

Project Recovery & Controls

NorthStar Warehouse Automation Modernization

A warehouse-automation program approaching go-live with supplier exposure, integration defects, schedule variance, training gaps, and approved changes affecting cost.

FINAL COST

\$4.92M

vs \$4.80M baseline

SCHEDULE VARIANCE

+7 days

controlled through change process

ACCEPTANCE METRICS

5 / 5

defined criteria met

Executive diagnosis

Separate visible variance from the risks that actually threaten acceptance.

BASELINE BUDGET

\$4.80M

Approved baseline

FINAL COST

\$4.92M

+2.5% vs baseline

GO-LIVE VARIANCE

7 days

Accepted through control

OPEN CRITICAL/HIGH

1

Residual exposure

Situation

- A seven-day schedule shift was visible, but supplier and integration exposure created more material delivery risk than the calendar variance alone.
- Approved changes explained most of the cost movement; the control problem was decision quality and traceability, not unexplained cost leakage.
- Operational readiness had to be judged against measurable throughput, error, proficiency, availability, and safety criteria - not installation completion alone.

Control response

- Link schedule, risk, issue, change, cost, quality, and executive decision records into one control picture.
- Use explicit decision owners and deadlines where supplier or integration exposure could consume remaining float.
- Protect acceptance quality: extend testing rather than reducing scope, then verify readiness against defined operating metrics.

PRIMARY CONCLUSION

The project did not need a cosmetic 'green' status. It needed controlled acceptance of the seven-day shift, traceable decisions around the remaining risks, and evidence that operational performance met defined criteria.

Evidence behind the recovery decision

Selected measures from the integrated control package.

Operational acceptance

Measure	Target	Actual	Status
Peak throughput	1,550/hr	1,585/hr	MET
Pick error rate	<= 0.60%	0.52%	MET
Operator proficiency	>= 90%	94%	MET
Availability	>= 99%	Verified	MET
Safety closure	100%	Verified	MET

Risk exposure recorded

Critical	1
High	5
Medium	0
Low	0

Milestone variance vs baseline

Design baseline		0d
Facilities		+7d
Equipment install		+7d
Integration		+7d
UAT / training		+7d
Go-live		0d

Cost position

BASELINE BUDGET \$4.80M Approved baseline	FINAL COST \$4.92M +2.5%
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Approved changes explain the cost movement; the remaining decision is readiness, not unexplained spend.

Recovery plan and client deliverables

A bounded control package designed to make decisions visible and execution measurable.

Recovery actions

1

Protect long-lead procurement

Use early decision authority and alternate sourcing where supplier lead time threatens the installation window.

2

Resequence constrained work

Add commissioning capacity and resequence activities after schedule float disappears.

3

Preserve test quality

Extend UAT rather than reducing regression scope to manufacture an on-time date.

4

Control scope and cost

Track approved changes, implementation status, cost impact, and verification evidence.

5

Close on operating evidence

Use explicit acceptance metrics and documented decisions to transfer ownership to operations.

Selected deliverables

- Project health and recovery assessment
- Integrated schedule and milestone variance view
- Risk register with response ownership
- Issue, action, and decision controls
- Change-control log with cost and schedule impacts
- Cost performance and funding view
- Quality and acceptance dashboard
- Closeout evidence and transition controls

CLIENT VALUE

A clear answer to what is actually threatening the project, what decisions are required now, and what controls will keep recovery on track.