

Improving Program Performance at FAA

Presented to: NDIA PMSC

By: Keith Kratzert

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Federal Aviation
Administration



EVM at FAA

- **FAA goal is to manage entire program using EVMS in accordance with ANSI/EIA 748**
 - Manage/measure all resources
 - Requires changes in behavior by all parties
- **FAA EVM differs from legacy approach**
 - Program level, not just contractors
 - All contractual effort measured, including FFP



Recent Accomplishments

- **Expanded AMS standard program milestones**
 - Mapped milestones to FAA standard WBS
 - Identified milestone decision authority
- **Developed a program level IBR guide**
 - Complement to NDIA Contract focused IBR Guide
- **Established Portfolio/Program Performance Metrics (PPPM)**
 - Piloted in one Service Unit
 - Expanding to other Service Units

Current Activities

- **Proposed EVM Surveillance, Acceptance, and executive program performance reporting processes are being developed and implemented**
 - Based on NDIA guidelines
 - major contractor “Best Practices”
 - Tailored to FAA processes, terms, and documentation



FAA System Acceptance Process

**Applied at both FAA Program Level and
Contractors**

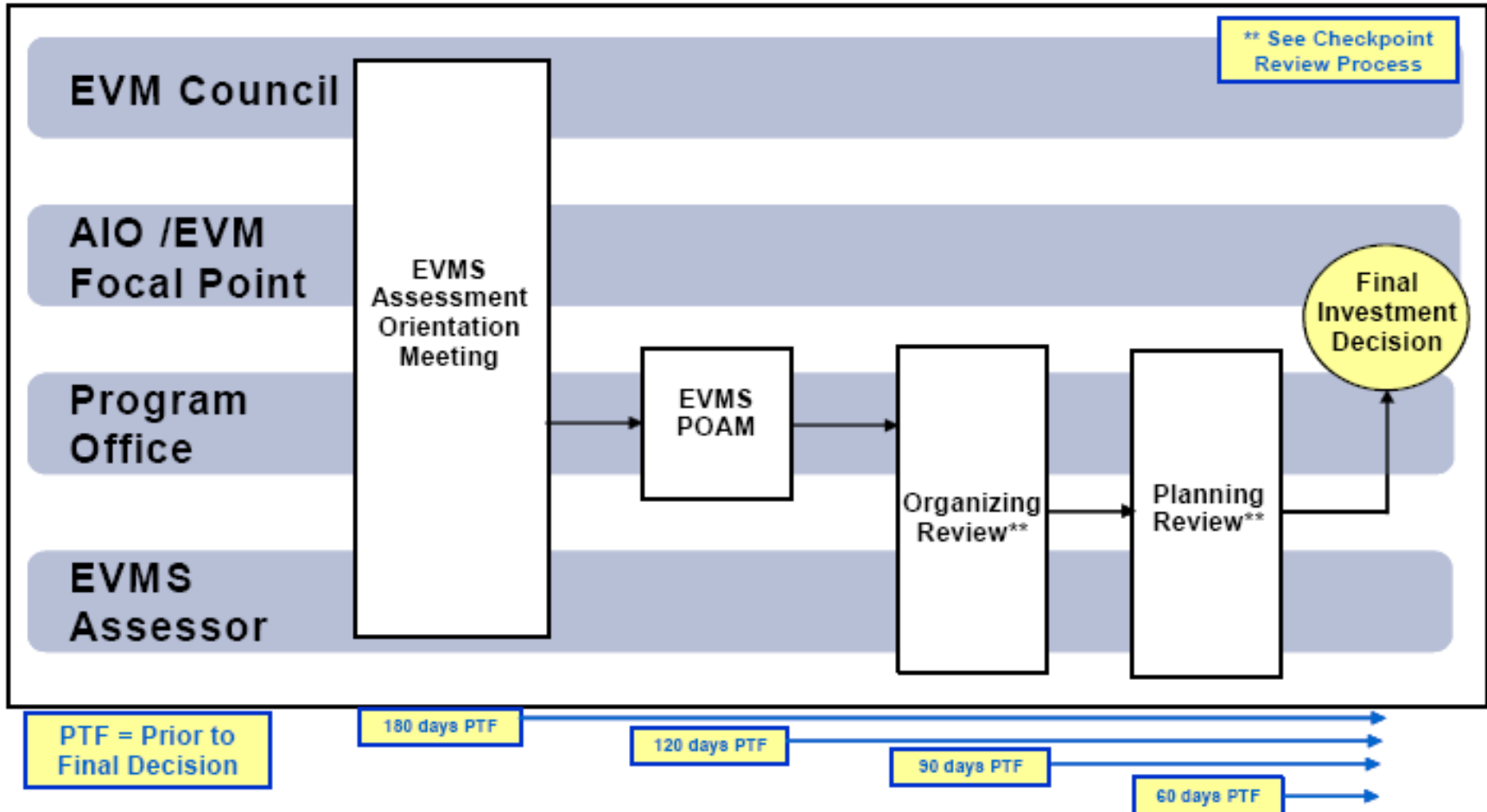


FAA Program Acceptance

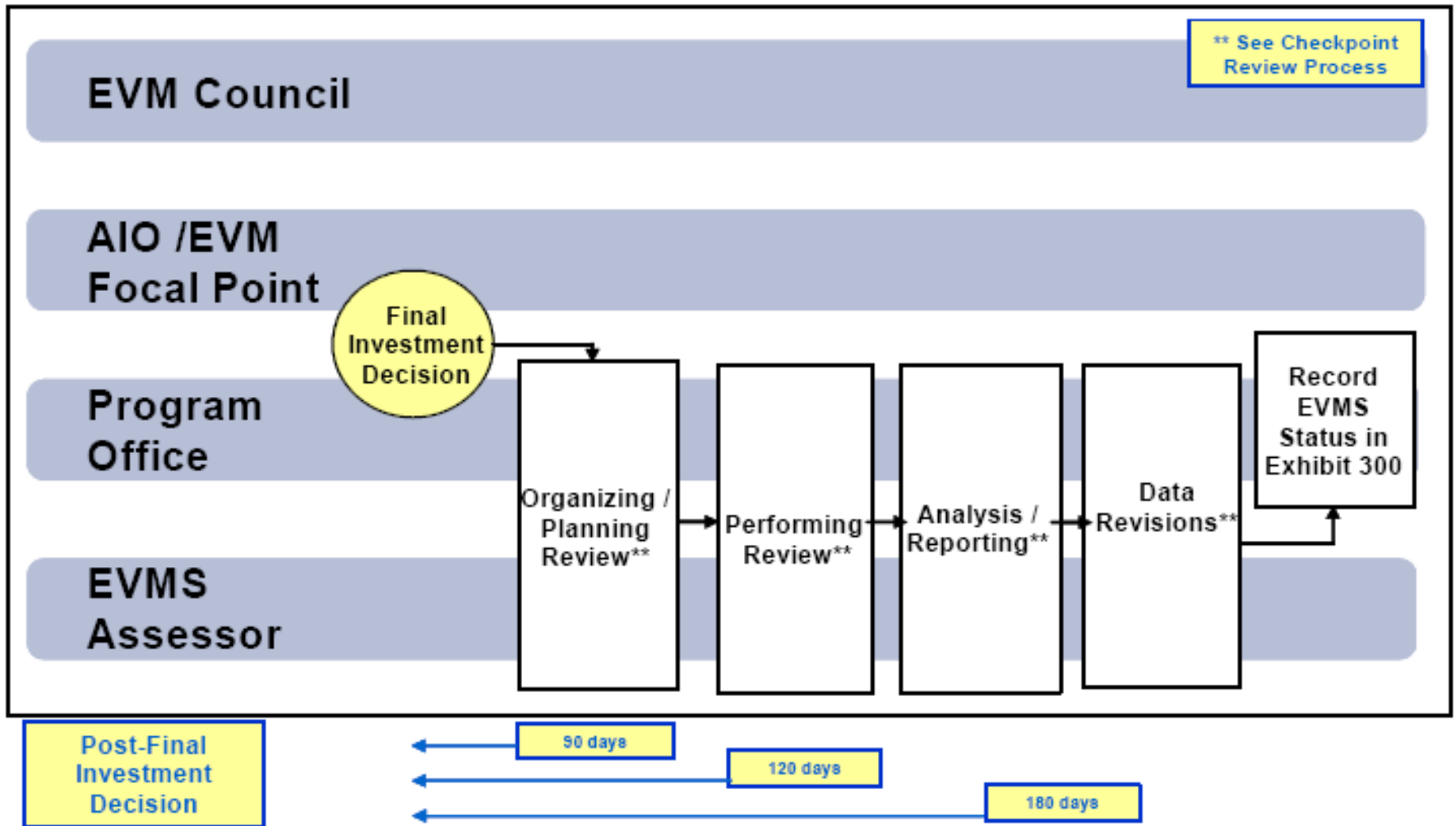
- The assessment includes a review of program documentation and interviews with program management and key personnel. The assessment includes a review of procedures and practices on the use of earned value data by the program team. The review focuses on three main areas concerning use of earned value data:
- Program planning of schedule and cost; including their integration and baseline control with the technical scope as defined in the program baseline WBS;
- Program performance data analysis and reporting; including the usefulness and effectiveness to the program team to manage schedule and cost; and the
- Availability of timely program performance data used by the program team to anticipate and mitigate program risks.



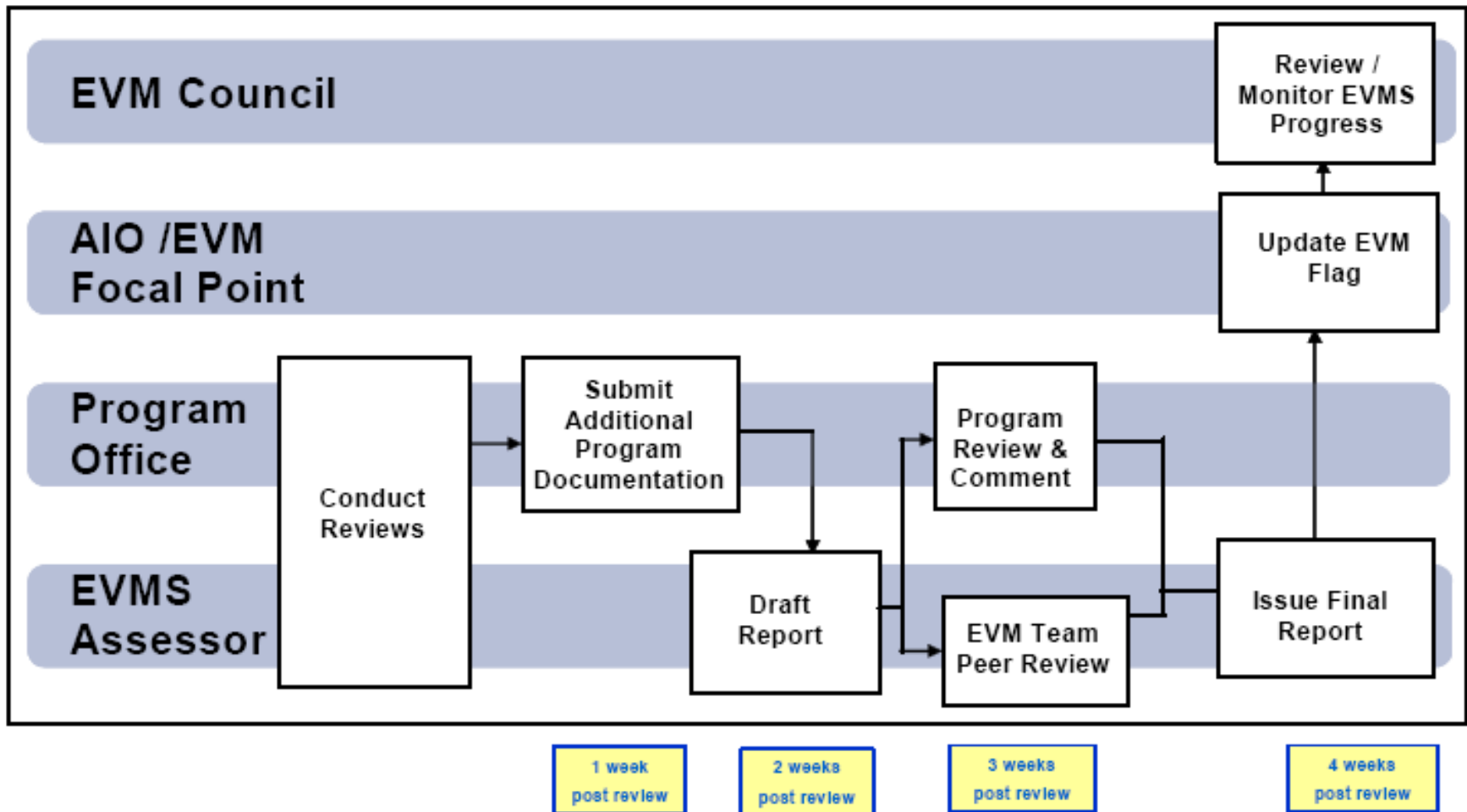
FAA Program Acceptance – pre-FID



FAA Program Acceptance – post-FID

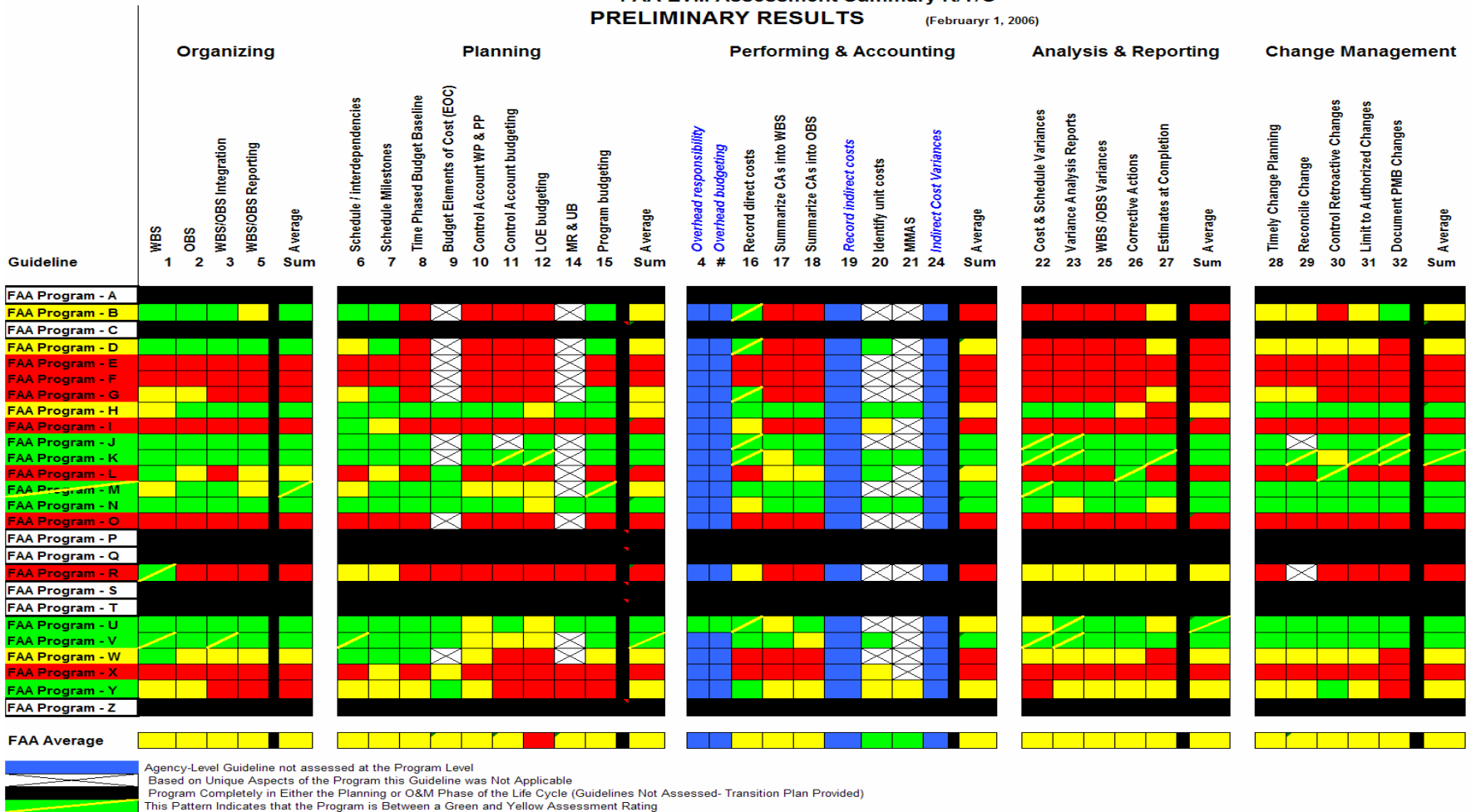


Checkpoint Review Process



February 2006 Assessment Summary

FAA EVM Assessment Summary R/Y/G PRELIMINARY RESULTS (February 1, 2006)



December 2007 Assessment Summary

Guideline	Organizing					Planning					Performing					Analysis & Reporting					Change Management																				
	1 WBS	2 OBS	3 WBS/OBS integration	4 Overhead responsibility	5 WBS/OBS Reporting	6 Average	6 Schedule / interdependencies	7 Schedule Milestones	8 Time Phased Budget Baseline	9 Budget Elements of Cost (EOC)	10 Control Account WP & PP	11 Control Account Budgeting	12 LOE budgeting	13 Overhead Budgeting	14 MR & UB	15 Program Budgeting	16 Average	16 Record direct costs (2)	17 Summarize CAs into WBS	18 Summarize CAs into OBS	19 Record indirect costs	20 Identify unit costs (3)	21 MMAS	22 Average	22 Cost & Schedule Variances	23 Variance Analysis Reports	24 Indirect Cost Variances	25 WBS/OBS Variances	26 Corrective Actions	27 Estimates at Completion	28 Average	28 Timely Change Planning	29 Reconcile Change	30 Control Retroactive Changes	31 Limit to Authorized Changes	32 Document PMB Changes	33 Average				
Planning Programs																																									
FAA Program - D																																									
FAA Program - H																																									
FAA Program - O																																									
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Acquisition/Mixed Life Cycle																																									
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FAA Program - U																																									
FAA Average																																									

Guideline Area and/or Guideline meets the intent of the EVMS Standard.
 Guideline Area and/or Guideline partially meets the intent of the EVMS Standard.
 Guideline Area and/or Guideline does not meet the intent of the EVMS Standard.
 Guideline Area and/or Guideline has not been assessed.

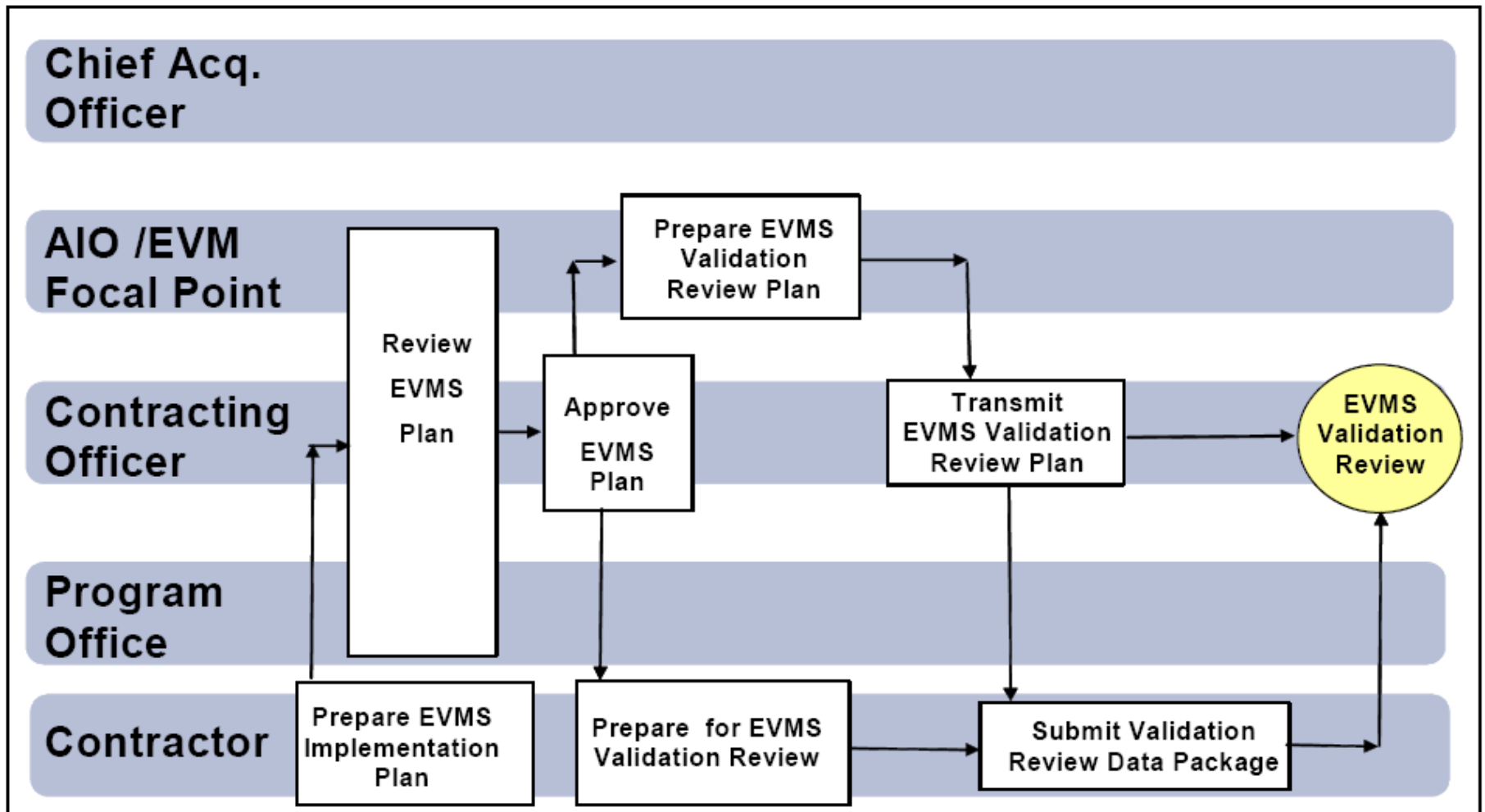


FAA Contractor Acceptance

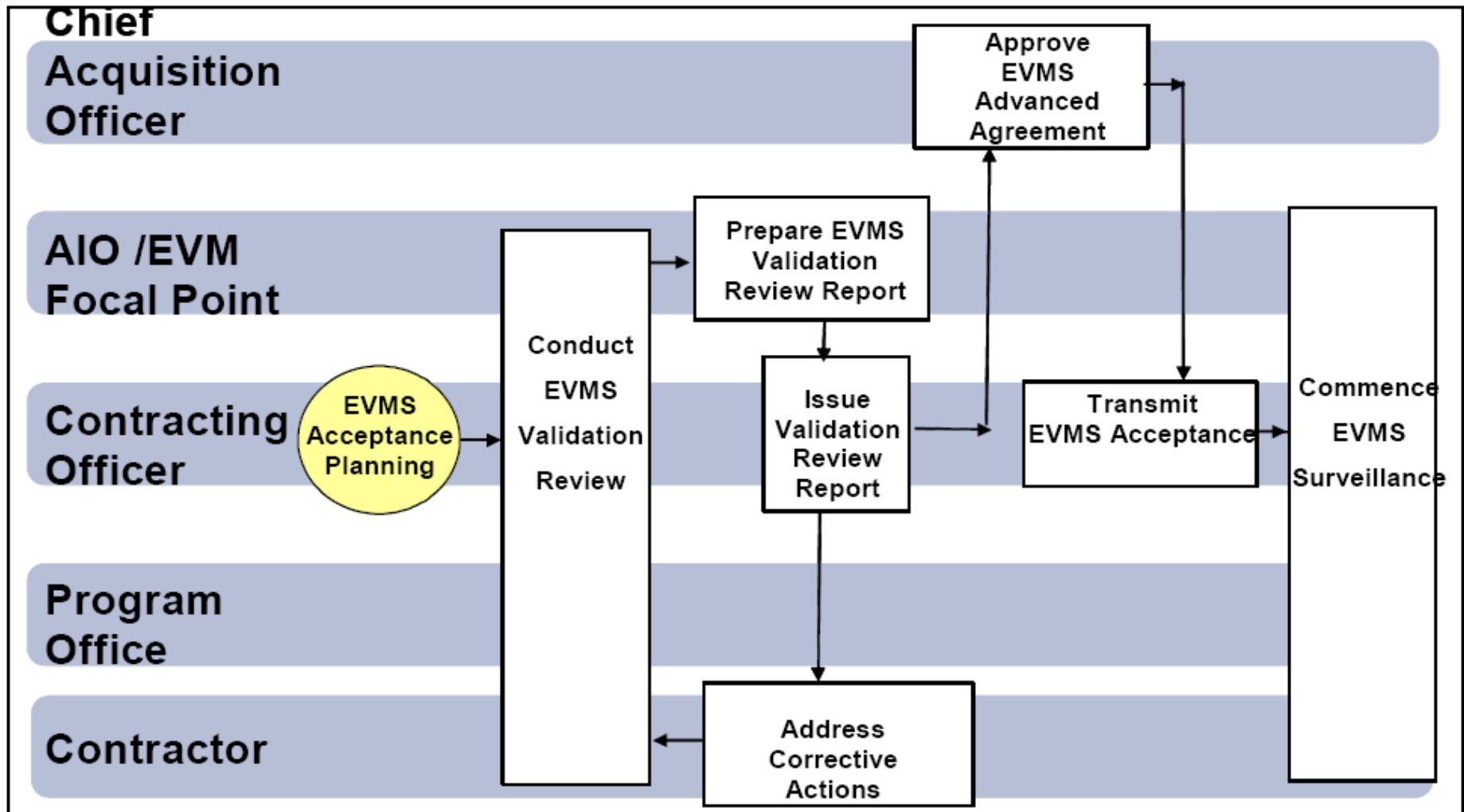
- An EVM Systems Implementation Plan is prepared by the contractor and reviewed by the FAA.
- The contractor EVMS is designed and implemented.
- The Validation Review Plan is prepared by the FAA and provided to the contractor.
- An EVMS Progress Assistance Visit may be conducted (Optional).
- The Validation Review is conducted; the Validation Review Report is prepared.
- Corrective actions are identified, addressed and resolved.
- The contractor EVMS is accepted and the Letter of Systems Acceptance or Advance Agreement is issued to the contractor. Usually, Agencies require an acceptable surveillance plan and system change management plan from the supplier to obtain an Advance Agreement.
- EVMS surveillance commences.



Contractor Pre-Acceptance



Contractor Acceptance Process



DOT Policy Now Issued

- **EVM Policy now available, IT only, Tiered application**
 - Tier I – >\$20M and/or high risk – 748 compliance
 - Tier II – between \$3M and \$20M – 748 “subset”
 - Tier III - <\$3M – no 748 guidelines, application of EVM determined by “risk, dollar amount, and complexity”
- **Related rebaselining policy also issued**