

Procurement Guidance - (10/2016)

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T1.13 - Metrics and Performance Management Revised 2/2006

A Metrics and Performance Management

1 General Revised 7/2014

a. *Performance Measurement.* Metrics and performance management tools provide systems that organize, integrate, and report program performance information. Program metrics and performance measurements should provide objective information that program and executive management need to make informed decisions that positively impact their business and engineering performance. Program performance measurement works best when it is considered to be a significant, integral part of project management. Like any management or technical tool, performance measurement cannot guarantee that a project will be successful. However, it does help the decision maker take a proactive approach in dealing with the critical issues inherent in project management.

b. *Standards and Guidance.* In addition to tracking program-specific technical performance measures, key performance parameters, and a network schedule, the use of an earned value management system (EVMS) for cost, schedule, and technical performance measurement and integration provides insight into overall project performance. The specifics of an EVMS performance based acquisition management system, as required by the Office of Management and Budget, are contained in American National Standard ANSI/EIA-748. FAA's earned value management guidance is in the *FAA Earned Value Management Guide* in FAST.

c. *Use.* The EVMS-generated performance measurement information is useful to both FAA and the contractor because it provides visibility into program and contract performance that would otherwise be unavailable in this form. Appropriate selection and use of these tools enable program managers and contractor personnel to examine key contract indicators, assess contract performance and make critical decisions in managing contracts.

d. *EVM Focal Point.* The EVM Focal Point must be involved before issuing a screening information request (SIR). The EVM Focal Point reviews and assesses the contracting strategy and plan for EVM implementation to ensure consistency with the JRC-approved Implementation Strategy and Planning Document (Section 3. Program Management and Control).

2 Earned Value Management System Revised 7/2014

a. *Earned Value Management System (EVMS).* EVMS applications consistent with the American National Standard EIA-748, Industry Standard Guidelines, provide detailed contract information appropriate for major contracts or contracts considered high value, critical, or high risk to FAA. These projects should include full EVMS compliance in the contract to provide the project team and Contracting Officer sufficient level of insight into the contractor's performance and progress; a tailored application of the Industry Standard Guidelines is appropriate for projects that are not in the above categories.

b. *Integrated Program Management Report (IPMR)*. Projects should specify reporting requirements in the contract, and use Data Item Description (DID) DI-MGT-81861 (Formats 1-5), tailored as appropriate, as a format for information generated under requirements of AMS clause 1.13-2, Earned Value Management System. The program official should tailor the specific Contract Performance Report (CPR) reporting requirements to obtain:

- (1) Information necessary to manage the contract;
- (2) Reporting formats to provide performance data consistent with the program metrics and performance measurement plan; and
- (3) Reporting frequency to provide timely performance reporting.

c. *CLIN Structure*. SIRs should be structured to include separately priced contract line item(s) for EVM reporting requirements.

B Clauses

[view contract clauses](#)

C Forms

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