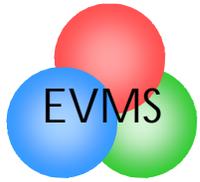


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# Integrated Baseline Reviews

*Or  
How To Achieve Project Success  
by  
Establishing a Realistic Baseline !*

Eleanor Haupt  
ASC/FMCE

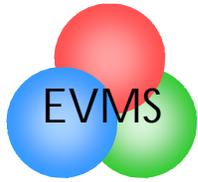


# Why IBRs?

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“Effective program management depends on reliable performance baselines”

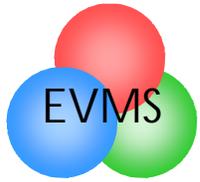
DUSD Memo, Jan 94



# Outline

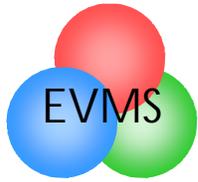
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- Background
- The 5 IBR Goals
- Policy
- The IBR Team
- The IBR Process
  - Before, During, After
  - Baseline Discussions
  - Evaluating Risk
- Results
- IBR Alternate Approaches
- Keys to Success

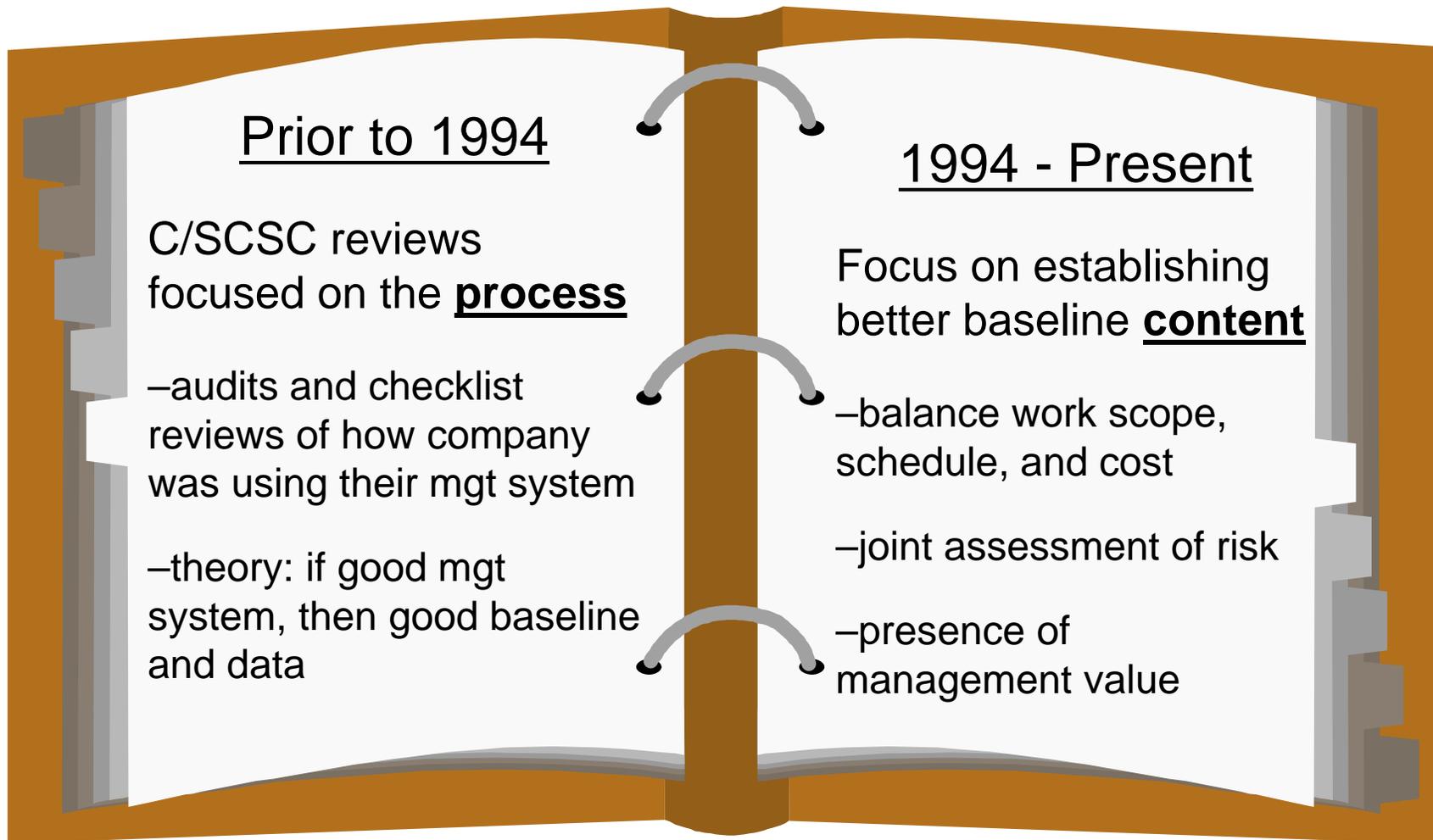


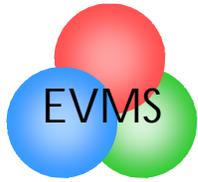
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# Background



# EVMS Reform

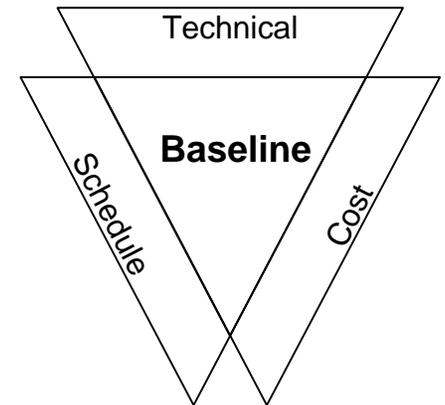


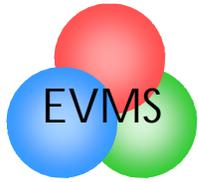


# What is an IBR?

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- Evaluation of performance measurement baseline
  - Baseline realism
  - Identification of inherent risks
- Joint assessment by government & contractor
- Continuous
  - Part of integrated project management (govt & ktr)
  - Should be seen as "Process"
  - Not a stand alone "Event"



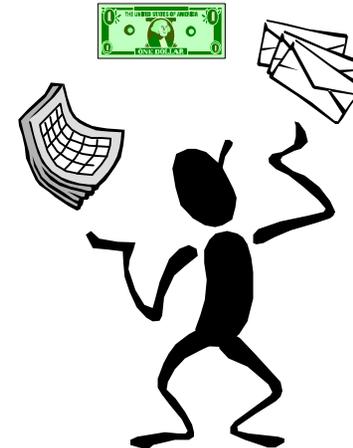


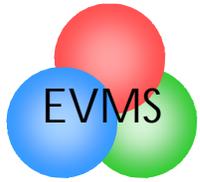
# Primary Objective

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*We jointly need to be able to answer this basic question...*

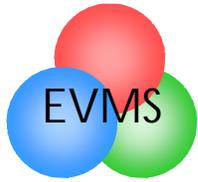
Can we execute this contract  
(technical work scope),  
given the available  
schedule and budget  
resources?





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# The 5 IBR Goals

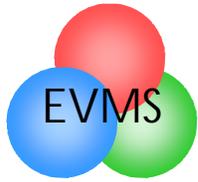


# IBR Goals

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## Goal #1

To ensure that the technical content of work packages and control accounts is consistent with the contract scope, the CWBS, and the CWBS dictionary (if applicable)

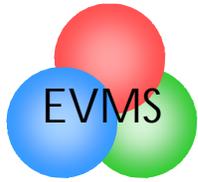


# IBR Goals

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## Goal #2

To ensure that there is a logical sequence of effort planned consistent with the contract schedule

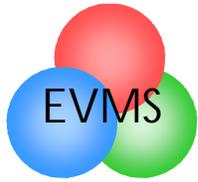


# IBR Goals

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## Goal #3

To assess the validity of allocated control account and summary level planning package budgets, both in terms of total resources and time-phasing

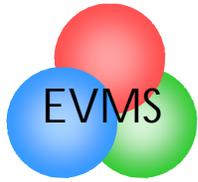


# IBR Goals

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## Goal #4

To conduct a technical assessment of the earned value methods that will be used to measure progress to assure that objective and meaningful performance data will be provided

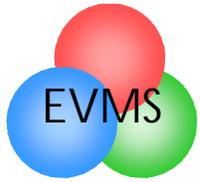


# IBR Goals

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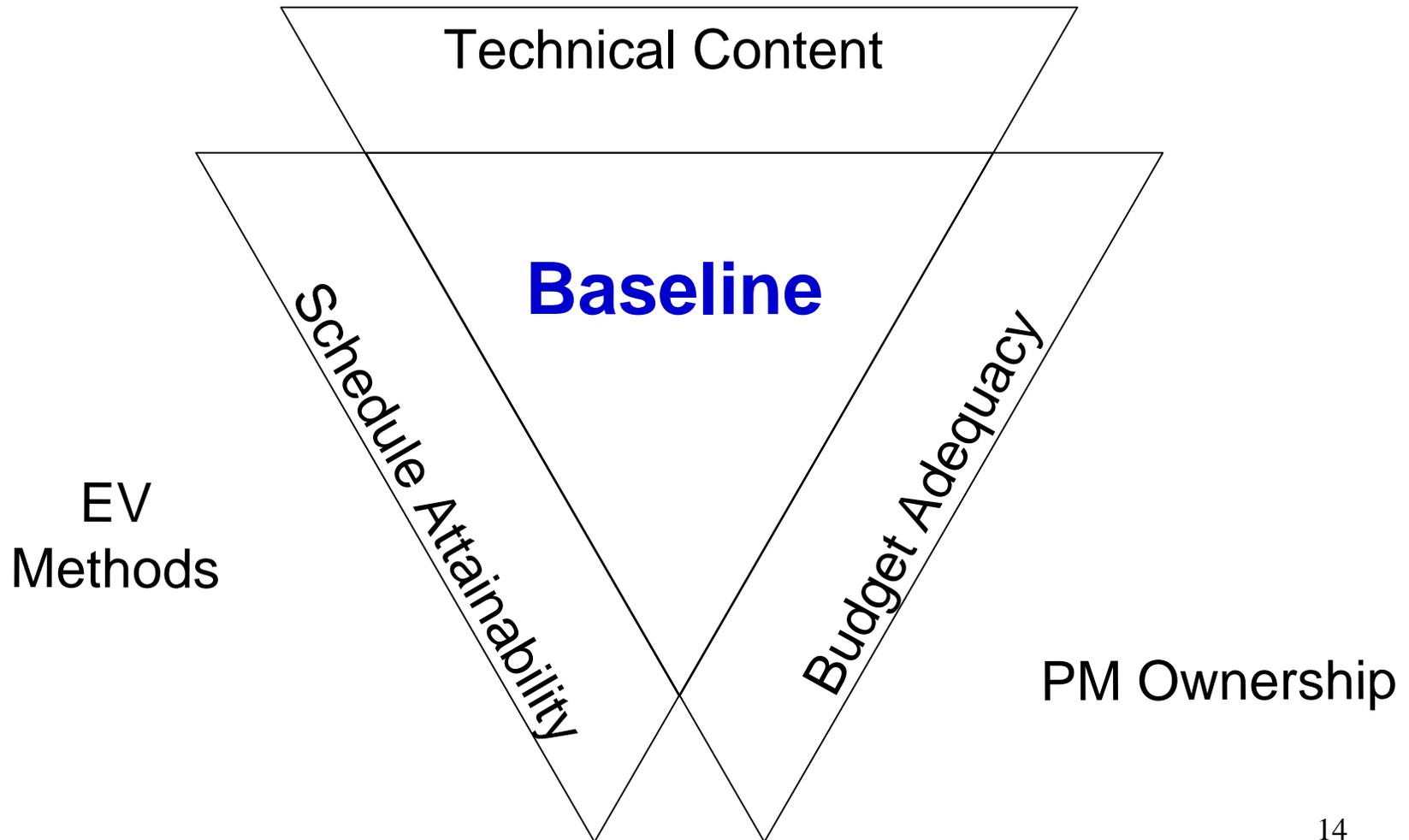
## **Goal #5**

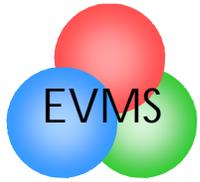
To establish a forum through which the government program manager and the program technical staff gain a sense of ownership of the earned value management process. By understanding the internal earned value management system, government and contractor technical counterparts can jointly conduct recurring reviews of PMB planning, status, and estimates at completion to ensure that baseline integrity is maintained throughout the life of the contract.



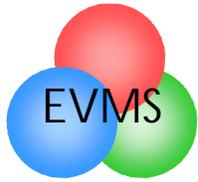
# Assess Risk . . . Manage Risk

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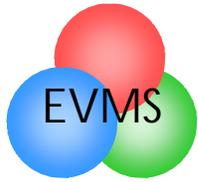
# Policy



# IBR Policy

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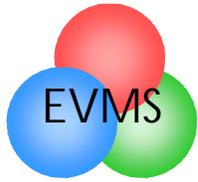
- Reference
  - DoD 5000.2-R, para 3.3.5.3.1
  - Earned Value Mgt Implementation Guide (EVMIG), para 4-2
- Applicable to any contract requiring a CPR or C/SSR
- When?
  - Basic contract: within **6 months** of award
  - Major changes
  - Production options
  - Significant shift in content or phasing of baseline (selected elements)
- **The IBR should be a continuous part of the program management process by both the government and contractor**



# What do we look at?

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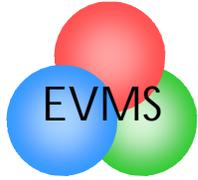
- “Rule of thumb”
  - Strive to review ~80% of contract value
- Review
  - significant elements
  - risk areas
  - elements on critical path
- May eliminate low dollar elements, or level of effort
- Technical team and contractor should agree on coverage



# What about subcontractors?

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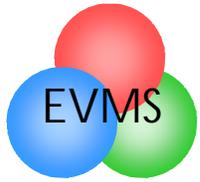
- Consider
  - What percentage of prime is subcontracted?
  - Risk/criticality of each sub's effort
  - Prime's history in subcontractor management
  - Prime/government should agree on coverage
- Subcontractor IBR options
  - Discuss baseline with sub's CAMs during prime's IBR
  - Conduct separate visit to subcontractor
- Prime should take lead



## The IBR is NOT . . .

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- Not an audit
- Not a checklist review of process
- Not demonstration of EVMS compliance
  - refer system issues to DCMA for surveillance
- Not a pass/fail event
  - work issues with contractor until resolved
- Not a redirection of contract
  - work with contractor to gain mutual understanding of baseline
- Not an “Event” but a “Process”

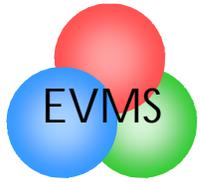


# IBR vs. “C/SCSC” Reviews

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- C/SCSC Reviews
  - Now an obsolete term
  - Used to focus on the process only - an “audit”
    - Interviewed each CAM to determine if they knew and used the system
  - Analogy: check the plumbing: are the pipes connected properly?
- IBRs
  - Focus on the risks in the baseline
    - Jointly discuss with contractor
  - Assume that the contractor has a healthy EVMS system and is using it correctly
    - May have a discussion or briefing by DCMA personnel as part of training or in-briefing
  - If system problems happen to be noted, they are referred to DCMA
    - NOT the primary goal of the IBR
  - Analogy: check the quality of the data running through the pipes

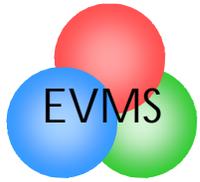




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# The IBR Team

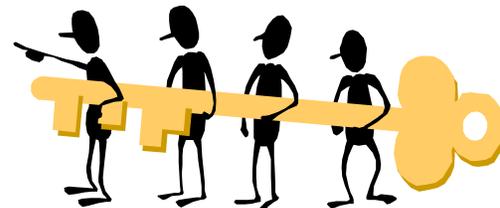


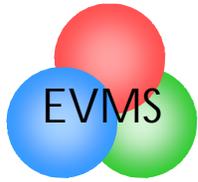


# Who's Got the Responsibility?

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- OSD Policy
  - Program Manager and technical staff are responsible for IBR
  - Key beneficiaries
- Joint Program Managers have the sole responsibility
  - Plan the IBR
    - training
    - membership
    - agenda, in-briefing, and outbriefing
  - Ensure that appropriate technical managers lead the discussions
  - Send a clear signal to all team members that this is vital to project success
  - Establish plans to incorporate IBR results into everyday management of the project





# Team Members

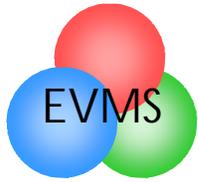
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## Primary Team

- Program Manager, Team Chief
- System Engineer, Deputy
- Technical Staff and IPT Leads

## Support Team

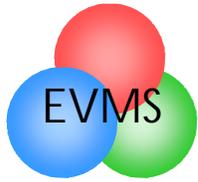
- Others
  - EVMS support personnel
  - schedule analysts
  - financial managers
  - cost analysts
  - contracting officer
  - DCMA & DCAA



# Responsibility: Technical Staff & IPT Leads

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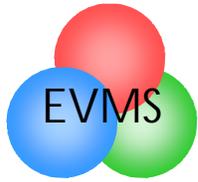
- Function as govt control account managers (GCAMs)
- Attend all training
- Lead/conduct IBR baseline discussions
- Achieve mutual understanding of baseline with contractor counterpart (CAM)
- Resolve differences: document any concerns or issues
- Participate in daily team meetings
- Document results of discussions for future action



# Role of Support Team

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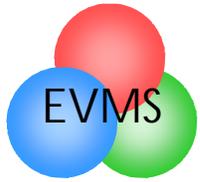
- **Primary**: support GCAM review - assist their assessment of
  - schedule realism
  - cost realism
  - earned value methods
- Assist Program Manager with **overall *risk*** assessments
  - resource constraints
  - overall funding constraints
  - assess completeness of work allocation
  - indirect cost & business base assumptions
  - current vs negotiated rates
- **May** use contact with contractor as springboard for **related topics**
  - establishing a joint surveillance process and metrics
  - discuss contractor's formal EAC process
  - how contractor uses and reviews earned value data
  - how to streamline and tailor reporting



# Role of Contractor

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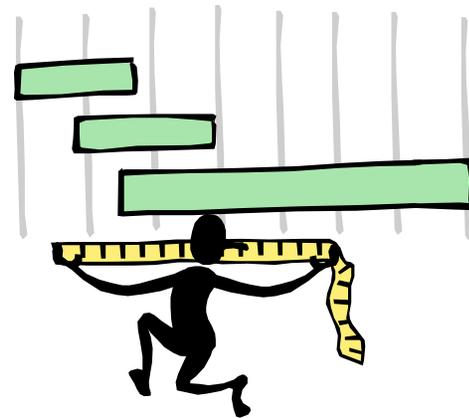
- Plan and establish the program baseline
- Provide government team with an overview of their EVM system
- Participate in joint training
- Discuss adequacy of baseline and risks during IBR
- Documentation
  - make available for pre-IBR review
  - provide during baseline discussions
- Use EVMS to manage program baseline

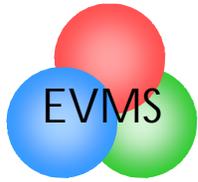


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# The IBR Process

assessing baseline adequacy

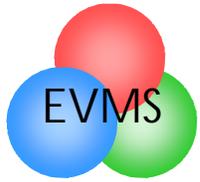




# Overview

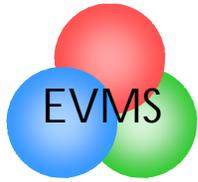
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- **Pre IBR: Prepare**
  - Choose IBR team
  - Identify risk areas
  - Train the team
  - Review documents
- **IBR: The Review**
  - In-briefing
  - Joint look at baseline
  - Document findings (action items, discussions)
  - Outbriefing
- **Post IBR: Manage the Findings**
  - Document findings (IBR memo, risk plan)
  - Incorporate IBR results into management of program



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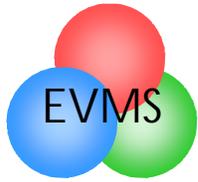
# Pre IBR - Prepare



# Prepare

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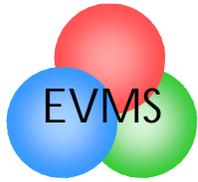
- Pre-Contract
  - Include requirement in statement of work
    - manage the program using EVMS
    - tailor reporting
    - IBR
  - Begin assembling training material
  - Program manager should develop and begin to implement EVMS philosophy
    - manage program using EVMS
    - program office organization, IPTs
    - GCAMs
    - IBR requirement
  - Evaluate bidders' proposals for EVMS



# Prepare

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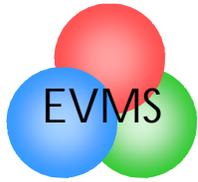
- Post Contract Award
  - Staff support should meet with program manager
    - discuss IBR planning
    - provide copy of IBR training and guidance
    - sample letter to contractor (IBR notice & document request)
  - Establish dialogue with contractor
    - mutual goals and approach for IBR
    - emphasize focus on content, not EVM system
    - joint training, crossflow of training material
    - timing and logistics of IBR
  - Establish CAM/GCAM matrix for assigned elements
  - Begin a complete Statement of Work review
    - may conduct face to face discussions during Systems Requirement Review
      - identify areas of disconnect, risk
    - GCAMs review contractor internal SOW (if applicable)



# Prepare

---

- Pre IBR
  - Contact DCMA team
    - any system discipline issues that would preclude a successful IBR?
  - Send contracting officer letter to contractor
    - requirements, review date, etc.
    - request control account plans (CAPs) for GCAM preview
      - sample only? or all
  - Identify ***Risk areas*** for review
    - System level (assess overall risk)
    - Detail level (control account risk)
      - review contractor RAM
      - jointly*** select significant elements for review



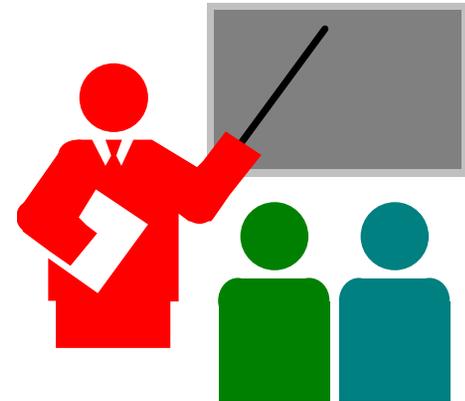
# Prepare

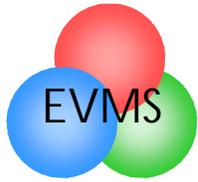
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- Pre IBR

- Joint training is best

- SPO, contractor, DCMA
    - Contract structure & items being procured (PM)
    - EVM training
      - EVMS basics
      - emphasize Organization, Planning & Budgeting
      - performance measurement (EV methods)
      - review program report (CPR/CSSR)
    - Contractor's mgt systems/documents (contractor)
      - program baseline construction & documentation
      - real control account plans or single thread trace of one account
      - emphasize documents to be reviewed
      - earned value techniques
      - current program status & risks

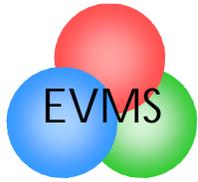




# Prepare

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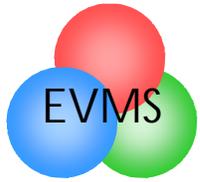
- Pre IBR
  - Training (cont.)
    - IBR training
      - goals, team, process
      - role of GCAM in IBR
        - » guidelines for baseline discussions
        - » how to evaluate and document risk
        - » what to document, who to report to
    - IBR workshop (team mtg) immediately before IBR (1-2 weeks)
      - program manager should meet with GCAMs, rest of govt team
      - review IBR goals, agenda, process
      - Q & A, refocus sessions
      - documentation review
      - IBR discussion schedule



# Prepare

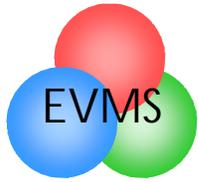
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- Pre IBR
  - GCAMs review any available documentation
    - Responsibility assignment matrix (RAM)
    - SOW, WBS, CWBS Dictionary
    - Schedules (master through detail)
    - Management system description or processes (for familiarization, terminology)
    - Control account plans (CAP)
  - Support team starts system level review



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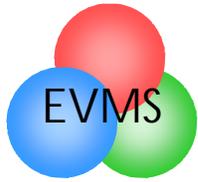
# IBR – the Review



# The Review

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- IBR in a nutshell
  - Joint in-briefing (keep short!)
  - Joint daily team meetings
    - no government only meetings
  - Joint baseline discussions (summary & detail)
    - review Scope for completeness & disconnects
    - assess Resource totals and phasing
    - assess Schedules for contract milestone support
    - review Earned Value methods for measuring performance
  - Joint final out-brief to both program managers (govt/ktr)
    - agree on risk areas
    - agree on closure plan (action items)
    - agree to jointly manage program within baseline



# Generic Agenda

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## In-Briefing

~2 - 3 DAYS

### Detail Risk

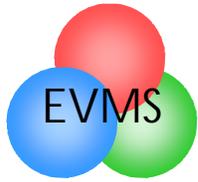
- Control Account
- CAM / GCAM
- Baseline Discussions
- Document

### Summary Risk

- Contract level
- Support team
- Document

Daily Team Meetings

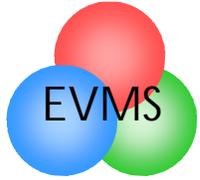
Final Outbriefing



# Joint In-Briefing

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- Welcome remarks (contractor/government)
- Review IBR Goals
- WBS coverage
- Team members and roles
- Discussion pointers
- How to document discussions and action items
- Agenda
  - Daily team meetings
  - Side meetings
- Overview of contractor's earned value processes
- Overview of master program schedule and risks
- Ongoing surveillance issues (DCMA) (optional)

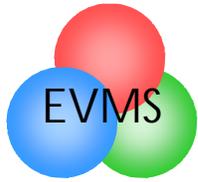


# The Review

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## Baseline Discussions CAM / GCAM

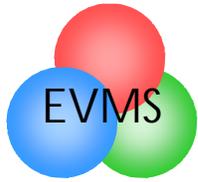
**“Conversation” vs “Interview”**



# The Review

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- PREPARE - PREPARE - PREPARE
- “Break the Ice”
- Maintain discussion focus - baseline validity
- “Show Me” versus “Tell Me”
- Document & close the discussion

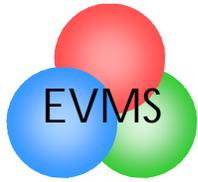


## Baseline Discussion

# “Do’s”

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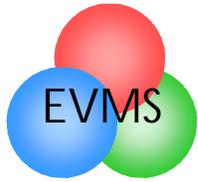
- Start on time
- Both sides limit attendance
  - Try to have no more than 8 people in the room
- CAM can be defensive or nervous
  - be sensitive and spend a little time to set the tone
  - introduce all meeting attendees
- Follow a logical flow
- Summarize at the beginning what you want to look at
- Phrase all questions as simply as possible
- If unsure that you understand CAM’s answers
  - repeat it back in your own words
- Probe deeper into any areas that seem ill-defined
  - if still unsure about definition, bring to IPT lead attention



## Baseline Discussions “Do’s” (cont’d)

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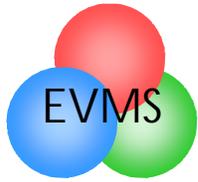
- Designated GCAM may need to get meeting back on track
- Government should be prepared
  - familiar with system
  - plan for the discussion
- CAM should be prepared
  - documentation available
    - monthly spread of resources and planning documents
  - understand document content
  - show support for answers
  - communicate!
- Both sides honor groundrules



## Baseline Discussions “Do’s” (cont’d)

---

- Ask for copies of relevant documents to back-up concerns
- Take time to:
  - read information given to you
  - write legible, complete notes
- Document discussion and review with CAM
- Arrive at joint conclusion with CAM
  - “Yes, we can manage within this baseline”

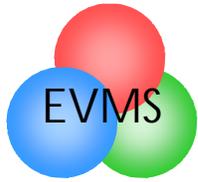


## Baseline Discussion “Don’ts”

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### DON'T:

- Ask Yes/No questions
- Tie yourself to a list of questions
- Allow discussion to stray from the objective
- Lose control of the discussion
- Formal presentations vs. review of the actual baseline
- Ignore the documentation
- Word questions negatively
- Make derogatory comments
- Make constructive, out of scope direction
- Allow CAM to let others describe his control account

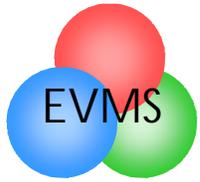


## Baseline Discussions

# Typical Problems

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- Discussion is not in CAM's workplace
- Information / documentation not available
- Interruptions (phones, people, beepers)
- "Strap-hangers" outnumber participants
- CAM is not prepared / familiar with documentation
- "Assistant" answers all the questions
- "Tells You" versus "Shows You"
- "I am an engineer ...not a bean counter"

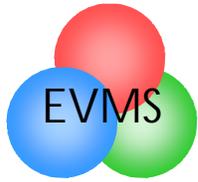


# The Review

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Baseline Discussions

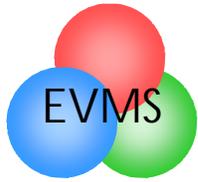
Evaluating Risk



# What do we discuss?

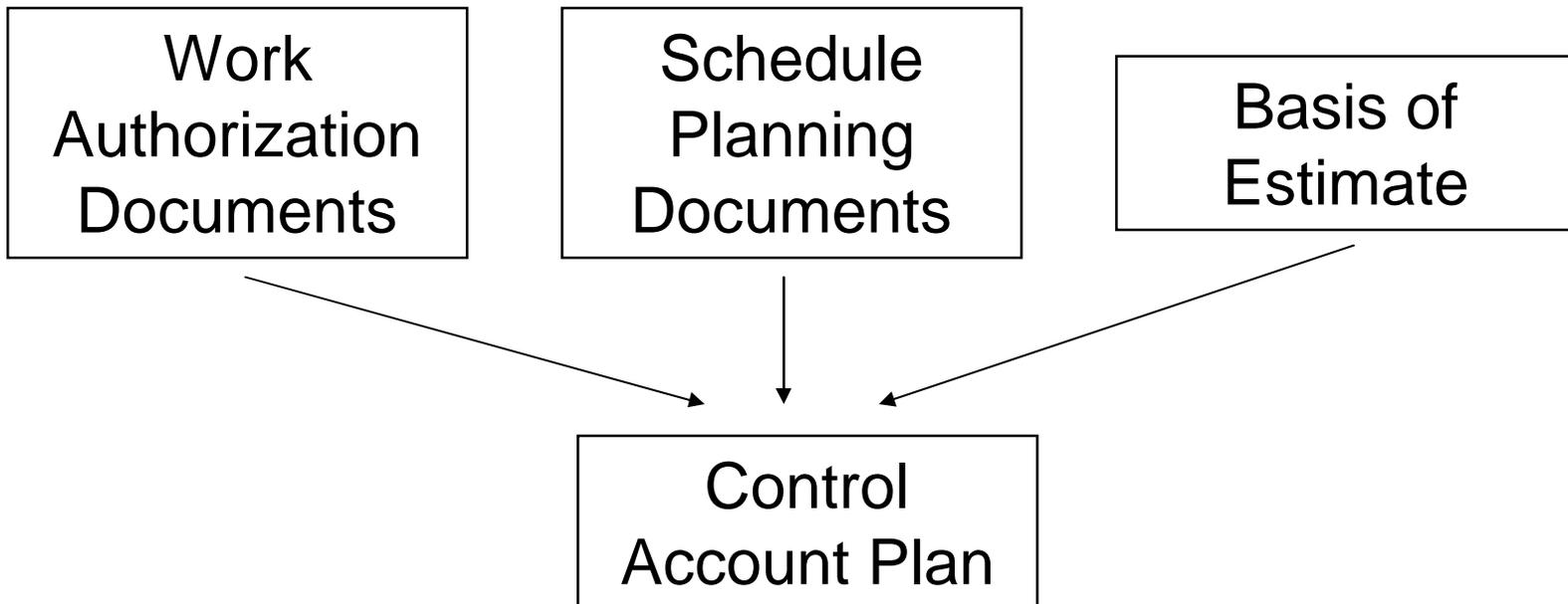
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- **Ensure that planning is adequate at the control account level**
  - Understand how risks were incorporated into the planning
- **Examples of past discussions from real IBRs:**
  - Compared budget in control account plan to schedule. Found disconnect - there were five months of scheduled activity at the end without budget.
  - Discussed basis for cost estimate for spares per flying hour. When compared to actual history on prior contract, new estimate was aggressive (~10% less). Discussed assumptions and documented as budget risk.
  - Discussed earned value technique and came to conclusion that a different technique was warranted. Contractor agreed and fixed the control account the next day.

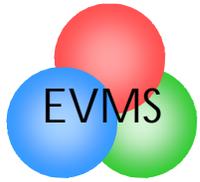


## *Show me the Baseline!*

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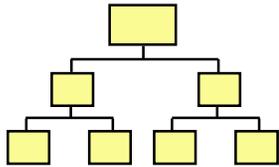


**Discussions should follow the flow of how the baseline was planned**

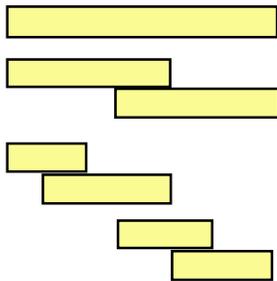


# Planning is a 3 Step Process

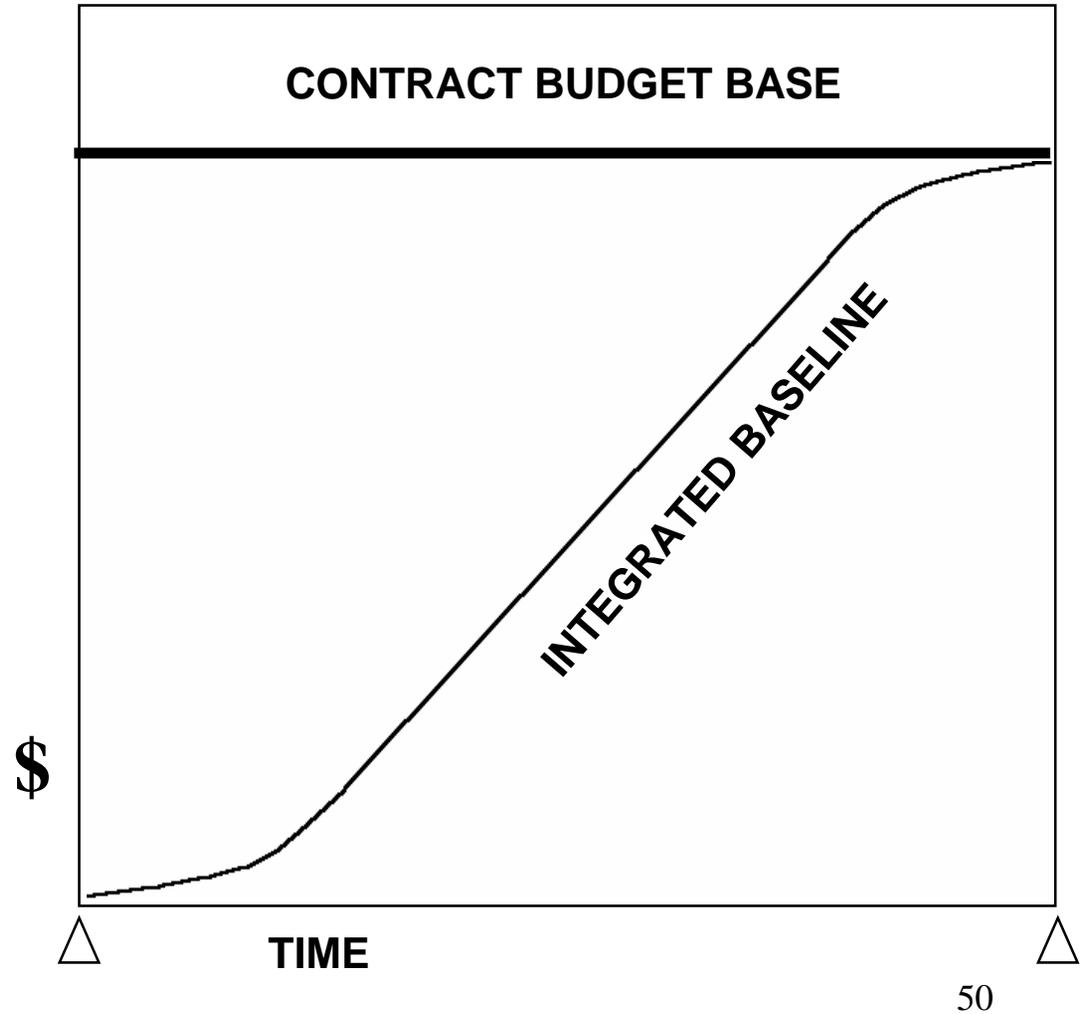
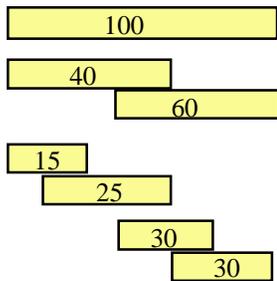
## 1. DEFINE THE WORK AND ORGANIZE TEAMS

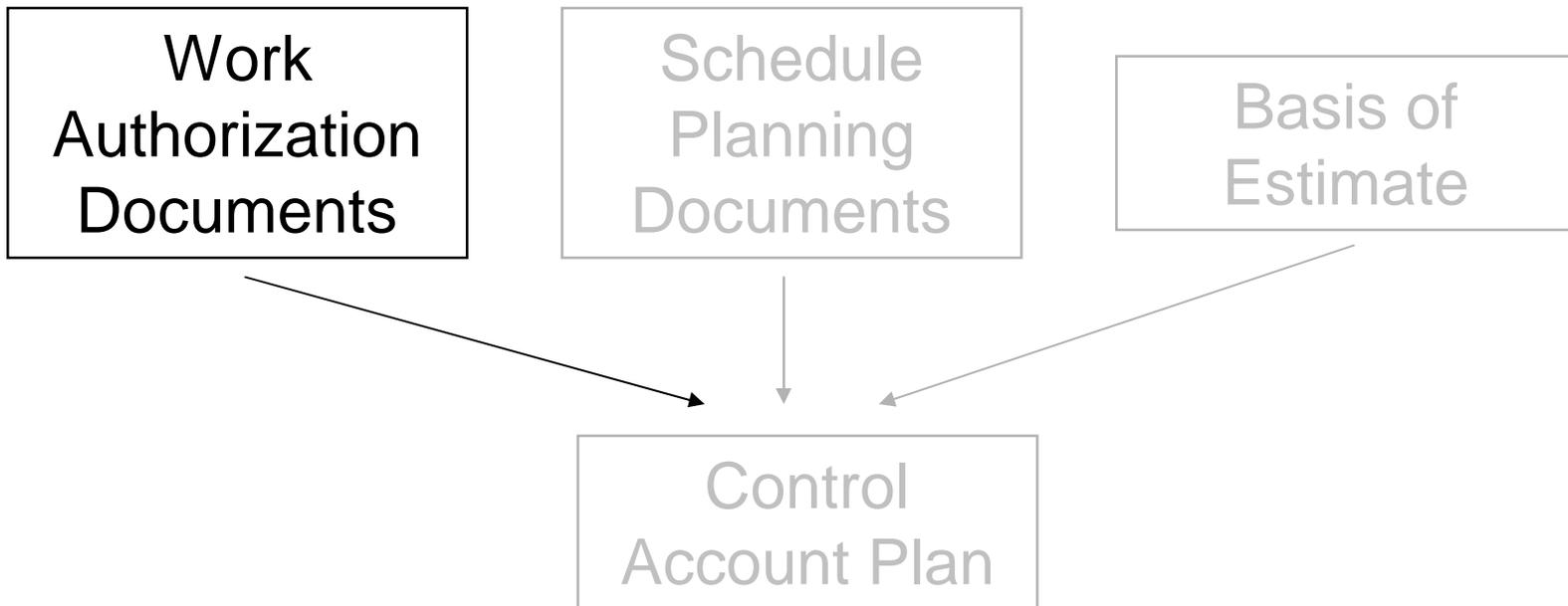
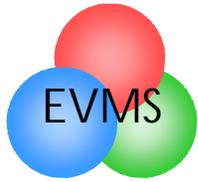


## 2. SCHEDULE THE WORK



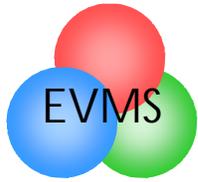
## 3. ALLOCATE BUDGETS





Types of documents

- internal work authorization documents*
- work package descriptions*
- internal statement of work paragraphs*



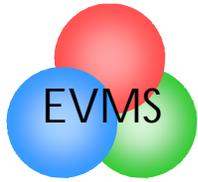
# Some Pointers on Technical

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## Work Authorization

- Look for consistency between the Contract Statement of Work (CSOW), the Internal Statement of Work (ISOW) if used, CWBS Dictionary, Control Account Plan, and detailed work plans such as Work Package Task Descriptions.
- Has all work been included as the work is broken down into finer detail?
- Is all of the work appropriately placed in this control account?
- Have the CAM describe his span of control over the different work packages.
- Have the CAM describe how risk has been identified in the control account, for example, number of tests, allowance for re-work, etc.
- How does the CAM interact with the factory or other divisions?

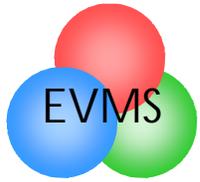
***Does your understanding of the scope of work agree with the CAM's understanding?***



# Potential Risks - Technical

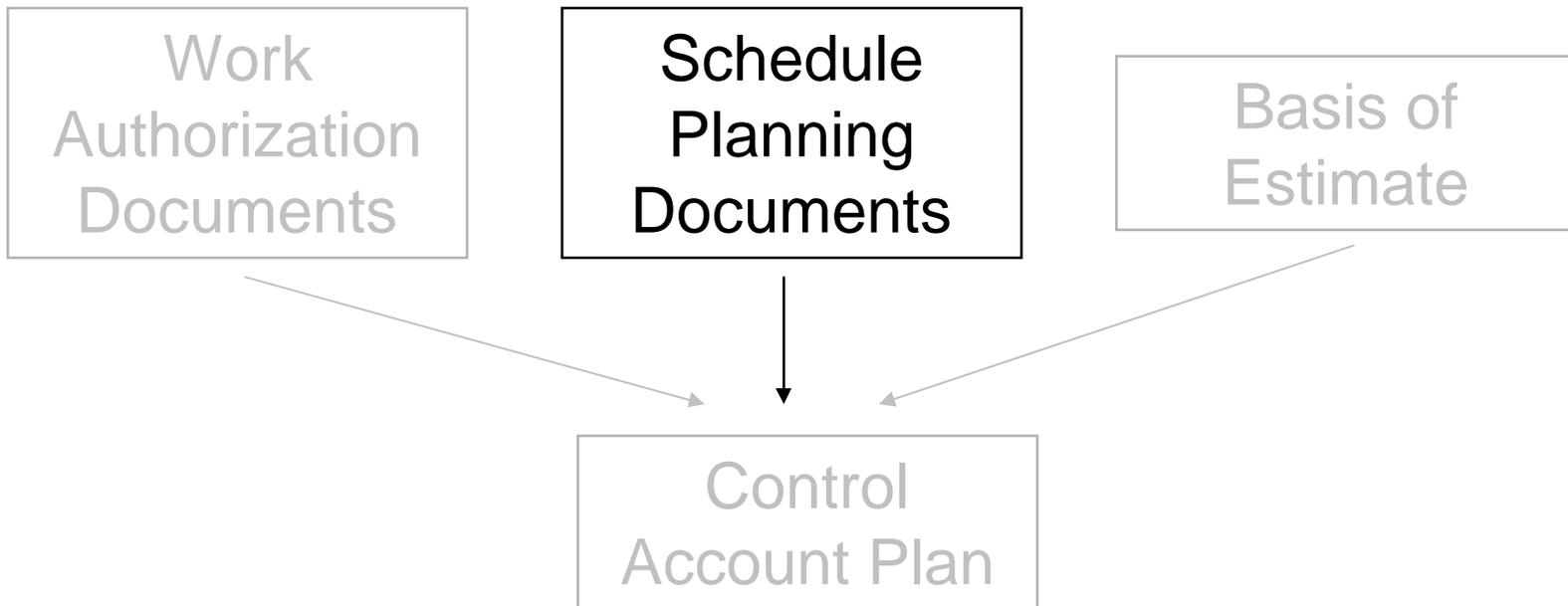
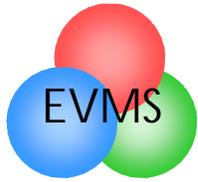
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- State of the art technology or beyond
- Outdated technology, obsolete parts
- Ill defined interfaces or specs
- No allowance for re-work, re-testing, etc.
  - no room for failure
- Lack of expertise in a particular area
- Lack of system engineering discipline
- Inadequate design tools
- Inadequate technical manpower resources
- Improper flowdown to subcontractors and vendors
- Poor coordination/interface with test labs and manufacturing
- Others:

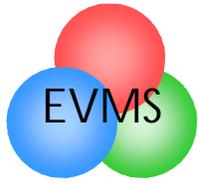


# Technical Risks on this Project

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Types of documents  
detailed schedules  
intermediate schedules

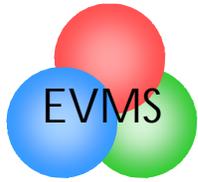


# Some Pointers on Schedule

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## Scheduling

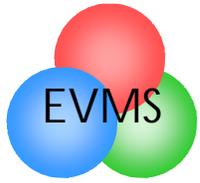
- Look for consistency between the Tier I, II, and III milestones. The lower level schedules should support higher level milestones.
- What schedule does the CAM use to manage with? Does he use other schedules?
- Look for a logical sequence for the activities in the control account. What are the activities that must be done before the activities in the control account can be started (predecessor activities)? What are the following activities that depend on the control account activities being completed (successor activities)?
- Assess the realism of the schedules:
  - concurrency with other elements
  - dependence on other high risk elements
  - amount of concurrency within the control account
  - amount of double shifts, overtime, or work around plans
  - shorter spans for activities than what history shows for similar events
  - amount of float
  - duration of the activity
  - dependence on a "bottleneck" resource (e.g., factory machines or key personnel)
- Have the CAM describe the overall risk and point out any high risk tasks. Are any of his tasks on the critical path?
- Has the CAM reforecasted any dates since the baseline was put in place?
- How does the CAM receive schedule updates from major subcontractors?
- ***Do you and the CAM agree that the control account schedules are realistic and complete (reflects the total work)?***



# Potential Risk - Schedule

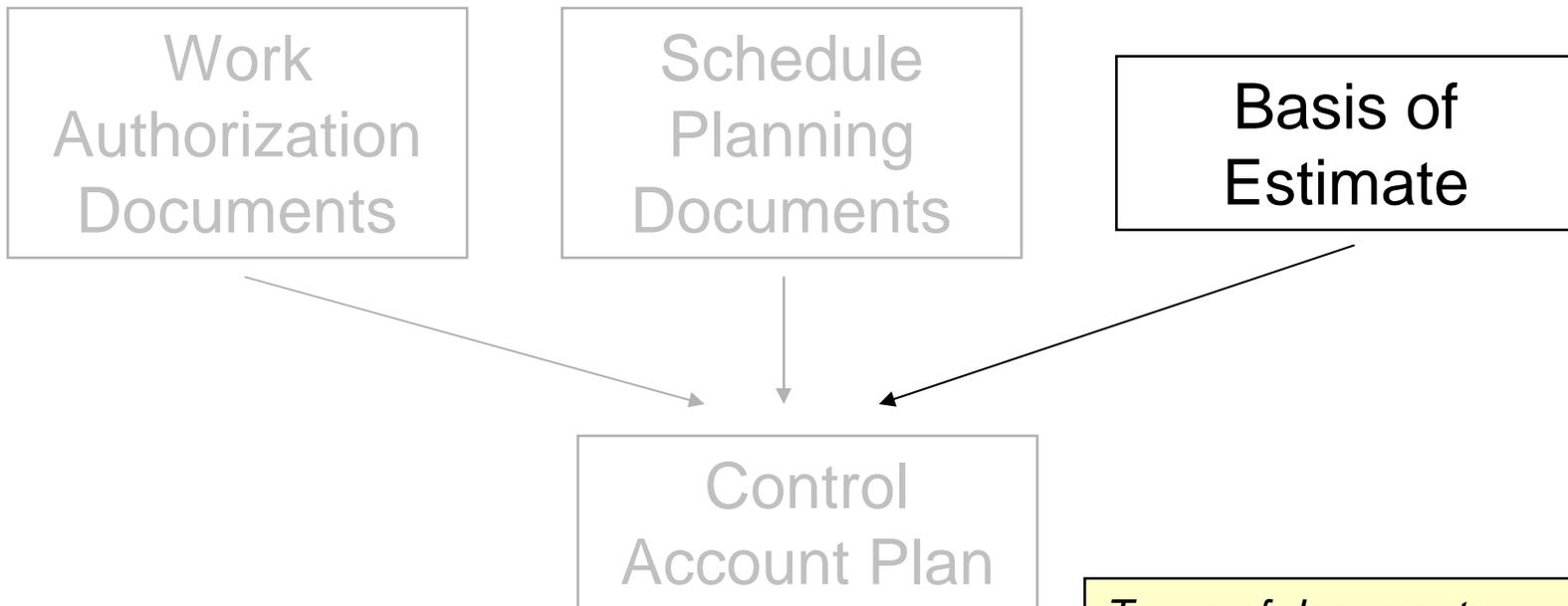
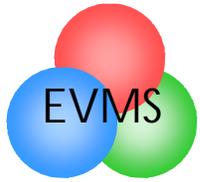
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- Critical path issues
- Incomplete scope of work:
  - required activities not included in schedule
- Unrealistic activity durations:
  - durations not sufficient to complete the required work
- Unreasonable logic among activities:
  - required logic not reflected in the schedule
  - artificial constraints
  - schedules not synchronized--horizontally & vertically
  - resources 'over-booked' among concurrent activities
- Unknown precedent and dependent tasks (CAM)
  - schedule changes communicated horizontally? Vertically?
- Others:

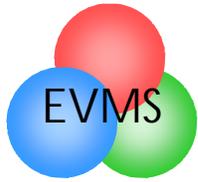


# Schedule Risks on this Project

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Types of documents  
basis of estimate  
control account authorization  
documents

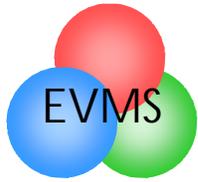


# Some Pointers on Cost

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## Budget

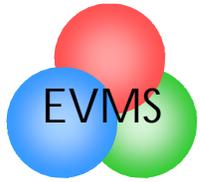
- What elements of cost is the CAM responsible for (labor hours, labor dollars, overhead, subcontractor, vendors, travel, ODC, G&A, COM)?
- Have the CAM describe how he estimated costs for the BAFO
- Are all tasks budgeted for? What is the basis of the budget?
- Discuss historical costs or factors that may be relevant to the current plan
- Have the CAM step through any changes from BAFO values to his current CA value. Has he requested management reserve?
- Are manpower resources leveled in relation to the manpower available?
- Does the span of the work packages seem reasonable (relatively short term)?
- Have the CAM discuss developing cost variances
- Have the CAM identify any areas or work packages that have some cost risk.
- Has any budget been allocated for known technical or schedule risk?
- ***Do you and the CAM agree that the budget for this control account is reasonable and includes all costs?***



# Potential Risks - Cost

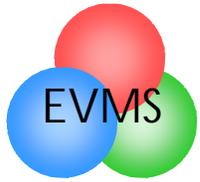
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- Required activities not budgeted
- Work limited by timing of budget resources
- Insufficient budget to complete tasks
- Inappropriate optimism that things will get better
  - “We’ll work twice as hard for less budget”
- Wide variation in overheads and rates
  - Look at business assumptions as basis for rates
- Labor environment (labor shortages/surpluses, strikes, etc)
- Subcontractor performance on non FFP type contract
- Poor analogies for cost estimating
- Others:



# Cost Risks on this Project

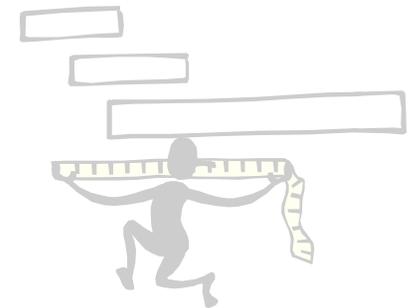
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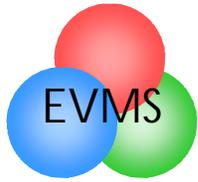


# Assess - Earned Value Techniques

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- 3 basic types
  - discrete (milestone, 0/100, 50/50, units, technical measure, etc.)
  - apportioned (% of another control account)
  - level of effort (only measure is time)
- Should clearly understand basis for selected EV technique
  - How EV taken: EV basis should be objective technical accomplishment
  - When EV taken: should reflect actual progress as accurately as possible
  - Is Discrete effort planned naturally?
  - Does basis for Percent Complete measure technical progress?
  - Are LOE tasks really LOE?
- Important!!
  - EV establishes value for BCWP - the basis for reporting progress
  - BCWP affects both schedule and cost variances



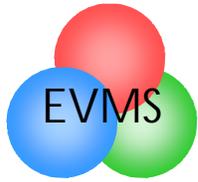


# Some Pointers on EV

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- Identify the earned value technique for each control account or work package.
- Discuss the appropriateness of the earned value technique.
  - if level of effort, is the passage of time the only measurable output?
  - if apportioned, is it directly dependent on another discrete work package?
  - if milestones are used for EV:
    - are the milestone completion criteria defined? relation to technical tasks?
    - are there sufficient number of milestones to allow ongoing earned value measurement? (ideally, one milestone per month)
  - how was subcontractor earned value laid in?
  - if 50/50 earned value technique is used, is the duration of the work package no greater than 2 months?
  - if percent complete is used, have him explain his methodology for assessing percent completion

Have the CAM show you how he updates his earned value and schedule milestones.



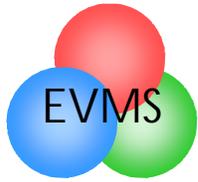
# Summary pointers

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## Summary

- Does the CAM show a good understanding of the technical, schedule and cost risks involved in completing his assigned work?
- If risks have been identified, does he have a plan to mitigate them?
- Are all elements included in this planning?
- Do you have a good understanding of government actions and how they affect contractor performance? For example, consider the impact of GFE/GFP, data, associate contractors, etc.
- How does the CAM use the earned value system to manage day to day activities?

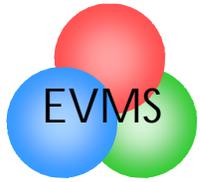
***Do you and the CAM conclude that there is a high probability that he can complete the work within the schedule and budget constraints?***



# Concluding the discussion

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- Discuss and agree to all known risks
- Document the discussion, using sample forms
  - Risk evaluation for each control account
  - Baseline Discussion Summary
  - Action Items
- Take time to read and discuss all forms prepared
- Both parties should sign
- Becomes basis for discussion at daily team meeting
  - make transparency of handwritten documents



## The Review

# Control Account Evaluation

- Purpose
  - document risk evaluation for each control account
- Definitions
  - High risk: high probability, major to critical consequences
  - Moderate risk: less probability
  - Low risk: lowest probability and consequences

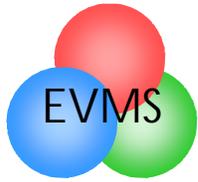
**CONSEQUENCE**

	NEGLIGIBLE	MINOR	MAJOR	SERIOUS	CRITICAL
91 - 100%	Yellow	Red	Red	Red	Red
61 - 90%	Green	Yellow	Red	Red	Red
41 - 60%	Green	Yellow	Yellow	Red	Red
11 - 40%	Green	Green	Yellow	Yellow	Red
0 - 10%	Green	Green	Green	Green	Yellow

**PROBABILITY**

<b>WBS #</b>	<b>Control Account #</b>	<b>Title</b>	<b>CAM</b>	
<b>BAC (Hrs or \$)</b>	<b>EAC (Hrs or \$)</b>	<b>EV Method</b>		
<b>Risk Evaluation</b>				<b>Remarks</b>
<b>Technical</b>	<b>High</b>	<b>Moderate</b>	<b>Low</b>	
<b>Schedule</b>	<b>High</b>	<b>Moderate</b>	<b>Low</b>	
<b>Budget</b>	<b>High</b>	<b>Moderate</b>	<b>Low</b>	
<b>EVMS Method</b>	<b>Poor</b>	<b>Adequate</b>	<b>Excellent</b>	
<b>Ownership</b>				

WBS #	Control Account #	Title	CAM	SAMPLE
1.3.1.1	1311-651	Avionics software modification	Haupt	
BAC (Hrs or \$)	EAC (Hrs or \$)	EV Method		
2.132M	2.132M	Milestone		
Risk Evaluation			Remarks	
Technical	High	Moderate	Low	Technical risk is moderate, based on heavy reliance on modification of existing code. Additionally, contractor has had limited experience with the F-36 aircraft avionics, partially offset by the hiring of software experts from the original vendor. Refer to Risk item #25 in the formal Risk Plan.
Schedule	High	Moderate	Low	Schedule has only 2 weeks of float in a critical area. Schedule is achievable, but leaves little room for rework.
Budget	High	Moderate	Low	Management challenges forced CAM to offset labor rate cost of high priced software engineers with reduced hours. Although only 6 months into project, this control account is already experiencing a -15% cost variance, primarily due to hours, and has no apparent plan to mitigate future cost growth. Future schedule constraints may worsen this variance. This cost growth (past and projected) is not reflected in EAC.
EVMS Method	Poor	Adequate	Excellent	Detailed planning of milestones as basis for earned value is excellent and should accurately portray performance.
Ownership				CAM is very knowledgeable of control account planning and communicates frequently with government counterpart.



## The Review

# Document Findings

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- **Baseline Discussion Summary**
  - summarize and close each baseline discussion
    - summarize individual control account discussions into single summary
    - identify requirements that are:
      - inaccurate, missing, contradictory
    - reference applicable action items
    - discuss strengths and weaknesses noted
  - GCAM and CAM sign
  - place copy in CAM / GCAM notebooks as record

**IBR BASELINE DISCUSSION SUMMARY**

TIME \_\_\_\_\_ DATE \_\_\_\_\_

CAM

IPT

WBS or CLIN

LIST OF DOCUMENTS REVIEWED

BRIEF SUMMARY OF SUBJECTS DISCUSSED

IDENTIFICATION OF RISKS (refer to control account sheets as appropriate)

WERE ANY ACTION ITEM FORMS PREPARED?

YES

NO

List

BRIEF STATEMENT OF STRENGTHS, WEAKNESSES, CONCLUSIONS

PLANNED FOLLOW UP

SIGNATURES

\_\_\_\_\_  
supplier

\_\_\_\_\_  
customer

**IBR ACTION ITEM FORM**

**NUMBER**

(Follow internal system  
as appropriate)

\_\_\_\_\_

**CONTRACTOR POC**

\_\_\_\_\_

**GOVERNMENT POC**

\_\_\_\_\_

**WBS or CLIN or CA**

\_\_\_\_\_

**ISSUE**

**ACTIONS REQUIRED**

**CRITERIA FOR SUCCESS**

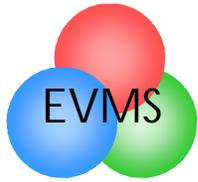
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**ESTIMATED COMPLETION DATE**

\_\_\_\_\_

**DATE COMPLETED**

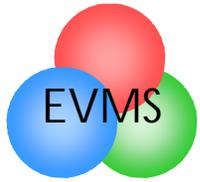
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# Practical Pointers

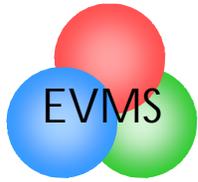
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- Take lots of notes
  - Use highlighter to highlight risks or action items in notes
- Use separate file folder for each CAM
- Number pages of notes
  - example: “Rotor/1”
- Fill out a single baseline discussion summary for each discussion
- Fill out a control account evaluation sheet for each account that was discussed
  - Circle or color in appropriate risk evaluation
  - Add supporting comments
  - Evaluate the baseline, not the person or presentation skills
- Make sure that everyone concurs with assessments!



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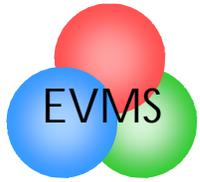
# System Level Risk Assessment



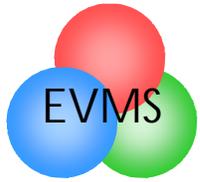
# System Level Risk

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- Lead engineer should assess
  - Has all work in the SOW been allocated to the managers?
  - Impact of GFE/GFP, test ranges, etc., on contractor's ability to perform
  - Has all work been included in the formal schedule?
- Schedule analyst should assess
  - What is critical path? Float?
  - Is overall schedule success oriented?
  - Are there “resource bottlenecks” at company level that could affect their performance?
- Financial analyst should assess
  - Overall funding constraints
  - Stability of indirect rates and underlying business base assumptions
- Program manager should assess
  - Overall level of management reserve vs. level of risk



# Results

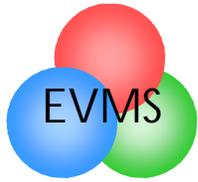


## The Review

# Resolution of Work Scope Differences

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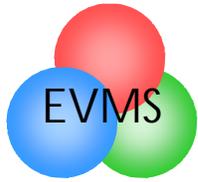
- Resolve at CAM/GCAM level if possible
  - refer to contract order of precedence?? (if appropriate)
  - avoid constructive changes or influence
- If not able to resolve at lower level,
  - document differences
  - jointly discuss with contractor/SPO IPT leads
- If not able to resolve at that level,
  - IPT lead to bring discussion to program manager level
- All issues (resolved) and concerns (open) - daily
  - document
  - inform IPT lead and program manager



# *If* you happen to notice....

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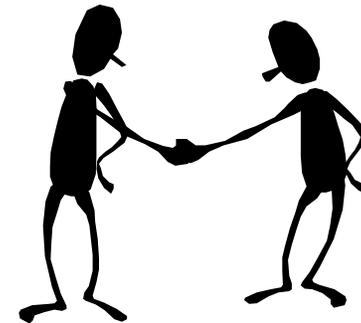
- **Examples of system compliance issues**
  - Estimate At Completion
    - Comprehensive estimates not done at least annually
    - Monthly EAC review/revision not accomplished
  - Schedule
    - Inadequate/untimely schedule updates
  - Baseline Change Control
    - Current period/retroactive budget changes
    - Budgets transferred without scope
    - Misuse of Management Reserve
    - Improper replanning (eliminating variances)
    - Improper use of OTBs
  - Subcontract management
    - Inadequate flow down of system/reporting requirements
    - Timeliness of reports
    - Lack of surveillance
    - Unreliable EACs
- **Refer to DCMA or PM as appropriate**

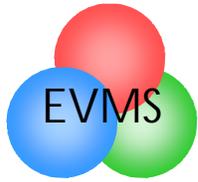


## The Review Outbriefing

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- Daily team meetings
  - Jointly discuss status of IBR findings, risks
  - Try to resolve as much as you can, as soon as you can
- Final Outbriefing
  - Jointly prepared by government and contractor
  - Follow 5 IBR goals
    - concerns
    - strengths, weaknesses
    - program risks
  - Where do we go from here?
    - agree to action item plans
    - track progress

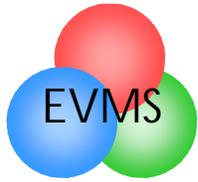




# Sample Outbriefing Chart

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- WBS xxxx Widget Development
  - Assessment
    - Baseline is executable
      - Excellent understanding of work to go (scope)
      - Good cost management/risk mitigation
      - Challenging schedule
    - Additional supporting information provided as requested
  - Issues
    - IPT manager incorporated new earned value methodology (milestone vs. LOE) (CLOSED)
  - Follow On
    - Monitor high risk schedule for software coding (SCHEDULE RISK)
      - Revisit staffing plan

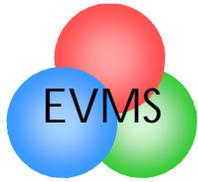


# Manage the Findings

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## Post IBR

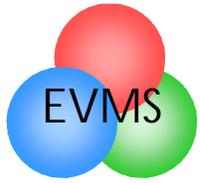
- Document findings (IBR memo, risk)
  - Write final IBR memo--joint memo for the record (action items)
    - recommended, not required
    - review scope, action items, recommendations, action plan, conclusions
  - Incorporate risks into **Risk Plan**
    - Identify IBR focus areas
    - Compare with risk checklist or focus area inputs
    - Provide newly-identified focus areas to appropriate IPT lead
- Incorporate IBR results into management of program
  - Stay current on baseline changes
    - GCAMs should see IBR as a continual process
  - Follow-up on findings
    - Track and close out action items
    - Manage identified risks
  - Review findings at next PMR or joint management review



# IBR Alternate Approaches

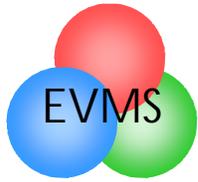
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- Phased IBR
  - follow the 3 step approach as the contractor plans the baseline
    - review technical work understanding and allocation after contract award
    - review schedule (risk analysis?) within a few months
    - review resource allocations and EV methods within 6 months
  - requires excellent cooperation between contractor and government
- Virtual IBR
  - contractor submits control account manager notebooks
  - conduct baseline discussions over VTC
- Joint Baseline Development
- Contractor performs IBR on government's plans for GFE/GFP



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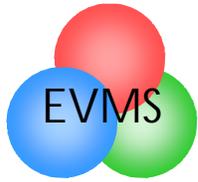
# Summary



# Keys to IBR Success

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- Program Manager leads IBR team
  - Technical managers are the key members and baseline reviewers
  - Support personnel are there to support
- GCAMS must be thoroughly trained
  - Training must emphasize what makes a good baseline, not how to judge compliance
    - how to judge risk
  - Must understand basics of contractor's system
    - trained with contractor's formats and documents
    - storyboard with single thread trace
- GCAMs must be highly motivated
  - Understand importance and role of GCAM in program
  - Program manager support is key

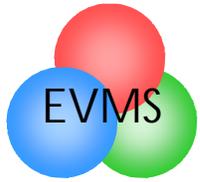


## Keys to IBR Success (cont'd)

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- Real, loaded control account plans made available prior to IBR
  - GCAMs should review as much as possible prior to review
- Emphasize baseline content, not C/S compliance
  - Don't use term "interview" - sounds like an audit!
  - Preferred term is baseline discussion
- 80% control account coverage
  - Cover all risk areas, critical path items
- Joint approach with contractor
  - Open dialogue as soon as contract is awarded

**The Baseline is now the plan to manage the program**



# Summary

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- **Program manager assumes ownership of the integrated baseline**
- **Increases the SPO technical staff's understanding and confidence of the contractor's performance data**
- **Improves the use of earned value data by contractor and government managers**
- **Reduces the number of EVMS reviews necessary**
- ***Improved chance for program success!!***

