



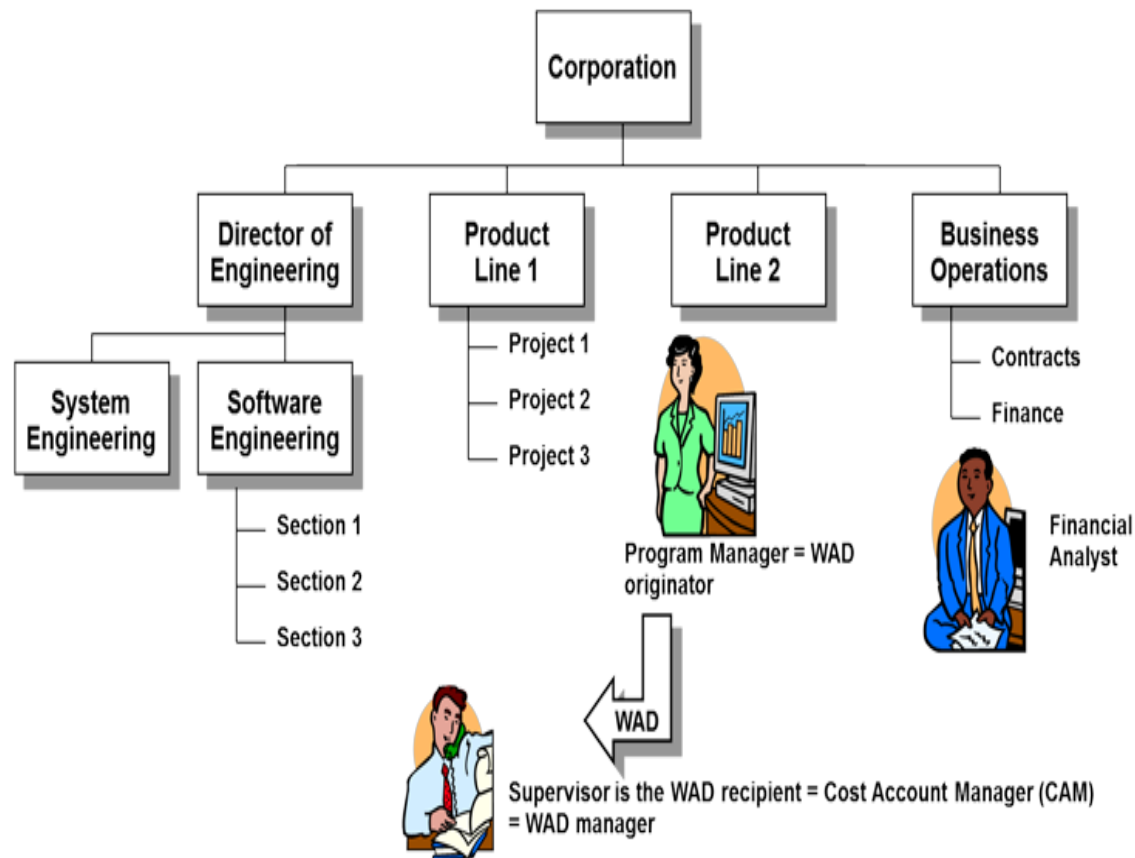
JOHNS HOPKINS

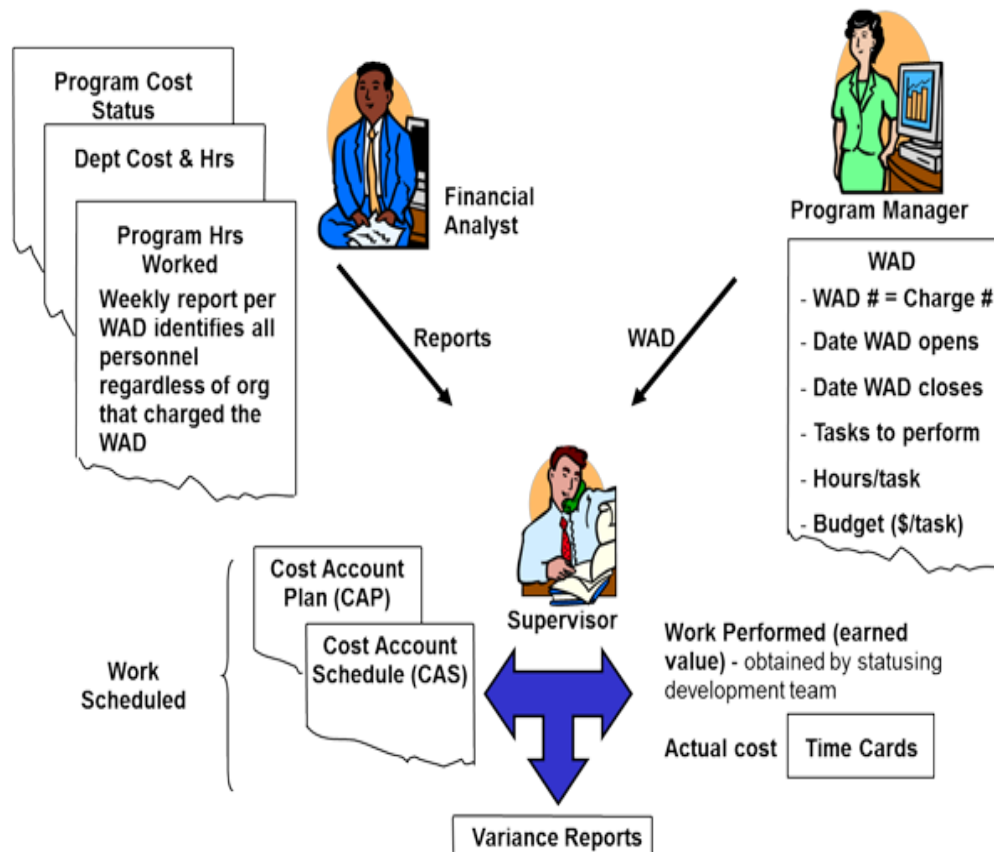
WHITING SCHOOL
of ENGINEERING



Earned Value Management

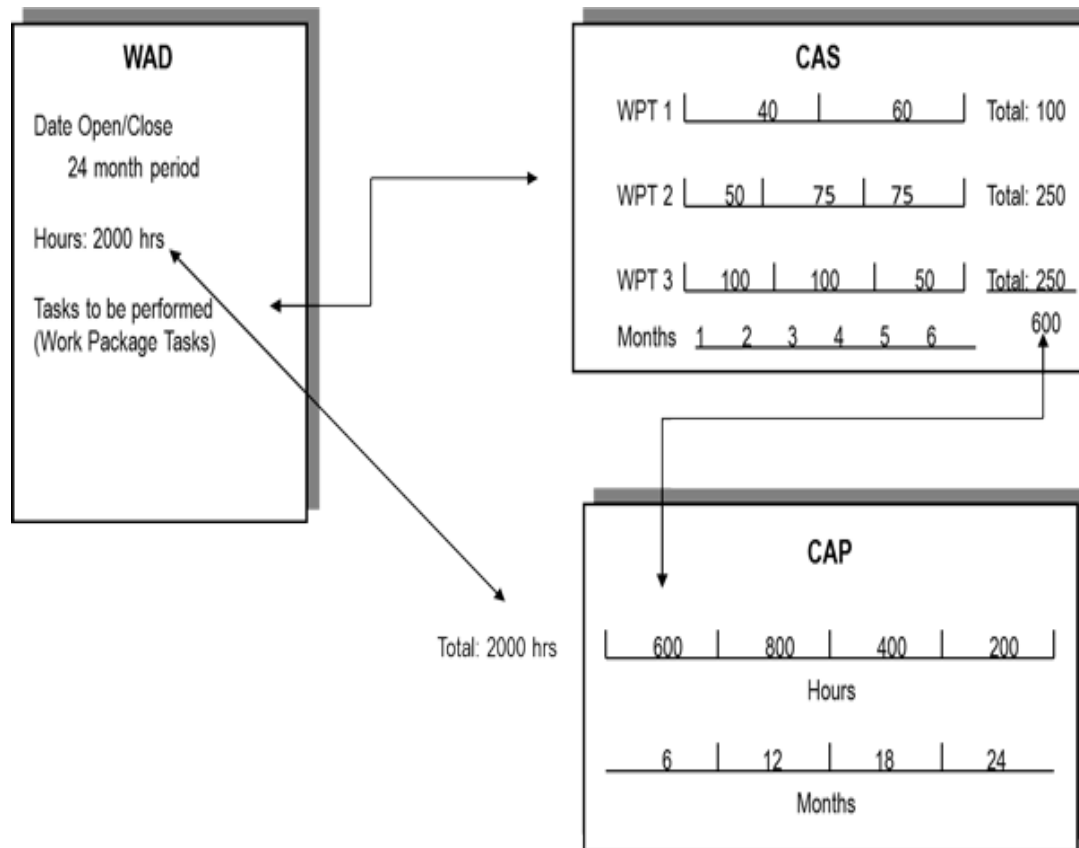
Earned Value Management Definitions





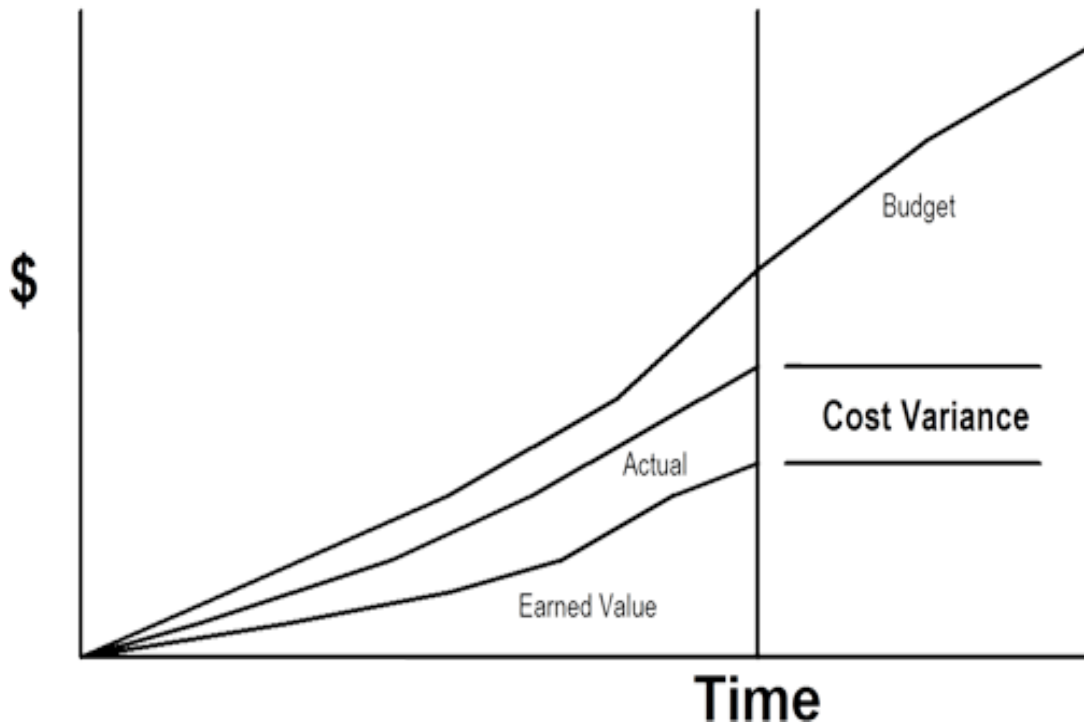


Cost Account Schedule and Cost Account Plan



Cost Variance

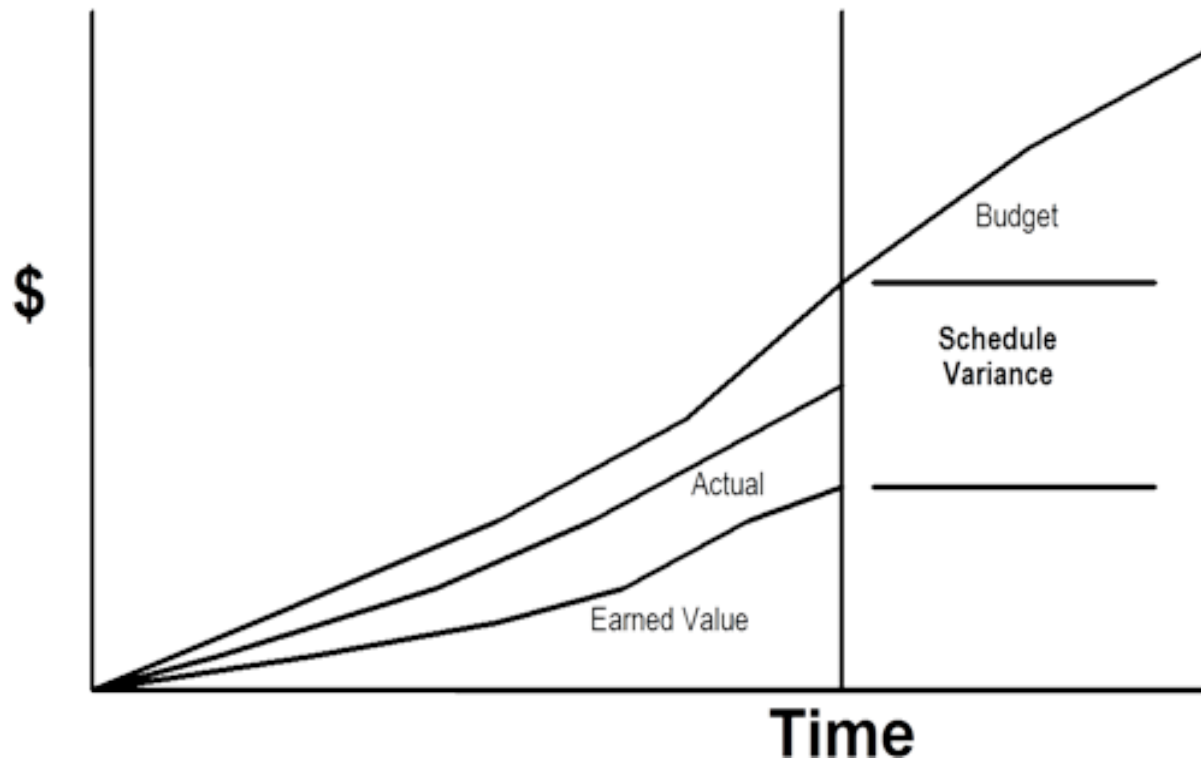
$\text{Cost variance} = \text{Earned value} - \text{Actual cost}$





Schedule Variance

Schedule variance = Earned value - Budget



Effect of Cost and Schedule Combinations

	Cost variance positive (under running cost)	Cost variance negative (over running cost)
Schedule variance negative (behind schedule)	Behind schedule but under running cost Maybe not so bad	Behind schedule and over running cost Manager's nightmare!
Schedule variance positive (ahead of schedule)	Ahead of schedule and under running cost Manager's delight!	Over running cost but ahead of schedule Maybe not so bad