

# **2019 NDIA IPM DIVISION WINTER MEETING**

**Dates:** February 6 – 7, 2019

**Sponsor:** Harris

**Location:** Harris Technology Center (HTC), Palm Bay, FL

Please refer to the speaker's presentations for more details under "February 6 – 7 2019":

<http://www.ndia.org/divisions/ipmd/2019-02---february-2019-meeting>

## **DAY #1 – Wednesday, February 6**

### **MEETING CALLED TO ORDER – Mr. Dale Gillam, Chair NDIA IPMD, Corporate EVMS and Scheduling Implementation Manager, Leidos**

Mr. Dale Gillam called the meeting to order at 8:25 am. Mr. Gillam thanked Mr. Gerry Becker (Harris) and the Harris team for hosting the event. The meeting's agenda was discussed. As a tradition, we all took a moment of silence to remember why we are here; to support the warfighter. We then went around the room with introductions.

### **PLATINUM SPONSOR KEYNOTE: PROJECT MANAGEMENT & RISK TRENDS – Mr. Jason Kinder, Director, Product Marketing, Deltek**

Mr. Dale Gillam thanked Deltek for being a consistent sponsor for many of our events. Mr. Jason Kinder presented Deltek's annual Government Contracting Industry Report. The report showed the results of over 600 surveyed companies. Mr. Kinder discussed the top project management challenges from the report, which were 1) Inexperience project managers; 2) poorly defined scope; 3) accurate project time forecasting; 4) collaboration and communication; and 5) accurate project cost forecasting. Mr. Kinder explained that a driving factor of these responses is employee retention and manager retirement combined with a decrease in formal training. Mr. Kinder then discussed how to address these identified challenges, 1) develop internal PM best practices; 2) develop and track formal KPIs and project status; 3) hire more qualified staff; 4) invest in PM training; and 5) develop formal project risk management programs. The Deltek survey is still open to participate. His link is located in his slide presentation. The Deltek website will also post the results.

Mr. Gillam described our new event app ([www.slido.com](http://www.slido.com)). The app is in the Google and Apple App Store; search for "Sli.do". This app was used in a few of the presentations as a test case and will be used more extensively in future events. Participants can ask questions via the app or [www.slido.com](http://www.slido.com) during the panel discussions and the moderator can pick and choose which questions to answer. Participants may vote on questions to raise their chances of that question being selected.

**KEYNOTE: DoD POLICY AND PRACTICE UPDATE – Mr. John McGregor, Deputy Director EVM, Acquisition Analytics & Policy (AAP), OUSD (A&S)**

Mr. John McGregor presented his DoD EVM Policy updates and the reorganization of his team. The former organization (AT&L) was split into two groups: A&S and R&E. The Office of Acquisition Analytics and Policy (AAP) now falls under the Acquisition and Sustainment (A&S) sector which is under the Assistant Secretary of Defense (Acquisition). Mr. David Cadman is the Director for AAP and is the acting Director of the “Acquisition Enablers”. Under AAP, Mr. McGregor’s team, mission, and responsibilities are still the same as before. The DoD’s goal is the same, “Enhance organizational acquisition decision making and improve acquisition outcomes.” There is an update to their EVM website:

<https://www.acq.osd.mil/evm/>. Their updated website still has the current EVM Policy and Guidance, Current Initiatives, DID & Standards, Guides, and FAQs. The EVM-CR will be hosted on this website this spring and will be the EVM-CR Access Point, include User Resources, IPMR Tools, and Emerging Guidance. The DoD EVMSIG is currently being updated and will be included on this website. The DoD EVMIG was published in January 2019 and is also available at this website. However, Mr. McGregor noted that both documents are living document so if updates are warranted, please send them to Mr. McGregor via the AAP website. Mr. McGregor also provided an update to the IPMR2. The next steps for the IPRM2 document are to resolve the final comments and DID language, perform technical infrastructure development and testing, and release the document. A timescale was not given. Mr. McGregor noted that before the update, the tools have to be in place to convert back into legacy formats/file structures.

**IPMD STRATEGIC UPDATE – Mr. Dale Gillam, Chair NDIA IPMD, Corporate EVMS and Scheduling Implementation Manager, Leidos**

Mr. Dale Gillam presented an overview of the NDIA IPMD and stressed participating in the many working groups. Working Group leaders will be able to participate at the board meeting telecons. Mr. Gillam also explained that we will have two working group sessions at the IPMD meetings so members can attend more than one session to improve the collaboration among our members. Mr. Gillam explained how the board of directors operates: Meet before and after the IPMD meetings, 90 minute telecons every other week, lead/co-lead or be a liaison to the Working Groups, invest time responding to emails, and build relationships within industry, the government, and other organizations. Mr. Gillam noted ways to improve the Board in areas of Board participation and engagement, build the pipeline of leaders, focus more time with the Working Group leaders, collaborate with organizations to expand the IPMD, and target visits to a focused message to government executives. Mr. Gillam explained that the board needs more people to serve and will be holding voting for two Officers at Large positions (Mr. Shane Olsen (Northrop Grumman), and Mr. Russ Rodewald (Raytheon) as well as the Vice Chair candidate, Mr. Vaughn Schlegel (Lockheed Martin). Mr. Gillam explained the decision on appointing Mr. Schlegel as the Vice Chair. Mr. Gillam recognized some of our past leaders from our Board and Lead/Co-Leads from our Working Groups: Mr. Pete Wynne, Ms. Kathy Dailey, Ms. Mary Ann Hale, Mr. Buddy Everage, Mr. Jerry Jones, Mr. Jean Lohier, Mr. Dan Butler, Mr. Glenn Fujimoto, Mr. Gerry Becker, Ms.

Lisa Hoffman, Mr. Bill Bridenbaugh, Mr. John Wilkinson, and Ms. Carla Gilhuys. Mr. Gillam then discussed our Mission Statement and our strategic objectives as well as our next events:

- IPMD: April 30 – May 1 2019: Reston VA (Encore Analytics)
- EVM World: May 22 – 24, 2019: Ft. Lauderdale, FL
- IPMD: Sep 11 – 12, 2019: Denver, CO (Need Sponsor)
- PM Track at NDIA System Engineering Conference: Oct 21 – 24, 2019: Tampa, FL
- IPMD: Winter 2020: AZ/FL/CA (Need Sponsor)
- IPMD: Spring 2020: DC? (Need Sponsor)
- IPMD: Combined event with NDIA SE Division: Fall 2020: TBD

Mr. Gillam discussed the topics the Board had with the Government at their Tuesday Board Meeting. He then proceeded with an overview of the NDIA IPMD Guides and a summary of the Working Groups. A new Working Group will be “EVM in Production Exploratory” with the leader to be Scott LaFrance.

Mr. Gillam finished with the presentation of the NDIA IPMD Distinguished Service Award to Mr. Vaughn Schlegel, Mr. Gary Humphreys, Mr. John McGregor, Ms. Karen Kostelnik, Ms. Andrea Norbert, Ms. Lisa Hoffman, Mr. Neil Albert, and Mr. Reggie Grant where they led the PM track at the October 22-25, 2018 NDIA System Engineering Division conference in Tampa, FL.

**NETWORKING BREAK** - Government Departs to Separate Meeting

**EMPLOYEE RETENTION – A GENERAL ATOMICS PERSPECTIVE – Ms. Lisa Hastings, Project Manager, EVMS Compliance – Business Systems Team, General Atomics Aeronautical Systems, Inc.**

Ms. Lisa Hastings began her presentation with the reasons why the retention of employee is so important. She pointed out that employee turnover could cost a company 250% of that employee’s salary. Other reasons include the effects on efficiency due to high turnover can impact employee morale and the company’s reputation. Employees basically stay due to their happiness and the salary they earn. Some research Ms. Hastings found was that millennials will hold 20 different jobs in their careers. Financial incentive is no longer the biggest incentive. Some ideas for employee retention include giving recognition, work-life balance, training, growth opportunities, and embracing teamwork. What does General Atomics do to keep their employees? Ms. Hastings presented how her company performs employee retention. She discussed their onboarding process (approximately a two month effort) which includes: 1) training and focus topics on company processes; 2) working on a ‘house project’ which is a simulated program from SOW to a fully integrated IMS; 3) using a “Buddy” system; 4) shadowing program where they attend IBRs or surveillance reviews for development and production programs; 5) Establish a monthly Program Control Analyst (PCA) Community of best practice where the team gets together to discuss achievements, obstacles, new tools, and guest speakers; and 6) Holding a “Catch of the Month” for recognition of that person who created a positive impact to the company.

They also have a 'test' of 100 open ended questions to identify areas of weakness for a more future focused training. Individual training plans are created for each PCA. They also create a journey map to see which topics they would likely become a SME. Ms. Hastings provided an example of the Journey Map. Her company promotes a 'lattice' approach instead of a ladder approach for career paths. Her company also hired a consultant to help promote: Trust, Common Purpose, Shared Consciousness, and Empowered Execution for their employees to lead to employee satisfaction. Is it working? In 2018, GA lost 16 PSAs but 12 stayed within GA at different positions. They do provide feedback on this process to help improve their process. Ms. Hastings opened the forum up to the audience to ask questions.

#### **EIA-748 REVISION D – Mr. Randy Steeno, Boeing BDS EVMS Policy, The Boeing Company**

Mr. Randy Steeno reminded us that the NDIA IPMD is the author of the EIA 748 Standard for EVMS. He then gave a summary of the history of the EIA 748. No changes to the wording of the 32 guidelines were in Revision D. The key edits to Revision D include: 1) "Note 4" which states that complimentary systems can interface with the EVM System – E/MRP and Agile; 2) added and edited definitions to align with common terminology; 3) new graphic around establishing control accounts; 3) edited planning package conversion; 4) added material content documenting 'Purchased Services'; and 5) updated all of the suggested references. Mr. Steeno then displayed on how one would obtain the EIA 748D standard on the SAE website.

Mr. Steeno then presented an overview of revising the standard to Revision E. The next steps are to assess the current environment and determine if there's still an appetite for a change. Also, establish a working group to create a roadmap for revision E and to coordinate with all stakeholders. Even though the EIA-748 standard is revised every five years, revision E may be updated at an accelerated pace.

#### **CLEARINGHOUSE UPDATES – Mr. Gary Humphreys (CEO, Humphreys and Associates, Inc.) and Mr. Russ Rodewald (Director, Raytheon Earned Value, Raytheon Company)**

DCMA released new data driven metrics version 3.1 along with an update to the Cross Reference Checklist (CRC). Mr. Humphreys discussed the changes to the CRC which will be covered in the Clearinghouse working group session.

## **BOARD CANDIDATE STATEMENTS**

Mr. Humphreys introduced the two candidates for the Officers at Large and for the Vice Chair position:

Officer at Large - Russ Rodewald, Raytheon

Officer at Large - Shane Olsen, Northrop Grumman

Vice Chair - Vaughn Schlegel, Lockheed Martin

## **VOTING**

Voting members voted for the two new Board members and to approve the vice chair position.

## **NETWORKING LUNCH**

**CONCURRENT WORKING GROUP BREAKOUT SESSIONS #1** - The group divided up into their working group sessions: Program Management, Contracting, Clearinghouse, and EVM in Production Exploratory

## **NETWORKING BREAK**

**CONCURRENT WORKING GROUP BREAKOUT SESSIONS #2** - The group divided up into their working group sessions: Agile & EVM, Planning and Scheduling, Prime/Subcontractor, and CSDR

## **NETWORKING RECEPTION – Sponsored by BDO**

## **DAY #2 – Thursday, February 7**

### **MEETING CALLED TO ORDER – Mr. Dale Gillam, NDIA Chair, Corporate EVMS and Scheduling Implementation Manager, Leidos**

Mr. Gillam called the meeting to order at 8:05AM. He requested all attendees to stand for a moment of silence to honor the warfighter. Mr. Gillam then encouraged attendees to download the Sli.do App to engage in the presentations throughout the day. Mr. Gillam then asked all IPMD Board Members to come to the stage for recognition. He acknowledged the amount of work that each member gives to the community.

Mr. Gillam then specifically recognized Mr. Randy Steeno for his significant contributions and presented him with the highest honor, the IMPD Distinguished Service Award and a plaque from NDIA commending Randy's many contributions to the community. Mr. Gillam highlighted some of Randy's biggest contributions, his mentorship within the community, and thanked him for everything he has done for NDIA.

### **VENUE SPONSOR KEYNOTE: EXPANDING THE PROGRAM MANAGER'S TOOL BOX – Mr. Bill Gattle, President, Space and Intelligence Systems, Harris Corporation**

Mr. Gerry Becker introduced Mr. Bill Gattle from Harris to discuss the journey of Program Management. Mr. Gattle gave an overview and history of the Harris Corporation. They are a global technology leader, providing secure communications, electronic systems, and solutions for space and technology. Mr. Gattle stressed that automation and accountability are the key. He stressed the fact that the PM Tools are not the substitute for leadership. He stressed that the market is demanding shorter timelines, higher reliability and affordable pricing. This is squeezing project management as business demands and expectations are evolving. Mr. Gattle spoke of building a business leader by using a pyramid. The pyramid's foundation is the **fundamentals** (consistently meeting promises – being data driven, being consistent and disciplined, having clear ownership and accountability, and being fully aligned with corporate and customer expectations), **solid leadership** (inspiring others to follow – community creating culture, results more than activity and business acumen), **financial acumen** (understanding you and the customers – drive business financials, develop leaders with strong financial understanding, and trust leaders to grow franchises), and at the top of the pyramid, **a business leader** (being agile to dynamic business needs – adapting to the dynamic customer and market needs and develop systems for new and emerging processes). The challenge is how do we communicate and collaborate with each other. The challenge takes people to embrace this change. Mr. Gattle displayed how they are getting results by following PACT which means Passion (enthusiastically shape the future), Accountability (own our shared future), Collaboration (work together to find the best solution) and Transparency (openness and integrity). Mr. Gattle then took questions from the audience. Question: Does Harris have a PMO? They implemented a PMO about three years ago and started to define their program level governing

agencies. Question: Have you noticed a generation transformation? Yes, about 30% of the program managers are new.

### **PERSPECTIVES ON ACQUISITION PORTFOLIO MANAGEMENT – Mr. Kim Herrington, Acting Principal Director, Defense Pricing and Contracting (formally DPAP), OUSD (A&S)**

Ms. Tracie Thompson introduced Mr. Kim Herrington. Mr. Kim Herrington gave an overview on his role at the office of Secretary of Defense for Acquisition and Sustainment (A&S). The National Defense Strategy document was published in 2018, which was not updated for about 10 years. The strategy is about building a more lethal force, strengthening alliances, attracting new partners, and reforming the Department for greater performance and affordability. A&S is no longer an oversight organization but is now more involved in policy and governance. Mr. Herrington explained how the SR-71 was developed in one year where it now takes years to develop a weapon for the warfighter. This is because of the greater number of policies and regulations for industry and government to follow.

The DoD acquisition reform is being implemented by 1) Restructuring acquisition policy and governance; 2) Contracting at the speed of relevance; 3) Strengthening and securing the defense industrial base; and 4) Effective training of the acquisition workforce. It is taking too long from development to production as by the time it's in service, the system is already old technology and must be updated which adds costs to the program. Some of initiatives they have been accomplished or are on-going: 1) Restructured USD (AT&L) into USD (A&S) and USD (R&E). This resulted in a 25% manpower reduction and delegation of authority and accelerated the decision making process. 2) Rewrite the DoDI 5000.02 (instruction on acquisition system). 3) Middle Tier Acquisition (between urgent need/traditional) – FY15 NDAA, Sec 804 (rapid field prototype, field program to begin production within 6 months and complete fielding in 5 years). Currently, 27 programs are using the middle tier acquisition. 4) Cost, Schedule and Performance goals for MDAPs. 5) Agile software acquisition. 6) Reduction of DoD procurement regulations. 7) Reducing procurement administration lead time. 7) Expanded use of Other Transaction Authority (OTA). 8) Execute Executive Order (EO) 13806-Trade and Manufacturing Policy which identified 300 risks in the defense industrial base. 9) CFIUS reform/FIRRMA/Natl Sec Sys Restricted List – active DoD role in monitoring foreign investment in companies. 10) Training of the Acquisition Workforce through DAU. 11) 813 Panel (intellectual property. 12) 809 Panel Results (major reforms) which are numerous and significant reform recommendations working to implement with the DoD.

Mr. Herrington discussed the challenges for these reforms: 1) taking initiative from successful pilots to scale (how to decrease the lead time to go to production for all), 2) provide consistent message to the acquisition workforce, and 3) “threading the needle” for all stakeholders (warfighter, industry, Congress, taxpayers). Mr. Herrington displayed some additional charts on some of the actions that have already taken place in the last few years. Lastly, Mr. Herrington presented us with the Big Picture and what we can do better. The good news: the Nunn McCurdy breaches and the average production cost growth have decreased and there is an increase in innovation acquisitions (quicker, faster, and cheaper) and an improved timeliness. However, there is a composite on-time delivery rate of only 72%. There are too

many major program schedule slips. For most, this is not an acceptable metric. His department realizes that most of this technology is pushing the envelope and has ever-changing requirements. Cyber security has also caused a negative effect to this delivery rate. His organization is looking on how to incentives companies to help improve this metric. Mr. Herrington finished by answering a few questions from the audience.

## **NETWORKING BREAK**

### **PERSPECTIVES ON AGILE WITH EVM AND PROGRAM MANAGEMENT – Mr. John McGregor, Deputy Director EVM, Acquisition Analytics & Policy, OUSD (A&S)**

Mr. John McGregor presented how his organization became involved with Agile and EVM and created an “Agile and EVM: A Program Manager’s Desk Guide”, which shares best practices from the Agile pilot program. The desk guide can be found at the APP website:

[https://www.acq.osd.mil/evm/resources/Agile\\_EVM\\_Home.mil](https://www.acq.osd.mil/evm/resources/Agile_EVM_Home.mil)

Mr. McGregor explained the pilot outreach objectives by providing guidance, collecting best practices, and establishing regular cadence. Their approach was to develop and execute a pilot engagement strategy. The pilot programs focused their energy on the Process, Workforce Management, Reporting/Metrics, and Technical aspects of an agile environment. Their outcome was to create a tool kit to manage cost, schedule, and technical performance.

### **PANEL: IMPLEMENTING AGILE PROGRAM MANAGER’S BEST PRACTICES – Ms. Andrea Nibert, EVM Analyst, Leidos**

Ms. Andrea Nibert facilitated a panel discussion on the Program Manager’s lessons learned on implementing an agile program. This discussion used the Sli.do app. The panelist included:

**Mr. Joe McNamee (Sr. Associate, Booz Allen Hamilton)** – One needs more than just the tools. One needs trust to improve the collaboration on an agile program to go beyond the tools. The key is to build relationships between everyone and to share processes and to be responsive to your team.

**Mr. Neff Guardia (Coe Engineering Manager, General Dynamics)** – Mr. Guardia likes to see a graph to display how the sprints are performing in three month increments with the Initial Plan, Current Plan and the Actual. This graph was on display to demonstrate this.

**Mr. Mike Sapp (VP and Program Manager Key Management Programs, Leidos)** – Mr. Sapp discussed the failures in an agile environment. The failures early on will help improve the overall program plan. He mentioned that working EV on an AP (monthly) basis is too long. Observing the work at a closer timeframe (weekly) will help spot failures and it will be easier to fix. Agile organization is not a



hierarchy. You want the team to own the work and that takes self-organization which was missing early on and is still an issue today.

**Mr. Bruce Byles (Sr. PM F-22 Modernization, Lockheed Martin)** – Working on an agile environment was quite different than the typical program process (PDR, CDR, etc.). Mr. Byles explained how they went from their current agile program from a commercial environment to how it was used on a defense program. Check and adjust as you proceed in the process.

**Question #1** – What did you use to align your program management and technical leadership?

**Answer** – In an agile environment, the whole team is involved in the sprint reviews to keep them fully engaged. This includes system engineering as well as the software team. Getting the whole team initially involved is very important for a successful program. Training is very important too.

**Question #2** – The PI SP burn up chart shows how much you accomplished. What tells you what scope got done? (chart displayed during the panel discussion)

**Answer** – This is not the only chart to show the accomplishments. There are many charts and many meetings that show what features are getting accomplished and what features are late. One can then drill down to a lower level (daily basis) to see the status of the program/event.

**Question #3** - Given that many contracts start with very high level requirements, what strategies are effective in negotiation minimum viable product/'done' with the customer?

**Answer** – Keep the customer engaged with the process so as changes are made, the customer is up-to-date. It's real important to have the end-user (customer) and the team highly involved with the process and status of the program and to get their buy-ins.

**Question #4** - How do you keep your product owners focused on the big picture of scope management of the end product while managing your requirements?

**Answer** – Through collaboration with the customer and the agile team, one needs to show the overall goals and issues facing in reaching those goals. The goals were transparent with the customer. If the goals were deviating, then a discussion with the customer was brought in so they can be transparent on the process on getting a goal accomplishment. The product owner has the responsibility and ownership on what 'done' is so 'done' can actually be accomplished.

**Question #5** – How do you ensure you have a good critical path (when the detailed tasks are not in the IMS but in the agile tool) and still provide flexibility to the scrum teams?

**Answer** – The stories become the QBD and they are not in the IMS. The features are not detailed planned in the IMS. Using a traditional critical path is not very useful in the agile environment. Most struggle in using a critical path in an agile environment. With agile, tasks may get swapped out and thus affecting the IMS. The tasks in the IMS are at a higher level than the work actually being done. Linking becomes an issue to develop a true critical path. Actually using a white board shows a better critical path.

**Question #6** – If there is no EVMS requirement, how would you use the agile process to report technical progress/completion and the estimated total cost of the contract?

**Answer** – If SPI is less than 1.0, it means to look at a lower level to find out what's causing the schedule variance. Some use a 12 week reporting level but it's harder to see the overall forecast of the program. The cost aspect is the hardest part to determine the correct cost of a contract. Some use weekly actuals to determine their CPI. However, it's hard to get a weekly dashboard on the SPI/CPI to really see the issues. They rely more on the CAM for the status on the work and use the EV data to validate the status. For some a lot of the agile work is performed by subcontractors so it becomes a little more difficult to obtain the costs since the subcontracts actuals are available on a monthly basis. Estimated actuals are used often.

**Final comments from the panel** – Always consider people in the equation and use them as in an experiment. Create a hypothesis, run the test, report the status and conduct another test. Also, make your customer as part of the “people” to keep everyone focused and involved in the process.

#### **PERSPECTIVES ON AGILE INTEGRATION, IMPROVING OVER TARGET BASELINES, REFOCUSING IBRs AND REFOCUSING THE EVMS STANDARD – Mr. Ivan Bembers, Chief, NRO EVM Center of Excellence, BPO/CAAG, NRO**

Mr. Ivan Bembers discussed: 1) Reforming the guidelines, 2) OTB/OTS, 3) Agile and Program Management, and 4) Re-focused IBR. **Reforming the guideline** - The guidelines haven't really changed in the last 30 years. There is a continuing industry consolidation that evolves business and responsibility of program control, challenges associated with the integration of EVM and Agile philosophies, the ISO 21508, and ownership equals responsibilities. A question to ask, “Does EVM continue to be an enabler of success?” The 32 guidelines are the framework on how to do business. The data driven metrics are one way to determine if the guidelines are being followed. **OTB/OTS** – Mr. Bembers discussed best practices to help streamline the OTB/OTS process. He mentioned the DoD OTB/OTS guide. One has to clarify the risk by discussing the Above Target Budget (ATB) and the Above Target Schedule (ATS). The ATB is the difference between the TAB and the CBB caused by the implementation of an OTB. The Above Target Schedule (ATS) is the difference between the new baseline dates established for performance measurement and the contractual dates caused by the implementation of an OTS. **Agile and Program Management** – Mr. Bembers discussed the ‘iron triangle’. The Plan driven approach (Waterfall Development) creates cost/schedule estimates. The Value driven approach (Agile Development) creates content estimates. Mr. Bembers stressed that getting the proper training is

critical. A common issue with EVM on agile is to determine what is the definition of 'done' for a delivery. Mr. Bembers created an Agile-Fall Development triangle which is a combination of the Waterfall and Agile triangles. **Re-Focused IBR** – an Impetus for Change. After preliminary reviews, the CAAG/ECE came to the conclusion of the JSCC study that recent IBRs were process reviews and data integrity checks rather than a technical review. The NRO has refocused the IBR as a technical review of a contractor's plan to accomplish the authorized work. The outcome of an IBR is: 1) The baseline is achievable 2) the baseline is not achievable or 3) the Baseline achievability cannot be determined. Mr. Bembers showed a chart on Project Management Constraints which can help determine the risk on a program. He stressed the key between the relationship of the technical baseline and the performance measurement baseline. The technical baseline is the key to the IBR.

## **NETWORKING LUNCH**

Mr. Gillam thanked the host sponsor (Harris), our financial sponsor (Deltek), Prime PM for Tuesday's Community Connection Reception and to BDO for our Network Reception on Wednesday evening.

## **DOE STUDY - Mr. Mel Frank, Director, Project Controls Division, Office of Project Management, DOE and Dr. G. Edward Gibson Jr, Arizona State University**

Mr. Mel Frank presented the partnership study – Academic Research Study – Improving the reliability of EVMS Implementation; Development of an EVMS Maturity Level Rating Index. The goal is to look for a collaboration partnership with government and industry people with expert knowledge, proper attitude and communication skills, with a time commitment to a three year effort and a need to share EVMS successes and failures. The state of the EVMS Union includes the OMB A-11, FAR 34.2/52.234, and agency directives that require use of an EIA-748 compliant EVMS for major acquisitions. Contractors have to implement an EVMS and maintain compliance. Why conduct a research study? Mr. Frank discussed the characteristics of a compliant EVMS. It must be current, accurate, complete, repeatable and auditable. What is the difference between a compliant and an effective EVMS? A Compliant EVMS should provide all users (CAM, PCE, PM PD, AE CO) confidence that the EVMS as implemented is an effective EVMS. So essentially, this research and development activity will result in a method to assess the maturity of EVMS processes and systems and at the same time address the accuracy of the existing processes by looking at it contextual factors such as resources, management support and contracting approach.

Dr. Gibson continued the discussion on the Objectives of the Study: 1) Develop a testing method/tool to weight each EIA 748 guideline attribute; 2) Evaluate the enabling factors; 3) Verify and validate through rigorous testing; 4) Determine what typical percentage of a program / project cost; and 5) Quantify the benefits. The Product of the study is to create a high-value and innovative assessment and rating

mechanism that specifically applies to the EVMS with high usage and impact for government and industry. Dr. Gibson discussed the methodology and the schedule of this study. The audience of this research includes NDIA, EFCOG, DOE DoD, DCMA, NASA, NRO, FAA, OMB, GAO, and other agencies. Dr. Gibson stressed that his team will be transparent throughout their research. His team still needs volunteers and he explained the volunteers' level of effort. Their first team meeting is May 8 – 9. Dr. Gibson discussed team member characteristics and qualifications along with the benefits to participate in this three year study. It is recommended to review the charts for more details of this study. Participants who attended this NDIA IPMD meeting should have received more details in an email from Mr. Dale Gillam on Thursday, January 24, 2019.

**DCMA UPDATE – Ms. Danielle Bemis (Raytheon EVMS Group Lead DCMA), Mr. Bill Weisler (Raytheon EVMS Group Lead DCMA), Mr. Daniel Goldsmith (Lockheed Martin EVMS Group Lead, DCMA)**

Mr. Bill Weisler started the presentation with an organizational update. The new EVMS Center Director is Mr. James Winbush. The EVMS Center Deputy Director is Ms. Donna Holden. Next, Mr. Weisler explained the DCMA Configuration Control Board process, which is included in the DCMA EVMS Center Business Process #7. He asked industry for our feedback on using the metrics. Mr. Weisler showed the group how to obtain/download the data driven metrics version 3.1 from the DCMA website. The summary of the data driven metrics, version 3.1 changes are:

- Frequency was removed from all metrics – all metrics will be reviewed in three years
- 13 metrics with changes to the assumptions
- 10 metrics changed incomplete WP, PP SLPP in the IMS to no actual finish data
- 3 metrics that now exclude LOE
- 1 deleted metric (19A301a)

Seven New Metrics:

- 06l101b – Schedule margin
- 06l201a – SVTs
- 10A109b – WP/PP having an assigned budget
- 12A401a – Manage LOE WPs to avoid inaccurate performance measurement
- 19A301a – ACWPCum in the EVMS reconcile to actual cost in the accounting system
- 27A104b – ETC generated for completed WPs
- 29A601a –All effort is detailed planned within the current rolling wave

The CCB will meet semi-annually/quarterly to provide continual process for analysis of metric efficacy. Submit any issue to [www.DCMA.lee.hq.mbx.dcma-pix-evms-center@mail.mil](mailto:www.DCMA.lee.hq.mbx.dcma-pix-evms-center@mail.mil). Submit the spec sheet with your red line changes/issues. However, talk to your DCMA POC first.

The 2019 surveillance plans will be based on calendar year not fiscal year. New metrics will go into effect approximately 45 days after CBB. Keep open communications with DCMA. DCMA may consider using your internal surveillance results as an external system surveillance review/event.

Question – Can NDIA IPMD be part of the CBB? Current policy does not allow this at this time but DCMA is considering this.

## **NETWORKING BREAK**

### **CAPE/CADE UPDATE – Mr. Fred Janicki, Space & Strategic Systems Cost Analysis Division Director, CAPE**

Mr. Fred Janicki presented the government FlexFile implementation plan and the accomplishments in the last year. Mr. Janicki displayed the history of the FlexFile back to 2014 and an update to the piloting efforts. The plan going forward (beginning in mid-April 2019), the FlexFile will be the new default cost reporting format for newly approved CSDR plans instead of the DD 1921 series. Policy is applicable only to new plans; not for existing contracts or RFP. There will be a usage of legacy DD 1921 formats on new efforts that will be considered and approved for usage on a case by case basis. Some of the FlexFile CDLR language can be tailored-out such as the 12 additional field requirements. Any additional tailoring of the DID would occur on a case by case basis. They are allowing flexibility on file format as long as the submission meets the DID requirements. The BOM and 1921-T submittal is now on hold. The 1921-Q report will be part of the FlexFile. The next focus group meeting is sometime in the spring of 2019.

### **CLEARINGHOUSE UPDATES – Mr. Gary Humphreys (Humphreys & Associates, Inc.), Mr. Russ Rodewald (Raytheon), Mr. John McGregor (AAP), Ms. Danielle (DCMA), Mr. Rob Andrews (The Boeing Company), Mr. Shane Olsen (Northrop Grumman), Mr. Daniel Goldsmith (DCMA), and Mr. Dave Kester (DOE)**

These questions were derived by using the sli.do app or website [www.slido.com](http://www.slido.com)

The answers were mainly answered by the government panel.

**Question #1** - Yesterday we heard that replanning open LOE WP is ok with some constraints, is the government open to similar consideration on open production/material WP?

**Answer** – DCMA stated maybe. If it's not open then you can replan future work even in the freeze period.

**Question #2**– Saw yesterday on the Cross Reference Checklist (CRC) that signatures were not required on Work Authorization to start work. Is that correct? Must you show agreement?

**Answer** – It is important to have the work authorization for the work. One must follow your process.

**Question #3** – Please discuss the future of automated surveillance.

**Answer** – It will never be fully automated. There will still be data calls. The goal is to be more efficient with the data.

**Question #4** – Can you clarify one last time how we will be notified when and if there are EVAS test metric changes? Do we need to check the DCMA website daily/weekly, etc.?

**Answer** – Yes, please check the website but DCMA is working with NDIA IPMD to let the industry community know when an update has been published.

**Question #5** – A schedule is baselined to finish within the POP. However the baseline is set to miss interim contract milestone. Is this an OTS? A partial OTS?

**Answer** – Discuss this with your customer. Mr. McGregor stated that this does not necessary mean this is a formal OTS.

**Question #6** – How should SRA's be implemented? A) EVMSIG B) SOW/CDRL C) IPMR DID or D) Other

**Answer** – Mr. McGregor stated that SRAs are in the IPMR DID. There are some opportunities to help qualify this requirement. It's in the DID and there is no intention to remove it.

**Question #7** – What has the DCMA learned the most since going to the EVAS test metrics?

**Answer** – Mr. Goldsmith stated that we have forgotten to be analysts. We learned that we cannot have 1,000 metrics. Ms. Bemis stated that the intent is still the same as it was before no matter how you analyze the metric.

**Question #8** – Do executive levels impact EV reporting, particularly in regards to EAC?

**Answer** – Mr. Kester saw in a study that bad news EAC may be avoided. This is also true for VARs too. Mr. Kester also saw the misuse of MR too. Mr. Andrews (Boeing) stated that upper management did not want to see the bad news unless there is a plan to fix it.

**Question #9** – Is there a requirement that LOE stay under a certain percentage of total program budget or is it based on the program/product/etc.

**Answer** – There is no unwritten rule/metric on the percentage of LOE on a program. The DOE has a template to measure the amount of LOE on a contract to help decide if there's too much LOE.

**Question #10** – To what extent does a major subcontractor IMS need to be integrated into the Prime's IMS.

**Answer** – It depends on the risk assumptions. The minimum are the subcontractors' handoff milestones.

**Question #11** – Are AAP or DCMA changing their expectation of the 'most likely' EAC and if it has to roll the gate month the way folks do for LREs?

**Answer** – Your EAC should include actuals to date and the ETC at the work package level. This is also stated in the EIA-748D.

**Question #12** – How do you balance variance reporting with internal replanning?

**Answer** – It's ok to have a variance; write the variance and explain it. One should not be replanning as this may affect something else downstream.

## **WORKING GROUP OUTBRIEFS**

Each Lead/Co-Lead/Substitute presented a short summary of their working group.

- **Agile Working Group:**
  - Version 1.3 is out for comments from the board. The plan is to adjudicate the comments and ask for approval at the Spring 2019 NDIA IPMD meetings (April 30 – May 1). The Guide is more on agile management and not Agile EVM. The working group will review the discussion points from today's agile discussions.
- **CSDR:**
  - Mr. Steeno and Mr. Albert displayed the task plan and status.
    - Sep 26-27, 2018 – OSD & CAPE hosted a Cost Analysis meeting that focused on Section 804 and Rapid Acquisition
    - Jan 4, 2019 CAPE memo that stated CSDR on ACAT II contracts. The attachment B from this memo was displayed on the CSDR requirements.

- Technical Data Parameters – Industry submitted comments to the templates on Jan 31, 2019. However, many CDRLs already have this data and as Mr. Janicki stated he does not want to duplicate the work.
  - Discussion with Dr. Burke (Jan 31, 2019) – Starting in April new RFP will be mandated to start using the FlexFile and 1921-Q DID; No retroactive programs; No changes to the current FlexFile DID; not requiring the FlexFile to be submitted in the JSON format – Excel or CVS are OK; Changes to the Verification testing for the FlexFile; CADE will revise DD 2794 form – no longer a Co-Plan.
  - Discussions with the WG included: the WG wants to stay engaged; discussed the ACAT II memo; discussed the CAPE has documented their Rapid Prototyping/Rapid Fielding (mid-tier acquisition) policy; discussed the Air Force draft Technical Data parameters; and will the FlexFile be required with the RFP/proposal?
- **Clearinghouse WG:**
  - Mr. Rodewald will send their PowerPoint slides out to the group based on what was discussed at the WG. They will hold a panel discussion at EVM World
- **Contracts WG:**
  - Ms. Lisa Hastings presented the new co-lead (Ms. Allie Stanzione who works on the NCMA board of directors) and the working group goals.
    - Create a guide to understand the intersection of contracting and project management across industry and government when contracting EVM requirements.
    - Engage in industry and government forums to share best practices
    - Reviewed the draft working group charter. Identify roles for sub-leads and sub-groups. Contact Elizabeth Schloer if interested ([schloer\\_elizabeth@bah.com](mailto:schloer_elizabeth@bah.com)).
- **EVIP WG Exploratory Meeting (new WG)**
  - Mr. LaFrance presented their mission statement – To assess the appetite in Industry and Government for updating/refreshing the EVM practices on production contracts with an EVM requirement. Their objectives are:
    - Evaluate the level of interest with industry and government
    - Established a working group to study current practices
    - Conduct a survey of industry of current practices as they relate to production programs.
    - Conduct a survey of government to assess current needs as they relate to EVMS/Integrated Program Controls
  - Their plan of action includes a Charter, Identify a co-lead, develop a ‘how we work’ survey to assess current industry practices, develop a ‘what we need’ survey to assess current government needs.
- **Program Management**



- Mr. Schlegel announced that Mr. Marc Gaudio (Northrop Grumman) is tentatively the co-lead and presented the overview and objectives.
- The PM WG is adjudicating the WG charter to ensure the objectives reflect the needs of the IPMD and the PM community
- Their near term focus areas are:
  - RIO panel for IMPD Meeting
  - Discuss additional topics for future IPMD meetings
  - Ideas and abstracts for NDIA System and Missions Engineering Conference on Oct 21-24, 2019, where they will lead the PM track.
- **Planning & Scheduling**
  - Mr. Yancy Qualls presented the overview and the WG topics
    - Ms. Lisa Hastings will be the new co-lead
    - PASEG v.4.0 refresh. New Content includes Scheduling in Agile and Scheduling in Construction
      - Draft to the Board – April 2019
      - Vote for approval on the PASEG – August 2019
    - New GL 6 EVAS test metrics
      - 06I101b – Schedule Margin
      - 06I201a – SVTs
    - Mr. Qualls provided a draft SVT Decision Tree from Mr. Ivan Bembers
- **Prime/Subs**
  - Ms. Vicki Frahm
    - Working on the Prime/Sub Framework White Paper; reviewing the board's comments
    - Provided comments on the IPMR2 DID on providing subcontractor hours to the Prime.
    - Provide what kind of oversight from Prime to Subs (aka surveillance).

Mr. McGregor reached out to the government personnel to support the working groups as an excellent way to provide support but not lead in these working groups.

## **MEETING ADJOURNS**

Mr. Dale Gillam appreciated the extra help he received from all the working groups. He also thanked our host Harris (Mr. Gerry Becker and team) for providing their facility for this event, all the guest speakers, panelist, and participants. He closed the 2019 NDIA IPMD Meeting at 5:07 pm.

**See you at the 2019 Spring NDIA IPMD meetings on April 30 – May 1, 2019 at the Hyatt Regency Dulles in Dulles, VA.**