



**STRENGTH THROUGH INDUSTRY & TECHNOLOGY**



**Production EVM  
Working Group Outbrief  
February 2011 PMSC**

# Possible Issues Encountered with EVM in Production

Material Requirements Planning (MRP)

Scrap & Rework

Travelled Work

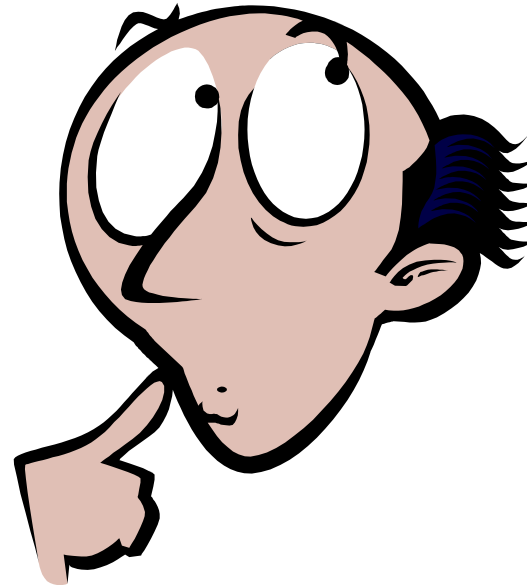
Part Shortages

Setup and Run Time

Realization and Learning Curves

Grouping, Pegging and Distribution or Loans and Transfers

I don't remember any of these terms from my EV 101 class!



# Possible Issues Encountered with EVM in Production

## Development

- Actuals typically managed at WP or CA level
- IMS contains all major schedule events
- Engineering CAMs
  - Responsible for planning and accomplishing the work
- Limited issues with material, most pertain to subcontractors
- Typically prefer short WP durations and limit changes to WPs in progress
- Generally, personnel involved understand EVM

## Production

- Actuals often managed lower than WP
- IMS may not have all parts or other MRP controlled items
- Mfg CAMs
  - Might not be directly responsible for planning or accomplishing work
- Significant material issues, including loans or transfers
- WPs are often longer in duration and changes to open WPs are required
- Manufacturing or material personnel not always educated on EVM

# Production EVM Working Group Charter

## Charter

**Analyze EVM practices and processes on production contracts and provide a common understanding of terminology, processes and earned value application used in a production environment**

## Planned Output

- **Documenting production EVM issues, typical company practices, difference in production process versus typical development program process (and/or outputs), and perceived expectations of production EVM process**
- **Consolidate individual issue documentation into a white paper summarizing production EVM issues**

## Activities Since Last PMSC

- 5 additional draft documents were completed and circulated (17 total to date) – 4 more ready to be distributed
- Devoted one monthly meeting to reviewing, discussing and commenting on the PP&SS chapter on Production
- Conducted a well attended workshop session at the November 2010 IPM conference
- Summary of government review at 2 contractors completed
- White paper development has started

## Next Steps

- Complete Sub group documentation efforts
- Complete Summary/main body of white paper
- Circulate white paper to all WG participants and then to PMSC
- Target final product in mid-2011 to be made available to PMSC membership for final review and comment