



## Construction project management plans

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A 'medium' to 'large' construction project will typically utilise a range of formal plans. A formal project management plan is an essential tool for the effective planning and management of the construction process. It is considered a critical document that requires careful consideration in its drafting. This article provides an overview of how to develop your construction project management plan and what outputs you can expect from a well drafted plan.

### What is a project management plan?

A project management plan is a central document, the purpose of which is to define the basis of all the project work. They are a critical component for keeping projects on budget and on time and can also be useful in reducing the potential for [construction project disputes](#).

A typical project management plan contains the following information:

- How the project work will be directed and managed;
- Who will monitor and control the project work;
- How to perform change management; and
- Project closure.

The complexity of the project will determine the complexity of the project management plan.

### How to develop a project management plan

Depending on the maturity of the business and the complexity of the project, an expert may be required to assist with the project management plan.

The purpose of the expert is to assist with areas such as:

- tailoring the process to suit the project;
- determining the skills and experience required in the project team for that specific project;
- developing the technical details that need to be included; and/or
- prioritizing the work on the project and matching it to the appropriate team members at the right time.

The individual or expert involved in developing the project management plan would need to facilitate and coordinate brainstorming sessions to help the project team in developing an effective plan.

## Outputs of a project management plan

Other than the 'project baselines' (the baselines for scope, schedule, and cost), the project management plan may include a whole raft of subsidiary plans, which are tailored to the project needs. The project management plan should not be confused with the other project documents such as cost estimates, forecast documents, procurement documents, registers (risk register, stakeholder register).

Subsidiary plans that would be the outputs of a project management plan could include the following:

### 1. Quality management plan

This is a plan that describes how quality policies shall be implemented and how the project team shall meet the quality requirements. Quality policies include things like:

- quality metrics or sometimes known as the tolerance rate; (eg, rework shall be no more than 1% of the project budget); and
- quality checklists which may consist of a list of things that need to be checked for a product or service to be "ticked off" as complete.

While it is not necessary to construct a detailed or complex document, the quality management plan is useful to avoid rework on the project which can erode profits.

### 1. Communications management plan

This document describes how communications shall be conducted during the project.

There are critical reasons for ensuring that there is a communications management plan such as ensuring that the correct stakeholder receives the correct correspondence. The document may also describe the type of document management system that will be utilised on the project and the individuals who control the document management system. It may also be useful to include flow

charts to show workflows of information and the person or groups who will receive and act on the information.

## 1. Procurement management plan

The procurement of goods and services is a critical part of any project. The procurement management plan deals with the overall strategy for acquiring goods and services for the project.

Some of the information that would be included in this plan are:

- the contract types that shall be used;
- whether there will be standardised procurement templates to be used;
- the strategy to manage long-lead items; and
- any prequalified suppliers who shall be used and how they have been selected.

## 1. Stakeholder management plan

There is a variety of a stakeholders in a construction project, including the client, contractors, managers, suppliers and so on. The stakeholder management plan can also include parties who are opposed to a particular project for various reasons; which can be potentially damaging to the project.

It is therefore important that all stakeholders are identified and an appropriate plan is created to deal with all stakeholders.

A stakeholder management plan may include a register of the key stakeholders and details such as:

- the scope and impact of the stakeholders;
- relationships and overlap between stakeholders; and
- information that needs to be distributed to the stakeholders.

## 1. Risk management plan

As the title describes, the risk management plan describes how to manage risks that are specific to the project. It is important to note that a risk can be positive as well as negative on a project.

The project team and other stakeholders should be encouraged to participate in the development of this document, particularly to be able to identify potential risks.

A summary of the steps involved in creating a risk management plan:

- Identify the risks and produce a risk register;
- Perform a risk analysis using, for example, a probability and impact matrix;
- Plan the responses to the risks; and
- Control the risks throughout the project; for example, by implementing a risk response plan.

## 1. Other subsidiary plans

While the below list of subsidiary plans has not been discussed in this article, their importance will depend on your project needs. As mentioned earlier, the complexity of the project will determine the level of detail required in the project management plan.

The list of other subsidiary plans include:

- Scope management plan;
- Human resource management plan;
- Schedule management plan;
- Quality management plan;
- Change management plan; and
- Configuration management plan.

## Get help

Wambeti Legal can assist you in the planning process of the project by:

- providing input and advice on of potential risks to consider for the risk register;
- conducting a review of your overarching contract to ensure that your performance obligations are being met; and
- providing guidance and support in dispute management.

## Contacting Wambeti Legal

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