

Headquarters U.S. Air Force

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Air Force EVM Update



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**Robert Loop
SAF/AQX
571-256-0365
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2010 EVM Accomplishments since Last Meeting

- **Completed 2010 EVM Query**

- **Completed 2010 EVM Reporting Pilot**

- **Organizational Changes**



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Query Overview

- **Purpose: Gather data re AF EVM status to guide the prioritization of EVM IPT initiatives for FY2011 and beyond**
- **Methodology: Conduct standardized interviews of EVM reporting programs**
 - 50 programs interviewed; included all ACAT 1 and most ACAT II with current EVM reporting (SDD and LRIP)
 - Questions sent ahead; “canned” answers probed with additional face to face questions
 - SAF/AQX and PM&AE led an initial set of reviews at each product /logistic center (36% of the total query), training Center EVM focal points
 - Center EVM Focal Point completed the remainder of the query
 - Participating Centers: AAC, ASC, ESC, SMC, OO-ALC, WR-ALC
- **Timing: Reviews conducted Aug – Nov 10**



EVM IPT Query Observations

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- **Lack of clear EVM/Scheduling functional ownership/alignment**
- **Lack of defined career path for EVM and scheduling function**
- **Lack of government training in use of EVM, scheduling**
- **Lack of a certification program to provide training and field proficiency**
- **Inconsistent or lack of schedule analysis by PMO**
- **Inadequate PMO scheduling and EVM SMEs**



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Other EVM IPT Query Observations

- **Failure by PMOs to reject non compliant IMS and CPR CDRLs DID**
- **Failure to perform required Schedule Risk Assessment (SRA) during IBRs**
- **Lack of incentive to complete IBR within 180 days**
- **Use of SPI/CPI as a basis for incentive fee**
- **Lack of PMO participation in contractor EVM surveillance**
- **Lack of PMO program level IMS**
- **Roughly 50% of all programs fall within the categories above**



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Recommendations From the Query

- **EVM and Scheduling Recommendations**
 - **Address organization of EVM & Scheduling resources**
 - **Address staffing for EVM & Scheduling resources**
 - **Address PM ownership of EVM and Scheduling**



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Recommendations From the Query

- **Scheduling Specific Recommendations**
 - **Ensure SRA is performed, centralized monitoring**
 - **Establish std schedule analysis process and tools**
 - **Require all ACAT 1 PMOs have Program Level IMS**



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Recommendations From the Query

- **EVM IPT***
 - **Develop IMS/CPR compliance checklist**
 - **Revise AFI63-101 to require checklist**
 - **Develop recommendations for contract incentives on based contractor EVM compliance**
 - **Develop supplemental EVM/scheduling training**
 - **Develop AF EVM and scheduling certification proposal**
 - **Develop EVM best practices sharing methodology**

* EVM IPT actions concurrent with identification of functional ownership

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2010 EVM Reporting Pilot Results

**Robert Loop
SAF/AQXR
571-256-0365**



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Pilot Description

- **Comparison of 50 element reporting to control account level reporting**
- **Impact of new emphasis on summary reporting**
- **Responding to OSD request**
- **Selected a program that had both high and low WBS level reporting**



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Conclusions

- **Significant early warning lost with summary reporting**
- **Early warning visibility in the first complex end item may help plan and manage the following end items**
- **Potential “Masking Effect” on complex structure in space and aircraft programs driven by interpretations from MIL-HDBK-881-B**
- **Verified across contractors and Services**



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AF EVM Organization

SAF/AQ – Assistant Secretary of the Air Force (Acquisition)
SAF/AQX – Deputy Assistant Secretary (Acquisition Integration)
 AQX – Paris NATO Research & Tech Agency
 AQXA – Acquisition Management Policy
 AQXI – Acquisition Information
 AQX-ACPO – Acquisition Chief Procurement Office
 AQXL – Industrial Liaison Office
 AQXO – Operations Support
 AQXR – Program Integration
 Budget and Execution Branch
 Analysis Branch
 Resources Branch
 Corporate Branch
 Reviews and Support Branch



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Reviews & Reports Branch (SAF/AQXRR)

■ Responsibilities

- Acquisition Policy
 - Earned Value Management (EVM)
 - MAIS/MDAP
 - Acquisition Program Baseline (APB) Policy/Breach
 - Nunn-McCurdy (N-M)/Unit Cost Report
 - MAIS Significant/Critical Change
- Reviews (DAES, PEO Portfolio, etc.)
- Reports (MAR, DAES Quarterly/5-Chart, SAR, MAIS Annual/Quarterly, selected AF Strategic Plan Metrics, etc.)
- Databases (SMART, DAMIR, EVM-CR, etc.)
- Indirect Cost, Program Control Studies
- Clean Audit
 - Military Equipment Valuation (MEV)



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EVM Challenges – Gov't and Industry

- **Concern about EVM effectiveness**
 - **Program EVM trends close to 1.0 with EAC growth**
 - **Trend toward replan and reset rather than execution**
 - **Is EVM a reporting tool or a management tool?**



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EVM Challenges – Gov't and Industry

- **What industry can do to increase EVM effectiveness?**
 - **Control program use of resets and OTBs without an EAC and executable plan for the future**
 - **Talk to the service EVM focal point non-attribution regarding PO issues we are potentially impacting your EVM compliance**
- **Together we as a community can influence EVM effectiveness**