

## SOLUTION BULLETIN

### What is EPS in P6 anyway?

Draft

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It is really confusing when the term EPS is introduced to the construction industry. Even true that the P6 documentation can't explain it in a simpler way. Here is my take on this concept for practical implementation.

EPS stands for Enterprise Project Structure. As you may have known that WBS (Work Breakdown Structure) is implemented in P3. WBS has long been an essential part of project cost control system so called "Cost/Schedule Control System Criteria (C/SCSC)". The other part is OBS (Organizational Breakdown Structure). Those two structures form two axes of a control matrix. Each intercept of two axes is the lowest level of cost (control) center. Both elements are supposed to be hierarchical. P3 only implements WBS, not OBS, and is working fine in a single project environment as it is under one responsible manager (in most cases). (Note that Activity code can be assigned as responsibility to implement the concept of OBS in P3. However, it is not technically a real OBS.)

On the other hand, P6 is designed to be a companywide control application from the beginning, which needs to handle multi-project and multi-responsible manager environment. EPS is therefore introduced to P6. Wait a minute! What EPS? Shouldn't it be OBS? I have never heard about this term from all the project control related books I have read. EPS only exists in P6 world. I think EPS is actually the same as OBS. Then why P6 needs to create another name for it. The main reason is that the responsible manager will change from time to time. For example, a Vice President – John Doe is in charge of all projects in Southern California. You can't establish all the projects under a group banner called John Doe. John may be promoted and move away later on. Then the banner has to be changed again. So we will name all the projects under Southern California, which is an EPS node.

Besides, there will always be an exception. What happen if a project in Southern California is under a different responsible manager? No problem, by creating a parallel structure – EPS, we can always assign an exceptional responsible manager to the project. P6 will require you to open the project first before you can change the assignment. Then, you will see all the activities within that project change all the assignment to the new responsible manager. Project assignments of EPS (Southern California in this case) can remain unchanged. It is all making sense from database programming and file access points of view. This is why EPS is created - to handle exceptions and maintain flexibilities.

I believe that OBS is actually more important than EPS deeply in P6's programming algorithm. OBS (Field: **Responsible Manager**) is used to assign the access rights of the projects, not EPS. When EPS roots and nodes are setup, a responsible manager needs to be assigned. Then it will become the default for all the projects you setup under that EPS node. That responsible manager therefore has access to those projects. Subsequently, the default responsibility manager is carried over to the **Responsible Manager** in **Project Access** tab under **Admin>Users**. You can change the assignment in the **Project Access** tab to handle exceptions. The assignment of **Responsible Manager** in the **Project Access** tab is actually the ultimate trigger.

Despite all the benefits of adapting OBS/EPS in P6 environment, OBS/EPS is seldom an essential part of schedule/cost control mechanism for General Contractors as most General Contractors are

subcontracting out most of work. OBS/EPS is actually much more beneficial to subcontractors who self-perform all the works thru multiple projects and multiple geographical areas. I may write another article to elaborate how subcontractors can implement P6 and benefited from it. I am not discussing further in this article. However, here is the practical use of OBS/EPS for General Contractors - to be used as a Dashboard to summarize project data to various higher levels.

One major and obvious difference between P3 and P6 is when you open the application; P3 displays a window for selecting a project to open. After clicking on the project, you get to see all the activities in an Activity layout. P6 displays a similar layout too. However, each line item represents the summary of a project. Then you drill down to the activity level for each project. Projects are listed under different banners based on group selected by your choice. The default is grouped by EPS and most people stays with it. I called this layout Dashboard. It functions just like a dashboard, and can present various levels of summary data relevant to responsible managers accordingly. For this use, I will suggest EPS to be created and break down following the criteria below.

The setup of EPS should closely mirror the organizational structure (OBS in fancy words) in your company. For example, if your company is among top 400 General Contractors in US, your company may have a responsible manager for each geographical area. Then name EPS to mirror those geographical areas. If you are a middle-sized General Contractor in Southern California, you may have several senior project managers responsible for several project managers and several projects each, you may need to name EPS something depicting the intends why those projects were assigned to them originally such as by client, by geographical area, by building type, by industry sector, etc. . It may not be precisely accurate, which it is ok. Nevertheless, make a name for it and the exception can be handled later, just don't name EPS after senior project manager's name. I also don't see the need to assign EPS sub node for each project manager. **Responsible Manger** can be assigned instead to achieve all the management need from P6. Those project summary data can then be presented to the responsible manger easily for management purpose. For a small company without any senior project managers, just name one EPS and lump all projects under it, and save all the troubles. If you have too many projects listed altogether in the layout, you may start to use calendar year the projects were started to group them together.

Another flexibility of P6 is that you can always create EPS nodes later and move projects among them if you have administration rights. You click on the project line item you want to move and highlight it, unclick it and move the cursor to the beginning of the line until the cursor turned into one with a square icon attached. Click on it again and drag to the new location. It is not easy to figure out it by yourself in the beginning. Having said all that, P6 allows the administrator to rename any EPS ID and EPS name any time after created. It means that you can name an EPS node after a person's name if you prefer.

Final Words

**Make EPS follow OBS closely!**

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