



Centre

for Excellence in Project Management (P) Ltd.



PROJECT TEAM

## PRESS RELEASE

### Innovation Project EPC 4.0 is brought to India

Centre for Excellence in Project Management (CEPM, India) and ProjectTeam® (Germany) have signed a Memorandum of Understanding titled “Driving forward project management excellence for the EPC industry in India”.



Left to right: Mr. Adesh Jain (i2P2M), Mr. Frank-Peter Ritsche (ProjectTeam), Mrs. Ruchira Jain (CEPM), Mr. TKA Nair (advisor to former Prime Minister of India)

The MoU was signed during the 26<sup>th</sup> Global Symposium on Project Management in New Delhi on December 11<sup>th</sup>, 2018 in the presence of Mr. TKA Nair, advisor to former Prime Minister of India, and endorsed by Adesh Jain, former president of IPMA and chairman of the International Institute of Projects and Program Management (i2P2M).

### CEPM and ProjectTeam® collaborate in India

During the symposium and the associated workshop with top managers from the EPC industry in India there was broad consensus that the traditional way of doing business is no longer viable and that there is growing pressure to transform. In recognition of the increasing uncertainties in the business of engineering, procurement and construction (EPC) of industrial plants in India and world-wide, and in recognition of the potential of digitalization/ industry 4.0, there is a need for guidance to EPC companies and to investors, owners and operators for improving project performance.

ProjectTeam® is leading an industrial initiative, the innovation project “EPC 4.0” that was launched by leading consultancies and former executives in Germany in early 2018. Objective of this project is to develop practical guidelines for EPC companies as well as for investors, owners and operators of industrial plants how to approach innovative business models for industrial projects and plant operations and to describe concrete measures that have the potential to unleash the hidden potentials in our industry and to save up to 50% of CAPEX. The results of this project will be published in April 2019.

With this Memorandum CEPM and ProjectTeam® have established the framework to bring this initiative to India, to support the industry in India in their transformation process and to open up the access to the innovation leaders in this field within the Global Experts Network of ProjectTeam®.



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## The Innovation Project “EPC 4.0”

Innovation project “EPC 4.0” is a joint study of ProjectTeam®, TIBA, maexpartner, m8International und d1g1tal AGENDA. The basic concept of this initiative is a business transformation model that works in a balanced approach in the dimensions of digital transformation, organizational and process related changes, and behavioral changes.



- (1) **Digital transformation** is considered the basis of this model, as digitalization is the factor that is driving the business transformation and is dictating the speed of this process. This includes the full exploration of the opportunities of digitalization, such as:
  - Building Information Modelling (BIM), as already practiced e.g. in infrastructure projects as a platform to create transparency and consistency across the involved parties in a capital project
  - Automation of collaboration systems in project management, engineering or construction management, where coordination and interface management processes are following algorithms that can be computed with significantly less interaction of coordination and management manpower
  - Use of “big data” analysis, e.g. to benchmark project planning parameters against data from other projects, or operations parameters against data from other plants, with the objective to identify areas of underperformance against typical industry standards.
  - Consequent application of existing state-of-the-art, such as virtual reality in design reviews in globally distributed teams, laser scanning technology in brownfield projects, or tag and tack systems to manage material or progress on site.
- (2) **Organizational changes** and introduction of new innovative processes and methods are considered the pillars of this model. There are four major areas identified that need to be addressed:
  - Collaborate by Partnership. This includes a transformation to new contractual models that enforce partnership between the parties in a project, such as alliance contracts or lean IPD (Integrated Project Delivery) models.
  - Flatten the Supply Chain. This will bring suppliers closer to the end-user, reduce transaction costs and also reduce capital investment costs of the investor e.g. by switching to pay-per-use models for equipment operated and maintained by their suppliers.
  - Build flexible organizations by transforming hierarchical organizations to network organizations, where resource needs can be more easily scaled to the up- and downturns of order cycles. Standardization is key for easy onboarding of external resources or partners. CEPM and ProjectTeam® are actively supporting standardization of processes through the “Project Management Handbook for EPC” and standardization in project management qualifications through the “EPCP® - EPC Professional” certification program.
  - Focus on core competencies. Investments in innovation and developments shall be driven in the fields where the companies have their strength, to bring technology companies to become technology leaders, to bring construction companies to become leaders in construction. Risks in



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capital projects shall be taken by those who have the best competencies to manage these, and risks outside the core competencies shall be transferred to the more competent party.

- (3) **The human factor** is considered the roof of this model, and most transformation factors fail because the human factor is not adequately addressed. Working towards behavioral change is required, as partnership models require transparency and trust that is not inherent in traditional EPC Lump-Sum-Turn-Key relationships. Working in networks requires employees taking responsibility, but also executives to give decision power away to their employees.

Innovation project EPC 4.0 is still ongoing, but until the full report will be published in April 2019, CEPM as exclusive partner of the ProjectTeam® Global Experts Network in India, and endorsed by i2P2M, will be ready to provide the support to their clients in India to implement these concepts, tailored to the individual situations that deserve individual solutions.

## Standardization in EPC methods and education

In his key-note speech Mr. Ritsche stressed the importance of standardization as a pre-requisite for successful collaboration between companies and successful integration of external resources. ProjectTeam® is driving forward the standardization of methods in project management, engineering, procurement and construction by establishing the “Project Management Handbook for EPC” as a global guideline and the most comprehensive body of knowledge in this field.

Based on this handbook the “EPCP® - EPC Professional” qualification program and certification scheme is being developed and implemented through licensed partners world-wide. After the successful launch of this scheme through PMA (Kuala Lumpur/ Singapore) in 2017 and expansion to Europe in 2018, this program will be available in India in early 2019 with CEPM as licensed training partner.

### Project Management Handbook for EPC Plant Engineering – Procurement – Construction

This is the most comprehensive collection of know-how for project managers in the process industry available on the market:

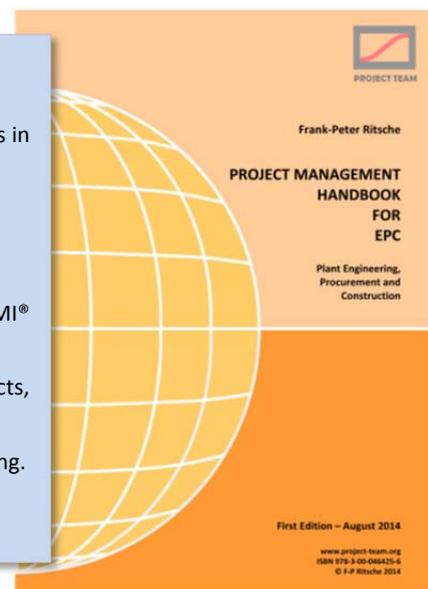
- ✓ Energy: thermal power plants, nuclear plants
- ✓ Chemical and Petrochemical Plants
- ✓ Refineries, Oil and Gas Facilities

Based on the recognized project management standards such as PMI® (PMBok®) and ISO 21500 (2012)

Proven work practices, tools, methods and procedures from real projects, including large scale “mega”-projects

Up-to-date, structured, thoroughly – and still comprehensible and entertaining.

- ✓ more than 200 pages of project management experiences
- ✓ more than 150 figures, graphics, checklists, many in color



A teaser and the full list of content can be downloaded from [www.project-team.org](http://www.project-team.org)

The Handbook can be ordered by email to [info@project-team.org](mailto:info@project-team.org)

Price: € 79.90 plus shipment (€ 9.50 world-wide)



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**Centre for Excellence in Project Management (P) Ltd.** is India's oldest and foremost Training and Consulting Company that offers a wide range of project management related services. With 650+ clients CEPM has spearheaded the dissemination of project management across India with support from Government, industry, associations and leading professionals. CEPM has been organizing Global Symposiums on Project Management every year since 1992. CEPM has trained 30,000+ persons on project management and provides a large number of project management related training courses that are available as in-company / public workshops through traditional face-to-face training as well as online courses. CEPM coaches and mentors persons and guides companies to improve their processes and project management skills. CEPM has provided consultancy for leading companies like Indian Oil, ONGC and BHEL. CEPM is a Global Registered Education Provider (R.E.P.) of PMI®.

**CEPM will start operating as licensed partner of ProjectTeam® and launch the "EPCP® - EPC Professional" training program in early 2019.**

**ProjectTeam®** is editor of the „Project Management Handbook for EPC“ and maintains a „Global Experts Network“ of cooperation- and licensing partners in the field of project management consulting and support for the EPC of industrial plants. ProjectTeam® in cooperation with its partners world-wide has started a training- and certification program for Project Managers in EPC, the „EPCP® - EPC Professional“. ProjectTeam® has taken the lead of an industrial initiative, the innovation project "EPC 4.0".

**International Institute of Projects and Program Management (i2P2M)**, a not for profit company incorporated under Section 8 of the Companies Act 2013, is a premier institution dedicated to providing world-class education in Project, Program and Portfolio (P3) Management. i2P2M has set up an Academic Industry Council (AIC) which comprises of eminent persons from Industry, Academic Institutions, Professional Associations and Government. i2P2M's mission is to equip project leaders and managers to handle the complexity of tomorrow by building their Knowledge, Competency and Leadership by comprehensive training of cutting edge knowledge covering both hard and soft sides of project management, exposure to best practices through relevant case studies, real time computer based simulation of complex project scenarios and experience sharing with industry stalwarts.

**Innovation project "EPC 4.0" is a joint study of ProjectTeam®, TIBA, maexpartner, m8International und d1g1tal AGENDA.** We look forward to getting into a dialogue with you. More information about innovation project "EPC 4.0" on [www.EPC-4-0.eu](http://www.EPC-4-0.eu)

**Office Germany:**

ProjectTeam®  
Einbrunger Strasse 36  
40489 Duesseldorf  
Germany

**Global Contact:**

ProjectTeam®  
Frank-Peter Ritsche  
[info@project-team.org](mailto:info@project-team.org)  
[www.project-team.org](http://www.project-team.org)

**Our Partner in India:**

Centre for Excellence in Project Management (P) Ltd.  
1st Floor, A-48, Block A, Sector 5  
Noida 201301, Uttar Pradesh, India  
[www.cepm.com](http://www.cepm.com) - [info@cepm.com](mailto:info@cepm.com)