EVM
earned value management

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About the Tutorial

Earned Value Management (EVM) is a technique that is used to track the progress and status of a project and forecast its likely future performance.

This is a brief tutorial that acquaints the reader with the basics of EVM and explains how to utilize it for better project management.

Audience

If you are a project manager or planning to become one, then it is important for you to learn EVM.

Prerequisites

This is a basic tutorial and there are no prerequisites as such, however it would help you understand the concepts faster if you have a basic knowledge of project tracking and overall project management.

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Earned Value Management (EVM) is a project management technique that objectively tracks physical accomplishment of work.

More elaborately:

- EVM is used to track the progress and status of a project and forecasts the likely future performance of the project.
- EVM integrates the scope, schedule, and cost of a project.
- EVM answers a lot of questions to the stakeholders in a project related to its performance.
- EVM can be used to show the past and the current performance of a project and predict the future performance of the project by the use of statistical techniques.
- Good planning coupled with effective use of EVM will reduce a lot of issues arising out of schedule and cost overruns.

EVM has emerged as a financial analysis specialty in United States Government programs in the 1960s, but it has since become a significant branch of project management.

In the late 1980s and early 1990s, EVM emerged as a project management methodology to be understood and used by managers and executives, not just EVM specialists. Today, EVM has become an essential part of every project tracking.
EVM consists of the following three basic elements:

- Planned Value
- Actual Cost
- Earned Value

All the three elements are captured on a regular basis as of a reporting date.
Earned Value Management

End of ebook preview

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