



DOE PROJECT MANAGEMENT NEWS

Promoting Project Management Excellence

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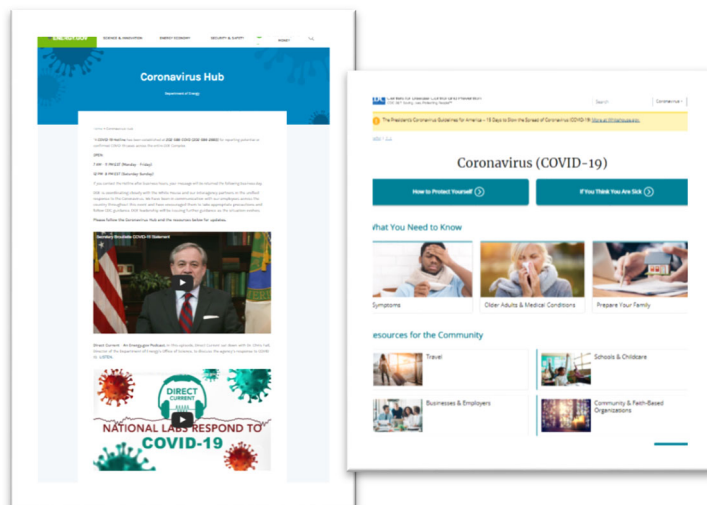


Director's Corner

Additionally, you may also want to periodically check the Department's Coronavirus Hub at: <https://www.energy.gov/coronavirus-hub>, and the Centers for Disease Control and Prevention (CDC) COVID-19 webpage at: <https://www.cdc.gov/coronavirus/2019-ncov/index.html> for updates.

In response to the ongoing concerns about the coronavirus (COVID-19) across the complex, the 2020 Project Management Workshop is canceled.

The work you do for the Department, and our nation, is important and will continue. You all are doing great things across the complex. However, it should only be done after taking the appropriate health precautions— at work and at home. Protecting your health, and that of your family, friends and colleagues is top priority. Recognizing the dynamics of the current situation, I encourage each of you to stay abreast and heed the advice of your local health professionals.



Keep charging! Stay healthy, and wash your hands!

Paul Bosco

Assessing a Project Yellow—Why It Isn't a Bad Thing

Stephanie Jones, Office of Project Analysis (PM-20)

As a Federal Project Director (FPD), no one enjoys admitting their project could be in trouble – be it for cost, schedule or scope reasons. However, this article explains why assessing your project as “yellow” is not a bad thing, and in fact can actually help your project get back on track for a successful conclusion.

Not long ago I was in a position where I was responsible for leading an engineering and facilities maintenance organization in a remote location with a very small staff. Our challenge was to establish the foundational activities and begin execution of an \$8.7 billion-dollar construction program spanning a decade and comprised of a multitude of different projects. This large project effort would be a challenge in the most perfect of situations with all the normal start up challenges. Unfortunately, we did not find ourselves in ideal conditions. Almost immediately we were confronted with the materialization of significant risks that the program planners did not adequately account for: WWII environmental contamination throughout the entire construction site, the elimination of almost the entire construction labor force with the revocation of H2B visas, resistance from the local cultural preservation office to our planned actions to handle historic sites and significant public protest to the program. These risks were so unique and of such a significant magnitude that it became apparent that our small team could not resolve them on our own. This is when I realized that effectively assessing my project as “yellow” wasn't a bad thing.



At the Department of Energy (DOE) capital asset projects are assigned a color code based on current performance as defined by DOE Order 413.3B, Appendix C.

- **Green** - Project is **expected to meet** its performance baseline.
- **Yellow** - Project is **potentially at risk of not meeting** its performance baseline.
- **Red** - Project is **highly at risk** of requiring a change to its performance baseline by the Project Management Executive (PME) or is not being executed within the acquisition strategy or project execution plan.

I know right now quite a few of you are probably thinking “Yeah, right. Sure, going yellow isn't a bad thing.” I acknowledge that assessing your project performance as yellow or red does bring you a lot more attention and extra help to your project. While the extra help might seem like a lot more work for you and your team, it also brings the focused support, effort and engagement from stakeholders at different levels and locations. Those connections can deliver additional resources, technical expertise, and funding to assist the project.

When should you go yellow? PM recommends assessing a project as yellow sooner rather than later, as bad news does not get better with age, and no one likes to hear about something too late when they could have helped resolve the issue early on. A project assessment of yellow means that a project is potentially not going to meet one of the elements of its performance baseline – scope, schedule, cost or key performance parameters.

Former Deputy Secretary of Energy Dan Poneman used to tell the story of a bad peach, and how our project management system can sometime inadvertently fall into the “bad peach” trap.

In short, a bad (rotten) peach never really looks bad until you bite into it, and then it is too late to do anything with it as it is no longer edible. Similarly, a project that lingers with a green assessment



as problems are developing for too long when, then jumps to Red practically overnight, doesn't allow the key stakeholders to provide support and take actions that could possibly save the project. The moral being, don't wait too long as your peach (i.e., project) goes bad, as taking action (such as assessing your project yellow early on) can possibly help you project resolve its issues before they become insurmountable.

Some recommended actions that can help you guide your yellow project forward are listed on Page 3.

Some recommended actions that can help you guide your yellow project forward are:

1. **Understand the challenges and issues in depth.** The FPD and entire project team are expected to be the experts on the project, the requirements, and the challenges the project faces. You must ensure that you have dug into the project challenges and issues and have accurately assessed the root causes in depth.
2. **Proactively develop a plan for a way forward.** You should expect to be asked what additional resources you think you will need. Your response should be based on the plan you have developed. You should also be prepared to have your plan modified as the different stakeholders become involved.
3. **Make a great effort to resolve the problem with your own resources.** You most likely have been trying to resolve the challenges and issues with your own resources, in concert with your contractor. Be able to articulate what you have already done and what the limitations are in resolving the issue. Additionally, you will most likely need to reach out to subject matter experts and functional areas outside of your project team, and you should be proactive in driving that support from outside of your direct team.
4. **Develop communication tools to explain the issue clearly and concisely.** It will be helpful to have your message concisely packaged to share with professionals from a diverse area of positions and organizations. Graphics and pictures are very effective at communicating concisely.
5. **Communicate with your supervisors and stakeholders.** The desired outcome of communication is to enlist a bigger, more diverse team to focus all of their combined efforts on the issue. Another important reason to communicate openly with your supervisors and stakeholders in advance is to prevent them from being surprised. Admittedly, no one likes to be caught off guard with unexpected news in their area of responsibility.

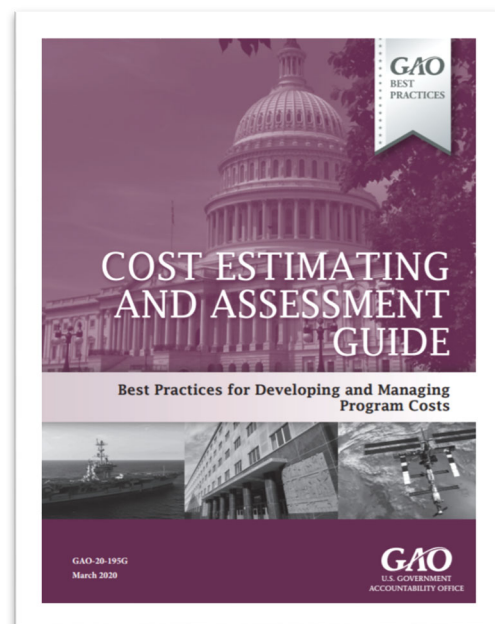
GAO Publishes a Revised Cost Estimating and Assessment Guide

Ivan Graff, Office of Policy and Program Support (PM-50)

The Government Accountability Office (GAO) published in March 2020 a revision to its 2009 Cost Estimating and Assessment Guide.¹ The revision reorganizes familiar content related to the four characteristics of a reliable cost estimate, the 12 step estimating process, and the 13 fundamental activities comprising the earned value management (EVM) process. While it introduces new content related to evaluating EVM, analysis of alternatives (AoA), and how the cost estimating process supports internal controls, it deletes some content as well, related to scheduling, aspects of integrated baseline reviews, and EVM award-fee criteria.

The reader will find most valuable how GAO distinguishes between the characteristics of a reliable cost estimate, in other words, what GAO looks for when it evaluates a project, and the 12 step process for creating reliable estimates that GAO expects agencies to codify in their policies and procedures. Neither the four characteristics of a reliable cost estimate nor the 12 step

process have changed in the new edition of the guide. Each of the 12 steps has its own chapter with concluding content identifying the ill effects of not fully completing the step. Chapter 16 reveals how an auditor might assess a cost estimate, determine the reliability of a cost estimate, and evaluate an agency's cost estimating guidance.



¹ Cost Estimating and Assessment Guide: Best Practices for Developing and Managing Program Costs (GAO 20-195G), <https://go.usa.gov/xdM2e>

The updated guide introduces three characteristics of a reliable EVM system (comprehensive, accurate, and informative), and in Table 30 found on page 299 of the guide, attributes to each three or four best practices.

The new guide’s AoA appendix substantially duplicates what GAO published in a prior report with a few notable exceptions.² The new guide directs the “customer,” at the Department of Energy (DOE), the Federal Project Director (FPD), with input from others, to define (step 5) and weight (step 6) selection criteria, whereas the previous best practices allowed either the customer or the decision-maker, at DOE, the project management executive (PME), to complete these steps. The updated guide allows for documenting the AoA process either near the

end of the process or at the end of each step comprising the process. Prior guidance allowed confirmation of the impartiality of the process at the end of each step.

The updated guide also realigns the AoA best practices to the four characteristics of a reliable AoA. The differences appear in Table 1.

The revision refreshes the case studies as well. GAO based each case study on a report it published. A few case studies relate to DOE, including ones on project and program management, nuclear waste cleanup, and the plutonium disposition program.³

Table 1: Differences between AoA Best Practice and Characteristic Alignments

Alignment of AoA Best Practices to Characteristics in Report		
Reliable AoA Characteristic	GAO 16-22	GAO 20-195G
Well-documented	12, 14, 18, 19	<u>9</u> , 12, 14, 18, 19
Comprehensive	1, 3, 8, 11, 15	1, <u>2</u> , 3, 8, 11, 15
Unbiased	<u>2</u> , 4, 6, 7, 13, 20, 22	4, 6, 7, 13, 20, 22
Credible	5, <u>9</u> , 10, 16, 17, 21	5, 10, 16, 17, 21

² Amphibious Combat Vehicle: Some Acquisition Activities Demonstrate Best Practices; Attainment of Amphibious Capability to be Determined (GAO 16-22), Appendix I, <https://go.usa.gov/xDMTZ>

³ GAO Reports 15-29, 19-223, and 14-231, respectively.

Congratulations to our newly certified FPDs!

Level IV

Robert Bangerter Jr (NNSA)

Level II

Adam DaeGorn (NNSA)





PMCDP FY20 Training Schedule

The training schedule is posted on PM MAX. Save the direct link to the Project Management Career Development Program PMCDP Training Schedule to your favorites: <https://community.max.gov/x/BgZcQw>

COVID-19 TRAINING ANNOUNCEMENT

The Department of Energy (DOE) is actively monitoring the COVID-19 situation. As the Department transitions to maximizing telework for employees across the DOE enterprise while maintaining operations, the PMCDP will offer classes virtually – via desktop, webinar, and online – to minimize personal contact and to provide training to develop skills and earn continuous learning points. The PMCDP Training Schedule has been revised during DOE's maximized telework period to offer virtual classes only – no classroom contact is required to attend our training through the end of May 2020.

The delivery methodology will be evaluated for 3rd & 4th quarter classes based on Center for Disease Control (CDC) updates and DOE guidance. Registrants should check back periodically as the schedule will continue to be updated. PMCDP team members are available to support you. If you have any questions or concerns please don't hesitate to contact a member of the PMCDP team.

CLASS NAME	LN Code	Days	CLPs	Dates	Delivery Method	Location	POC	Instructor
FY20/Q3								
Leadership through Effective Communication	002366	3 Days	24	May 11-13	Daily/ Webinar	Richland, WA	Pamela Weichel	Mac Bogert
Planning for Safety in Project Management	001035		28	Wednesdays 1-3pm May 27-July 1	Desktop	Zoom	N/A	Dana Krupa
Performance Based Management Contracting	001951	3 Days	24	June 2-4	Daily/ Webinar	Oak Ridge, TN	Peter Rivera	Ralph Tennant
Advanced Risk Management	001042	3.5 Days	28	June 15-18	Class-room	Aiken, SC	Leatrice Green	Chris Gruber
Program Management/ Portfolio Analysis	001025	5 Days	40	June 15-19	Class-room	New Orleans, LA	Claudia LeCompte-Johnson	Larry Suda
Acquisition Management for Technical Personnel	000145		16	Mon/Wed 12-4pm June 22-July 15	Desktop	Zoom	N/A	Jerry Zimmer
FY20/Q4								
Project Management Systems and Practices in DOE	001024		60	Tues/Thurs 1-3pm July 14-September 1	Desktop	Zoom	N/A	Dana Krupa
Advanced Earned Value Management Techniques	002689	3	24	August 4-6	Class-room	Argonne, IL	Sandra Geib-Ingram	Gary Humphreys
Advanced Earned Value Management Techniques	002689	3	24	August 18-20, 2020	Class-room	Aiken, SC	Leatrice Green	Gary Humphreys
Planning for Safety in Project Management	001035		28	Wednesdays 1-3pm August 27-October 1	Desktop	Zoom	N/A	Dana Krupa
Executive Communications	001031	3 Days	24	September 15-17	Class-room	Oak Ridge, TN	Peter Rivera	Omar Hafez
Advanced Risk Management	001042	3.5 Days	28	September 14-17	Class-room	Idaho Falls, ID	Tina Waggoner	Chris Gruber

Find up-to-date information and resources anytime!

All PMCDP Course Descriptions and Course Materials can be found in the Course Catalog on PM-MAX. Save the direct link to your favorites: <https://community.max.gov/x/UAT3Rw>



Or download the Interactive Curriculum Map: <https://community.max.gov/x/sQd1Qw>

Have a question, found a bug or glitch in a PMCDP online course, or want to provide feedback? Submit your questions through PMCDPOnlineCourseSupport@hq.doe.gov.

Contact Us!

The Office of Project Management welcomes your comments on the Department's policies related to DOE Order 413.3B. Please send citations of errors, omissions, ambiguities, and contradictions to PMpolicy@hq.doe.gov. Propose improvements to policies at <https://hq.ideascale.com>.

If you have technical questions about PARS, such as how to reset your password, please contact the PARS Help Desk at PARS_Support@Hq.Doe.Gov. And as always, PARS documentation, Frequently Asked Questions (FAQs) and other helpful information can be found at <https://pars2oa.doe.gov/support/Shared%20Documents/Forms/AllItems.aspx>.

The current PARS reporting schedule is located in PM-MAX at the following link <https://community.max.gov/x/m4IIY>.

Need information to apply for FPD certification? The Certification and Equivalency Guidelines (CEG) can be found on PM-MAX. Click here <https://community.max.gov/x/IQd1Qw> to access it now.

Can't put your finger on a document or information you were told is available on PM-MAX? Looking for information on DOE Project Management? Submit your questions and queries to PMWebmaster@doe.gov. Check out the links below for information related to FPD Certification and Certification and Equivalency Guidelines.

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If you would like to contribute an article to the Newsletter or have feedback, contact the Editor at Linda.Ott@hq.doe.gov.

