

EVMS Training Snippet Library: Integrated Baseline Review (IBR) Process



**Office of Acquisition and Project Management (OAPM) MA-60
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Integrated Baseline Review (IBR)



- **What is it?**
- **Why is it important?**
- **When is it conducted?**
- **Who conducts it?**
- **What is its applicability?**
- **What areas may be covered?**

What Is the IBR?

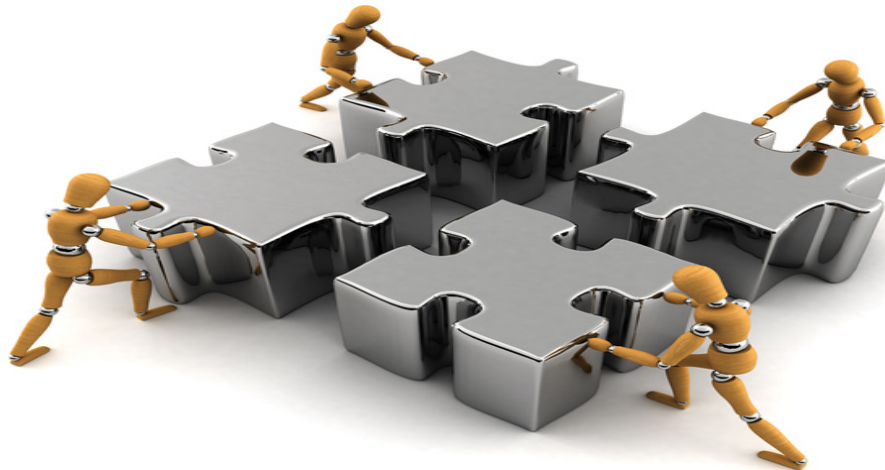


- **Definition**
 - An evaluation of the contractor's project baseline
 - Scope of work
 - Schedule
 - Resources
- **Primary Objective**
 - Joint undertaking by both the DOE and the contractor to
 - Establish project baseline ownership
 - Gain technical staff ownership
 - Evaluate and understand potential risks
- **Secondary Objective**
 - Understand the contractor's EVMS, its implementation on the project, and operational characteristics

Why an IBR is important?



- **To ensure the timely establishment of the technical scope, schedule, and cost baseline**
- **To determine the credibility, sufficiency, and adequacy of the baseline**
- **To ensure baseline scope, schedule and cost components are integrated with each other**



When is an IBR conducted?



- **Normally, the IBR is expected to be conducted within 6 months after contract award**
- **The key factor in scheduling the IBR is that the planning and budgeting is adequate at the control account level to establish the baseline**

When is an IBR Conducted? (Conclusion)



- **Subsequent IBRs may be conducted when:**
 - Contract modification changes the scope of the project under contract
 - Major events or key milestones (e.g., Critical Decisions) occur within the life of the project
 - There is a significant shift in the content and/or time-phasing of the PMB

Who conducts the IBR?



- **Joint review by DOE and the contractor**



What is the IBR's Applicability?



- **Federal Acquisition Regulation (FAR) Part 34 requires an IBR on all contracts with EVMS**
- **The prime contractor's performance measurement baseline is the main focus of the IBR**
- **The prime contractor's major subcontractors may also undergo a separate IBR visit or be included in the prime IBR**

Areas of Coverage: Typical Review Elements



- **Work defined**
 - Ensure technical content of work packages & control accounts is consistent with the contract scope of work
- **Work scheduled**
 - Ensure logical sequence of effort planned consistent with the contract schedule
- **Work budgeted**
 - Assess validity of control account time-phased budgets (basis of plan)

Areas of Coverage: Typical Review Elements (Conclusion)



- **Work measured**
 - Assess the earned value/progressing methods being used to measure progress
- **Estimate At Completion**
 - Assess reasonableness of the process to determine the Estimate At Completion (EAC) and that the estimate includes all the planned and forecasted effort
- **Concern/Risk identification**
 - Determine low/medium/high cost, schedule and technical risk areas

Summary of IBR Activities



- **Review and evaluation of technical, schedule, and cost baselines**
- **Focus on technical planning vs. compliance inspection**
- **Scope of review will cover prime contractor as well as major subcontractors**
- **Should evaluate 80% of the allocated budget**
- **Documentation reviewed to include at a minimum: schedules, work authorization documents, and Control Account Plans (CAPs)**

IBR Team Organization



- **Organized by WBS or products/IPT to match contractor's management approach**
- **Require knowledgeable personnel on technical, schedule and cost aspects of WBS/product**
- **Balance administrative cost of visibility and benefit to potential risk and impact**
- **Adapt to contractor system limitations except for significant risks and contract imposed data items or EVMS requirements**



- **Review team approach**
- **Verification of baseline planning determined through:**
 - Manager discussions
 - Data audits
 - Sample traces
- **IBR results documented with corrective action plans for open action items (at a minimum)**



- **Company presentation of the Performance Measurement Baseline and the implementation of the EVMS on the project**
- **Review of planning and status data and reports/graphics**
 - Control account planning/performance
 - Schedule planning/performance
 - Basis of Estimate (BOE) supportable budget baseline
 - Technical performance measurement baseline
 - Work scope definition

Integrated Baseline Review



Technical

(Statement of work)

Project Execution Plan

Work Breakdown Structure and Dictionary

Technical performance measurement

Control Account Plan

Schedule

Integrated Master Schedule

Detailed schedule

Networks

Manufacturing Resource Plan (MRP II) or equivalent

Control Account Plan

Cost

Estimates

Resource budget

Control Account Plan



- **A key activity in achieving the IBR goals**
- **Allows for two-way communication**
- **Ensures that customer and contractor understand the technical, schedule, cost and risks aspects of the project baseline and the system process**
- **Discussion participant(s) may include:**
 - IPT leaders or Control Account Managers (CAMs)
 - Functional Managers (FMs)
 - Project Manager (PM)

Concluding the Discussion



- **Discuss and agree to all known risks**
- **Document the discussion, using standard review findings/conclusions forms**
 - Risk evaluation for each control account
 - Baseline discussion summary
 - Action items
- **Take time to read and discuss all forms prepared**
- **Becomes basis for discussion at daily team meeting**



- **Corrective Action Requests (CARs) are used in DOE to document unfavorable findings in a EVMS compliance evaluation**
- **An IBR is not a system compliance evaluation**
- **The IBR reflects a customer / contractor team effort**
- **Concerns and Action Items are appropriate**

- **Well written description of concern / action item as to technical / schedule / cost / risk areas involved should be documented**
- **Thorough discussion of who / what / when / where of the concern / action item**



Closing Out Concerns / Action Items



- **Onsite**

- Corrective action plan
- Evaluate explanation of resolution
- Verify documentation proves resolution
- Recommendation to team leaders
- Accept or Reject

- **Off-site**

- Corrective action plan
- Evaluate appropriateness of written plan
- Communicate acceptability of plan
- Establish close out review date

- **Concerns / Action items status**
 - Closed
 - Corrective Action Plan in hand or
 - Schedule set for Corrective Action Plan delivery
- **Close-out requirements understood**
- **Results of the review will be documented**





- **Daily team meetings**
 - Jointly discuss status of IBR findings, risks
 - Try to resolve as much as you can, as soon as you can
- **Final Out Briefing**
 - Jointly prepared by customer and contractor
 - Follow the IBR goals
 - Concerns
 - Strengths, weaknesses
 - Project risks
 - Where do we go from here?
 - Agree to action item plans
 - Track progress



- **DOE Team Leaders must be thoroughly trained**
 - Training must emphasize what constitutes a good baseline, not how to judge compliance
 - How to assess risk
 - Must understand basics of contractor's system
 - Trained with contractor's formats, documents, and management system description
 - Storyboard with single thread trace
- **DOE Team Leaders must be highly motivated**
 - Understand importance and role of customer team in project
 - Project manager's support is key

Keys to IBR Success



- **Real, resource loaded control account plans made available prior to IBR**
 - Team Members should review as much as possible prior to review
- **Emphasize baseline content, not an EVMS compliance review**
- **Cover 80% of the baseline's budget**
 - Good sample of the CAMs
 - Cover all risk areas, critical path items
 - Cover those control accounts with significant variances
- **Joint approach with contractor**
 - Open dialogue as soon as contract is awarded

The Baseline is now the plan to manage the project



- **The NDIA IPMD IBR Guide provides detailed guidance on the IBR process**
- **OAPM staff with IBR experience**
- **IBR process common in DOD/NASA/FAA**



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EARNED VALUE MANAGEMENT

- Aviation Management
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- Project Management
 - Earned Value**
 - Lessons Learned
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 - RCA and CAP

Earned Value Management (EVM) is a systematic approach to the integration and measurement of cost, schedule, and technical (scope) accomplishments on a project or task. It provides both the government and contractors the ability to examine detailed schedule information, critical program and technical milestones, and cost data.

- [EVMS Surveillance Standard Operating Procedure \(ESSOP\) - 26 Sep 2011 \(pdf\)](#)
 - [EV Guideline Assessment Templates - \(MS Word\)](#)
 - [DOE EVMS Cross Reference Checklist - \(pdf\)](#)
 - [DOE EVMS Risk Assessment Matrix - \(MS Word\)](#)
- [Formulas and Terminology "Gold Card" - Sep 2011 \(pdf\)](#)
- [Slides from the OECM Road Show: Earned Value \(EV\) Analysis and Project Assessment & Reporting System \(PARS II\) - May 2012 \(pdf\)](#)
- [DOE EVM Guidance](#)

EVM TUTORIALS

[Module 1 - Introduction to Earned Value](#) (pdf 446.86 kb) July 17, 2003

This module is the introduction to a series of online tutorials designed to enhance your understanding of Earned Value Management. This module's objective is to introduce you to Earned Value and outline the blueprint for the succeeding modules. This module defines Earned Value management. It looks at the differences between Traditional management and Earned Value management, examines how Earned Value management fits into a program and project environment, and defines the framework necessary for proper Earned Value management implementation.

<http://energy.gov/management/office-management/operational-management/project-management/earned-value-management>

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