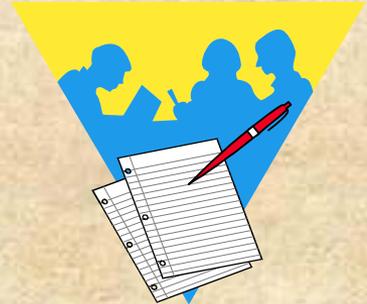


An Introduction
The Integrated Baseline Review

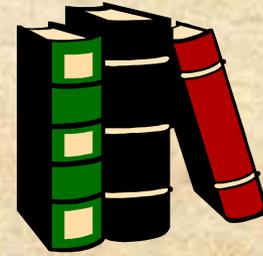
Prof. Randall K. Smith, CMA
Defense Acquisition University

Agenda



- IBR purpose/requirement
- IBR process and preparation
- IBR training
- Lessons learned

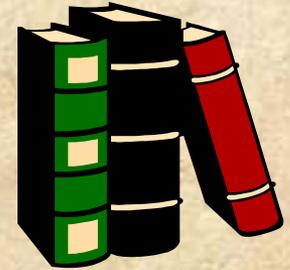
IBR Policy



“PMs and their technical staffs or IPTs shall evaluate contract performance risks inherent in the contractor’s planning baseline. This evaluation shall be initiated within 6 months after contract award or intra-government agreement is reached for all contracts requiring EVMS or C/SSR compliance.”

Para. C2.9.3.5, DOD 5000.2-R (Jun 01)

IBR Policy



“For contracts requiring compliance with DOD EVMS Criteria or Cost/Schedule Status Report requirements, **program managers and their technical staffs or Integrated Product Teams** shall review contractor planning baselines within six months after contract award.”

Para. 3.3.5.3.1, DOD 5000.2-R (Chg 3, 23 Mar 98)

The Integrated Baseline Review (IBR)

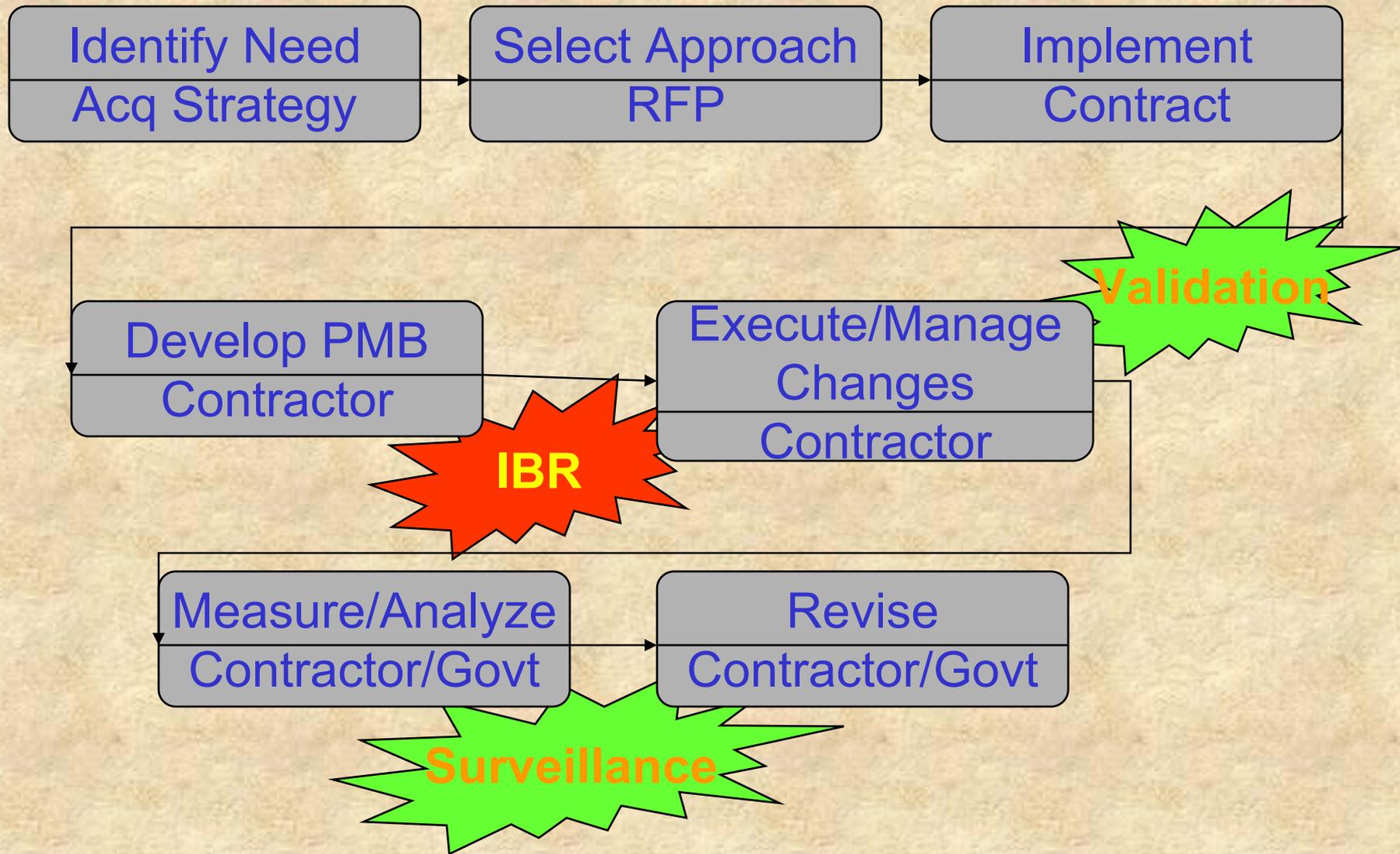
- Who: Project Manager and review team
- What: Review the PMB to ensure it captures the entire technical scope, schedule requirements, and is adequately resourced
- When: Within 6 months of project start
- Where: Contractor's facility
- Why: To ensure planning & budgeting are accurate at the control account level
- How: Per guidance in EVMIG and service policy (www.acq.osd.mil/pm)

IBR Objectives



- Verify validity and logic of the performance measurement baseline and its associated schedule
- Ensure appropriate earned value methodology
- Identify cost, schedule, and technical high risk areas

EVMS Process



The EVM Team

- Program Managers
 - Government
 - Contractor
- IPT Members
- Control Account Managers (CAMs)
- Performance Monitors
 - Contract Administration Office
 - Project Office



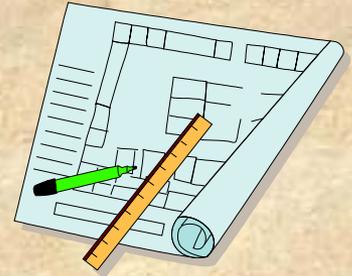
IBR Process

- Coordinate IBR scope/schedule
- Identify the IBR team
- Coordinate team support
- Send formal IBR notification
- Review system documentation
- Conduct joint training
- Conduct the IBR on site
- Document the results
- Identify and close any remaining issues



Coordinate IBR Scope

- Purpose of the IBR
- Groundrules and expectations
 - Scope of work to be reviewed
 - Particular areas of concern
- Personnel/documentation required
- Agenda on-site



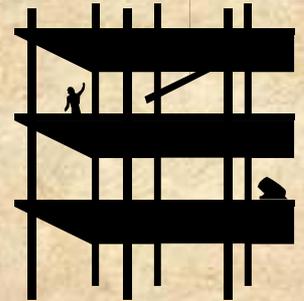
Identify IBR Team

- Identify government team members
 - PMO, CMO, DCAA, support staff
- Identify contractor participants
- Identify administrative support



Coordinate Team Support

- Coordinate assignment of identified team members, especially non-direct reports
- Allocate budget
- Travel orders and arrangements



Send Formal Notification



- The IBR is not Pass/Fail
- However, it is a contractual requirement, so formal notification of the team visit and results should be provided to the contractor

Review System Documentation

- Advance review of contractor documentation will save time on site
- As a minimum:
 - System description
 - Responsibility Assignment Matrix
 - Program/contract schedule
 - Recent performance reports
- If practical:
 - Control Account documents



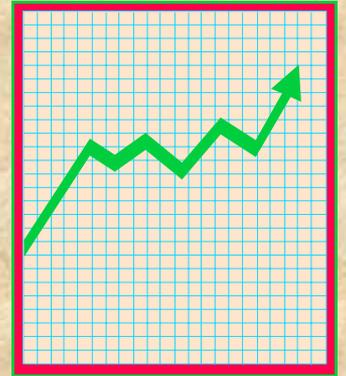
Conduct Joint Training

- Training is a must!!!
 - Basic understanding of earned value
 - Understanding the IBR process
 - Specifics of contractor's management system
- Normally 1-2 days
- Some or all jointly with contractor
- Need PM's, IPT leads, all team members
- Use live data examples
- Practice hands-on review of documents

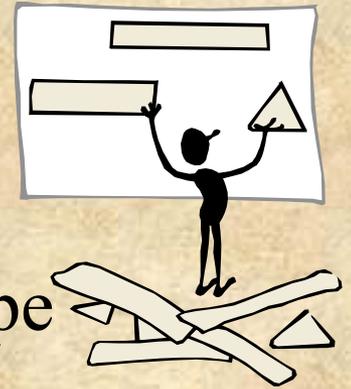


Reviewing the PMB

- Typical Focus Areas
 - Schedule integration
 - Earned value techniques selected
 - Resource estimates and methods



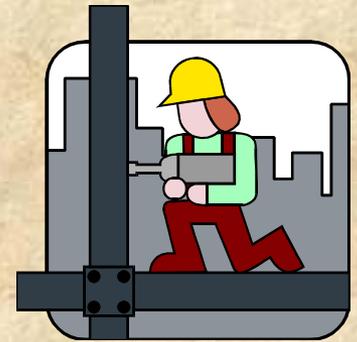
The Scheduling Process



- Scheduling is a matter of turning work scope into tasks, sequencing, relationships and duration
- The master schedule and lower level schedules must provide **VERTICAL** and **HORIZONTAL** traceability
- Commonly used schedule techniques have strengths... and weaknesses
 - Gantt, Milestone, Network Schedules

Classification Of Work

- In planning, work is classified by its nature to facilitate assigning the most objective EV measurement technique appropriate
- Discrete task
 - has specific end product or result
- Apportioned effort
 - is dependent on other work, is measured as a factor of discrete task
- Level of Effort (LOE)
 - has no specific product and is measured by the passage of time



Earned Value Measurement Techniques

- 0/100 Method
- 50/50 Method
- Percent Complete
- Milestone
- Apportioned
- Milestone Percent Complete
- Project unique



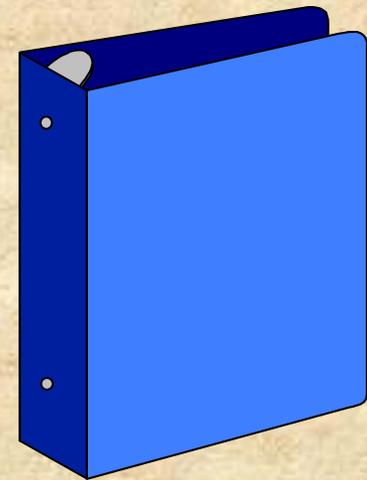
Estimating Techniques

- Resources
 - Engineering
 - Analogy
 - Parametric
 - Extrapolation
- Pricing
 - Catalog
 - Forward Pricing Rate Agreement
 - Industry standards



Preparing the Project Office

- A program unique IBR Handbook may be helpful
- It might contain:
 - Program/contract background
 - Purpose and scope of IBR
 - Team ID and assignments
 - Areas of focus or concern
 - Administrative procedures



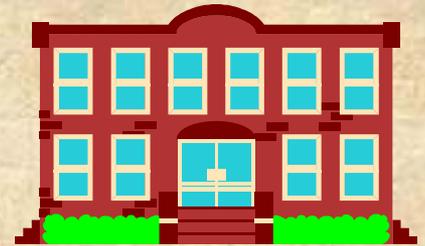
Preparing the Contractor

- What is the contractor's experience with EVM and/or IBR's?
- Are they prepared for CAM discussions?
- Do CAMs understand their planning?
- Is this the first team meeting?
- Are they prepared for a successful IBR or an "audit?"



IBR Training Sources

- Program office staff
- Matrix/service support staff
- Outside consultants
- Defense Acquisition University



Conduct IBR On Site

- Kickoff meeting
- Contractor's overview
- Documentation review/analysis
 - Responsibility assignment matrix
 - Work authorization documents
 - Program schedules
 - Control account plans
- CAM discussions
- Daily out brief
- Documentation of results



**The object of the
review is the
PMB,
not the
Contractor**

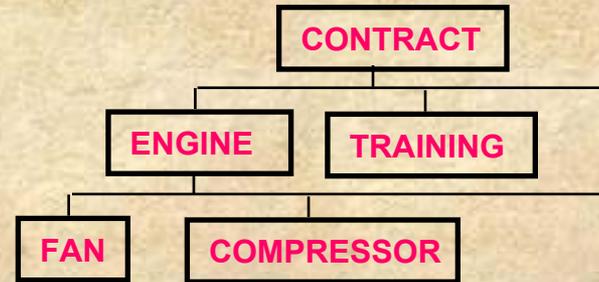
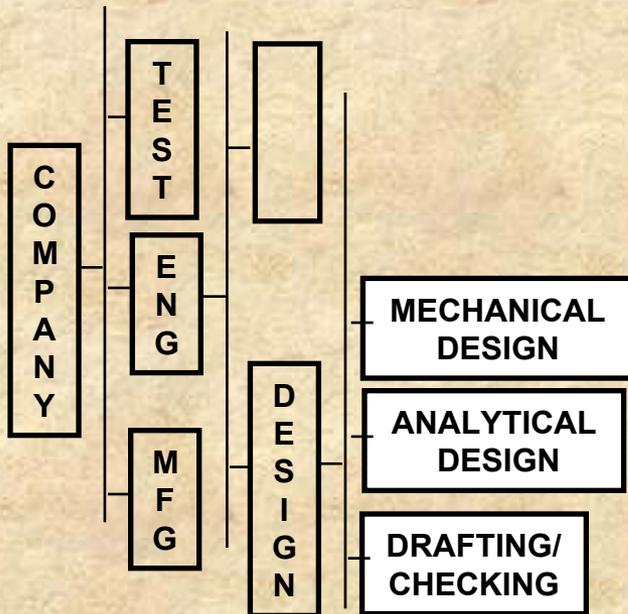
Documents to Review

- Work authorization documents
- Control Account plans
- Schedules
- Cost reports
- Program administrative procedures
- Other program-specific documents



Responsibility Assignment Matrix

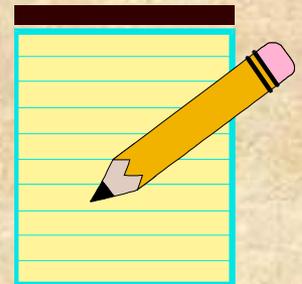
WORK BREAKDOWN STRUCTURE



- † All work identified
- † All work assigned
- † Relationships identified
- † Control Accounts identified
- † May include budget

Work Authorization Document

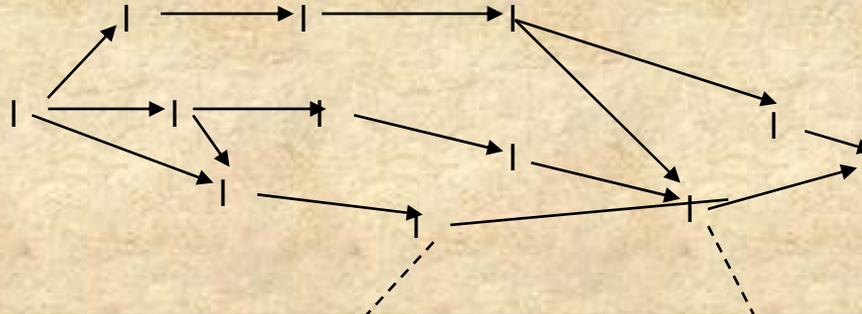
- A mini-contract for the control account, between the PM and the CAM
- Should clearly identify:
 - work scope - WBS, description
 - schedule - start, stop, milestones
 - budget - dollars and/or units
- Should identify required interfaces to other control accounts



Schedule Integration

PROGRAM LEVEL

The master schedule and lower level schedules must be traceable both VERTICAL and HORIZONTAL



CONTRACT PROGRAM SCHEDULE

INTERMEDIATE LEVEL

These two levels of schedules do not show horizontal relationships.

ITEM	1	2	3	4	5	6	7
COST ACCOUNT 14	s	—	s				
COST ACCOUNT 15	s	—	s				
COST ACCOUNT 16		s	—	s			
COST ACCOUNT 17			s	—	s		
COST ACCOUNT 18				s	—	s	
COST ACCOUNT 19					s	—	s

MAJOR EVENT OR FUNCTIONAL ORGANIZATION MILESTONE SCHEDULE

DETAIL LEVEL

COST ACCOUNT 16	START	STOP
WP NO. 1	s — s	
WP NO. 2	s — s	
WP NO. 3	s — s	
WP NO. 4		s — s
WP NO. 5	s — s	

COST ACCOUNT AND WORK PACKAGE SCHEDULES

Control Account Plans



- The CAM's detailed plan for accomplishing the Work Authorization
- Must identify:
 - Detailed, executable tasks
 - Planning packages when appropriate
 - Resources required, by cost element
 - Calendar time-phasing
 - Proper EV technique to measure progress

CAM Discussions



•TECHNICAL

- Identify Risk Areas
- Understand Metrics
- Clarify Requirements

•SCHEDULE

- Sequence Logic
- Duration
- Interrelationships
- High Risk Lags

• INTEGRATION PROCESS

- Work Definition
- Schedules
- Budgets

•BUDGET

- Supportable
- Risk Budgets
- Assumptions

• RISK ASSESSMENT

- Tasks Underbudgeted?
- Tasks Overbudgeted?
- All Work Included?

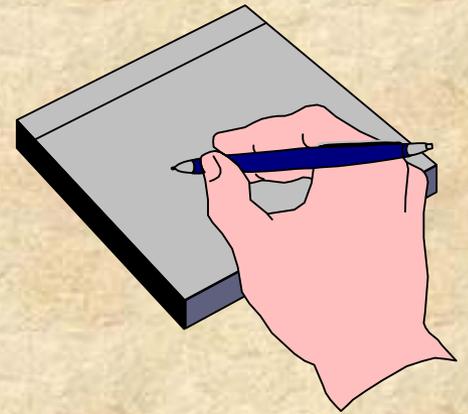
•BASELINE CONTROLS

- Internal Approvals
- Management Reserve
- Undistributed Budget



Document The Review

- Prepare and brief draft prior to departure:
 - Background
 - What we did
 - What we found
 - Conclusions
 - Recommendations/actions
- Finalize with team concurrence and submit to contractor within two weeks



Identify and Close Issues

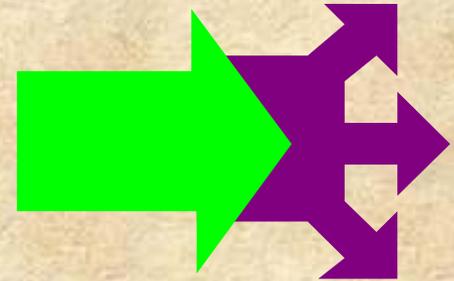
- Clearly delineate recommendations, areas of concern, action items
- Action Items require formal action and closure



Lessons Learned

Likely Review Outcomes

- Action items on:
 - Portions of the SOW not planned
 - Schedule inconsistencies
 - Work flowdown disconnects
 - Insufficient budgets/time to complete
 - Estimates at completion understated
 - Unsatisfactory progressing methods
- Identification of high risk areas in cost, schedule, and technical areas
- Recommendations



Likely Review Benefits

- Improved technical understanding and ownership of the PMB
- A “documented” account of PMB review findings
- An “action list” to tackle near-term cost/schedule concerns
- Improved communications between the contracting parties and support organizations

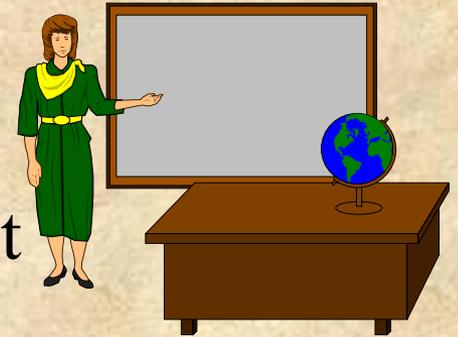


CAM Problems to Avoid

- Discussion not in CAM's workplace
- Documentation not available
- Interruptions (phone, beepers, people)
- "Strap-hangers" outnumber participants
- CAM not prepared/unfamiliar with documents
- "Assistants" answer all the questions
- "Tells you" versus "shows you"
- "I am an engineer not a bean counter"



Training Lessons



- Agree on the scope, and insure it's right for the audience
- Divide the audience by experience if appropriate
- Isolate training from all distractions
- Fully coordinate government and contractor roles
- Encourage and allow time for questions

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