



EARNING VALUE

BY GLENN RHODESIDE

IN 2002 AND EARLY 2003, KENNEDY SPACE CENTER CONDUCTED A PILOT IN WHICH EIGHT IN-HOUSE PROJECTS IMPLEMENTED EARNED VALUE MANAGEMENT (EVM). BUT LET'S JUST SAY WE WEREN'T WELCOMED WITH OPEN ARMS.

WE'D SAY, "WE'RE EVM. WE'RE HERE TO HELP." AND MANAGEMENT WOULD SAY, "WE'VE GOT ALL THE HELP WE NEED, THANK YOU VERY MUCH!" IT WAS LIKE THAT TOM PETTY SONG, "DON'T COME AROUND HERE NO MORE."

THE PROJECT MANAGERS WERE GIVEN A HALF-DAY OF EVM training. Although a portion of the project managers had some experience with EVM, the concept was completely new for some of them. The rest of that training day was spent helping them to start the base-lining process and answering any questions that they might have had. Slowly, we helped them to develop a baseline, and then conducted pseudo-Integrated Baseline Reviews (IBR) where they presented their Work Breakdown Structure (WBS), their integrated resource-loaded schedules, their risks, and their risk mitigation plans. The intent, as with any IBR, was to get to an agreement with the project management so that everyone understood the baseline,

of training just isn't enough to learn how to use EVM. We recognized the need for at least two or three days to learn the basics. We also realized a few things about the culture and environment of project management in NASA, specifically in relation to implementing this type of change. We figured out that we had to anticipate some level of resistance within the organization, especially if they've never done this before. We had to be patient, work with them, and hold their hands a bit. It also didn't help that our financial systems did not collect actual costs in a manner useful for EVM. Lack of automated data collection meant manual manipulation of some data—an issue not present with most contractor financial systems.

Lastly, it didn't help the cultural resistance when we came in halfway through the projects. EVM may benefit a

struggling project, but for our pilot, there was a price to pay to come in after the start. There were already systems in place on the projects and we came in and told them that they had to change everything and start using EVM. We realized that to be most effective, EVM has to be introduced at the very beginning of the project. •

AGAINST RESISTANCE

what the project's risks were, how they were going to collect the data, and how they were going to use EVM to manage their projects.

What we realized during the base-lining process and as the project personnel collected data and performed cost/schedule performance analysis was that half a day



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