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Homework Assignment: #12
PMGT501
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ePortfolio Matrix Correlation: Planning: Cost

In 150+ words: Describe the cost performance baseline and its use in Earned Value Management.

The cost performance baseline is one of the outputs of the PMBOK process 7.2, “Determine Budget.” It is typically a time-phased s-curve graph of project expenditures, as shown in this figure below from the PMBOK.

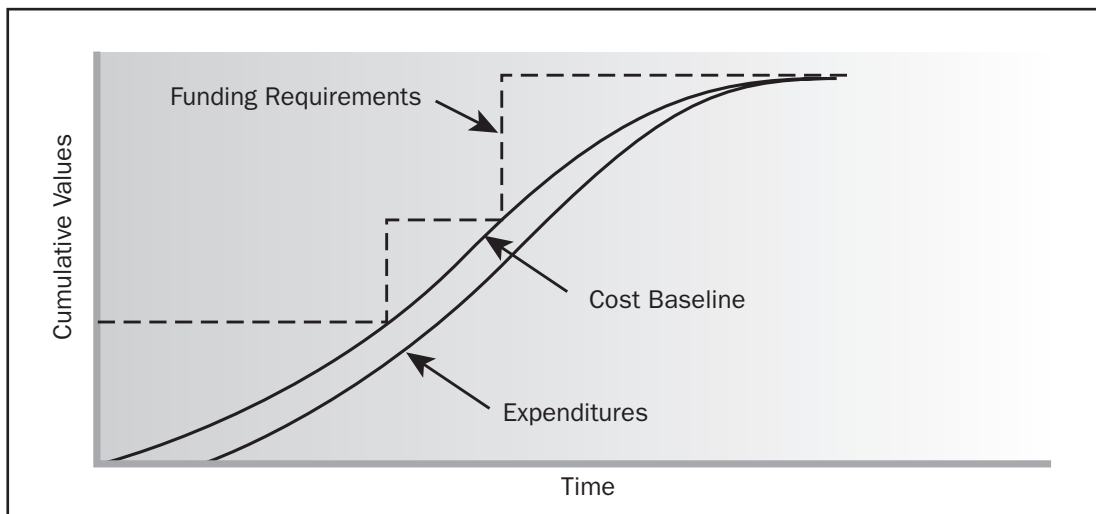


Figure 7-6. Cost Baseline, Expenditures, and Funding Requirements

The costs can be acquired one of two ways. They can be taken from the basis of estimates and mapped to the schedule, or they can be taken directly from the schedule if it is populated correctly with resources.

Note also from that the cost baseline permits determination of funding requirements in terms of how much is needed and when.

In terms of EVM, the cost baseline can become the Performance Measurement Baseline (PMB) for the project, if EVM is based on overall project progress rather than

manufactured product deliverables. In this case the total expenditures to date can be mapped to the scheduled expenditures to support the EVM calculations.