Thoughts on Earned Value Assessments

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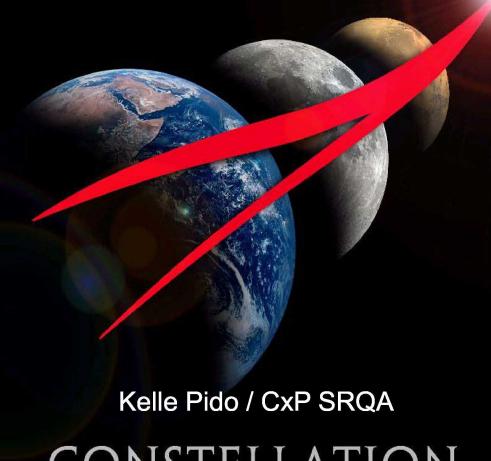
CONSTELLATION

CxP Implementation of Earned Value

- **Constellation requires Earned Value reporting at the Program and Project levels**
  - EVM used to status and manage both the contracts and the civil service (NASA) workforce
  - Project EVM is a measure of contractor cost and schedule performance
    - Good tool to measure progress toward project completion and milestones
  - EVM measurement of civil service performance is less meaningful since we are mostly Level of Effort tasking (stable number of workers performing whatever tasks are required)
  - Program EVM is only somewhat useful in measuring contractor performance because many program level tasks are Level of Effort (support contracts)

CONSTELLATION

Issues/Concerns with CxP EVM (FY09)

- **Reporting of Actual contract costs is inconsistent**
  - Government reporting periods do not match contractor reporting cycles
  - Apparent lag in contractor reporting
  - Occasional use of wrong charge codes in reporting
  - Contractor data reported via many different financial systems across the various centers with no shared data system
- **Spending plans not updated frequently enough during the year**
  - Current spending compared to old plan
  - Artificially drives discrepancies since plan is out of sync with reality
- **Too much time is spent analyzing EVM discrepancies**
  - Most discrepancies are a product of bad data rather than a true discrepancy between work expected to be performed and work actually performed
  - True discrepancies often masked by bad data

EVM for Mission Assurance

- Cx SRQA does not use EVM data specifically to assess the Program's ability to achieve mission success

- CxP uses the Risk Management process (in conjunction with other SRQA and CxP processes) to identify and document cost and schedule risks to mission success

- Additionally, each Project and the Program conducts an Integrated Baseline Review (IBR)

  - Assesses the adequacy and risk of the technical, cost, and schedule baselines for the Project/Program with respect to achieving Project/Program goals

  - Heavily based on EVM-type data (plans, costs, schedules)

  - Led by the Program Planning and Control Office (Business Office)