

Earned Value Implementation: A Case Study

TriVariant consultants help a commercial client build a government-compliant Earned Value Management System.

The Customer

Our customer, a leader in the commercial pharmaceutical research-services industry, made the strategic decision to pursue government work.

The Challenge

Having decided to respond to a federal government RFP for the first time, the contracting staff discovered a requirement that they hadn't seen before – to employ an Earned Value Management System (EVMS) to manage the program. They were unclear about what that meant to the company and had more questions than answers:

- How would an EVMS change their current business processes?
- What tools and training would they need to satisfy this requirement according to the government's standard?
- How much of an investment would they need to make to conduct business in the government arena?
- Would they be ready when the federal government contract was awarded?

They learned that an EVMS is a tool used to measure a program's progress in terms of schedule and budget performance objectively and irrefutably. Its value lies in its ability to continuously monitor the program, enabling the Program Manager to use today's performance data to forecast future outcomes and affect change.

They knew they needed expert guidance about Earned Value so they contacted TriVariant.

The Solution

A Business Case for Earned Value Management

TriVariant's consultants guided our client's business-case development for investing in an EVMS. We helped our customer define, in its own terms, what an EVMS means, its business drivers, and its ultimate benefits. The staff had to convince senior management that an investment in an EVMS would open the door to federal business opportunities. TriVariant translated complex government Earned Value requirements into an opportunity for the company to differentiate itself from its competitors by adopting EVMS ahead of the pack. It also demonstrated why failure to implement an EVMS would limit future opportunities in the federal arena.

Integrating Pricing, Scheduling, and Accounting Data

Once the decision to pursue EVMS implementation was made, TriVariant consultants were selected to lead the charge. An in-depth analysis of the client's existing business processes, project management tools, and program management experience was conducted to identify strengths and weaknesses and guide implementation recommendations. Existing business systems for pricing, scheduling, and accounting required integration with a new Earned Value tool. Our consultants defined an integrated solution that meets the government standard for Earned Value, known as SEA EIA-748-C Earned Value Management Systems Standard. This solution allowed our customer to continue to run its commercial projects while providing the flexibility to take on new government projects with EV requirements.

Adapting Program Management Processes to Earned Value Standards

The company had numerous business processes for managing its projects. In fact, its existing proprietary processes made it possible for them to operate in more than 25 countries with minimal tailoring or augmentation. And although these processes made the company very effective, adding Earned Value concepts into the mix was a challenge because it represented a change to proven business practices. TriVariant's consultants were able to negotiate a compromise by building a library of existing processes tailored to Earned Value and new processes that apply only to government projects that have an EV requirement.

The Outcome

Our client's project team was ready to provide top notch service to the government customer in advance of contract application. The company's investment in its EVMS contributed significantly to the award of a federal government contract valued at more than \$50 million. This was made possible by establishing a close-knit team of TriVariant consultants experienced in implementing highly effective EVMS solutions with our customer's project management subject matter experts. EVMS experts from TriVariant understood the implications of documenting earned value business processes, integrating existing business systems with software tools needed to produce earned value reports, and training staff on Earned Value concepts and how their roles on projects would change and evolve.

The customer is well placed to pursue additional opportunities.

- Implemented a flexible EVMS that could be applied to federal contracts while continuing to use existing environment on commercial projects.
- Tailored existing project management processes to EV requirements – same look and feel allowing project managers and their teams to easily transition into both commercial and federal projects.
- Provided Earned Value concepts training customized to the company's culture for project teams to build on existing project management curriculum.



About TriVariant

TriVariant is a competitively priced, high-value, hands-on implementer of program management and Earned Value Management solutions. We work side-by-side with our customers to ensure their success and are experts in state-of-the art project management and cost-engine software; have experience integrating tools, documenting processes, and training staff; and successfully guide our customers through Earned Value Management System (EVMS) implementations and reviews.

For more information about our EVMS implementation services, please email us at info@trivariant.com or complete our short online [Request for Information form](#).

Useful Terms

The **SEA EIA 748 EVMS Standard** establishes a set of project management best practices for managing technical scope, schedule, and budget in an Earned Value Management System (32 guidelines). Many U. S. Government contracts require adherence to these guidelines for management and reporting purposes.

An **Earned Value Management System (EVMS)** is a project management tool for objectively measuring project progress in terms of schedule and budget performance. Its value is in continuously monitoring project performance and using the data to optimize project results.