

How Deltek Cobra™ Helps Satisfy the Requirements of the ANSI EIA-748 Standard on EVMS

Deltek Cobra is designed to simplify the EVMS process throughout a program's lifecycle.

INTRODUCTION

Earned Value Management System (EVMS) guidelines incorporate best business practices that have proven to provide strong benefits for program or enterprise planning and control. The process guide contained in this standard includes project scope definition, schedule, and cost objectives. It also calls for the establishment of a baseline plan to accomplish program objectives and use of earned value techniques to measure performance during project execution. The system described in the standard provides a sound basis for problem identification, corrective actions, and change control. Cobra is designed to be the application that supports the EVMS process.

EVMS PROCESS DISCUSSION

Cobra is designed to simplify the EVMS process throughout a program's lifecycle. This process discussion of the ANSI standard provides further information on how to apply guidelines in the ANSI standard on EVMS, taking you through each project phase in simple, step-by-step instructions. The Cobra user's guide follows these steps and offers best practice advice on each of the major processes throughout the project lifecycle.

Program Definition

Cobra lets you structure program data in a way that is both easy to maintain and compliant with the standard.

Scope Definition – Cobra supports the two main components of scope definition through all of the components of a WBS Dictionary – the Statement of Work (SOW) and the Work Breakdown Structure (WBS).

Program Organization – Cobra supports the traditional control account definition of the intersection of WBS and Organizational Breakdown Structure (OBS). Codes on the control account let you identify items such as a Cost Account Manager (CAM) or a customer WBS. The Integration Wizard lets you easily create your budget and update status from your schedule without dual data entry.

Budgeting – Resources are assigned to the activities in the schedule. Using batch processing, Cobra can automatically load labor and burden rates to maintain accuracy and consistency with your financial systems. These rates, and the calculations that define how they are applied, are secured in Cobra and applied when hours from the schedule are loaded to a cost or budget for the program. The Cobra user's guide offers best practice tips and examples for defining resources, rates, management reserve, work authorization, planning accounts, and much more.

A work package is simply a task – a point where work is planned, progress is measured, and earned value is calculated. In order to calculate earned value, work packages are defined, and an earned value technique is assigned to each work package. All the earned value techniques described in the ANSI standard are available as well as many more requested by Cobra customers. Cobra also supports different implementations of the work package definition by allowing you to load one or many schedule activities into a work package and by allowing you to collect actual costs at either the control account or work package level. These options let you define how you want to implement



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the standard based on your company's requirements.

Cobra's performance measurement baseline consists of time-phased control account, work package, and planning package budget as well as any undistributed budget. Cobra provides an easy, flexible way to control and automatically log changes to the baseline.

PERFORMANCE MEASUREMENT

Earned value directly measures the quantity of work completed and does not reflect the quality or technical content. It is used to determine the "health" of your project. Critical path analysis and budget versus actual costs comparison do not always provide a clear picture of this concept. Earned value analysis lets you compare the budgeted value of completed work to the actual costs. Cobra provides a broad selection of reports to analyze the different metrics used in performance measurement.

Schedule Performance – Cobra stores all data time-phased, which means the budget for a period can be compared to the earned value for the same period to determine the schedule variance. It represents the value of the work that is ahead or behind schedule.

Cost Performance – To calculate the cost variance, you compare the actual cost with the earned value for a particular period. This is a measure of the costs incurred to perform the work accomplished. Cobra provides reports which isolate rate variances versus hourly variances. Is something costing more because it took longer than planned, or is it because the labor rate is higher?

Price/Usage Analysis – Similar to the rate analysis on labor, analysis of planned units versus material usage is important for projects with ongoing production requirements. This analysis lets you generate statistical forecasts based on past performance or change the forecasted rate to generate an Estimate at Complete (EAC).

Performance Analysis/Exception Reports – Earned value analysis helps you identify problems early in the project, making it possible to apply corrective action. Cobra supports management by exception, which is an efficient way to manage a contract. This method allows you to quickly identify and direct energy to portions of the project that are experiencing difficulties. Using earned value, you can identify problem areas very early and take steps to resolve the situation or modify your forecast to reflect the outcome more accurately.

ESTIMATES AT COMPLETION

Cobra has the most powerful and flexible forecasting functions on the market. You can maintain both customer forecasts and multiple internal forecasts at the same time. This lets you update customer EAC values in a controlled method while conducting statistical forecast and giving control account managers a logical place to perform bottom-up forecasts.

REVISIONS AND DATA MAINTENANCE

Change control is critical to baseline management. The performance measurement baseline must reflect the current project objectives, and only authorized changes may be introduced. Cobra provides an efficient means of loading proposed baseline changes from the schedule. Once in Cobra, you can produce reports showing the affects of multiple changes in the system at one time and continue to produce customer reports with only the approved baseline. When you have approval for a particular change, you simply mark that particular budget data part of the baseline, and your changes are automatically logged for CPR 3 (changes to the baseline) reporting.

SYSTEM DOCUMENTATION

Once your company has established a method for proper earned value analysis, you should document your policies and procedures so the processes may be implemented and applied effectively throughout your company. Cobra is the earned value system used in the system description for many large defense contractors.