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June 11, 2021

The Honorable Adam Smith Chairman, HASC 2216 Rayburn House Office Building Washington, D.C. 20515

Subject: Historical Quotes on Earned Value Management (EVM) Problems and Solutions

## Dear Chairman Smith:

I was pleased to read that Acting Assistant Undersecretary of Defense for Acquisition and Sustainment Stacy Cummings recognized problems with EVM at a recent SASC hearing. DoD last publicly acknowledged these problems in 2009 but has not yet solved them.

The following table includes pertinent quotes about EVM and Zig Ziglar's famous advice.

Historical Quotes on Earned Value Management (EVM) Problems and Solutions				
Year	Quote	Media	Author	
1975	The <i>first step</i> in solving a problem is to recognize that it does exist.	Book, Motivational speeches	Zig Ziglar	
1999	<ul> <li>The quality of a management system is determined not by the absence of defects, but by the presence of management value.</li> <li>Integrate cost, schedule, technical performance, and risk management.</li> </ul>	Speech	Gary Christle, DoD	
2009	<ul> <li>"utility of EVM has declined to a level where it does not serve its intended purpose"</li> <li>contractors "keep EVM metrics favorable and problems hidden."</li> <li>"program manager should ensure that the EVM process measures the quality and technical maturity of technical work products instead of just the quantity of work performed."</li> <li>Note: See Ziglar's "first step" above. DoD recognizes the problem.</li> </ul>	DoD Report to Congress	DoD	
2010	<ul> <li>EVM reporting lacks consistency and leads to inaccurate data and faulty application of the EVM metric.</li> <li>"In other words, garbage in, garbage out."</li> </ul>	Conference Report	Sen. Collins	
2018 2019	<ul> <li>"another substantial shortcoming of EVM is that it does not measure product quality.</li> </ul>	Sec. 809 Advisory Panel Reports	Sec. 809 Advisory Panel	

Historical Quotes on Earned Value Management (EVM) Problems and Solutions				
Year	Quote	Media	Author	
	<ul> <li>A program could perform ahead of schedule and under cost according to EVM metrics but deliver a capability that is unusable by the customer.</li> <li>"EVM has been required on most large software programs but has not prevented cost, schedule, or performance issues."</li> <li>The current system focuses on process, not product.</li> <li>This focus takes PMs' attention away from the fundamentals of cost, schedule, and performance, and is one of the major contributors to negative acquisition outcomes.</li> </ul>			
2021	Buy Products that Work, not Statements of Work	Letter to OMB Director Fairweather, 4/9/21	Paul Solomon	
2021	Congress <i>removed the burden</i> of resource-heavy reporting requirements <i>of EVM</i> in pilots, resulting in greater focus on <i>delivering working product and value</i> over documentation.  Note: See Ziglar's "first step" above. DoD recognizes the problem.	Statement to SASC hearing, 4/28/21	Stacy Cummings, Acting AUSD for Acquisition and Sustainment	

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Yours truly,

Paul J. Solomon

CC:

Hon. Sen. Joni Ernst, SASC

Hon. Sen. Bernie Sanders

Hon. Sen. Elizabeth Warren, SASC

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Mr. Andrew Hunter, Biden-Harris Transition Team

Hon. Kathleen Hicks, Dep. Sec. of Defense

Hon. Stacy A. Cummings, Acting Under Sec. Def. for Acquisition and Sustainment

Counsellor to the President Jeff Zients

Anthony Capaccio, Bloomberg News

Michael LaForgia, NYT