

National Aeronautics and Space Administration

NASA UPDATE

**NDIA PMSC Quarterly Meeting
February 2, 2011**

Jerald Kerby
NASA/Marshall Space Flight Center
256-544-3243

gerald.g.kerby@nasa.gov
<http://evm.nasa.gov>



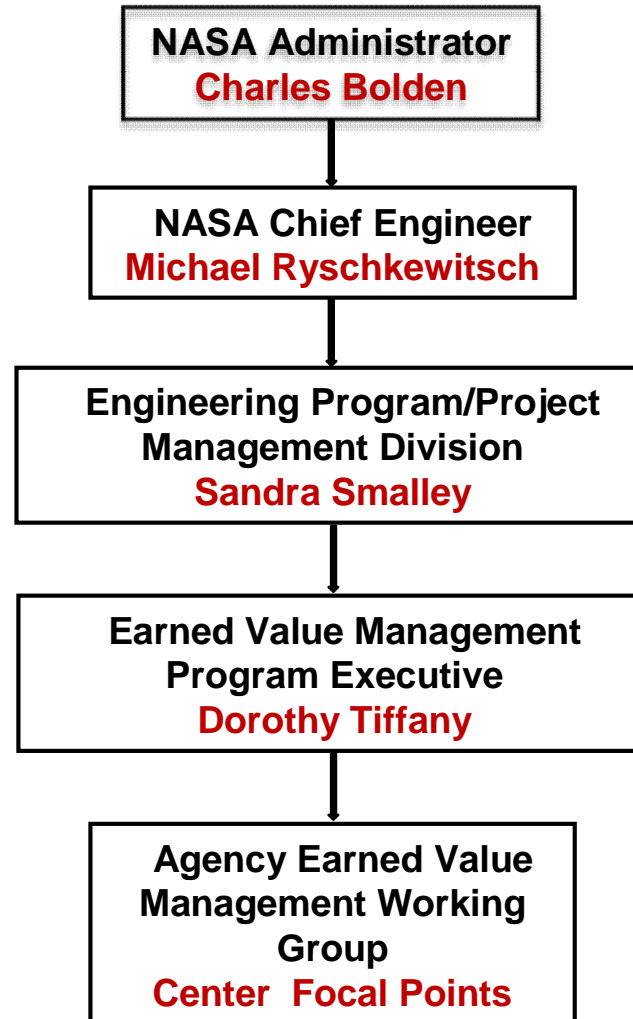


Topics

- 1. NASA's EVM Leadership**
 - ***Center EVM Points of Contact***
- 2. Update on EVM Policies & Current Activities**
- 3. Lessons Learned from Internal EVM Capability Pilot Testing**
- 4. Thoughts on Where Industry Can Improve its Efforts in Using EVM as a Management Tool**



NASA's EVM Leadership



Note: Dorothy Tiffany retiring end of Feb. 2011, Jerald Kerby to assume that position on Mar. 1



NASA Center EVM Points of Contact

HQ	Dorothy Tiffany (Chair)	301-286-5917 Dorothy.j.tiffany@nasa.gov
Ames	Alan Wong	650-604-4952 Alan.n.wong@nasa.gov
Dryden	Mary Wilson	661-276-5240 Mary.l.wilson@nasa.gov
Glenn	Bob Sefcik	216-433-8445 Robert.j.sefcik@nasa.gov
Goddard	Nakiesha Bryant	301-286-0087 Nakiesha.bryant@nasa.gov
JPL	Cal Chambers	818-354-0092 Calvin.r.chambers@jpl.nasa.gov
Johnson	Sam Padgett	281-483-8984 Samuel.c.padgett@nasa.gov
Kennedy	Kristen Kehrer	321-867-3691 Kristen.c.kehrer@nasa.gov
Langley	Dr. Barry Lazos	757-864-5731 Barry.s.lazos@nasa.gov
Marshall	Jerald Kerby (Deputy Chair)	256-544-3243 Jerald.g.kerby@nasa.gov
Stennis	Deborah Norton	228-688-1168 Deborah.s.norton@nasa.gov

Note: Chair transitions to Jerald Kerby, and Deputy Chair to Kristen Kehrer



EVM Policies & Current Activities

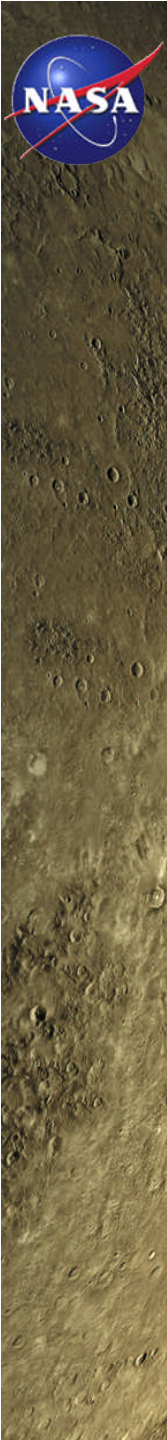
Policy Update:

1. NASA's Program/Project Management Requirements for Flight Projects, NPR 7120.5 version E has slipped from a 4th Qtr CY2010 completion to a 2nd Qtr CY2011 expected finish

In order to be more responsive to all program/project stakeholders, the following concerns are currently being addressed and incorporated:

- The need for increased NASA Center-level responsibility for program/project implementation
- The need for increased maturity in Phase B project baseline planning

2. The NASA EVM System Description Document (SDD) is currently in Rev. 4 and awaiting further refinement after the current EVM implementation pilot test gets further along



Current EVM Capability Project Status

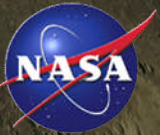
- Currently in Implementation phase (C/D)
 - 1st Pilot complete
 - EVA pilot cancelled in June 2010 because of changes/uncertainty within the CxP and the project office
 - Documented Results/ Lessons Learned/Issues Papers
 - **Two Issue Papers** Submitted for Consideration
 - Inconsistency between Plan and Performance
 - Business Rules and Actual Cost
 - 2nd Pilot started with review of data and setup support
 - Began in Sept. at GSFC
 - Pilot delayed in Nov. for re-planning until early Jan. 2011
 - Pilot restarted in early Jan. 2011
 - Completion date now moved from March to June 2011



Issue Papers

- **Inconsistency Plan and Performance**
 - NASA Project's inconsistency between plan and performance impacts NASA's effective use of the Earned Value approach to project Management. The following are two effects
 1. Artificial variances are created which dilute the value of EVM metrics in providing meaningful performance data
 2. The predictive value of EVM performance metrics that enables developing creditable Estimates at Complete (EAC) for work remaining is compromised.

- **Business Rules and Actual Costs**
 - NASA business rules and cost distribution methodologies impact NASA's effective use of the Earned Value approach to project management. The following are three effects.
 1. Artificial Variances
 2. Distorts EVM data
 3. Significantly impairs predictive ability of EVM



Gaps Impacting NASA's Ability to be Compliant with ANSI/EIA-748

* All priorities within a group are of equal importance

Gap #	Priority*	Gap Description	Guideline(s) Impacted	Status
1	1	NASA business practice requires that obligations and costs occur at the same level of the WBS in SAP, sometimes resulting in costs being posted where obligations are available and not necessarily where the work is performed (off charging).	16, 17	Workaround/ Change Required
2	1	Costing old money first (off charging)	16	Workaround/ Change Required
3	1	Algorithm being used to distribute 533 cost (off charging)	16	Workaround/ Change Required
4	1	Inability to collect support contractor hours and elements of cost at the appropriate WBS element where the work is performed.	16	Workaround/ Change Required
5	2	Leave (annual, sick, or comp) is charged to the project when taken not earned (off charging)	16	Change Required
6	2	Projects sometimes need to break down the WBS below level 7 to obtain a manageable piece of work	17, 22	Change Required /Workaround
7	3	The Project Manager will not be able to control the configuration of the WBS until he/she is given approval authority of WBS elements being added to SAP.	1	Change Required
8	3	NASA does not have a Work Authorization system for work across the Agency.	9	Change Required
9	4	Indirect cost policies continue to change and are not handled like normal, full cost are in an EVM System.	4, 19, 24	Workaround/ Change Required
10	4	Projects are not able to get timely and reliable grant, Internal Partner, and Reimbursable cost data from the system.	6, 7, 16, 27	Workaround/ Change Required
11	4	NASA does not have a Material Management System or policies across the Agency to support the EVM guidelines for material.	3,9,21	Workaround/ Change Required

Issue papers addressed solutions for the circled gaps.



Path Forward

- Continue ICESat2 Pilot and document lessons learned, update documentation as needed
- Develop transition strategy for long-term implementation
- Continue to provide Steering Committee with information to make decisions for Agency
- Enter into O&M upon successful Operational Readiness Review (ORR)
- Project Closeout (Agency-wide implementation IS NOT in scope for this project)



Suggested Improvement Areas for Industry

- Strengthen Scheduling Discipline – continues to be a weakness industry wide
- Management Emphasis to use EVM as management tool
- Work through Center EVM Focal Points and EVM Program Executive to resolve issues



NASA EVM Capability Training Series

Questions?



www.nasa.gov