"Project Management Using Earned Value"
Case Study Solution 32.2

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CASE STUDY

Control Account Analysis

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Control Account Analysis Solution

Control accounts 11 and 43 require immediate attention since both have activity paths with negative float. They also merit attention because of their SPI values and trends. Control accounts 53, 55 and 92 should receive management scrutiny because of their very low SPI values, before the results are reflected in their CPM status. Control account 32 needs close monitoring because of its combination of very low float (+ 2 days in activity path 32-2) and unacceptable SPI (0.72). These are the obvious concerns, but there are some other considerations as well.

Control account 26 has positive float (+ 5 days) and a favorable SPI (1.09), but its CPI is a concern at 0.67. This account is staffed with more people than planned if it is a labor account. It would be worth verifying that staffing levels are appropriate for the work available.

Control account 29 should raise some question with its SPI of precisely 1.00 for four consecutive months. Is this a case of data manipulation? Is this a Level of Effort account? The latter would appear to be the case, but there is an activity path within the CPM for this control account (29-1). This may be an account being handled as a LOE that has discrete work products and therefore should not be LOE.

If control accounts 55 and 92 are primarily labor accounts, one thing is obvious. Since both are experiencing better productivity than budgeted (1.02 and 1.05, respectively) and yet only about half of the planned work is being accomplished, there appears to be a staffing problem. Clearly, the staffing is only about half of what was planned. There could be reasons for this, such as missing information that is needed before work can proceed as planned. What is the delay: missing information, lack of staff, or both? If the situation is not remedied, there will eventually be critical activity paths within this account.

Control account 94 would ordinarily command attention because of its CPI of 2.61 to date. There could be a question regarding the accuracy of the original budget or collection of actual charges. However, this also appears to be an LOE account. In that case, the very favorable CPI is only an indication that staffing is less than budgeted.

Of course, all we have in this case problem is the data. What is really needed is a feel for the day-to-day activity on the project. A cost/schedule professional should strive to know the "pulse" of the project, not just the numbers. This will maximize his/her value to the Project Management office.