Variance Analysis

Jeremy Curbey

Embry-Riddle Aeronautical University

Masters of Science Project Management Capstone

PMGT 690

January 2016

VARIANCE ANALYSIS 2

Control Scope

Control Scope is the process of monitoring the status of the project scope and managing changes to the scope baseline. The key benefit of this process is that it allows the scope baseline to be maintained throughout the project. (PMBOK 2013) Control scope is there to ensure that it is only the work identified as being in scope that is delivered, and in this way scope creep is avoided.

In a global setting if any changes are made to the scope baseline, then these must be incorporated as updates to the WBS. If such a change results in enhancing the original scope, then this two must be decomposed down to the level of work packages, causing additional changes to other documentation. The most important aspect of this is to take consideration of the impact of control scope on schedule, cost, quality, resources, risk, etc. on any such potential changes to scope. Also important is to ensure that the underlying causes of scope change requests are fully understood and managed, and while doing so to prevent any unnecessary change requests for proceeding further.

Whenever any form of corrective action in a failing project is implemented, it is highly likely that changes will also need to be made to any organizational process assets, is clearly they were not entirely adequate this time, and will need to be updated for future projects. any change in scope will need to be updated within the project management plan because of resulting changes in potentially cost, schedule, risk, and quality.

There is only one tool used within the control scope process which is Variance analysis. This is used to measure any such differences between what was originally defined within the scope baseline versus what was actually created, and this is a very effective way to investigate the root causes behind such differences. In summary, to control scope, you will want to compare the

VARIANCE ANALYSIS 3

baseline and requirements with the current actual results by conducting variance analysis. If a variance exists then a change requests should be sublimated. As a result of this work performance measurements will be created along with any updates to the project management plan, documentation and organizational process assets.

VARIANCE ANALYSIS 4

References

Larson, E. & Gray, C. (2014). *Project Management: The Managerial Process* (6th ed.). New York, NY. McGraw Hill Education.

Project Management Institute (PMI). (2004). A guide to the project management body of knowledge (PMBOK guide). Newtown Square, Pa: Project Management Institute.