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# Earned Value Management Workshop

(3 days)

## Course Description:

The use of Earned Value Management to track project status is not only a “best practice” in numerous organizations, but also mandated by the Federal Office of Management and Budget (OMB) for use during the development, modernization and enhancement (D/M/E) of major Information Technology investments. It is therefore critical that key management, finance and procurement personnel be aware of not only the concept but also the advantages and limitations of this management approach. This workshop is designed to prepare Federal IT professionals to implement, monitor and audit earned value management systems.

## Learning Outcomes:

Participants will be able to:

- Apply the concepts of earned value management to IT projects and programs.
- Develop the procedures required to comply with ANSI Standard 748A.
- Implement EVM within a typical IT project.
- Analyze and Interpret a Contract Performance Report.
- Audit a project for compliance with EVM policy and guidelines.

## Who should attend:

Project, program and portfolio managers and staff specialists who will provide support to IT projects and programs.

## Prerequisites:

Enrollment in or graduates of the iCollege ITPM, CIO or CFO certificate programs.

## **Course Outline:**

### **Introduction and Overview**

- Course Objectives
- Introductions

### **Module 1: The Earned Value concept**

- Project and Program Management
- Project Control
- Earned Value
- Policy and Guidelines

### **Module 2: Planning for EVM**

- Defining the Scope
- Developing the Schedule
- Estimating the Cost
- Establishing the Budget
- Practical Exercise

### **Module 3: The Performance Measurement Baseline**

- Developing the Performance Measurement Baseline
- Establishing the Project Reserve
- The Integrated Baseline Review
- Practical Exercise

### **Module 4: Project Execution**

- Tracking task performance
- Tracking project performance
- Accounting for project costs
- Controlling changes
- Practical Exercise

### **Module 5: Variance Analysis and Performance Prediction**

- The Schedule Performance Index (SPI)
- The Cost Performance Index (CPI)
- The Estimate at Completion (EAC)
- The Estimated Schedule at Completion (ESAC)
- Other metrics
- Practical Exercise

### **Module 6: Reporting Performance**

- Alternative Performance Forecasts
- The Contract Budget Base and the Performance Measurement Baseline
- The Contract Performance Report (CPR)
- The Integrated Performance Management Report (IPMR)
- The Federal IT Dashboard
- Practical Exercise

### **Module 7: Taking Action**

- Interpreting the EVM Data
- Analyzing Program Objectives, Boundaries and Constraints

- Developing the Recovery Plan
- Committing the reserve
- Revising the baseline
- The Over-Target Baseline (OTB)
- Practical Exercise

### **Module 8: Benefits and Limitations**

- Benefits
- Limitations
- Issues

### **Module 9: Practical Application**

- Blending Analysis
- Measuring Level of Effort
- Applying to Fixed Price Contracts
- Applying EVM Techniques to the Sustainment Phase
- Committing the Reserves
- Applying EVM to the Critical Path Calculations
- Applying EVM to Government Project Resources
- Practical Exercise

### **Module 10: ANSI Standard 748**

- Overview of the standard
- Applying the 32 Criteria
- EVM “Lite”
- Adopting EVM in your organization
- Relationship between EVM and CMMI

### **Module 11: Red Flags**

- Reports from the Field
- “Beating the System”
- If You Don’t Trust the Numbers
- Practical Exercise

### **Module 12: Using Microsoft Project to track Earned Value**

- Changing the default settings
- Creating the baseline
- Tracking performance
- Reporting performance
- Practical Exercise

### **Module 13: Summary**

- Critical Elements Re-dux
- References