

EVM - SCHEDULE VARIANCE

http://www.tutorialspoint.com/earn_value_management/schedule_variance.htm

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Schedule Variance *SV* indicates how much ahead or behind the schedule a project is running.

It can be calculated using the following formula:

$$\text{Schedule Variance (SV)} = \text{Earned Value (EV)} - \text{Planned Value (PV)}$$

OR

$$\text{Schedule Variance (SV)} = \text{BCWP} - \text{BCWS}$$

- The formula mentioned above gives the variance in terms of cost which indicates how much cost of the work is yet to be completed as per schedule or how much cost of work has been completed over and above the scheduled cost.
- A positive *SV* indicates we are ahead of schedule.
- A negative *SV* indicates we are behind schedule.

Schedule Variance %

Schedule Variance % indicates how much ahead or behind the schedule a project is running in terms of percentage.

Schedule Variance % can be calculated using the following formula:

$$\text{SV \%} = \text{Schedule Variance (SV)} / \text{Planned Value (PV)}$$

OR

$$\text{SV \%} = \text{SV} / \text{BCWS}$$

- The formula mentioned above gives the variance in terms of percentage which indicates how much percentage of work is yet to be completed as per schedule or how much percentage of work has been completed over and above the scheduled cost.
- Positive Variance % indicates % ahead of schedule.
- Negative Variance % indicates % behind of schedule.

Schedule Performance Indicator

Schedule Performance Indicator *SPI* is an index showing the efficiency of the time utilized on the project. *SPI* can be calculated using the following formula:

$$\text{SPI} = \text{Earned Value (EV)} / \text{Planned Value (PV)}$$

OR

$$\text{SPI} = \text{BCWP} / \text{BCWS}$$

- The formula mentioned above gives the efficiency of the project team in utilizing the time allocated for the project.
- An *SPI* value above 1 indicates the project team is very efficient in utilizing the time allocated to the project.
- An *SPI* value below 1 indicates the project team is less efficient in utilizing the time allocated to the project.

To Complete Schedule Performance Indicator

To Complete Schedule Performance Indicator *TSPI* is an index showing the efficiency at which the remaining time on the project should be utilized. It can be calculated using the following formula:

$$TSPI = (\text{Total Budget} - EV) / (\text{Total Budget} - PV)$$

OR

$$TSPI = (\text{Total Budget} - BCWP) / (\text{Total Budget} - BCWS)$$

- The formula mentioned above gives the efficiency at which the project team should utilize the remaining time allocated for the project.
- A TSPI value below 1 indicates the project team can be lenient in utilizing the remaining time allocated to the project.
- A TSPI value above 1 indicates the project team needs to work harder in utilizing the remaining time allocated to the project.

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