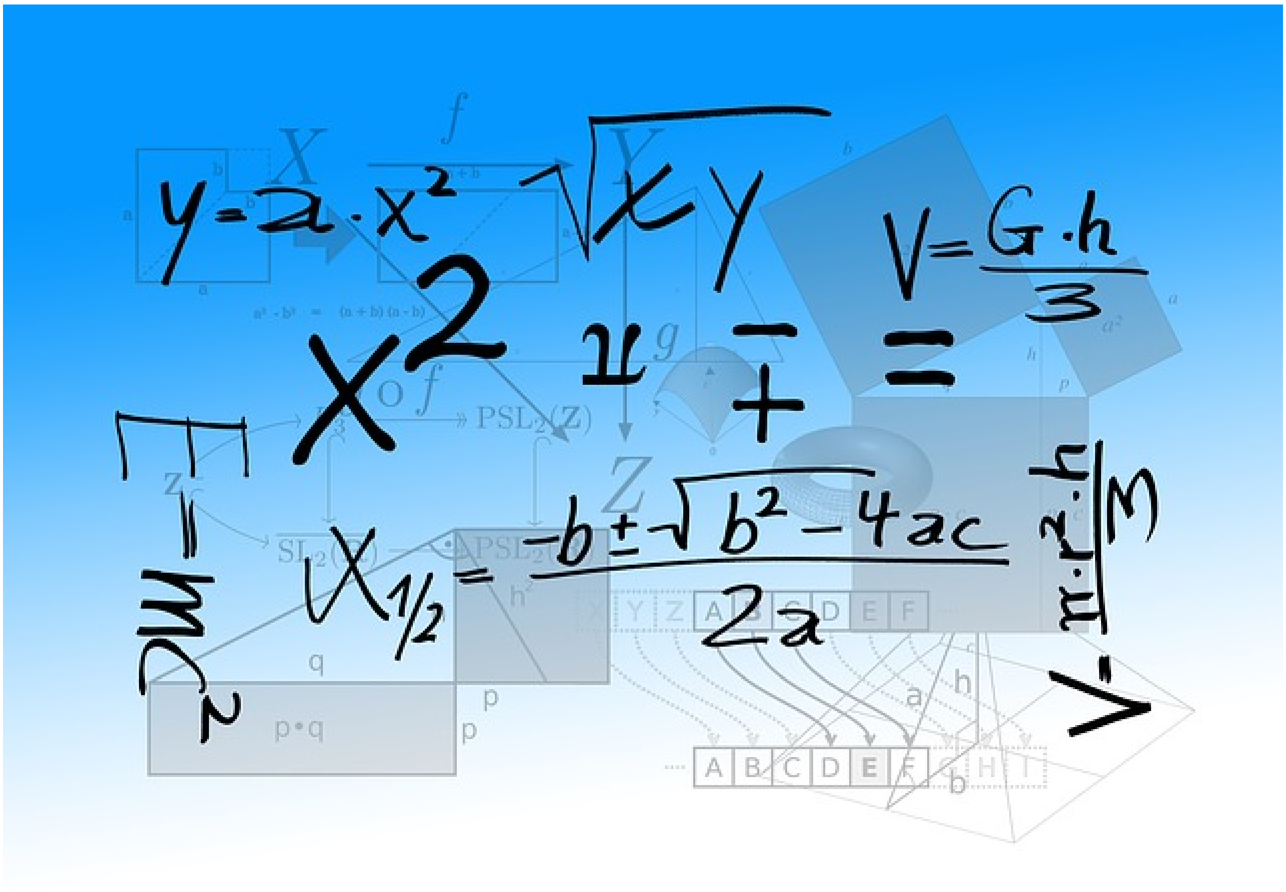
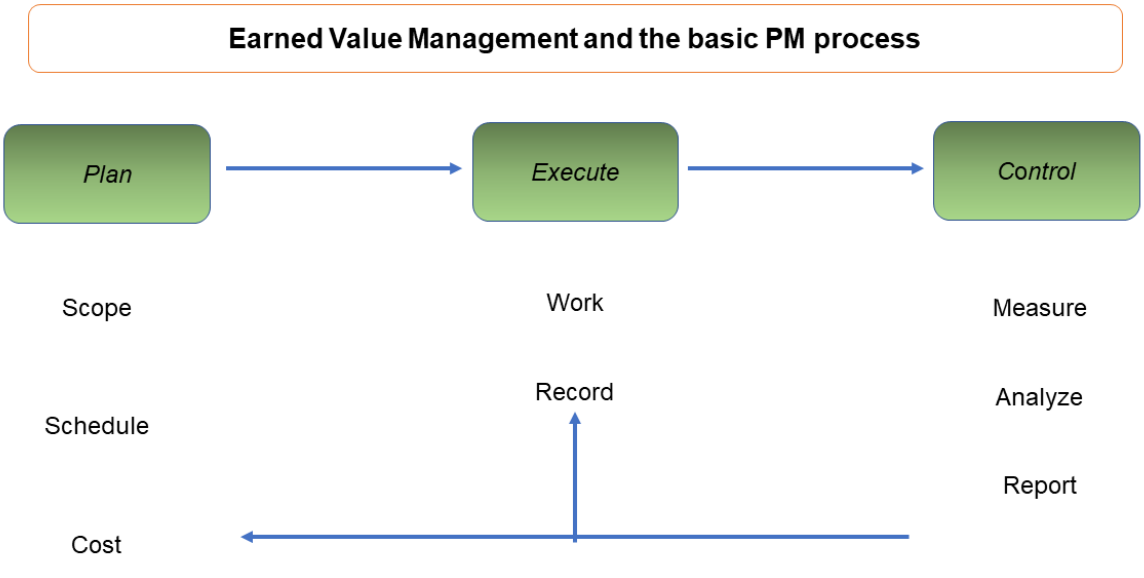
Earned Value Management at a glance

Category: Stay inspired (short notes)
written by Antonio Bonetti | February 25, 2014



Earned Value Management is a tool widely used when controlling progress and quality of projects.
As outlined in the Project Management Institute Guide ‘***Practice Standard for Earned Value Management***’ (2005), ‘project management is primarily a matter of planning, executing and controlling work’.
In particular, ‘project control focuses mostly on monitoring and reporting the execution of project management plans related to:

- **Scope**,
- **Schedule**, and
- **Cost**’ (see Figure that follows).



Source: **PMI**, ***Practice standard for Earned Value Management***, 2005, p. 3.

Earned Value Management (EVM) equips managers with a sound methodology aimed at integrating the ongoing monitoring of project scope, schedule and inputs. Furthermore, it ca be used for forecasting:

• Delays that could be detrimental to completing work to be done before the established deadline;

• Risks of exceeding the budget constraint.

These the reasons why '**EVM** can play a crucial role in answering management questions that are critical to the success of every project, such as:

• Are we ahead of or behind schedule?
• How efficiently are we using our time?
• When is the project likely to be completed?
• Are we currently under or over our budget?
• How efficiently are we using our resources?
• What is the remaining work likely to cost?
• What is the entire project likely to cost?
• How much will we be under or over budget at the end?' (see '***Practice Standard for Earned Value Management***' (2005), page 1).