

Applied Earned Value Management

Appplied Earned Value Management emphasizes the processes related to the Performance Management Baseline (PMB), the Integrated Baseline Review (IBR) and the American National Standards Institute/Electronic Industries Alliance Standard 748 (ANSI/EIA-748) for Earned Value Management (EVM) systems. You'll gain hands-on knowledge of the EVM process and EVM metrics, including Estimates at Completion (EAC), as well as an overview of the EVM process from project development to execution.

You'll learn to use tools for managing data associated with EVM as they apply to federal acquisition management in the cost contract environment. You'll also learn EVM skills through hands-on exercises and a multi-part case study that takes you from EVM project baseline formation at the beginning of the project through the challenges of ongoing assessments and reassessments of cost, schedule and performance to the project changes. You'll end the course with an understanding of project surveillance.

Reminder: This course is designed for those who will be required to calculate and interpret the EVM data generated in capital asset acquisitions. The course has been designed for federal members of integrated procurement teams and for commercial personnel dealing with EVM on government contracts. While the course is based on the government's use of EVM for major capital asset investments, commercial contracting personnel will find they can readily apply the principles taught here to commercial capital asset investments as well.

Course Topics

1. **Basic Elements of Performance Measurement**
 - a. Statutes related to EVM
 - b. The Office of Management and Budget (OMB) EVM policy
 - c. FAR requirements
 - d. DoD EVM implementation instructions
 - e. Earned value (EV) independent variables
2. **Establishing a Performance Measurement Baseline (PMB)—Part I**
 - a. Work breakdown structure
 - b. Organizational breakdown structure
 - c. Responsibility assignment matrix
 - d. Contract work breakdown structure
 - e. Reporting relationships
 - f. Accounting system
 - g. Costs and cost variance
 - h. Material costs
3. **Establishing a PMB—Part II**
 - a. Integrated master schedule (IMS)
 - b. Schedule integration
 - c. Allocate budget to schedule
 - d. Scheduling techniques
 - e. Master schedule and control accounts
 - f. Budgeting and management reserve
 - g. Resource leveling
4. **Earned Value Analysis**
 - a. EV techniques
 - b. Realism of the cost curve
 - c. Front loading the schedule
 - d. Realistic program/project targets
 - e. Evaluating the baseline
 - f. Material cost vs. labor performance
5. **Data Collection and Estimating Cost at Completion**
 - a. Performance reports
 - b. Summarization and interpretation of data
 - c. Schedule performance index (SPI)
 - d. Cost performance index (CPI)
 - e. The EVM EAC equation
 - f. To complete performance index (TCPI)
 - g. CPI-TCPI trend chart
6. **Change Control and Baseline Maintenance**
 - a. Internal replanning/rephrasing work or budget
 - b. Overtarget baseline (OTB)
 - c. Budget at completion (BAC)
 - d. Cost variance or utilization of management reserve
 - e. Contract budget base
7. **The Integrated Baseline Review (IBR)**
 - a. Statutory requirements
 - b. Elements of IBR
 - c. Pre-IBR tasks
8. **Surveillance and Certification**
 - a. Certification of the contractor's system
 - b. Primary surveillance responsibility
 - c. Surveillance plan
 - d. Contractor corrective actions

Learn how to:

- Discuss the basic elements of a performance management system
- Follow key policies, regulations and guidelines governing a performance management system
- Comply with the industry standard (ANSI/EIA Standard 748) for earned value management systems (EVMS)
- Use tools for managing data associated with earned value management
- Leverage the EVMS surveillance process to effectively manage cost, schedule and technical performance
- Use the performance management system as an integrated project management tool to facilitate improved planning and control of cost, schedule and work scope
- Provide management with the necessary information to ensure that day-to-day decisions keep performance consistent with program objectives

PDUs: 18.0

CEUs: 1.8

CPE credits: 21



Public and on-site delivery available under GS-02F-0058P.

Meets the requirements of FAC-P/PM.

Participants in this course will receive ESI's **Earned Value Formula Finder**.

Recommendation:

Please bring a calculator to class.