


$$CV = EV - AC$$

PV - planned
value at a specific
time

$$SV = EV - PV$$

AC - Actual cost spent
at that time

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

EV - Based on the
work completed,
how much cost
would be determined

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

BAC - Budget at
completion

$$EAC = \frac{BAC}{CPI}$$

CV - Cost Variance

SV - Schedule
Variance

$$VAC = BAC - EAC$$

CPI - Cost performance
index

$$CPI = 0.91$$

$$SPI = 1.06$$

SPI - Schedule performance
index

$$\frac{EV}{AC} = 0.91$$

$$EV = 1.06 \times PV$$

EAC = Estimate at
completion

$$EV = 0.91 \times AC$$

VAC = Variance at
completion

$$0.91 \times AC = 1.06 \times PV$$

$$AC = \frac{1.06 \times PV}{0.91} = 1.16 PV$$

Find project Scenario

New hire Orientation program

Company name: Innovations Inc. About

Area: Office interior decorating & renovation
Sells

Years: more than 20 yrs

Status: Annual sales exceeding \$12M.

Employees: More than 300

Location: 3 state area of USA.

New new business

Reason:

- Employees leave the company quickly.
- In exit survey, they specified lack of an effective orientation program and corporate support
- 4% leave within a week and 20% within 45 day which correlate to industry report of 4% in 1st day and 22% in 45 days

→ \$1000 is spent to recruit a new employee.

Soln:-

→ Develop New hire Orientation program.

Sponsor : Marcus Wilson, Head of HR.

→ will devote 2 hrs per week.

Project Manager : Gloria Fisher, 20 hrs a week to the projects

Notes:

→ Costs needs to be reevaluated.

→ If needed, senior mgt is ready to invest.

→ 14 weeks timeline to complete

→ New hire programs will be run quarterly.

→ first formal orientation → 1-2 June

→ Today → Feb 15 (106 days → 15 weeks)

→ No of new employees to be hired = 12 approx

No of employees from company = 8

→ For now, → programs will bear the June 1 event development but after that HR operations

