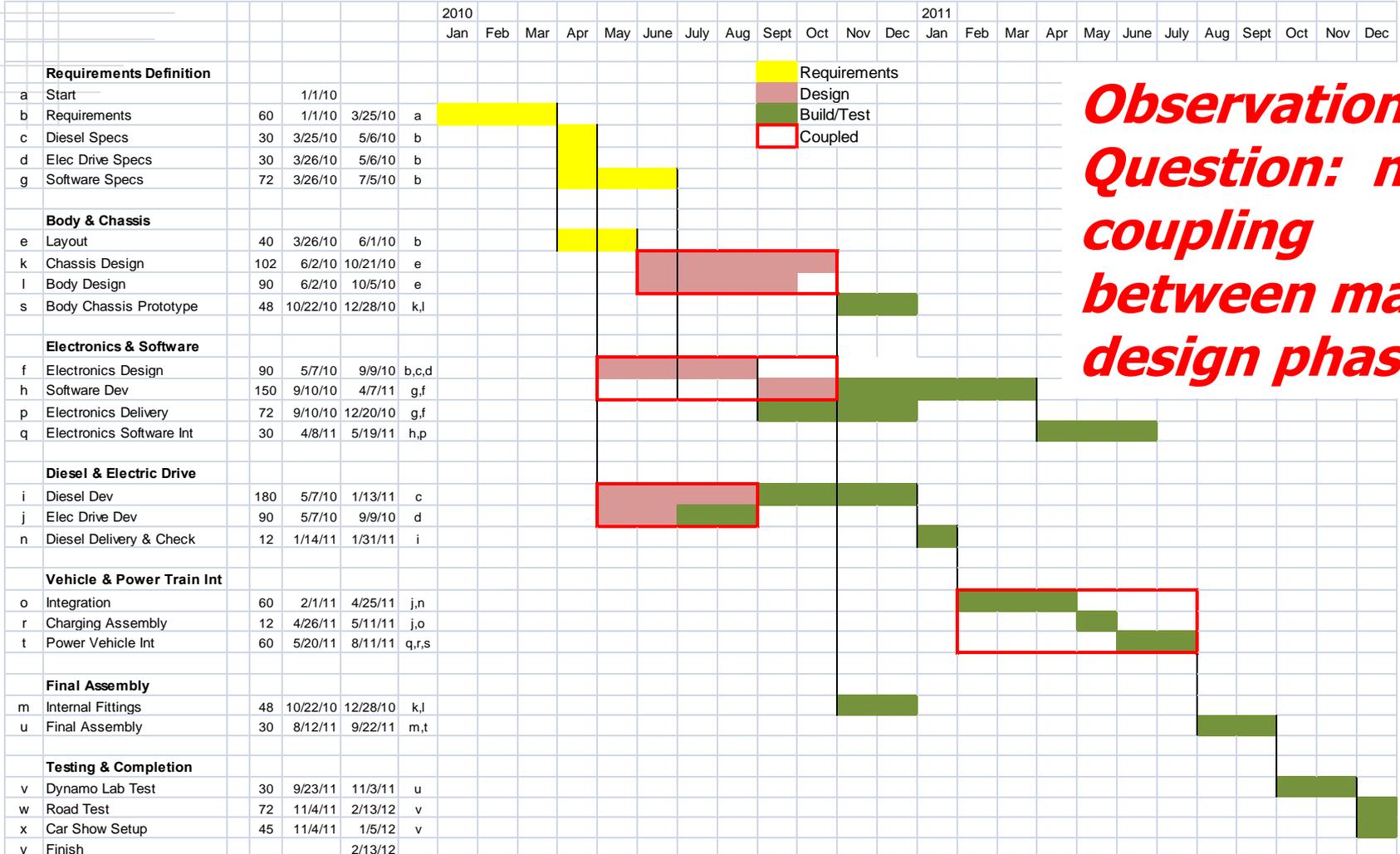
DSM Identifies Coupled Tasks & Areas of Unplanned Iterations (from Homework #2)



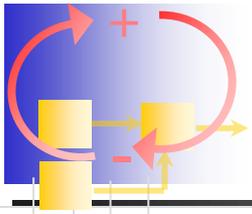
Coupled Tasks – Possible planned Iterations (in design)
Unplanned Iterations (why not back to design phase?)



"Gantt" Chart With Coupled Tasks Shown



***Observation/
Question: no
coupling
between major
design phases?***

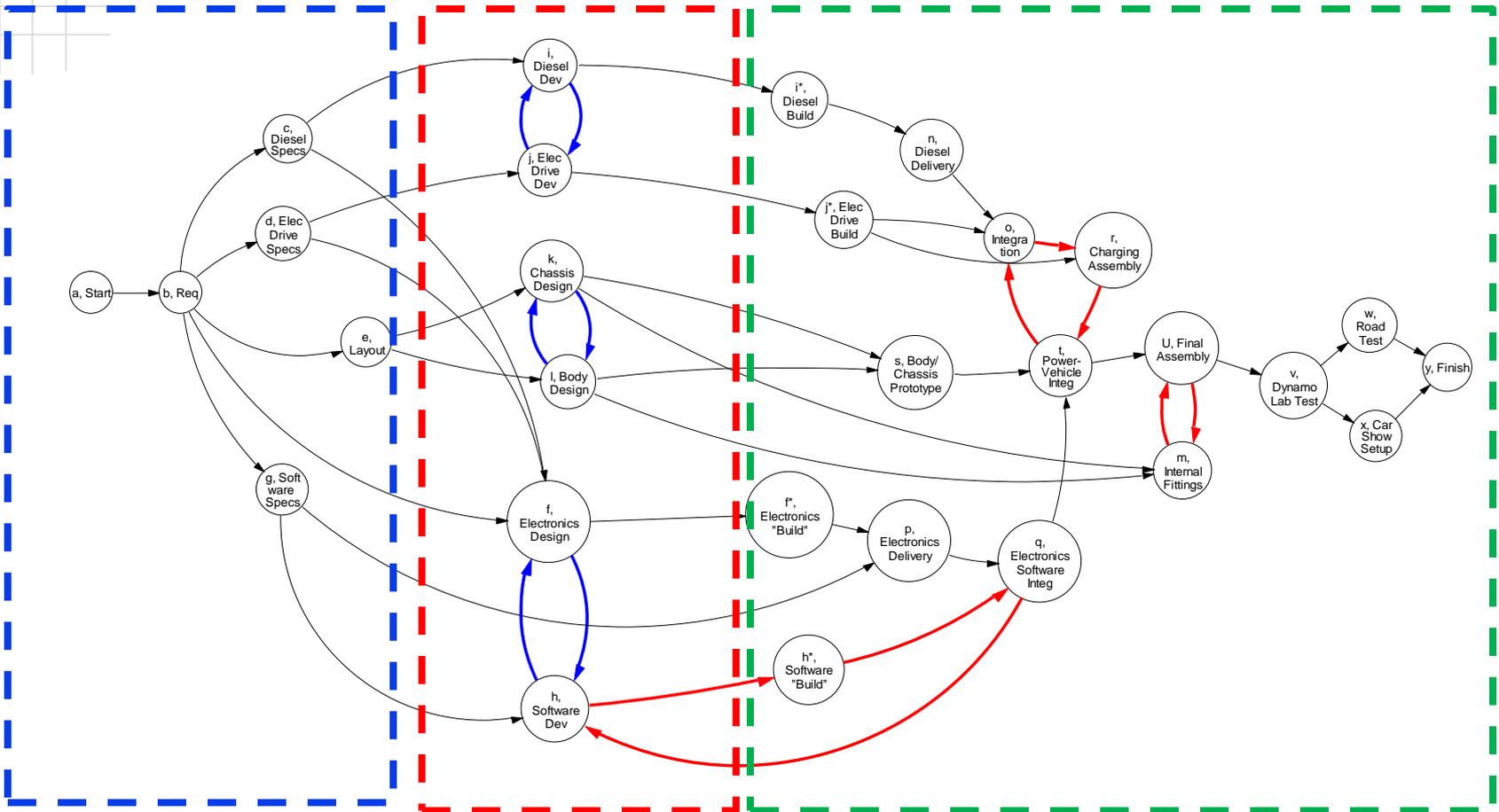


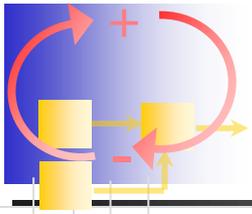
Network Diagram With "Build" Steps Added and Major Work Phases Highlighted

Requirements

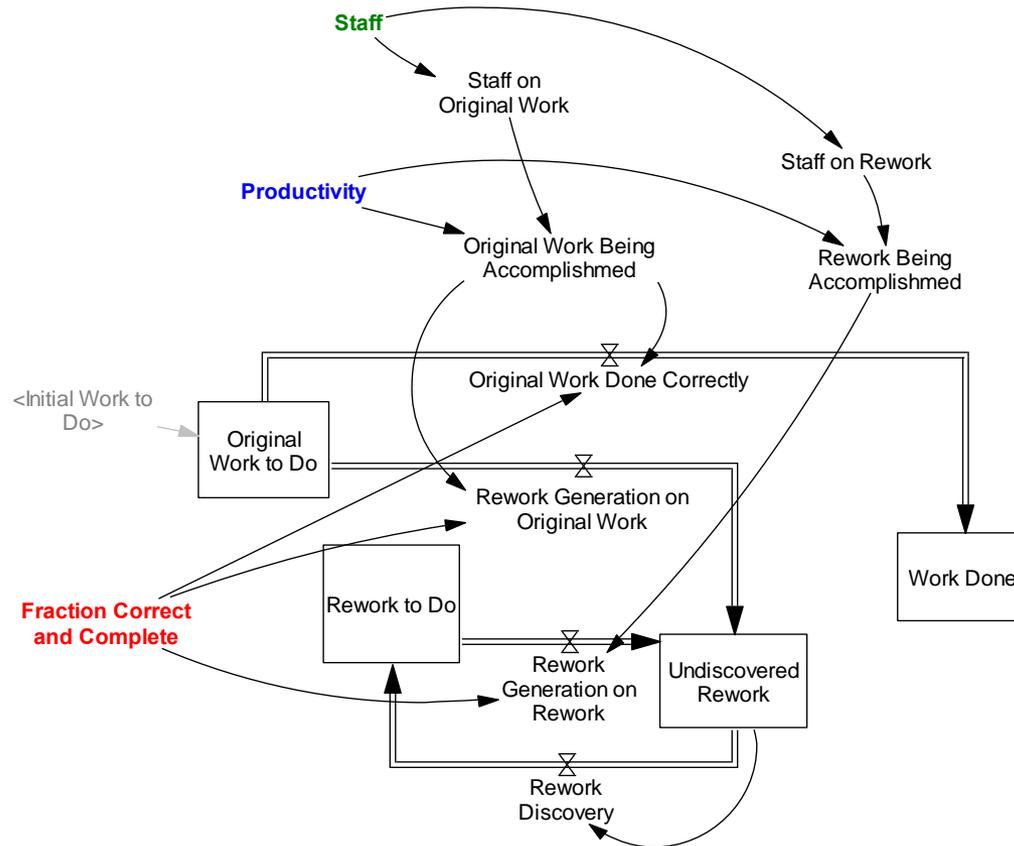
Design

Build/Test



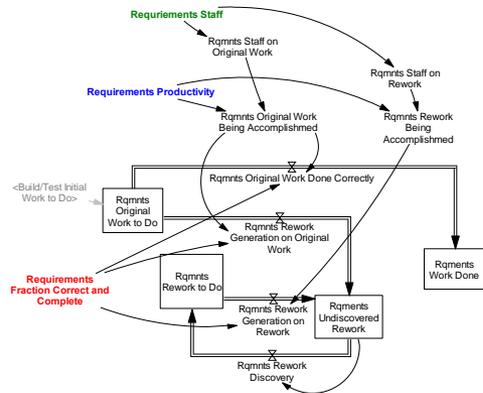


In an SD Model, Each Phase of Work Cycle Could Be Represented by a Rework Cycle

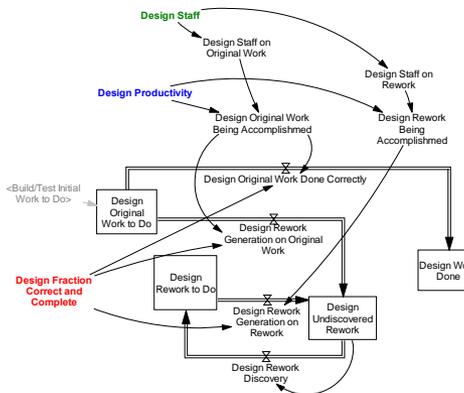


... Expanded to Three Phases

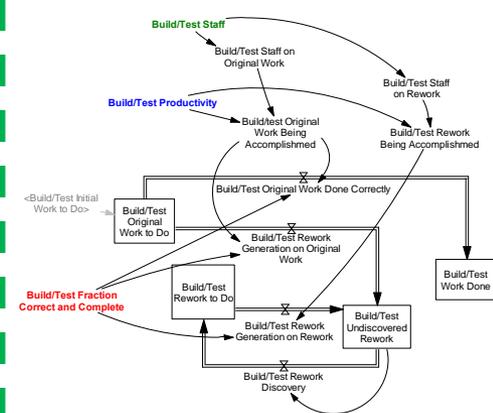
Requirements



Design



Build/Test



Assumptions:

Scope = 100 Tasks

Staff = 4,

Productivity = 2 tasks/month/person

Duration = 12.5 months

Scope = 1000 tasks

Staff = 20

Productivity = 4 tasks/month/person

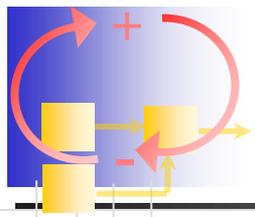
Duration = 12.5 months

Scope = 1000 tasks

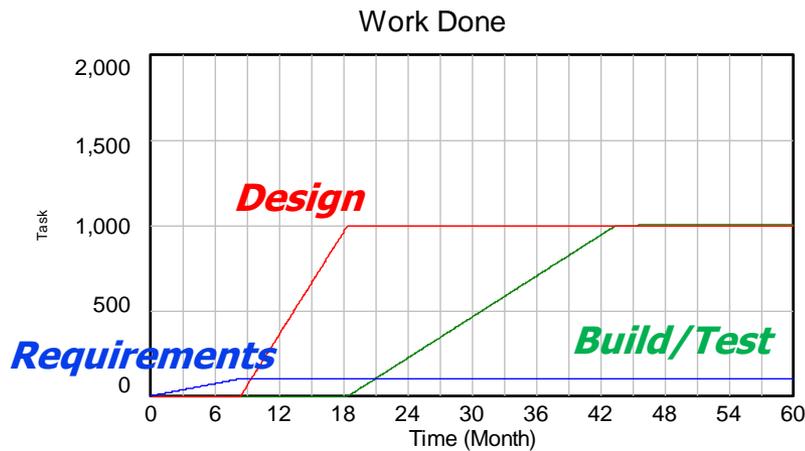
Staff = 40

Productivity = 1 tasks/month/person

Duration = 25 months



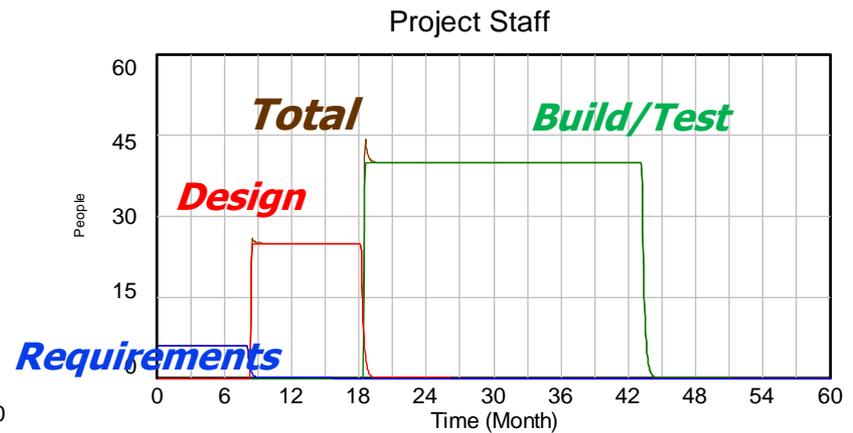
Simulation of project assuming no rework ...



Requirements Work Done : Three P Four Stock No Rework Discrete Start ————

Design Work Done : Three P Four Stock No Rework Discrete Start ————

"Build/Test Work Done" : Three P Four Stock No Rework Discrete Start ————

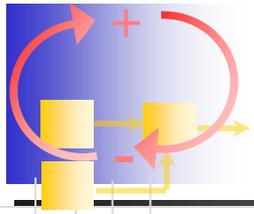


Requirements Staff : Three P Four Stock No Rework Discrete Start ————

Design Staff : Three P Four Stock No Rework Discrete Start ————

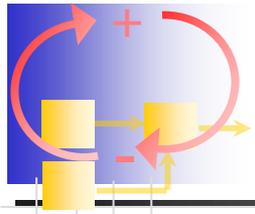
"Build/Test Staff" : Three P Four Stock No Rework Discrete Start ————

Project Staff : Three P Four Stock No Rework Discrete Start ————



Sources of Rework -- Categories

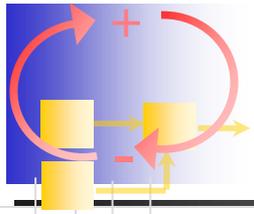
1. Classical "Quality" or design mis-execution.
2. Technical complexity/uncertainty; customer uncertainty.
3. Work done "correctly" but ultimately needing rework because it builds on



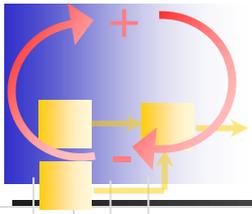
Classical "Quality"

- There are two (or more) important sources of these errors –
 - "People" factors such as fatigue, inexperience, skill mismatches, etc.
 - "Coupled" tasks that require shared information but which are done independently
 - Organizational size & complexity?
- ***These types of errors can in theory be discovered by further "design" work, such as doing downstream design work, QA, design reviews, planned iteration, etc.***

Technical complexity/uncertainty; customer uncertainty.



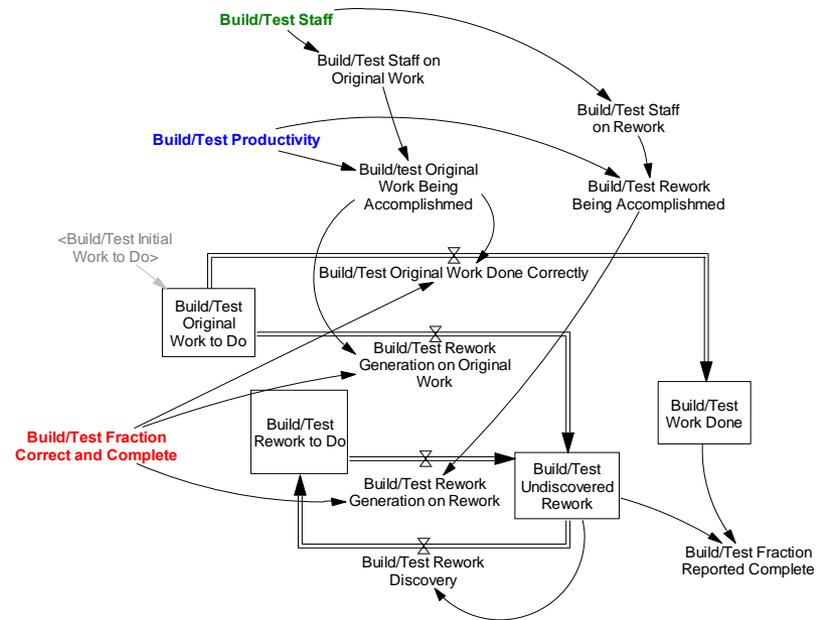
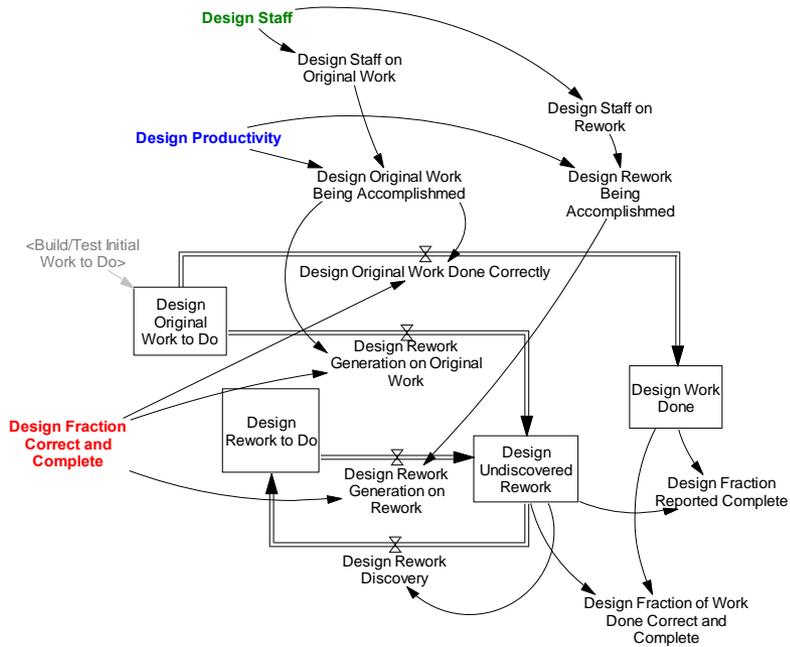
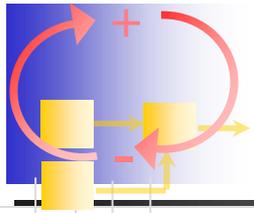
- Technical: “novelty” of the project
- Customer: Same logic might apply to novel/new “uncertain customer requirements”? I.e., where say a software product is being developed and the customer may not know what they want until they see it in practice.]
- ***These types of errors can only be discovered by doing build and test work. Fixing these errors may just require redoing tasks, but may also require new tasks to make the technology work (e.g., and additional controller).***

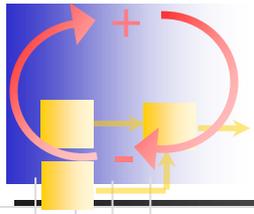


“Knock-on” Rework

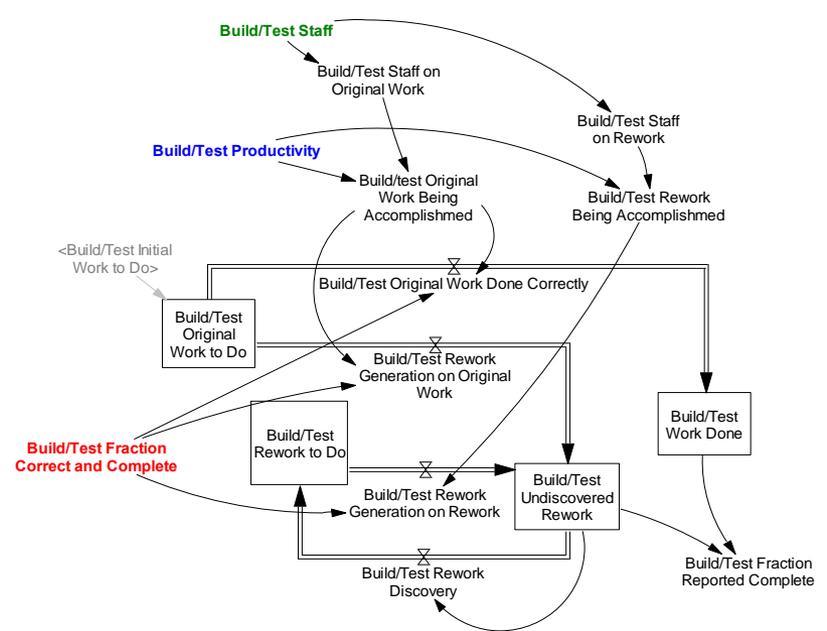
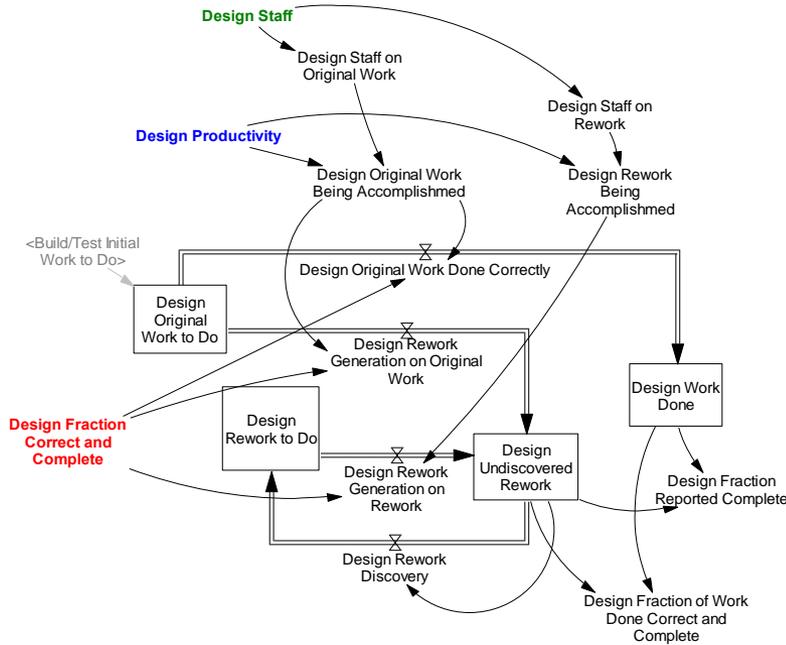
- Work done “correctly” but ultimately needing rework because it builds on
 - Incorrect prior work
 - Assumptions about technology or customer requirements which prove incorrect.
 - Exogenous changes in requirements, scope, etc.
- ***These errors could be discovered in design or build/test, depending on the source.***

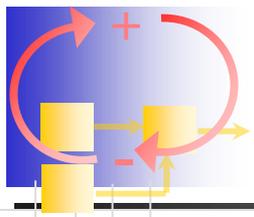
How does Design Affect Build?



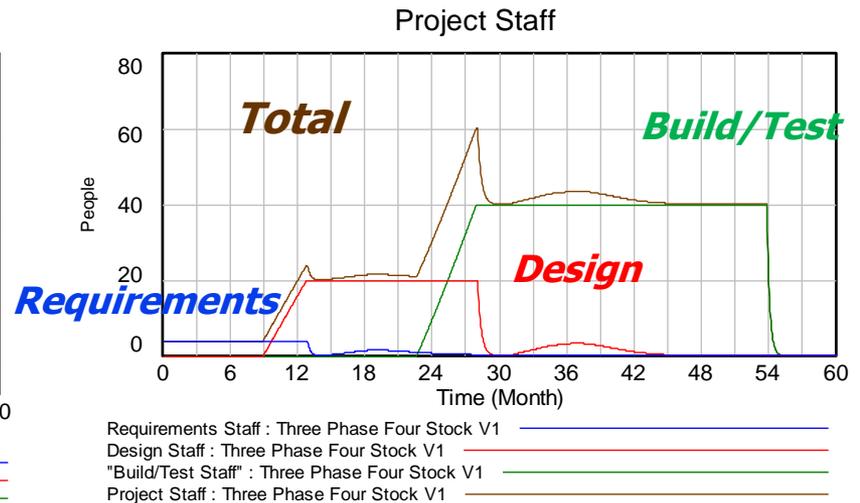
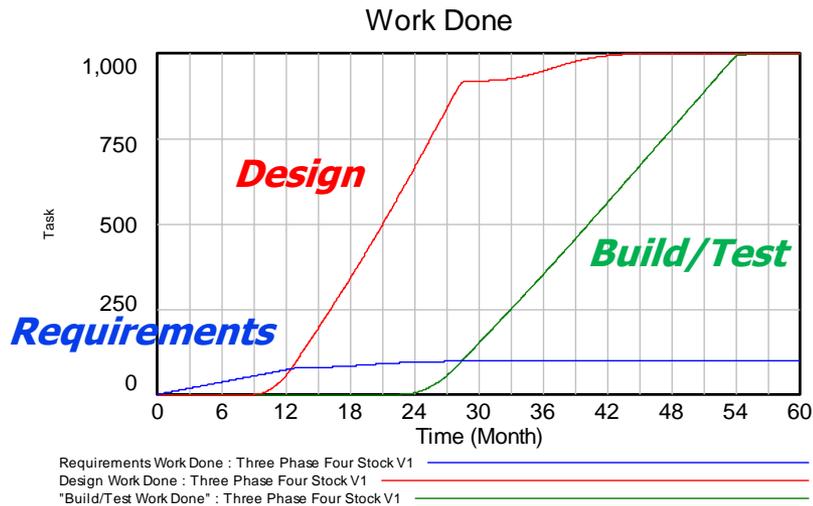


How is Design Rework Discovered?

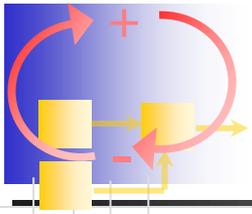




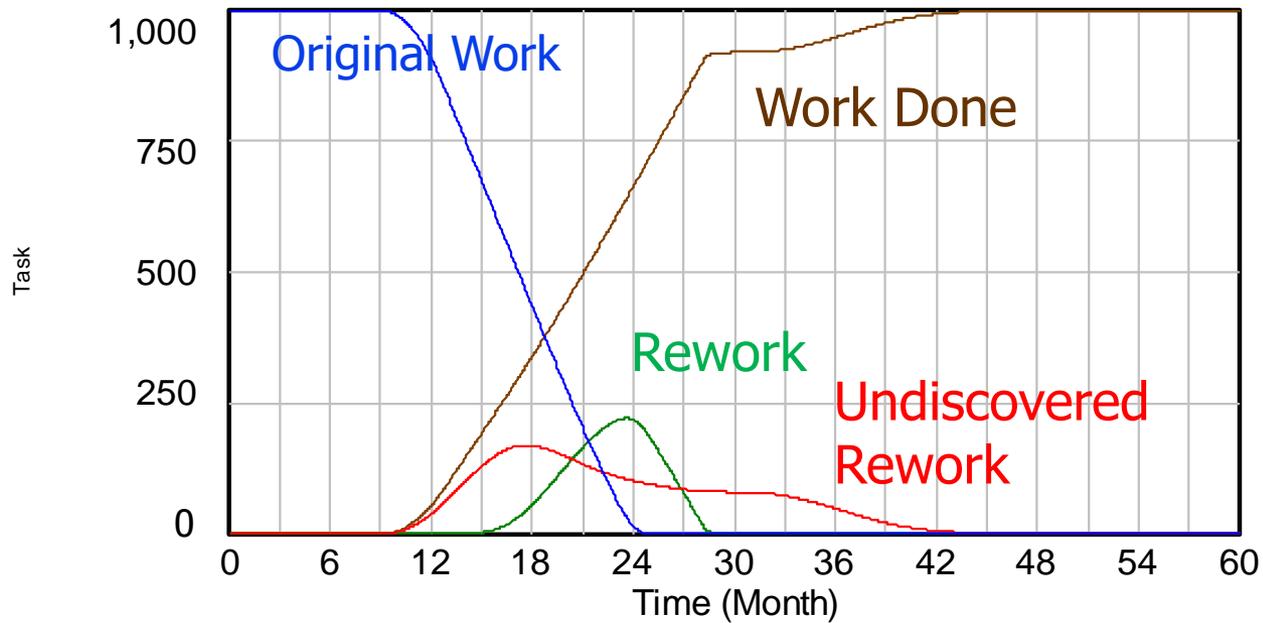
Simulation Incorporating Rework and Rework Discovery



Notes: (1) Details of simulation do not correspond to NMM Case;
 (2) so far, we do not represent project control actions and effects,
 so staff/hours worked are constant.



Design Stocks

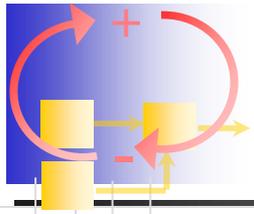


Design Original Work to Do : Three Phase Four Stock V1 —————

Design Undiscovered Rework : Three Phase Four Stock V1 —————

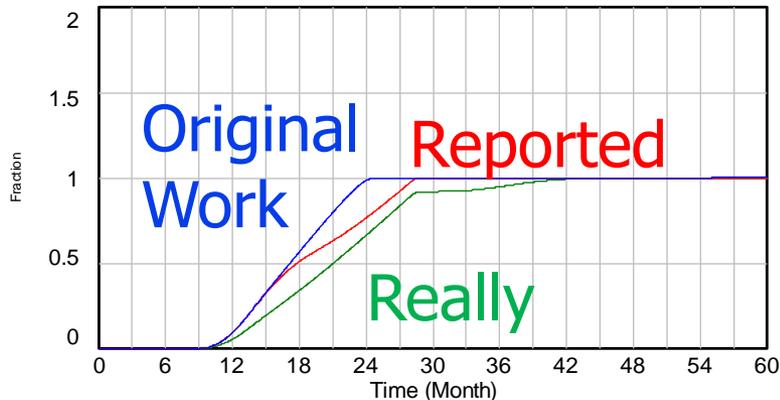
Design Rework to Do : Three Phase Four Stock V1 —————

Design Work Done : Three Phase Four Stock V1 —————



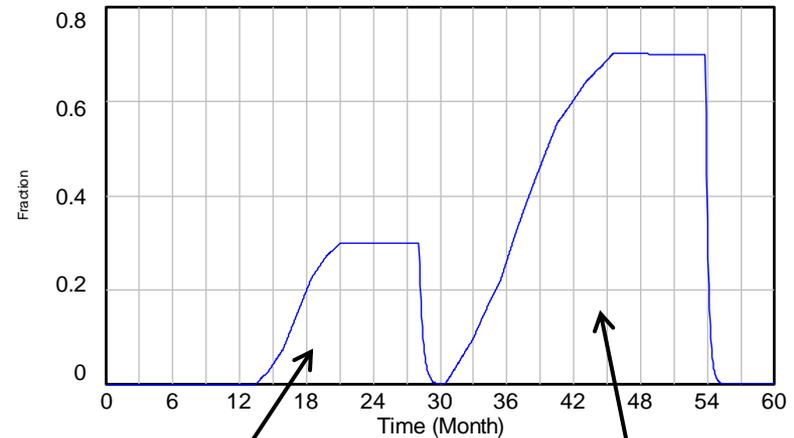
Progress and Rework Discovery

Design Fraction Complete



Design Fraction Original Work Complete : Three Phase Four Stock V1
 Design Fraction Reported Complete : Three Phase Four Stock V1
 Design Fraction Really Complete : Three Phase Four Stock V1

Fraction Design Rework Discovered

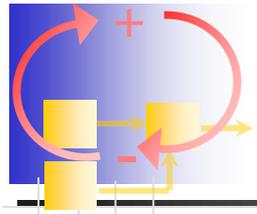


Fraction Design Rework Discovered : Three Phase Four Stock V1

Discovery
by design

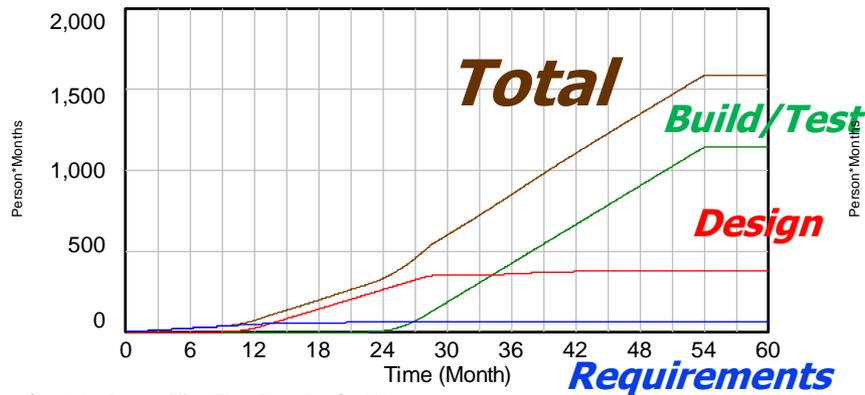
Discovery
by build

Rework Increases Cost and Delays Finish



With Rework

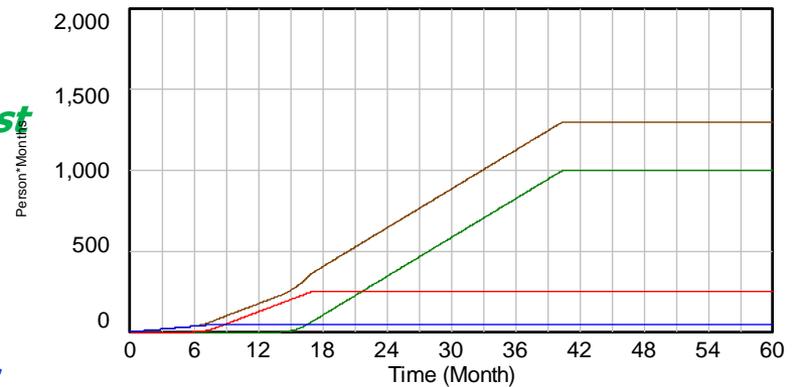
Cumulative Effort



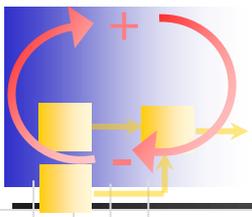
Cumulative Reqmnts Effort : Three Phase Four Stock V1
 Cumulative Design Effort : Three Phase Four Stock V1
 "Cumulative Build/Test Effort" : Three Phase Four Stock V1
 Cumulative Effort : Three Phase Four Stock V1

Without Rework

Cumulative Effort

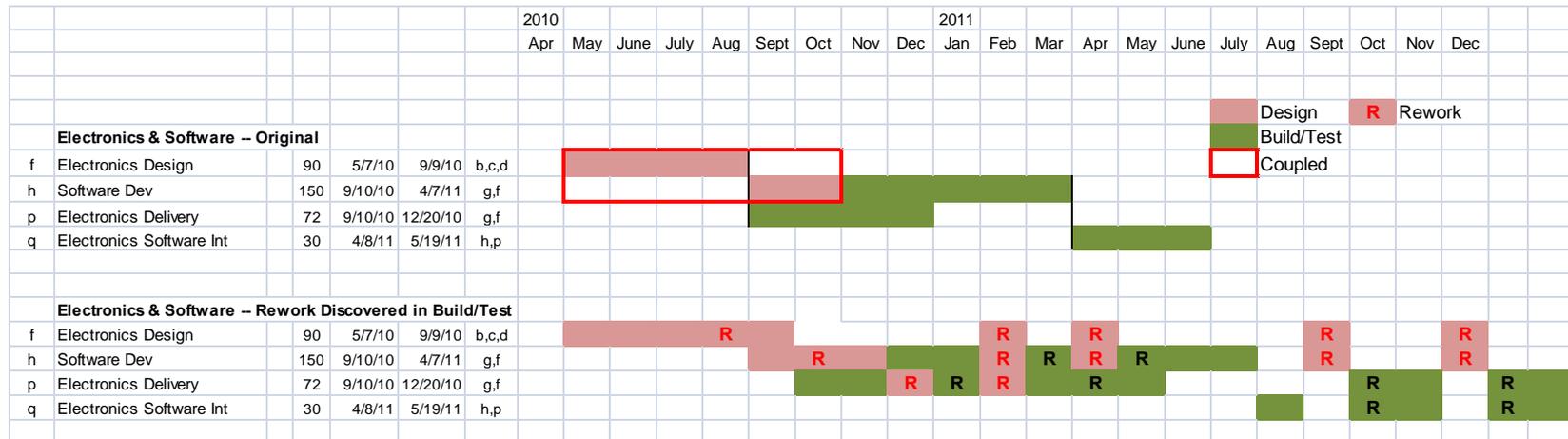


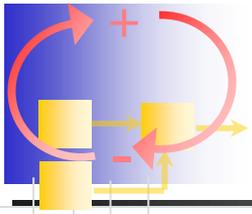
Cumulative Reqmnts Effort : Three P Four Stock No Rework
 Cumulative Design Effort : Three P Four Stock No Rework
 "Cumulative Build/Test Effort" : Three P Four Stock No Rework
 Cumulative Effort : Three P Four Stock No Rework



Revised Network/Gantt to reflect rework discovery (by build, not design)

Insert some Rework Tasks in Design, more in Build/Test

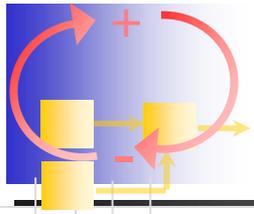




Management Issues

- Planned Iterations (vs dealing with unplanned iterations later) – How many iterations?
- When to start build phases – how much overlap with design phases.
- Factors to Consider:
 - Type of project (determines amount of rework discoverable in design, amount of rework, number of tasks which must be repeated for each iteration)
 - Relative cost of design vs build/test (determines the relative cost of spending more in design)

More on these later in term ...



Role of Tools

■ SD:

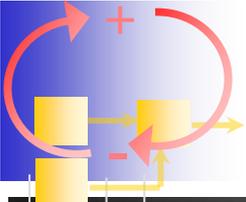
- Evaluate the macro tradeoffs in terms of impact on cost and schedule
- Coming up with a good staffing plan

■ DSM:

- Determine where design iterations are needed and how many tasks would need to be repeated per iteration

■ Network:

- Guide operational task planning and resource scheduling



Dynamics of Project Performance

The “rework cycle”

- Fraction correct and complete ✓
- Undiscovered rework ✓

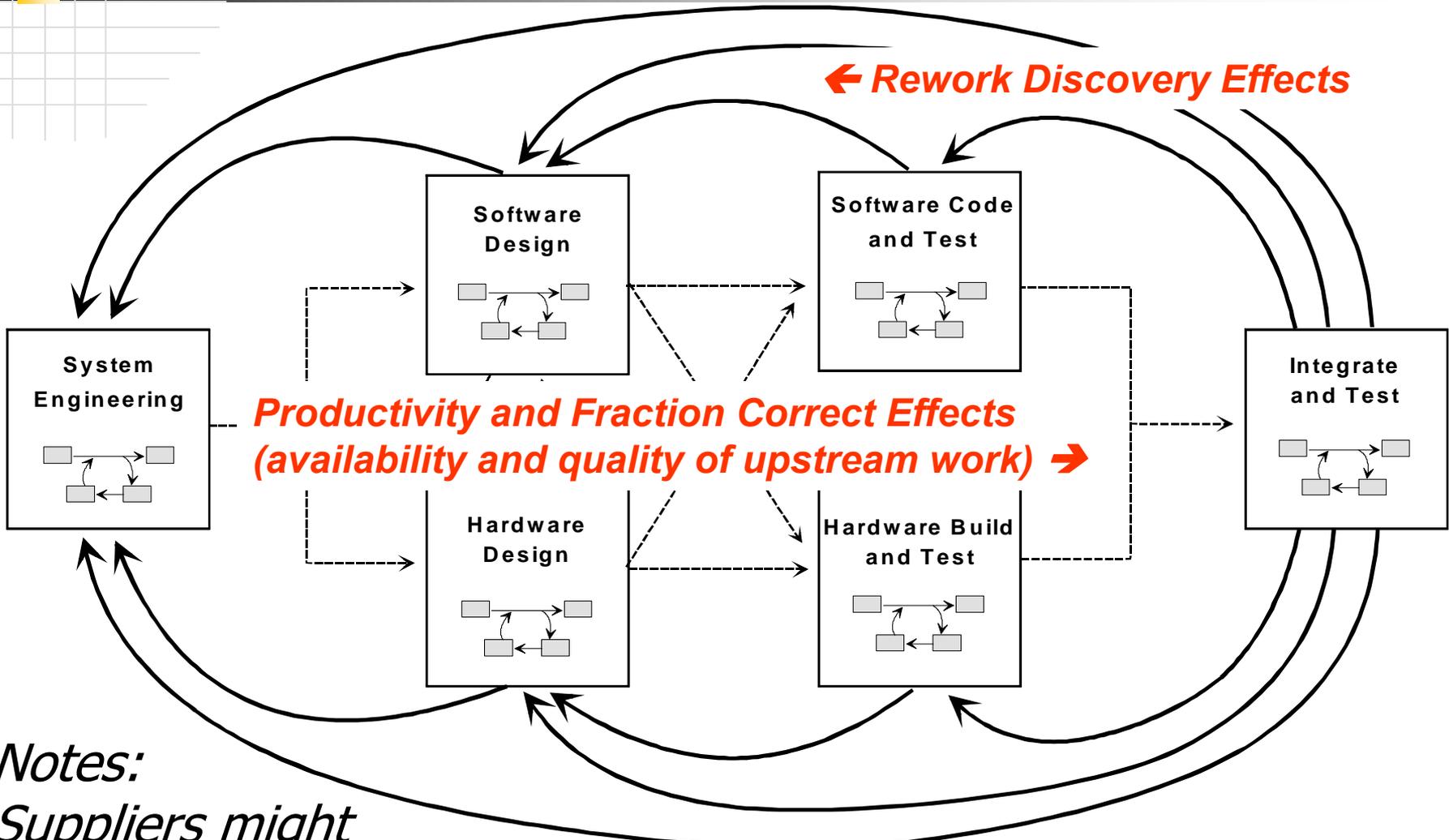
Feedback effects on productivity and fraction correct (Next class)

- Negative, controlling
- Positive, re-enforcing, often “vicious circles”

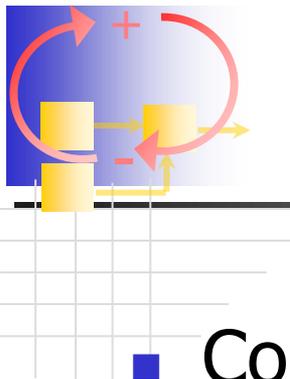
Knock-on effects between work phases

- Availability and quality of work products ✓
- Progress to discover upstream rework ✓

Knock-on Between Phases: A system dynamics model usually represents several phases of work ...

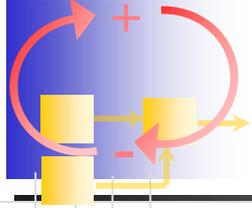


*Notes:
Suppliers might
be a "phase"*



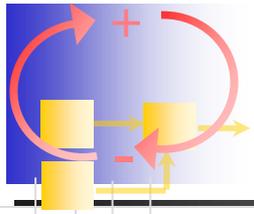
Why Represent Separate Phases?

- Correspond to gate reviews and deliverables
- Different units of work (and therefore data)
- Different types of labor
- Disproportionate increase in costs of fixing errors as move downstream
- Address issues of overlap/concurrency
- Opportunity to adjust plans, delay start, between phases



Today's Agenda

- Overview: Causes of Project Dynamics
- The Rework Cycle
- Integrating Tools in Project Planning
- ➔ ■ Simple Model of Project Dynamics, Pt. 1



Hard tools force us to be more explicit, and accurately simulate the consequences of our models ...

"Soft" tools --

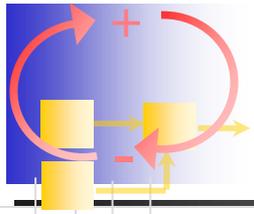
- behavior-over-time graphs
- cause-effect diagramming
- mental simulation

Tools for describing dynamics

"Hard" tools --

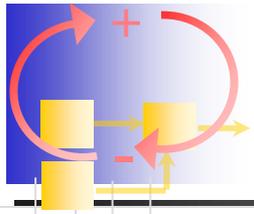
- computer models
- computer simulation
- calibration to data
- sensitivity and what-if analyses

Tools for quantifying dynamics



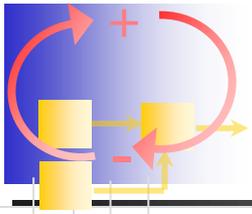
We will use two models ...

- Simple rework cycle model with project control feedbacks
 - HW#3 – develop simple model without feedbacks
 - Feedbacks added in class, given in HW#5
- Full rework cycle model with two phases of work
 - No project control feedback
 - Model given to you for HW#3 and HW#5



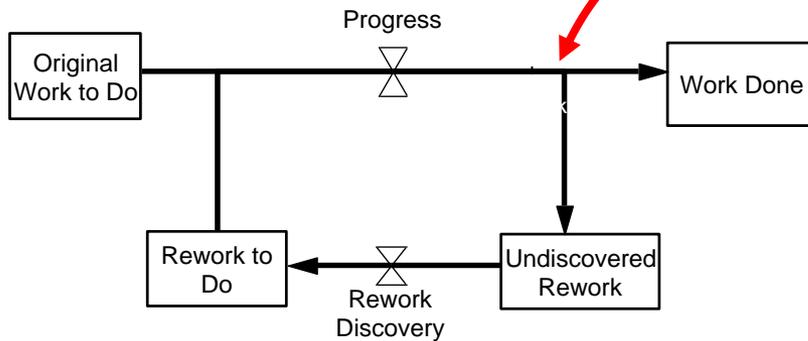
Development of "Simple" Project Model 1

- ➔ ■ Rework cycle model (HW#3)
 - Three stocks
 - Variable rework discovery time
 - "Errors Build Errors" Feedback
- Project control & Side Effects (HW#5)
 - Work Intensity/Schedule Pressure & "Haste Makes Waste"
 - Staffing & Experience Dilution
 - Slip Schedule



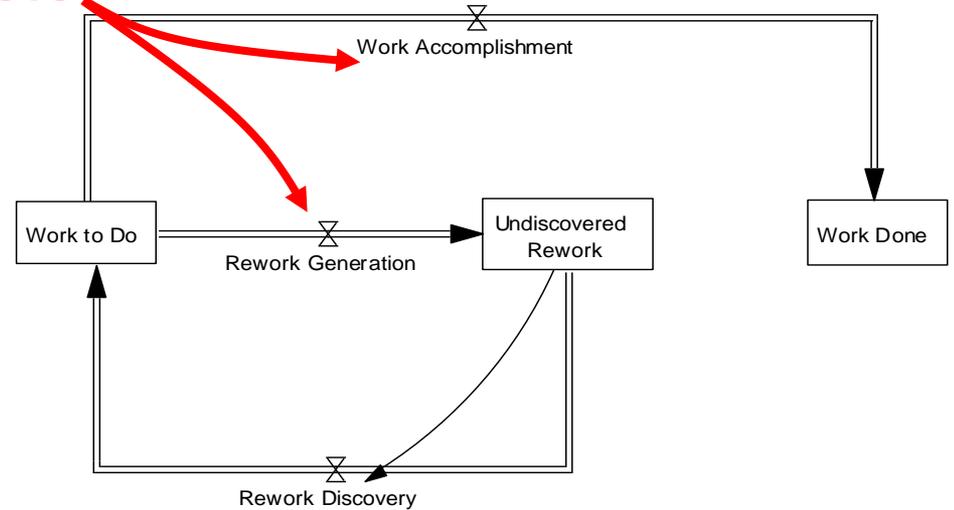
Two Views of the Rework Cycle

Complete Model

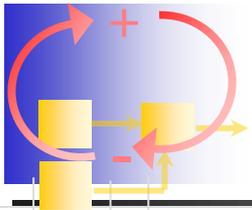


**Fraction
Correct &
Complete**

Simplified Version



The simplified version assumes that rework tasks require the same effort as original tasks, and that it is not important to distinguish between original work and rework.



Rework Discovery Depends on Progress

Delay in Discovering Rework
 This reflects the average delay in discovering discoverable rework, such as from QA activities or downstream work.

Rework Discovery

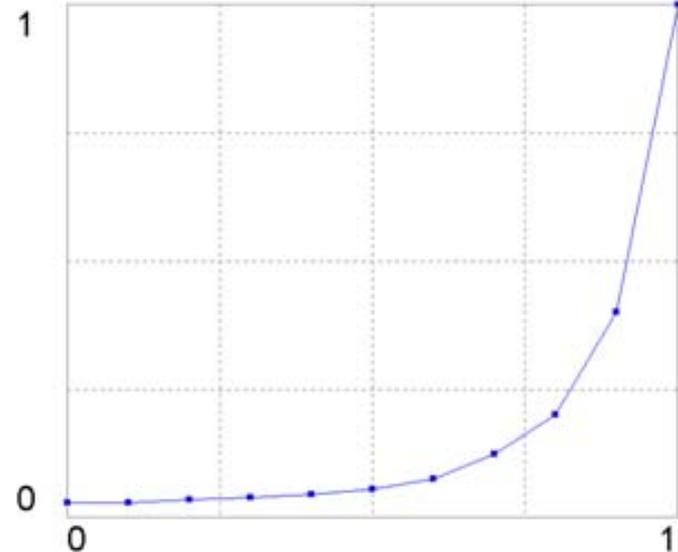
<Project Finished>

Fraction of Rework Discovered

Fraction Really Complete

This reflects the fraction of undiscovered rework that is discoverable at any point in the project based on the activities taking place.

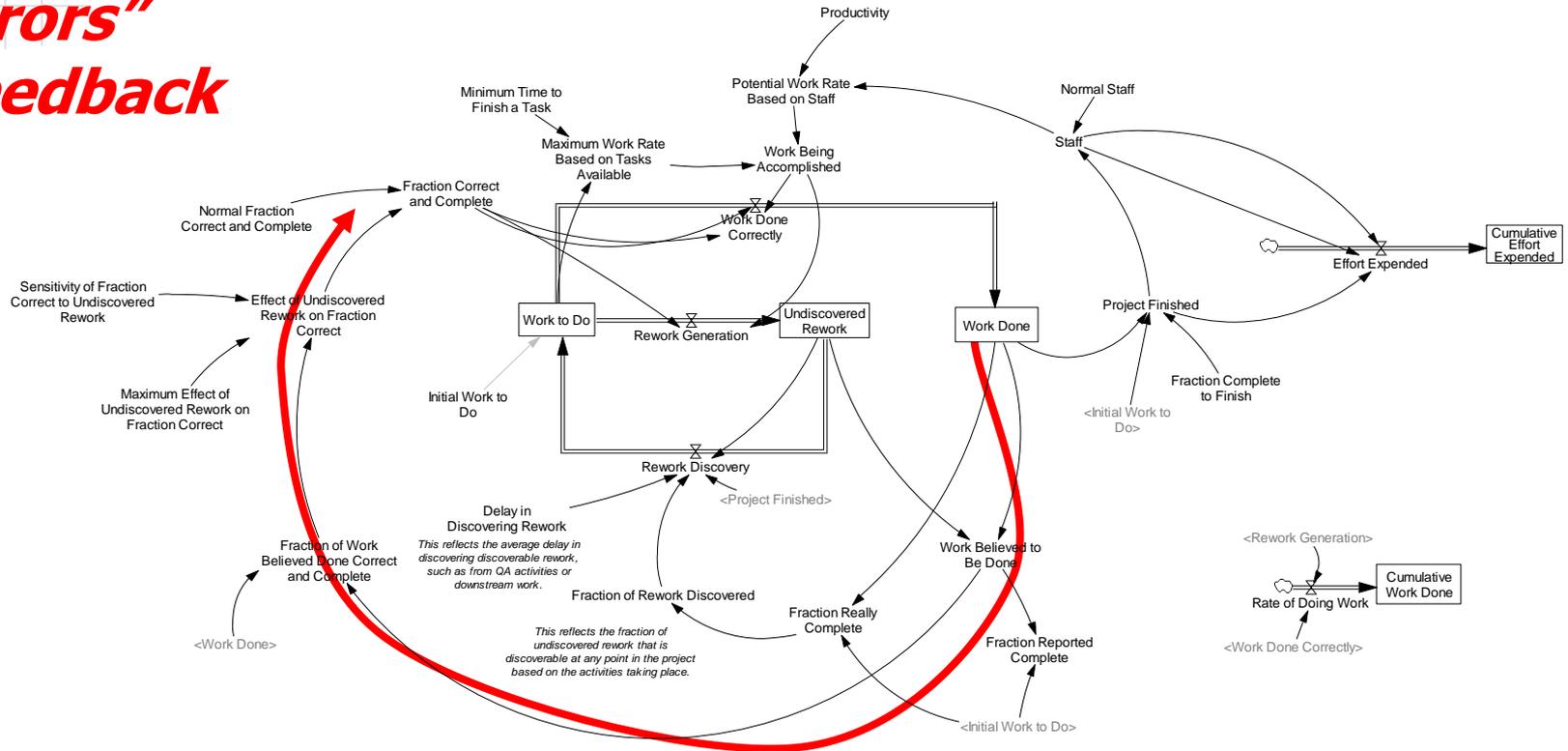
Graph Lookup - Fraction of Rework Discovered

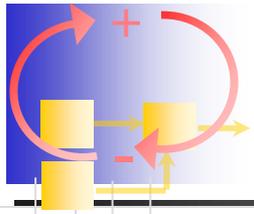


Fraction Really Complete

Complete Simple Model 1

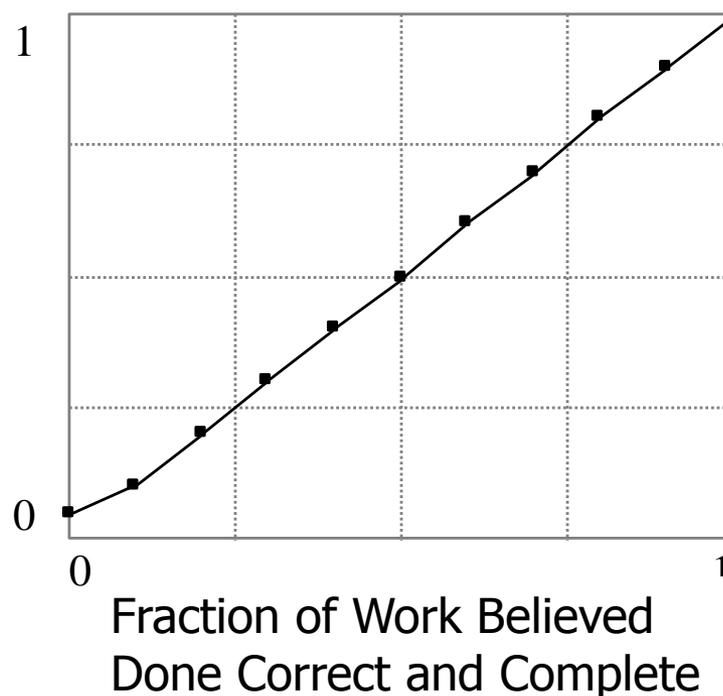
"Errors on Errors" Feedback





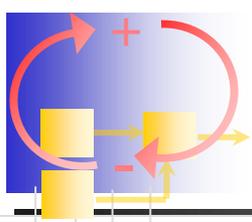
Effect of Undiscovered Rework on Fraction Correct:

Effect of Undiscovered Rework on
Fraction Correct



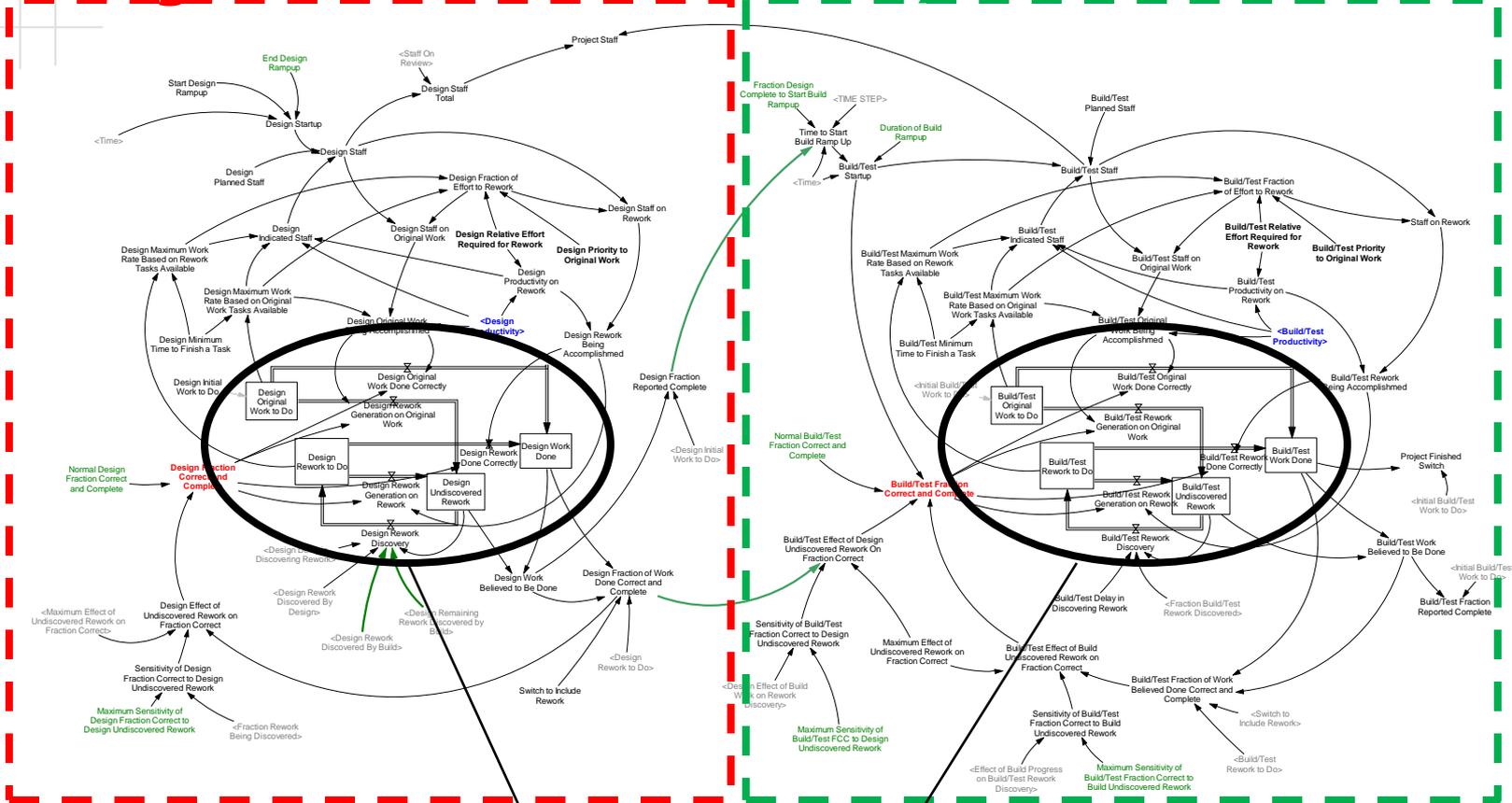
Note: The effect of undiscovered rework on fraction correct is assumed to be proportional -- an error in past work creates an error in current work. Given that in this simple model fraction correct represents several effects of work errors, this strong relationship may be reasonable.

Work Flows & Staffing in "Simple" Two Phase Model



Design

Build/Test



Four Stock Rework Cycle



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ESD.HÍ Û•c{ Á! [b&Á æ æ ^ { ^ } c
Fall 2012

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