

Introduction to Earned Value

Earned Value Basics

- What is an Earned Value Program and System?
- Why do we need an Earned Value Program and System?
- Basic Earned Value Terminology
 - Scope Value
 - Cost Value
 - Schedule Value



Successful Application of Earned Value to a Project

- Forward Pass Planning: developing value in the performance baselines
- Identify Program Constraints: stakeholder requirements and expectations or contract requirements
 - Scope
 - Quality
 - Resource and Cost
 - Schedule
 - Responsibility
- Establish Baseline Success Paths: inject a dose of reality (risks, threats and opportunities)
 - Identify key assumptions that you are making as you plan
 - Identify what's in and what's out of scope
 - Implement Rolling Wave Planning: plan to the level of information that you have; don't fabricate bogus information
 - Decompose the work scope down to integrate manageable "work packages" with activities and tasks
 - Responsibility
 - Scope
 - Cost
 - Schedule
 - Characterize the technical certainty and uncertainty associated with scope definition
 - Risk Management Infusion: establish provisions for scope uncertainty
 - Characterize the type of work (cost type and resource requirements: for what you know)
 - Implement Rolling Wave Planning: estimate and characterize the estimate type
 - Risk Management Infusion: establish provision for resource and rate uncertainty
 - Assign durations to scope activities and align with resource requirements
 - Risk Management Infusion: establish provisions for schedule uncertainty
 - Integrate scope, schedule and cost performance baselines

Develop Effective, High Impact Project Controls

- Establish summary, critical control points
- Assemble effective control account plans (CAPS: defining what's more important)
- Ensure effective work package to accounting system integration
- Identify Key Performance Milestones (scope, quality, schedule, cost) for appropriate tracking

Develop Effective, High Impact Project Controls (Continued)

- Develop Critical Risk Response Plan
 - Opportunity Management
 - Threat response and reduction
- Develop “just right” reporting
- Establish the indicators and thresholds for change and corrective action
 - Scope
 - Quality
 - Cost
 - Schedule
 - Risk

Execute and Control the Baseline

- Implement Risk Management Plan
 - Opportunity Management
 - Threat Management
- Continuous application of subsequent rolling wave plans into the baseline and conduct baseline change process to incorporate “new” or expanded project scope or information
- Review project performance against key baseline indicators
- Use the Earned Value Indicators to accurately “indicate” issues and opportunities against current baselines
- Control the baseline against Key Performance Parameters: maintain success paths
- Configure control: scope, cost and schedule to expanding product requirements

Application Implementation to Specific Customer

- Applications issues
- Questions and answers

Path Forward

NOTE: Offered as a 1 or 2 day course