January 2020

## AAP – Update (Policy & Initiatives)

#### Mr. John McGregor

Deputy Director for EVM Acquisition Analytics and Policy

#### Mr. John McGahan

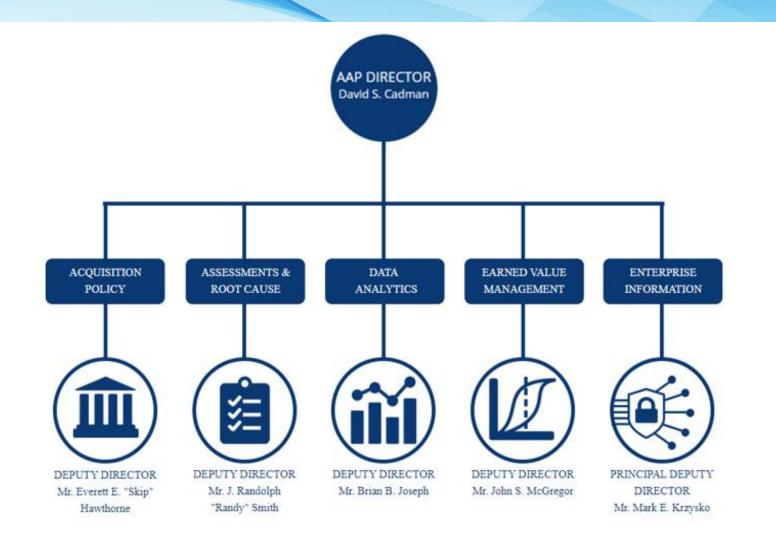
EVM-CR Program Manager Tecolote Research, Inc.





## ► Topics to be Discussed

- Introduction
- Integrated Program Management Data Analysis Report (IPMDAR) Capabilities
- Policy/Reporting Changes
- Charts
- Questions



#### AAP EVM Division



ALERT
Potential Scam

We have been advised that an individual may be impersonating Mr. John McGregor, Director of Earned Value Management Division by email and/or telephone in an attempt to obtain software/equipment/etc. This office does not issue solicitations or buy directly. The Pentagon Force Protection Agency advises you contact your local law enforcement office if you question the legitimacy of a request or solicitation. Also, forwarding a copy of the suspect email to <a href="mailto:OSD.DODEVM@mail.mil">OSD.DODEVM@mail.mil</a> enables the Department to track the email as a phishing attempt.

## Featured **Resources**

Agile Learning Opportunity
DAU has partnered with Coursera
to provide training opportunities
to the DoD workforce. See our
Agile Training Resources page for
more information.

Presents an overview of the EVM division, current policy initiatives,

#### Welcome to the AAP FVM Division

Earned Value Management (EVM), a division of Acquisition, Analytics and Policy (AAP) within the Acquisition Enablers organization serves as the Department of Defense (DoD) focal point for all policy, guidance, and competency relating to EVM.

Earned Value Management is one of DoD's and industry's most powerful program planning and management tools. The purpose of EVM is to ensure sound planning and resourcing of all tasks required for contract performance. It promotes an environment where contract execution data is shared between project personnel and government oversight staff and in which emerging problems are identified, pinpointed, and acted upon as early as possible. EVM provides a disciplined, structured, objective, and quantitative method to integrate technical work scope, cost, and schedule objectives into a single cohesive contract baseline plan called a Performance Measurement Baseline (PMB) for tracking contract performance.



John S. McGregor

Deputy Director

EVM Division

Full biography

https://www.acq.osd.mil/evm



## Integrated Program Management Processes

#### Structured Program Management Process Within A System Of Systems



Define work

- Assign resources
- Decompose work scope



- Schedule work
- Authorize work
- Define completion criteria



#### **Accounting**

- Record costs
- Summarize costs by element



#### **Analysis & Mgt Reporting**

- Analyze results
- Identify variances
- Summarize performance data
- Implement corrective actions
- Maintain EAC



- Incorporate changes
- Control changes
- Track changes

EVM Data Deliverables Are Artifacts Of Program Management Process





# Timeline and Process Similarities Submit, Review & Analyze, Publish

## IPMR versus IPMDAR Capabilities

#### **IPMR Strengths / Purpose**

- Performance analysis at reporting level (e.g. WBS, OBS)
- Gold Card Analytics (CPI, SPI, VAC, TCPI, EAC)

#### **Limitations / Weakness**

- Visibility into management controls (WBS & OBS vs. CA/WP)
- Visibility into execution plan (partial future forecast reporting)
- Limitations for cost/schedule integration visibility
- Visibility into retroactive contract changes

#### **IPMDAR Same Strengths / Capability**

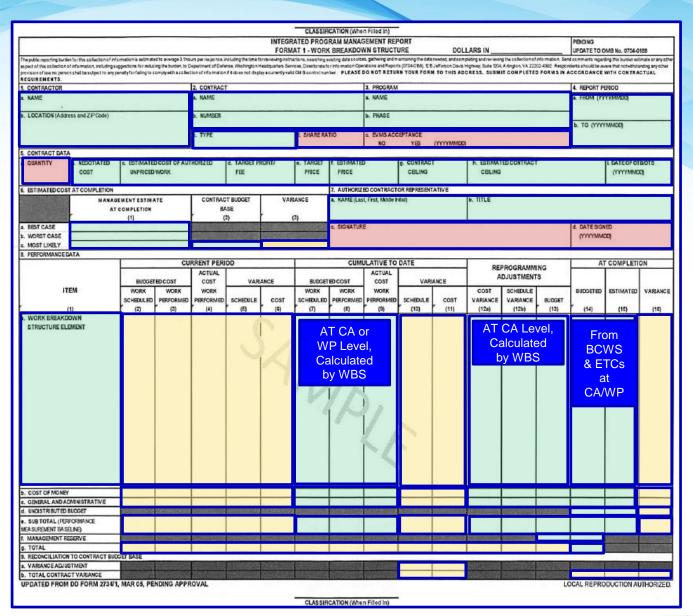
- Generate performance analysis at reporting level (e.g. WBS, OBS)
- Gold Card Analytics (CPI, SPI, VAC, TCPI, EAC)
- Can generate legacy formats

#### And So Much More...

- CA or WP visibility
- Hours and dollars
- Element of Cost visibility
- Fully time-phased future plan
- Positive traceability between cost and schedule
- Visibility into retroactive contract changes with time-phased To Date

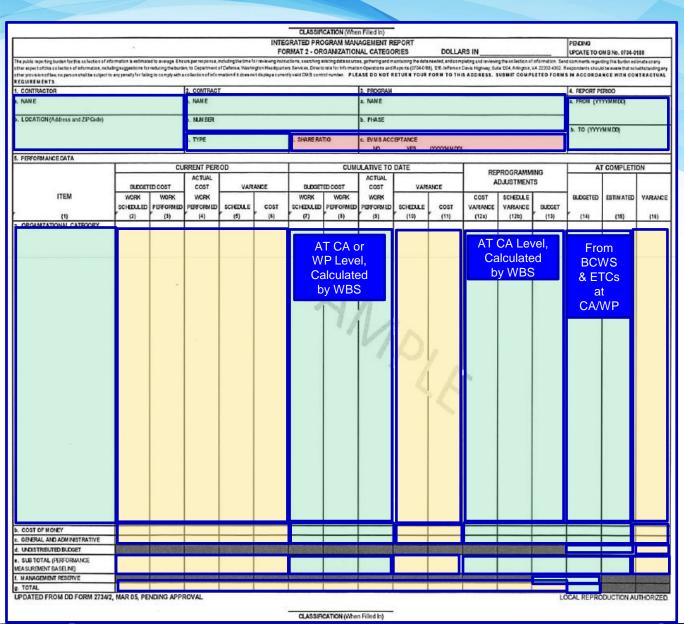
## Greater Focus On Forward Looking Analytics



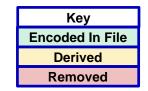


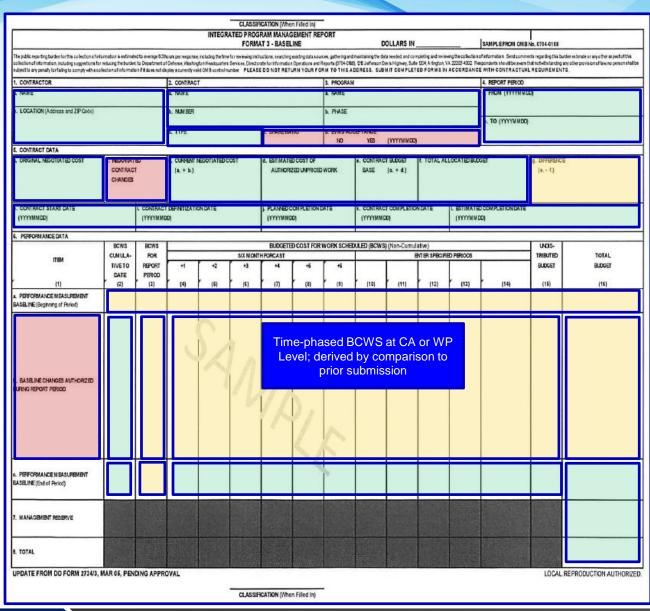
- Ancillary header values removed
- Derived values
  - Current period data values
  - Roll-up values in the WBS and OBS
  - Variances
  - CPI/SPI
  - BAC
  - EAC
- PMB data explicitly encoded in file for cross-check





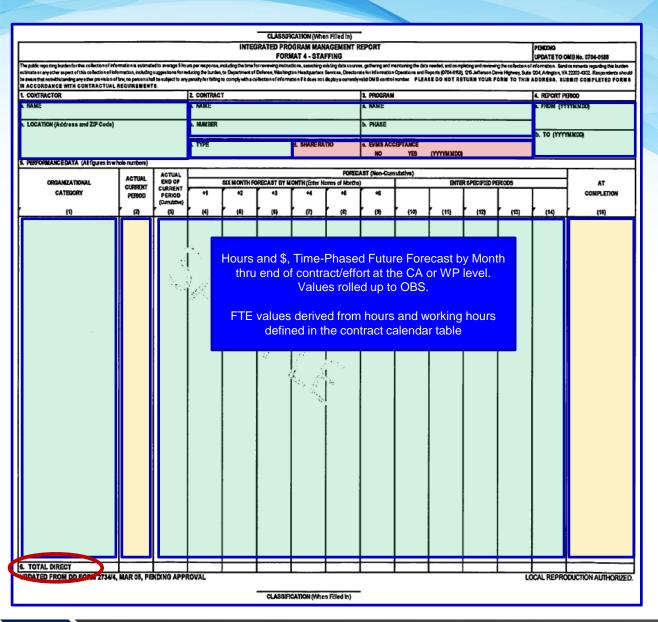
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  - EAC
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- Ancillary header values removed
- Derived values
  - Beginning Of Period Values
  - Baseline Changes derived by CA/WP
  - Current Period

Key
Encoded In File
Derived
Removed



- Derived values
  - Current period values
  - Roll-up by OBS
  - At-Complete
- FTE values derived from hours and calendar

Key
Encoded In File
Derived
Removed

- 1.2 The IPMDAR consists of the following three components:
- 1.2.1 Contract Performance Dataset (CPD). Provides performance/execution data from the contractor's existing management systems.
- 1.2.2 Schedule (Comprised of both the Native Schedule File and the Schedule Dataset (SD)). Provides data from the contractor's Integrated Master Schedule (IMS).
- 1.2.3 Performance Narrative Report (Comprised of both the Executive Summary and the Detailed Analysis). Provides narrative analysis of data provided in the CPD and Schedules.

## ▶ Delivering data rather than printable formats

- IPMR 1-4 and 7: Replaced with CPD
- IPMR 6: Much the same (Schedule Dataset and Native Schedule)
- IPMR 5: Performance Narrative Report (Executive Summary plus Detailed Analysis)
- ▶ All ACAT levels to deliver to the EVM-CR

## IPMDAR Policy/Reporting Changes

- 1.8 Delivery Timing.
- 1.8.1 Monthly Submission Requirement. IPMDAR data shall be required no more frequently than monthly. The reporting frequency shall be specified in the Contract Data Requirements List (CDRL). All reports shall reflect data from the same accounting period and shall be provided at any time after the close of the contractor's accounting period, but no later than sixteen (16) business days after the contractor's accounting period end date.
- 1.8.1.1 Incremental Delivery. Reports may be provided incrementally, including preliminary data, with the number of days for delivery of each submittal tailored in the CDRL. Data delivered is not considered authoritative until the final submission and signature. The recommended incremental delivery process is the Schedule, followed by the CPD and the Executive Summary, Government review of submittals, Government directed Detailed Analysis, Contractor Detailed Analysis delivery and all final data.<sup>4</sup>
- ▶ Final due no later than 16 business days after contractor accounting period close
- Incremental delivery requirement defined in CDRL

## IPMDAR Policy/Reporting Changes

- 2.4 Performance Narrative Report. The Performance Narrative Report is comprised of the Executive Summary and the Detailed Analysis. The Executive Summary and the Detailed Analysis shall reflect both dollars and hours where applicable or as specified in the CDRL. The Government may request additional specific and/or clarifying information in the following month's report.
- 2.4.1 Delivery Options. Delivery of the Performance Narrative Report is either Incremental Delivery or Single Delivery.
- 2.4.1.1 Incremental Delivery. The Performance Narrative Report is delivered in the increments as defined in Section 1.8.1.1. The Executive Summary will be delivered with the CPD file. The Detailed Analysis shall be delivered no later than the final delivery date as specified in the CDRL.

## ▶ Performance Narrative consists of:

- Executive Summary
- Detailed Analysis Report (Specific Variances at the Control Account level)

## ▶ Variance thresholds should be established in the CDRL (flexible)

- Dollars and/or percentage
- Number of thresholds and/or directed



- ▶ Data Structure Format: UN/CEFACT → Zipped JSON
  - Encodes cost/schedule data tables and relationships
- ► Tools/Exportability (example: flat files)
- Spans start to end of contract period of performance
  - Cumulative-to-date
  - Future Forecast
- Reporting at control account, both hours and dollars, and tagged to elements of cost
- Maximum flexibility for analyzing data (no more Formats)

- Ability to convert IPMDAR Contract Performance Dataset (CPD) into an IPMR format; generate legacy reports (e.g., CPR Format 1)
- Ability to convert IPMDAR data to flattened table for use with Excel Pivot Tables

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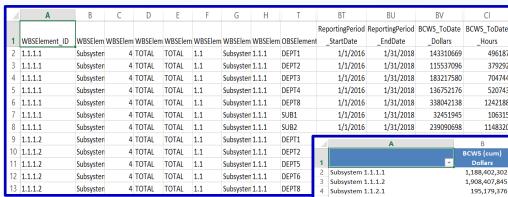
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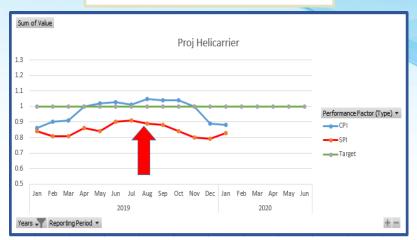
#### Flattened IPMDAR Contract Performance Data





## Trend Charts Created From the CPD

#### Programmatic CPI & SPI

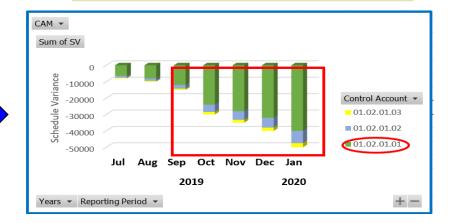


- Ability to convert IPMDAR data into trend charts
- Ability to look at control account trends and identify critical drivers

## Schedule Variance by Control Account Manager

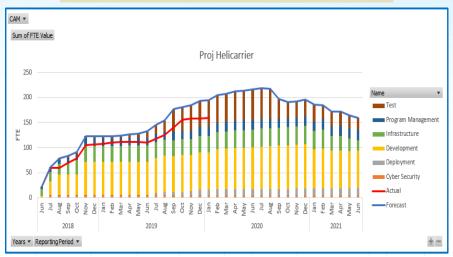


#### Schedule Variance by Control Account



## Staffing Plan Analysis by Working Integrated Product Teams

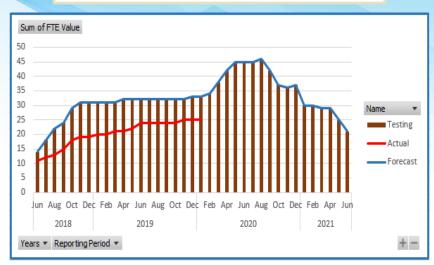
#### **Programmatic View**





- What are the current Staffing and hiring projections?
- What is the delta between past projections and actual hiring?

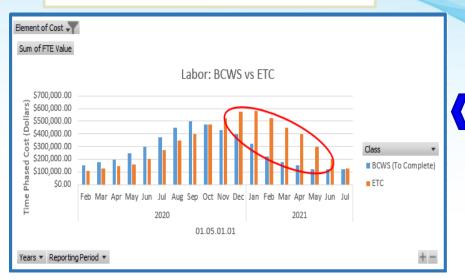
#### Individual WIPT View





- What is the plan to hire the number of people needed?
- Is this a realistic hiring plan?
- What is the impact on cost and schedule introduced by this identified risk?

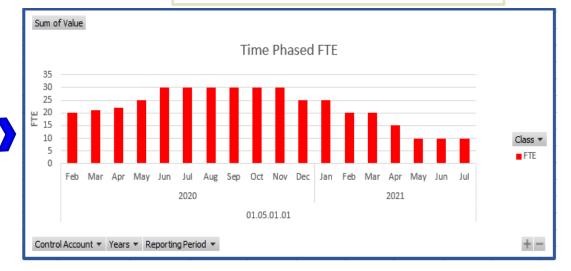
## Time Phased BCWS (To-Complete) vs ETC by Control Account & EOC



- What does the trend line for BCWS look like?
- What is the delta between the BCWS and the ETC?
- Is there an imminent cost variance?

Time-Phased FTE Plan by Control Account

 Forward looking: analysis of FTEs within a control account





Open Communication & Transparency Are Key To Effective Program Management





#### **Need Help?**

Do you have questions about EVM policy and guidance, how to analyze and interpret EVM data, or how to apply EVM policies to a new contract? Contact the AAP EVM Division for answers!

EVM Policy Interpretation EVM Applicability Acquisition Strategies General EVM Policy Questions
EVM Report Tailoring
EVMS Compliance Applicability

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https://www.acq.osd.mil/evm

#### Acquisition Exchange Program

#### Program **Summary**

Acquisition, Analytics and Policy (AAP) Acquisition Exchange Program (AEP) provides a unique career-development experience for high-caliber individuals in acquisition and acquisition-related career fields.

#### Program **Objective**

The AEP provides experience in the Department's executive-level MDAP decision process and implementation of DoD-wide acquisition policies. The assigned projects offer selected applicants the opportunity to enhance acquisition and senior-level policymaking skills, develop managerial and leadership skills, and prepare for future positions within the acquisition community. This opportunity is open to all career fields.

The AAP AEP provides selected applicants the opportunity to:

- · Interact with senior officials within DoD and throughout the Federal Government.
- Develop a thorough knowledge of EVM policy development and execution.
- Enhance the skills needed to prepare, advocate, and revise policy practices and procedures.
- Promote different perspectives within acquisition policy decision-making, while engaging in a career-broadening experience.

