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# Applying Earned Value Management (EVM) to the Business Environment

Managing commercial projects involves many challenges – in particular obtaining a realistic assessment of how the project is actually performing in terms of the budget and completion date

## Abstract

Earned Value Management (EVM) is a valuable concept and a proven methodology that can help project managers deliver high-value results. It compares actual accomplishment of scheduled work and associated costs against an integrated view of the project schedule and budget, providing real visibility of progress. More importantly, it provides valuable trend information which can give insight into the ultimate outcomes of the project.

## Objectives

- Define Earned Value and understand why it is important to your project and how to implement a business plan
- Use the concepts of earned value to create effective project plans to promote effective project monitoring and control
- Understand concepts such as the cumulative cost curve and how it relates to the project budget
- Use the tools of Earned Value to establish a performance measurement baseline for their project
- Identify early warning indicators to gain greater insight into potential risk areas and prepare more accurate completion times and costs
- Calculate cost and schedule performance indicators
- Forecast final cost and schedule results using these cost and schedule performance indicators

## Who should attend

Project Managers, Department Managers, Executives from all industries, organizations and government institutions

## Syllabus

Why use Earned Value Project Management

- Summing up a project in one minute flat
- Historic project management metrics and reporting
- Traditional project reporting
- What is earned value and why use it?
- Project Reporting with EVM

Basic Earned Value Terminology and Metrics

- Basic EVM concepts
- The WBS and why it is so important in EVM
- Terminology – planned value, earned value and actual cost
- Relationship to “percent complete”
- Mapping the concepts to a scheduling tool

Incorporating EVM in a Project Plan

- Planning and budgeting a project
- The WBS and work package planning
- Charting the S-curve
- Non labour resources
- Planning packages
- Baselineing

Collecting and Analysing Project EVM Data

- Measuring project performance data
- Variance analysis
- Interpreting Variances
- Plotting metrics and determining trends
- Just how good is our data?

Advanced Earned Value Techniques

- Factors which will influence final project results
- Project forecasting
- Using earned value to manage project “cost risk”
- Using earned value to review and assess overall project status

Earned Schedule – Timed Based Indicators

- Conventional schedule forecasting with EVM
- Earned schedule – the basic concept, the formulae. The indicators
- Case example

Course Length: 2 days  
Course Code: EVMPMC2  
PDU: 14



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