

NDIA PMSC Meeting Minutes

Joint Government and Industry Meeting – June 19, 2013

1. Ms. Tracie Thompson, PMSC Chair, called the meeting to order and welcomed all the attendees. Per the PMSC's practice, all attendees introduced themselves.
2. Note: These minutes are intended to supplement the charts shown during the presentations (as applicable). Charts will be uploaded to the PMSC website shortly after the meeting.
3. Mr. Chris Miller from Artemis, host of the meeting with NDIA, showed a video of Artemis new products, specifically "My Artemis". Chris discussed Artemis' history and their business model – focus on customer success first vs growth (different from many software company business models). Artemis has been growing and has introduced new enterprise versions of Artemis products, focusing on the speed of their products.
4. Mr. Eric Christoph facilitated a panel discussion on "Agile and EVMS". Panel participants were Mr. Jeff Thomas from Raytheon, Ms. Dottie Action from Lockheed Martin and Mr. Rob Edwards from Project Performance Incorporated. Eric asked several questions about the challenges faced in an agile environment when utilizing EVMS. For example, a major challenge is how one develops a plan (BCWS) in an agile environment. Iterations of planning in a rolling wave environment or baseline changes to accommodate the changing environment were discussed as methods to deal with the challenge. Dottie pointed out LM has a rigorous method for defining the scope up front which allows for successful EVMS. Other questions discussed were the integration into the IMS/critical path, dependency between features, whether DoD needs to shift the manner in which it contracts for software development efforts, impact of rework and relation to new work, when BCRs are used and not used, level that work package exists (feature), and other pertinent discussion points.
5. A break was conducted.
6. Mr. Gary Bliss from PARCA addressed the attendees. Gary discussed the IPMR DID and noted that the government is still working to make the process run more smoothly and that companies should contact Mr. Gordon Kranz if they encounter any issues. Gary also brought up the on-going issue of stop work/contract deletions and the impact on EACs. Gary noted that a letter has been signed to the DAR council instructing that the adjustment should be made to BCWR and not ETC/EAC. For new items, Gary noted that PARCA will be involved in the approval chain for reporting requirements for new contracts to ensure that cost effective reporting requirements are implemented.

Gary brought up PARCA's involvement in attempting to streamline EVM processes. Gary understands industry's main issue of EVMS cost burden falls in the area of compliance. PARCA is in charge of policy not compliance. Gary's comments on the subject are:

- What does the govt really want out of a company's management of a contract?
- As DoD's "coroner" (root cause on troubled programs) PARCA has strong perspectives based on root causes on what DoD wants from program management.
- Gary's "3 steps to happiness": (1) Do you understand the work? Can the contractor de-compose the work to the detailed level in a rigorous way? (2) Has the contractor designed and maintained a managerial process that can perform and adjust the work that needs to get done? The maintenance of the IMS fits here. (3) Once you understand the project and develop the detailed tasks, can you measure progress in a reliable way toward that end – divorced from resource consumption? (Gary's assumption is that the costs will be tracked and reported – the problem is accurately measuring progress). In failed systems cost is used as the basis for accomplishment – I've spent X so X must have been accomplished.
- As an aside, Gary mentioned that these 3 key tenets could be more explicitly called out and explained in the 32 GLs. As a target he would like to see this happen concurrently with BBP 3.0.

On another subject, based on the Senate's request to evaluate the USAF ECSS project, Gary's opinion is that ERPs are not IT projects. Recognize the difference between business process initiatives and IT projects.

Gary also commended the agile panel discussion prior to the break. How do you regulate the "3 steps to happiness" in an agile environment.

7. Mr. Gordon Kranz provided a PARCA update. Gordon provided the new PARCA vision statement - "Integrated program management situational awareness, visibility and accountability at all levels across the acquisition community". Gordon provided the overview of PARCA organization and responsibilities, focusing on Gordon's EVM responsibilities. PARCA will use EVM to manage it's initiatives.

Gordon discussed his participation at EVM World and being prepared for the changes coming in how programs are managed and how industry/govt need to adapt (agile, IDIQs, etc.). Gordon mentioned his track at the conference and how tailoring of requirements can be considered for certain contracts that historically have had challenges implementing EVM. Gordon's premise is all contracts should have sound program management and the right set of principles/tools/processes need to be applied.

Gordon also discussed the “future of EVM” – what if you had a dashboard of all the pertinent information necessary to manage a program. He presented some notional slides on the subject.

Gordon briefed the PARCA policy status on 2 items. (1) DFARS case. Clarify and better define the application of EVM with minimal impacts to DFARS. Consider contract value but also the work to be performed. The govt EVM IPT is reviewing comments, working to have a resolution by the end of August. (2) Mandating the use of IMP on contracts requiring EVM and then updating the IMP/IMS guide. Gordon noted that he isn’t intending a “one size fits all approach”. (The use of IMPs on production or sustainment contracts was discussed).

Gary wanted to bring up some points regarding the System Engineering community in the government. He mentioned that SE leaders are open to discussing their impact and influence on the program management process and community.

8. Ms. Karen Kostelnik from PARCA discussed EVM implementation issues. Karen discussed the issue resolution process PARCA has available for government and industry. Questions range from simple (minutes for an answer) to very complex where months are needed to coordinate across agencies. Karen also talked about request made for deviations or waivers. She noted that tailoring is the solution vs waivers in most instances.
9. Mr. David Nelson from PARCA discussed Data Analysis and Tools. David discussed data alignment and the central repository (CR). PARCA is working to internally link data between the CR and sources that provide data for various reviews (ie, DAES reviews). David also described the EVM-CR Compliance Dashboard (this is compliance to data deliveries and the functioning of the data – were files submitted on time and accurately). PARCA continues to work the initiative to acquire tools to be able to view all the IPMR data submitted via UN/CEFACT XML inputs. David also discussed the EVM-CR user group and training. PARCA’s EVM competency development approach was presented – what does that person need to know about EVM (what does a PM need to know, what does an SE person need to know)?
10. A lunch break was taken.
11. Mr. Nadim Kneizeh from DCMA provided an update on his agency. Nadim was filling in for Joe Sweeney and Karon Small who were unable to attend due to other commitments. Nadim discussed Mr. Sweeney organization (Portfolio Mgmt and Integration) as well as other DCMA changes and updates. There are 7 divisions within Portfolio Mgmt, the EVM Division (Mr. Dave Kester) resides in this Directorate. Nadim is the Director of Integration Support Division – industry would be familiar with the DAES process which falls under this division. The EVM division is responsible for policy, training and tools. Mr. Sweeney

wants to insure he brings transparency and efficiency to the EVM process. Nadim emphasized that communication and collaboration are important goals for Sweeney's organization.

Nadim discussed the goals for efficient processes and tools, eliminating the variation that occurs in EVMS reviews, the implementation of the DCMA training program, a greater focus on cost efficiency, items of concern like timely reviews, and other DCMA initiatives. Nadim touched on the main products of the EVM division – compliance review instruction, standard surveillance instruction, EVMS interpretive annex, specialist certification program and analytics and information management tool (AIMS). These items are or will be maintained on the DCMA public website. The compliance and surveillance instructions are being updated and released soon. Nadim noted that industry will be pleased with the processes being streamlined.

Nadim noted that the interpretive annex is not intended to replace the NDIA PMSC Intent Guide. Nadim stressed that DCMA wants to have common views of compliance across other government agencies. The AIMS tool is still in the concept phase but will bring greater efficiency by speeding up data analysis and automating process steps. This tool is different than the "compliance engine" which is excel based and has been deployed for use on various reviews. DCMA's goal is to have AIMS supercede the compliance engine. The AIMS tool will be a multiyear project. Nadim stated that the algorithms in the compliance engine will be included in the Interpretive Annex. The Annex is targeted to be completed later this year.

Nadim noted that Kester moved from the Operations Directorate which is under Ms. Marie Greening. The Operations Directorate still is responsible for conducting compliance and surveillance reviews.

Nadim touched on specific subjects like the data analytics initiative, the DAES process, and DCMA's role in evaluating contractor business systems (this information feeds into the DAES meetings).

12. Ms. Matoka Forbes from the FAA, Ms. Debbie Schuman from NASA, and Mr. Melvin Franks from DOE provided updates from their respective agencies. Matoka discussed the FAA status of the implementation of the IPMR DID, the current status of contractor EVMS acceptances, their emphasis on program level IBRs, and their EVM training program. Ms. Schuman was here representing Jerald Kirby who was unable to attend. Debbie noted yesterday's presentation/discussion by Howard Hunter, a NASA project. Debbie discussed NASA's policies and how they are implemented both internally and via contractors. Melvin discussed the DOE status. Mr. Bob Loop is the DOE EVM focal point but was unavailable due to having to conduct a review this week. Melvin emphasized the goal for accurate information to flow from the EVMS in order to manage the program in question effectively. Melvin noted the DOE Director's policy guidance of

a year ago emphasizing this point. He discussed the change from hardcopy CAM notebooks to electronic versions. He also identified the improvements in EVM review team qualifications and streamlining of data requirements.

13. A break was taken.
14. Due to travel plans and running behind schedule, the agenda order was changed. Mr. Bill Altman and Ms. Sung Soon Stultz provided a status on the Predictive Measures Working Group. In 2008, the ICPM discussed and developed a listing of various predictive measures that would aid in effectively managing a program. This working group will update and add to the list of those measures and develop a white paper. The goal is to utilize best practices from industry and government with no affiliation to the contributor providing the measure. The measure must be a predictor and how would it be used to predict future performance.

The intended audience for the document will be organizations looking for standard approaches to managing programs. The intent is to not develop a new set of standards. Bill reminded several times this will be a guide (what works for the organization) and not a requirement. An organization would determine what approaches are suitable for their organization and the contract in question. Major categories for the measures currently contemplated are schedule metrics, cost metrics, staffing metrics, risk and opportunity metrics, requirements metrics, technical performance measures, contract health metrics, supply chain metrics, resource metrics, and Rayleigh Estimator. First drafts are scheduled for Aug 2013 with a completed document by the end of the year. Final approval of the document is targeted for completion by mid 2014.

15. Mr. Gary Troop, President of CPM, provided a summary of the CPM organization and EVM World (held in late May). CPM conducts 2 conferences per year, EVM World (more commercial focused) and IPM (more government focused). EVM World is targeting more practitioners of EVM without contractual requirements. Gary highlighted the current CPM board and the change of splitting CPM from PMI. Gary reviewed CPM's new mission and vision statements as well as their objective to improve the professional status all personnel engaged in the practice of EVM and other performance management techniques. Gary addressed the benefits of CPM membership and volunteering.
16. Civilian Agency – Debbie Schumann – Presentation available on NDIA PMSC website after meeting – 66 Active members from: DHS; DOE; VA; USAID; U of Colorado – LASP; NASA; FAA; DOD; OMB; PMI; CPM; APPLIED PHYSICS LAB (APL); GAO; FAI; NDIA; USDA. Focus on the 4 sub-teams of the CAIWG: Program / Project Management Across Civilian Agencies Using EVM Techniques (Larry Tobin, DHS); Reciprocity (Buddy Everage, MCRI); Scalability (Bob Wasser, BCF Solutions); Website Central Repository (Neil Albert, MCRI). Next meeting July 17, 2013 Noon – 4pm. Hosted by DOE

17. Production Working Group (Scott Gring) – PMNC EV Working Group – Program Management Naval Construction EV Working Group. Thirty (30) members – 97% have attended at least one meeting in the last 12 months. Name change was encouraged by one of the members as being more representative of the diverse and varied nature of the definition “Production Programs” . Phase II Scope Proposed – based on DCMA cross reference checklist as a guide. Of 241 line items on the checklist which maps to the 32 guidelines have determine 6 guidelines (1, 6, 10, 21, 22, and 23). Next steps is to assign authors for ½ to 1 ½ page draft write-ups.
18. Planning and Scheduling Working Group (Yancy Qualls) – Submitted 111 comments on April 29, 2013 on GAO Schedule Assessment Guide; PASEG want to keep it fresh so will be looking at annual update cycle (if needed). Willing to support the Predictive Measures initiative from the Program Management Working Group. Charter basically completed.
19. Clearing House Working Group (Pete Wynne) – Co-Lead found – Melissa Gilbert from and Melissa presented. Main discussion was on the LOE. Gary Humphrey’s blog will be sent to the whole committee by Tracie Thompson. Going forward they are going to review the charter and process.
20. XML Working Group (Joan U) – Do have change control board in place with 6 members (2 Industry, 2 Vendor and 2 Government). Will be coordinating with Gordon Kranz on the changes they have been looking at...mostly questions/updates on use.
21. Services and Sustainment (Jason Miller) – Will have briefing in September
22. Contracts Working Group (Nick Pisano) – Did not meet
23. Risks & Opportunities Working Group – Will not be meeting on a on-going basis but as required. Will initially be looking at all the guides and ensure the R&O are being addressed.
24. Gordon Kranz – Would like to get Government members into the working group but would like to understand them better. So would like to meet with the PMSC board members to discuss more in detail the charters and objectives so the Government get right participation. Schedule something in the last month or so to meet with PMSC Board.
25. Closing – Next meeting is in September 2013 in Newtown Square, PA.

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