



Case

Tree Trimming Project

Wil Fence is a large timber and Christmas tree farmer who is attending a project management class in the fall, his off season. When the class topic came to earned value, he was perplexed. Isn't he using EV?

Each summer Wil hires crews to shear fields of Christmas trees for the coming Holiday season. Shearing entails having a worker use a large machete to shear the branches of the tree into a nice, cone shaped tree.

Will describes his business as follows:

- A. I count the number of Douglas Fir Christmas trees in the field (24,000).
 - B. Next, I agree on a contract lump sum for shearing with a crew boss for the whole field (\$30,000).
 - C. When partial payment for work completed arrives (5 days later), I count or estimate the actual number sheared (6,000 trees). I take the actual as a percent of the total to be sheared, multiply the percent complete by total contract amount for the partial payment $[(6,000/\$30,000 = 25\%), (.25 \times \$30,000 = \$7500)]$.
1. Is Wil over, on, or below cost and schedule? Is Wil using earned value?
 2. How can Wil set up a scheduling variance?



Case

Scanner Project

You have been serving as Electroscan's project manager and are now well along in the project. Develop a narrative status report for the board of directors of the chain store that discusses the status of the project to date and at completion. Be as specific as you can using numbers given and those you might develop. Remember, your audience is not familiar with the jargon used by project managers and computer software personnel; therefore, some explanation may be necessary. Your report will be evaluated on your detailed use of the data, your total perspective of the current status and future status of the project, and your recommended changes (if any).

Appendix 13.1

The Application of Additional Earned Value Rules

The following example and exercises are designed to provide practice in applying the following three earned value rules:

- Percent complete rule
- 0/100 rule
- 50/50 rule

See the chapter for an explanation of each of these rules.