INTEGRATED BASELINE REVIEW
BEST PRACTICES

B-1B DEFENSIVE SYSTEM UPGRADE PROGRAM
BOEING NORTH AMERICAN, Inc., SEAL BEACH, CA

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OVERVIEW

• EVMS CONCEPT
• IBR OBJECTIVES
• PROCESS EVOLUTION
• PRE-IBR ACTIVITIES
• IBR PROCESS
  • TRAINING
  • TEAM MEMBERS
  • NOTEBOOK REVIEW
  • TELECONS
  • FACILITY VISIT
• SUCCESS STORY
CONCEPT OF EARNED VALUE MANAGEMENT

Earned Value Management is a Tool that Allows both Government and Contractor Program Managers to have Visibility into Technical, Cost, and Schedule Progress on their Contracts. The Implementation of an Earned Value Management System is a Recognized Function of Program Management. It Ensures that Cost, Schedule and Technical Aspects of the Contract are Truly Integrated.
IBR OBJECTIVES

- Ensure technical content of work packages and cost accounts (CAs) is consistent with the SOW

- Ensure that there is a logical sequence of efforts that support the contract schedule

- Assess the validity of allocated cost account budgets

- Understand the earned value methods for measuring accomplishment

Establish a “Sense of Ownership” within the government program office of the Cost/Schedule management process
PROCESS EVOLUTION

• Block E IBR conducted at contractor facility three months prior to Block F IBR
  – System Description and EVMS application reviewed
  – CAMs interviewed and processes reviewed
  – Block E IBR action items still in work prior to closeout
  – Some of same personnel involved in Block F

• TDY schedules hard to coordinate with technical and management personnel

• Less intrusive process desired
• Brainstorming session resulted in SPO in-house review concept

• Obtained SPO management and ASC/FMCM approval

• Obtained enthusiastic buy-in from contractor
PRE-IBR ACTIVITIES

• Team Leader Meeting
  – Planned the review
  – Documentation required
  – Tentative agenda
  – Tentative interview schedule
  – Team assignments
  – Established schedule for team training

• Issued Contractor Notification Letter
  – Dates of review
  – Documentation requirements
    • Prior to review
    • On arrival at plant
  – Requested Responsibility Assignment Matrix (Ram)
IBR PROCESS

• Received contractor RAM
  – Selected cost accounts for review
  – Notified contractor

• Training session
  – Basic EVMS and IBR process training by ASC/FMCM
  – Contractor’s EVMS overview
    • Organizational structure
    • Work Authorization documents
    • Program schedules
    • Control Account Plan
    • Performance Measurement System
    • Change processes
    • Management Reserve
    • Internal Cost Performance Report
  – CAM notebooks delivered

Object Under Review is the Baseline, not the Contractor
BNA IBR TEAM MEMBERS

- Bill Lloyd
- Virginia Harrah
- Charlotte Mathena
- Gil Jernigan
- John Rush
- Gene Satterfield

Team Chief, ASC/YDQ, DSUP Program Mgr
Deputy Team Chief, ASC/FMCM
DSUP Financial Mgr., ASC/YDQ
Boeing B-1B CMUP PP&C Mgr.
Boeing B-1B Cost Management Lead
Boeing B-1B Block F Schedule Lead

Government Team
- Pryor
- Eviston
- Anderson
- Smith
- Trilli
- Doelling
- Monzon
- Gillespie
- Padilla
- Bridges
- Wysong
- Carter

Contractor CAMS
- Waller
- Andrew
- Eden-Logan
- Stelmak
- Smith
- Pruett
- D’Onofrio
- Jernigan
- Gulick
- Vanden Brink
- Nelson
- Haller
- Vanderslice
- Bitten
GOV’T REVIEW OF CAM NOTEBOOKS

• Attended notebook training session
• Set aside sufficient time for thorough review
• Stayed within review time frame
• Government preparation:
  – Familiarization with the system
  – Planned approach to take
  – Used questionnaire as guideline for review of data
• Developed questions for CAM telecon
GOV’T REVIEW OF CAM NOTEBOOKS (con’t)

• Notebook review details:
  – SPO technical staff reviewed CAM notebooks
    • Compared with proposal evaluation data
    • Assessed task descriptions and labor hours
    • Assessed performance measurement methodology
    • Tracked from work package schedules to contact schedule
    • Developed questions for CAM interview telecons
  – SPO Financial Manager, Contractor, and FMCM representative provided assistance as required
CAM TELECON

- Telecons scheduled when convenient for both sides
- CAMs were prepared
  - Had documentation available
  - Understood contents of notebooks
  - Showed support for answers
  - Good Communication
- Additional document requirements faxed
- Agreed on areas of concern
- Documented discussions
DISCUSSION FLOW FOR TELECON

• Introduced team members present for telecon

• Told the Cost Account Manager what they were trying to accomplish
  – Content of Work Authorization vs. scope of work
  – Scheduling
  – Resource allocation and time phasing
  – Earned Value method
  – Baseline management

• Started discussion by asking CAM to describe what they do and how they manage their scope of work

• Discussed questions developed during notebook review
DISCUSSION FLOW FOR TELECON (con’t)

• Discussions were “Show Me” type
  – Questions focused on particular part of notebook that needed clarification
  – CAM identified documentation he/she was talking about when answering questions

• Determined confidence in the following:
  – Scope of work was completely allocated
  – Work Authorization process was formally coordinated between program office and cost account managers
  – Scheduling was logical and consistent (master, intermediate, detailed)
  – Resource allocation, time phasing, and Earned Value methodology appropriate and adequate for assessing progress
CONTRACTOR FACILITY VISIT

• Program Manager, SPO Financial Manager, and FMCM representative visited contractor’s facility to review in-house documentation
  – Contractor Book of Accounts
  – Management Reserve Log
  – Undistributed Budget Log
  – Change Process
  – ECP Process
  – CPR/CFSR reconciliation

• Program Manager presented outbriefing to Contractor
BNA IBR SUCCESS STORY

• SPO technical staff gained greater insight into PMB
  – More time for task comparisons with SOW
  – Time phasing of tasks and schedule trace closely reviewed
  – Better understanding of performance measurement process

• Taxpayer Cost Avoidance ~ $75K-$100K

• Reduced disruption at contractor facility

• Both government and contractor pleased with results