Q) A consulting project has an actual cost of Rs. 35,000, scheduled cost Rs. 27,000 & completed work is Rs. 31000.
i) Find the Scheduled & Cost Variance.
ii) Also find SPI & CPI.

⇒ Given Data:-
- Actual Cost (AC) : Rs. 35,000
- Scheduled Cost (SC) / Planned Value (PV):- Rs. 27,000
- Earned Value (EV) or Completed Work = Rs. 31,000

i) Variances:-

a) SV = EV - PV
= ₹ 31,000 - 27,000
= 4,000

As, SV > 0, or positive, project is ahead of schedule.

b) Cost variance:-
CV = EV - AC
= 31,000 - 35,000
= - 4,000

As CV < 0 or -negative, project is over budget.

ii) Compute Performance Indexes:-

a) $SPI = \frac{EV}{PV}$

$SPI = \frac{31,000}{27,000} = 1.148$

As SPI > 1 project is performing ahead of

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b) $CPI = \frac{EV}{AC}$

$= \frac{31,000}{35,000}$

$CPI = 0.8857$

As, $CPI < 0$, project is over budget.

* Using Milestone