Project Objective Setting
Efficiency Notes - Project Controls Series

PTAG
A CAPITAL PROJECT SERVICES PARTNER

What It Is

Project Objective Setting ensures all parties participating in the project share the same objectives, and work in alignment with one another towards a clear objective.

Why You Need It

Implementing Project Objective Setting will lead your project team to higher degrees of agreement and understanding, thus leading to a higher probability of project success.

Three Major Phases

There are three major phases a project must pass through to achieve an integrated project strategy:

1. Formation
The formation phase contains a collection of procedures used by the owner to gather all organization and suborganization goals to form a coherent set of project objectives

2. Communication
The communication phase is the process where the owner circulates the project objectives collectively developed earlier in the formation phase

3. Integration
The integration phase presents an opportunity for all designers, engineers, contractors and the owner to agree on an integrated project strategy

Critical Elements

There are four critical elements when approaching project objectives which will ensure potential problems are mitigated:

- Develop a substantial methodology for collecting relevant data and literature to support the development and planning of your project objectives

- Develop a system to bring the project relevant suborganizations together for negotiation and agreement of project objectives

- Develop a reliable method to communicate project objectives to team members who will be making decisions based on those project objectives

- Develop a method to gather feedback, provide the project with direction, and quantify the level of agreement between team members as the project progresses

Agreement Matrix

The agreement matrix is a simple tool developed by the Construction Industry Institute to compare the level of agreement at different points through the project.

In order to complete an agreement matrix, your organization will need the following:
- List of Project Objectives
- Project Objective approval from each suborganization involved in the project
- Ranking of each objective on a scale from one to ten

This process can be repeated at regular intervals, or when there are major changes in the project team members or overall organization goals.

Owner's Project Management Priority Ranking	Safety	Operating Capacity	Schedule	Cost							Participant's Average Difference	Agreement Ranking
	1	2	3	4	5	6	7	8	9	10		
Average												
Average Difference												

Calculation Procedure

There are several steps to calculate components of the Agreement Matrix, outlined below:

1. Calculate the "Average" priority ranking by summing priority rankings for each project team member and divide by the number of team members. Enter this value under each project objective in the "Average" row

2. Calculate "Average Difference" for each project objective by finding the absolute value of the difference between "Owners Project Management Priority Ranking" and the average priority ranking. Enter this value under each project objective in the "Average Difference" row

3. Calculate the "Participants Average Difference" by summing absolute values of the difference between "Owners Project Management Priority Ranking" and the Project Team Members priority ranking for each project objective and dividing by the total number of project objectives. Enter this value in the "Participants Average Difference" column

4. Assign a ranking to each project participant based on the "Participants Average Difference"

5. Calculate the "Agreement Ranking" by summing the "Average Difference" of each project objective, and divide by the total number of objectives