

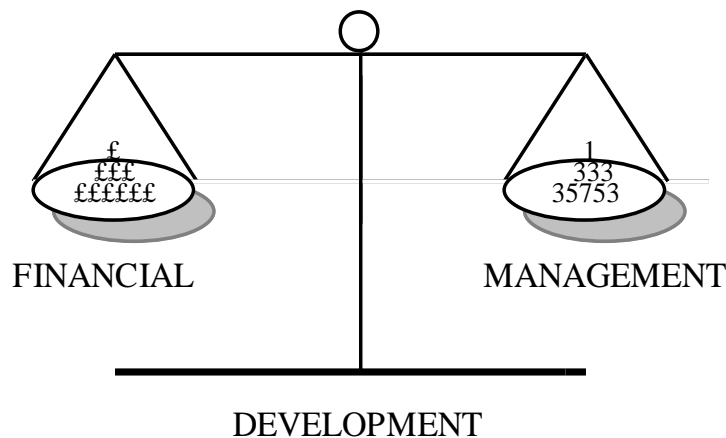
FINANCIAL MANAGEMENT DEVELOPMENT

Decision Making

Capital Expenditure

NO 334

POST IMPLEMENTATION REVIEW



ONE OF A SERIES OF GUIDES FOR
FINANCIAL MANAGEMENT DEVELOPMENT

FROM

www.FinancialManagementDevelopment.com

This is one of a series of documents produced by David A Palmer as a guide for managers on specific financial topics to assist informed discussion. Readers should take appropriate advice before acting upon any of the issues raised.

POST IMPLEMENTATION REVIEW

OVERVIEW

The only objective is to help future decisions

1. Was the project defined?
2. What alternatives were considered?
3. (a) What objectives were set?
 - Financial
 - Non-financial
 - Chronological

(b) Were they achieved? If not why not and could the reasons have been forecasted or insured against?
4. Was the procedure clearly documented?
5. Was there evidence of:
 - (a) Drawing on experience elsewhere?
 - (b) Passing on the experience to other sites?
6. How was the project managed?
 - By whom?
 - How often?
 - Evidenced by which decisions
7. Has the project ended?
8. What lessons can be drawn and what will you do about them?

POST IMPLEMENTATION REVIEW

OBJECTIVES

1. Improve Planning and Appraisal process.
2. Encourage greater realism in estimating.
3. Improve Project management.

**NOT Management Appraisal
LEARNING NOT LAYING BLAME**

CONTENT

1. Two pages of commentary, i.e. Board Paper level.
2. Non Financial Performance Indicator(s). Target set in the Application.
3. Revised cost of project with some breakdown by item together with reasons for large over/under spends.
4. Operating Costs etc., in coming years.
5. Forecast costs etc., in coming years.
6. Revised DCF.
7. Lessons to be learnt

TIMING

- APPROVED
- CONTRACT(S) SIGNED
- ON SITE OFF SITE
- INITIAL PRODUCTION
- FULL PRODUCTION
- JOB CLOSED
- JOB CAPITALISED

INVESTMENT AND OPERATING COSTS AND STATISTICS

- BY ITEM AND OVERALL
- CHANGES OF SPECIFICATION
- ESCALATION

PROBLEMS ENCOUNTERED AND UNFORESEEN BENEFITS

- CONSTRUCTION
- ENVIRONMENTAL
HEALTH

INDEPENDENT CHANGES AFFECTING THE PROJECT

- PRODUCTION
- MARKETING
- PERSONNEL
- FINANCE

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David is an experienced financial professional who has devoted his skills to management training in practical understanding and utilisation of financial information. A Graduate, Chartered Accountant, and Associate of the Institute of Taxation, he is also a Member of the Chartered Institute of Personnel and Development and has been an Ordained as a Deacon in the Catholic Church.

He has worked as a Financial Controller and Company Secretary in the Finance industry and as a Director of Finance and Administration in the Computer Services industry. Since 1990 he has conducted management development programmes for over forty major organisations including Arla Foods, Blue Circle, BP, CSC Computer Sciences, Conoco, Ernst & Young, Lloyds Bowmaker, Royal Mail, Unilever and Zeneca. He also runs programmes for the Leadership Foundation and the management teams at a number of Universities. International training experience includes work in Belgium and Holland for CSC, in Denmark, Kenya and the Czech Republic for Unilever, in Holland and the US for Zeneca, in Dubai for Al Atheer, in Bahrain and Saudi Arabia for Cable & Wireless.

He specialises in programmes in financial management for both tactical and strategic decision making. In addition he has run courses in acquisition evaluation (The Economist, Eversheds, Blue Circle and Hays Chemicals) and in post-acquisition management (Unilever). All training is specifically tailored to the needs of the organisation with the emphasis on practical applications to enhance profitability and cashflow. He has developed material for delivery by in-house personnel (Royal Mail, Lloyds Bowmaker and Conoco), computer based training packages (The Post Office, Unilever and BP), and post course reinforcement self-study workbooks (CSC and Zeneca). He has also produced a training video on Cashflow Management.

He is a prolific writer of case studies, role plays and course material. He has also published articles on the financial justification of training, financial evaluation of IT investment proposals, the use of Activity Based Costing and Customer Profitability statements, commercial considerations for consultants, the need for taxation awareness training for general managers, evangelisation and Christian business ethics.

Many of his generic documents are freely available on his website:

FinancialManagementDevelopment.com including papers on Charity Management.

In addition to his Diaconal work in the Church, he has held a number of voluntary positions including University, College and School Governor, Hospice Treasurer and Trustee of various charitable institutions. He continues to provide ad hoc commercial advice to several other charitable organisations. He has been married for over 35 years and has one daughter and three granddaughters.

This series of papers is designed to help managers by providing a basic understanding of key financial concepts to assist them in their work. It is provided at no cost since this knowledge is a Gift from God and thus to be shared (Matthew 10:8).