



PARCA EVM WEBINAR

Earned Value Management: A Beacon in the Cloud of Program Execution

July 19, 2013

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AGENDA

- ▶ PARCA
- ▶ Better Buying Power 2.0 (BBP)
- ▶ EVM Supports All



**PARCA
EVM**

PARCA Organization

Director, Performance Assessments and Root Cause Analyses (PARCA)
Mr. Gary R. Bliss

**Deputy Director for
Earned Value
Management**

Mr. Gordon M. Kranz

**Deputy Director for
Root Cause Analysis**

Dr. D. Mark Husband

**Deputy Director for
Performance
Assessments**

Mr. James P. Woolsey

**Deputy Director for
Acquisition Policy
Analysis Center**

Dr. Philip S. Anton

**OSD EVM Policy
Holder**

**Nunn McCurdy
Breach Analysis**

**Program
Assessments and
DAES Selection**

Analysis Team

PARCA was brought into existence via the reforms called for by the Weapon Systems Acquisition Reform Act (WSARA) of 2009

As the central office for major defense authorization performance assessment, root cause analysis, and earned value management (EVM), PARCA advises AT&L on program execution status; and issues policies, procedures, and guidance to the Military Departments and the Defense Agencies to improve program management practices

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PARCA EVM Vision

Foster cross functional situational awareness, visibility, and accountability through integrated program management at all levels of the acquisition community.

▶ *Guiding Principles*

- Increase the quality and utility of EVM data
- Increase the use of EVM across the acquisition chain
- Improve acquisition professionals ability to utilize EVM
- Reduce Contractor's administrative burden of inefficient use of EVM
- Ensure constructive 2-way communication between DoD and Industry
- EVMS is perceived by all stakeholders to be cost effective

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PARCA EVM Organization

PARCA Earned Value Management Division Authorities

Policy and Guidance

Develop, publish, and maintain DOD policy and guidance on EVM

EVM Competency

Serve as DoD EVM Functional Lead to influence EV competency requirements; Coordinate with Defense Acquisition University (DAU)

EVM Data Requirements

Review and approve EVM data requirements for MDAP programs in coordination with Services and Defense Agencies

EVM Central Repository

Be responsible for the Earned Value Central Repository (CR) and maintain CR data alignment with the Acquisition Visibility framework; Report EVM data compliance, integrity, and quality to AT&L

Communications and Outreach

Resolve interpretive differences in EVM policy, practice, and requirements; Maintain communications with industry on EVM policy



PARCA is responsible and accountable for EVM performance, oversight, and governance across the Department

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Better Buying Power 2.0

- ▶ BBP 2.0 includes 36 initiatives that are organized into seven focus areas
 - Achieve Affordable Programs
 - Control Costs Throughout the Product Lifecycle
 - Incentivize Productivity and Innovation in Industry and Government
 - Eliminate Unproductive Processes and Bureaucracy
 - Promote Effective Competition
 - Improve Tradecraft in Acquisition of Services
 - Improve the Professionalism of the Total Acquisition Workforce





EVM and Better Buying Power 2.0

- ▶ EVM supports BBP 2.0
 - Achieve Affordable Programs
 - EVM provides a disciplined process to plan and prioritize work and track progress against the plan
 - EVM data can be used to make decisions
 - Control Costs Throughout the Product Lifecycle
 - EVM provides data to measure performance independent of resources expended
 - EVM “shines a light” on potential problems allowing for development of course corrections throughout the program execution lifecycle



PARCA EVM

What is Earned Value Management?

- ▶ Program Management Tool that facilitates measurement of performance against plan and team communication
 - Understand work scope
 - Plan work scope
 - Assign budget to work scope
 - Resource work scope
 - Measure progress against planned work scope
 - Make course corrections as needed
- ▶ Early warning indicators using **estimates** and **trends**



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PARCA EVM

Why Use EVM?

► Benefits

- Integrated technical, cost, and schedule
- Early warning indicators and visibility into drivers of performance
- Objective information to allow proactive decision making and risk management
- Ability to forecast performance and construct corrective action plans
- Checks and balances for accountability
- Tailorable to needs of program
- Communication and coordination across the team

EVM supports all disciplines in their efforts to track progress; does not replace existing measures such as TPM's, risk, etc.

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Getting the WBS Right is Paramount

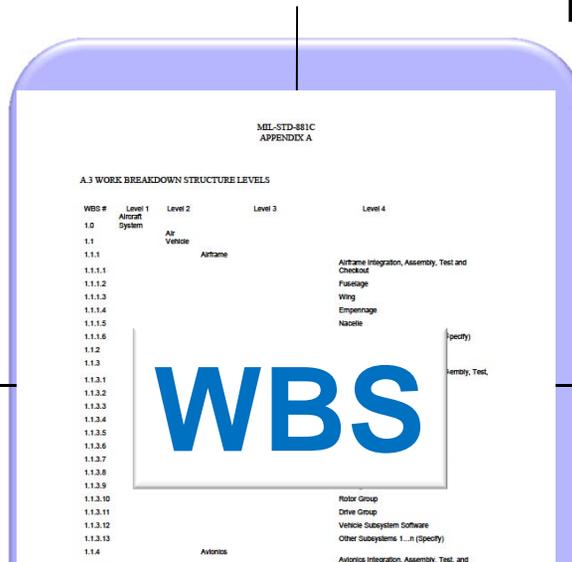
Focus of most programmatic and technical status discussions

Technical

- TPMs
- Specifications
- Design docs
- Performance char.

Risk & Risk Assessment

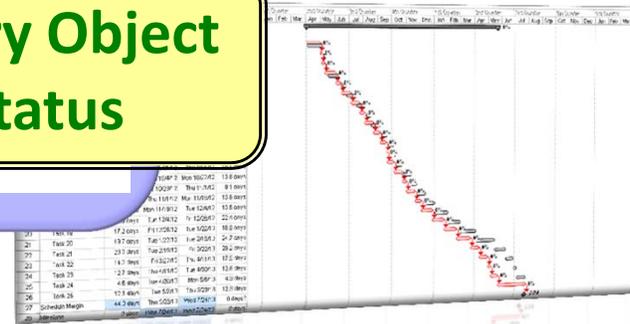
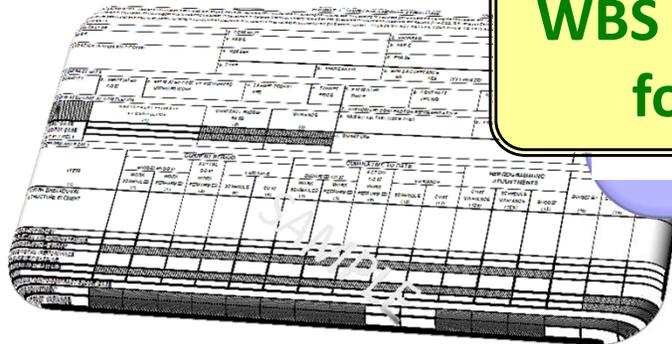
- Level of Detail
- Program Oversight level of detail



Earned Value
Cost and Schedule Status

Schedule
IMP / IMS

WBS is a Boundary Object for Program Status

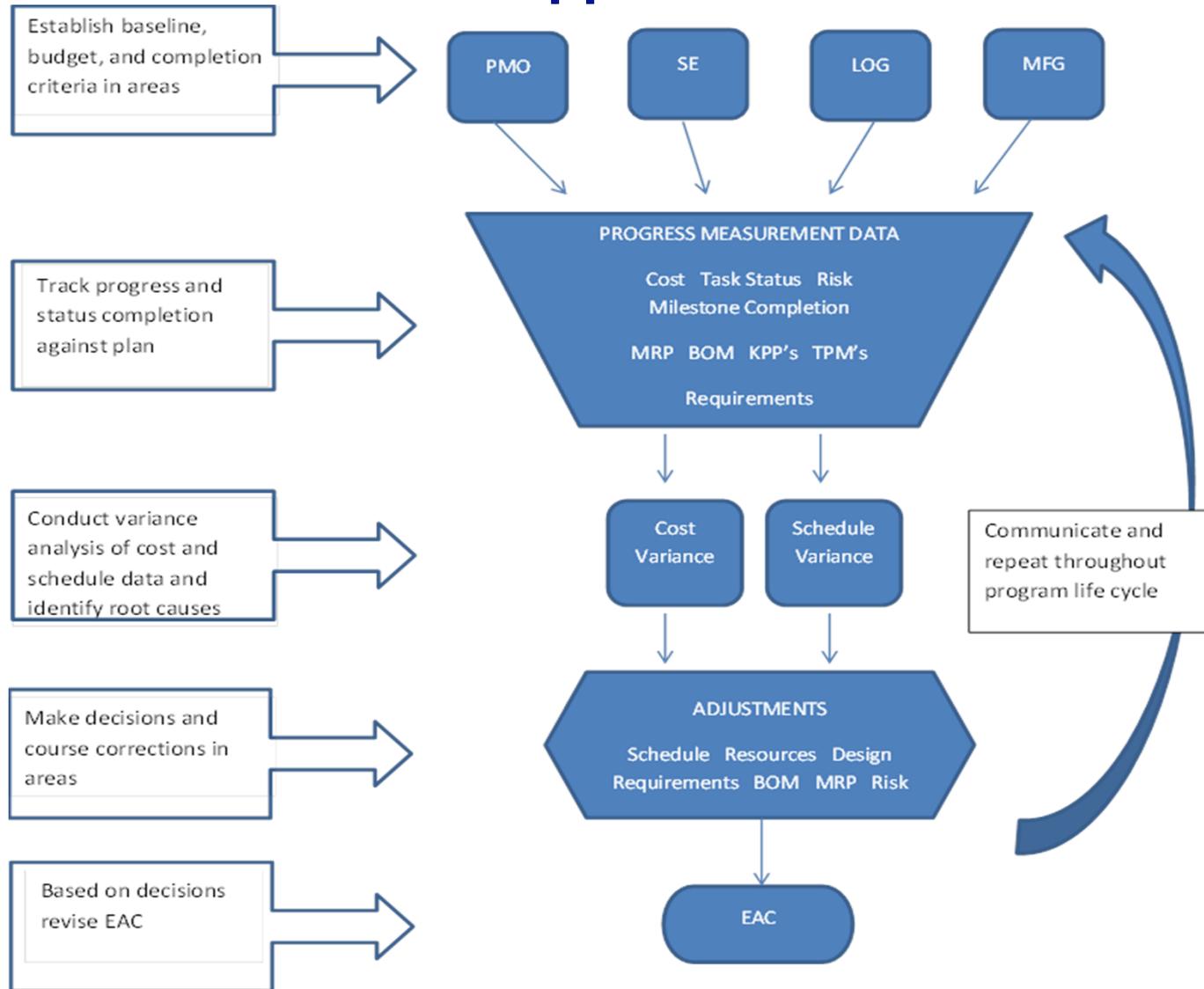


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EVM uses data produced by all functional areas in the normal course of program execution to facilitate decision making

EVM Supports All



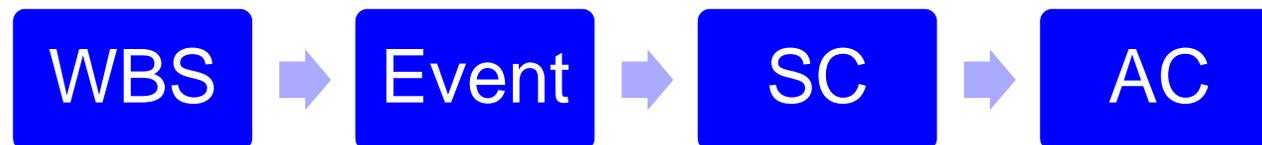
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Why Use an Integrated Master Plan (IMP)?

- ▶ IMP is a best practice for establishing plan expectations
 - IMP done up front to establish program expectations and define success criteria and establish end to end plan integrity
 - IMP is used as foundation to grow detailed plan in rolling wave increments
 - IMP ties the technical success criteria to the earned value baseline
 - Event based plan consisting of hierarchy of activities



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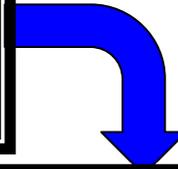


IMP to IMS Process

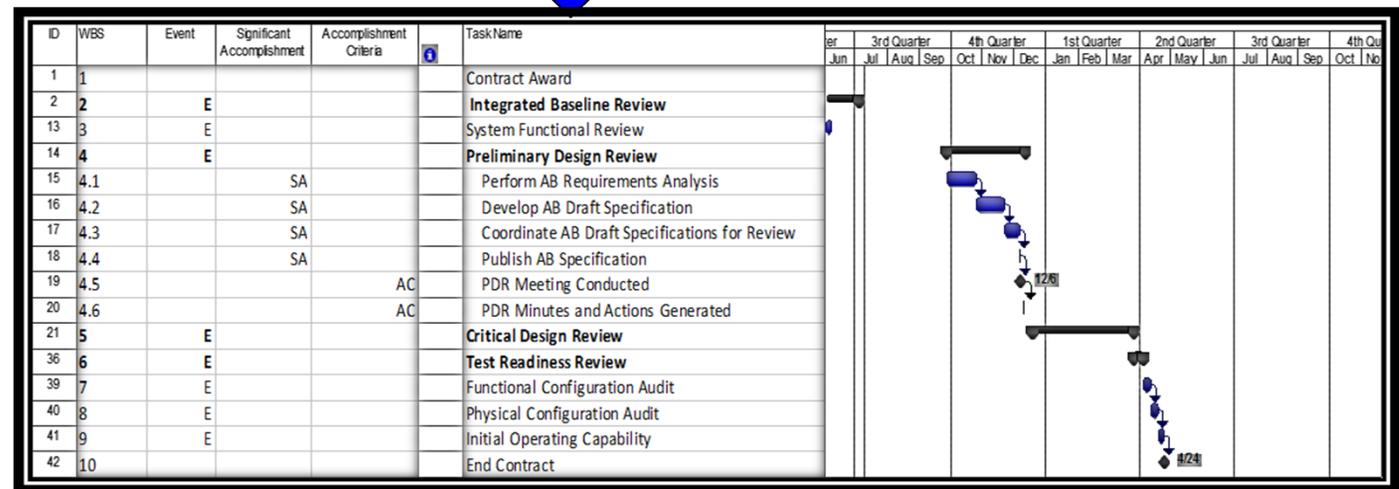
IMP

Activity Number	Activity
A	IMP Event
A01	IMP Accomplishment
A01a	IMP Criteria
A01a01-n	IMS Tasks
A	PDR Completed
A01	Requirements Analysis Completed
A01a	AB Requirements Analysis Completed
A01a01	Perform AB Requirements Analysis
A01a02	Develop AB Draft Specification
A01a03	Coordinate AB Draft Specifications for Review
A01a04	Publish AB Specification

- IMP expanded to incorporate detailed tasks to accomplish IMP Criteria
- Tasks applied to a timeline to create IMS



IMS



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Take Aways

- ▶ EVM is a best practice to help achieve BBP objectives
- ▶ EVM data provides indicators of a potential problem, it does not identify the specific problem
- ▶ EVM is useful to all program team members
- ▶ IMP and IMS are critical to tracking program cost, schedule, and technical performance



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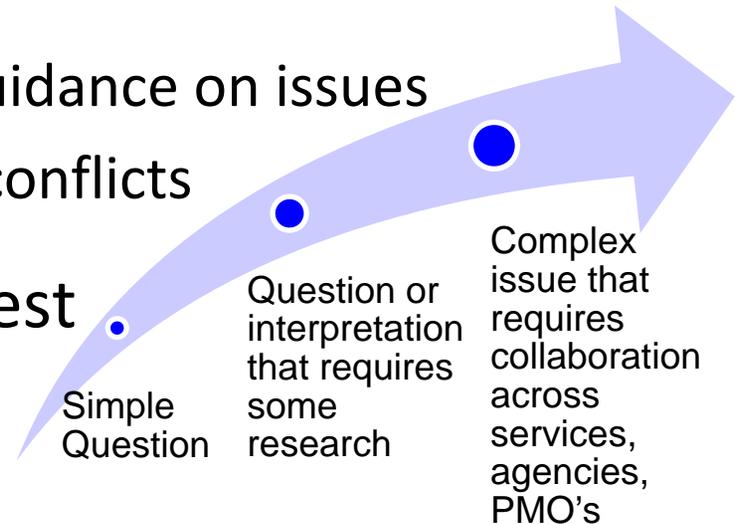
Issue Resolution (IR) Process

▶ Interpretation and Guidance

- Answer questions
- Provide interpretations and guidance on issues
- Review potential policy gaps/conflicts

▶ Anyone can submit a request

- Government
- Industry



▶ Should be vetted through normal channels first

How to contact us:

PARCA EVM Website: <http://www.acq.osd.mil/evm/index.shtml>

PARCA EVM Email: EVMInterpretation@osd.mil or parcaevm@osd.mil

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References

- ▶ PARCA EVM Website: <http://www.acq.osd.mil/evm/>
- ▶ IMP-IMS Guide:
[http://www.acq.osd.mil/se/docs/IMP IMS Guide v9.pdf](http://www.acq.osd.mil/se/docs/IMP_IMS_Guide_v9.pdf)
- ▶ IPMC 2012 “Work Breakdown Structures (WBS) and the Integrated Program Management Report (IPMR) Data Item Description (DID)”, PARCA [http://www.mycpm.org/wp-content/uploads/2012/01/WS-03-04 PARCA-WBS-IPMR-IPMC-2012.pdf](http://www.mycpm.org/wp-content/uploads/2012/01/WS-03-04_PARCA-WBS-IPMR-IPMC-2012.pdf)
- ▶ IPMC 2012 World 2012 “Using Technology to Set a Baseline for Communication and Measure the Effectiveness of Communication Strategies over Time”, Mark Phillips, Standpipe Manager, Inc.
- ▶ EVM World 2013 “IMP as a Communication Tool”, Joy Villagomez and Ron Terbush, Lockheed Martin IS&GS