

Introduction to the Organizational Cost Community Framework: UPDATE

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Unclassified Unlimited Release

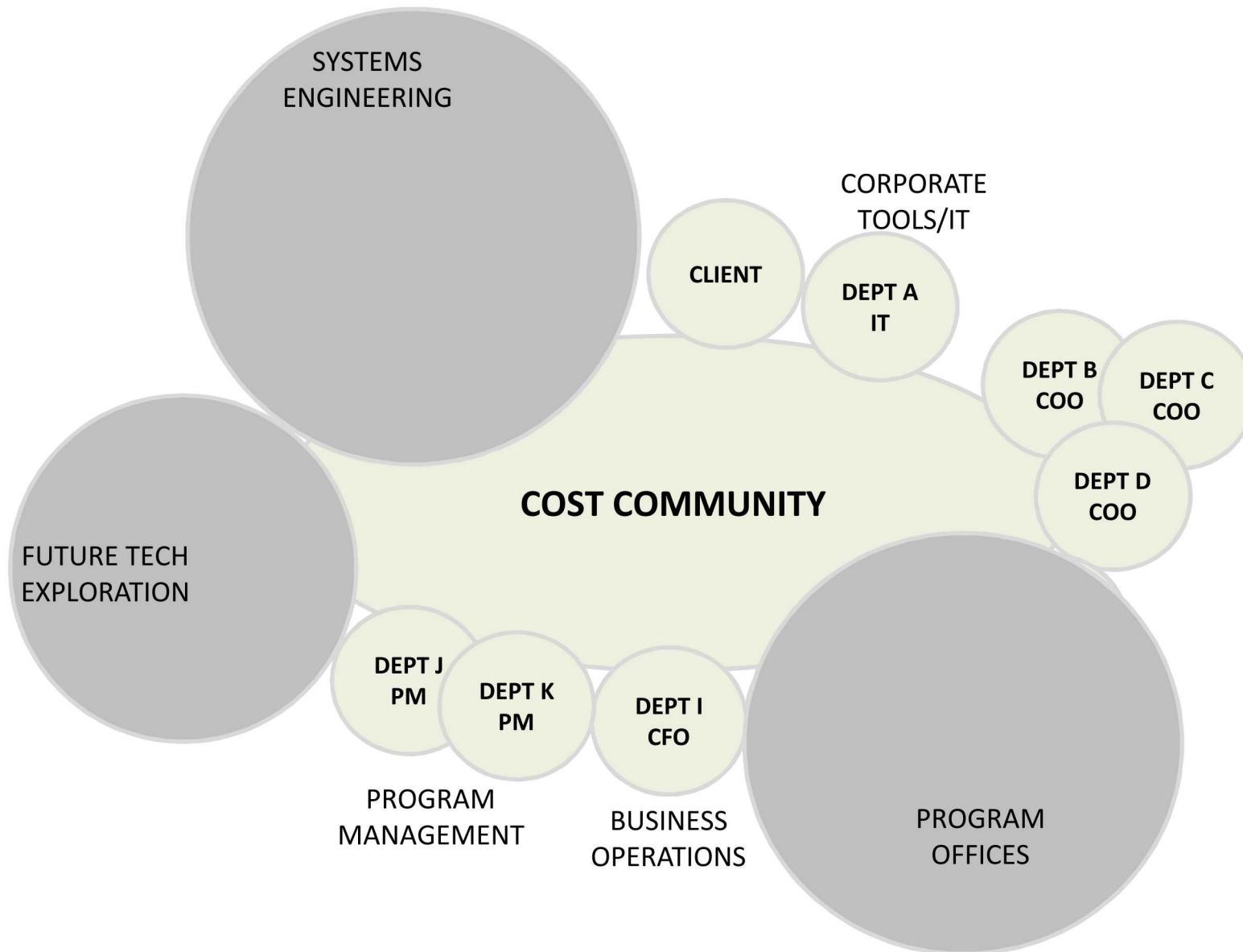
Agenda

- Background
- Cost Community
 - Cost Functions
 - Process Steps of the Cost Functions
 - Participants of the Process Steps of the Cost Functions
 - Organizational Cost Community Framework
- Case Studies
- Takeaways

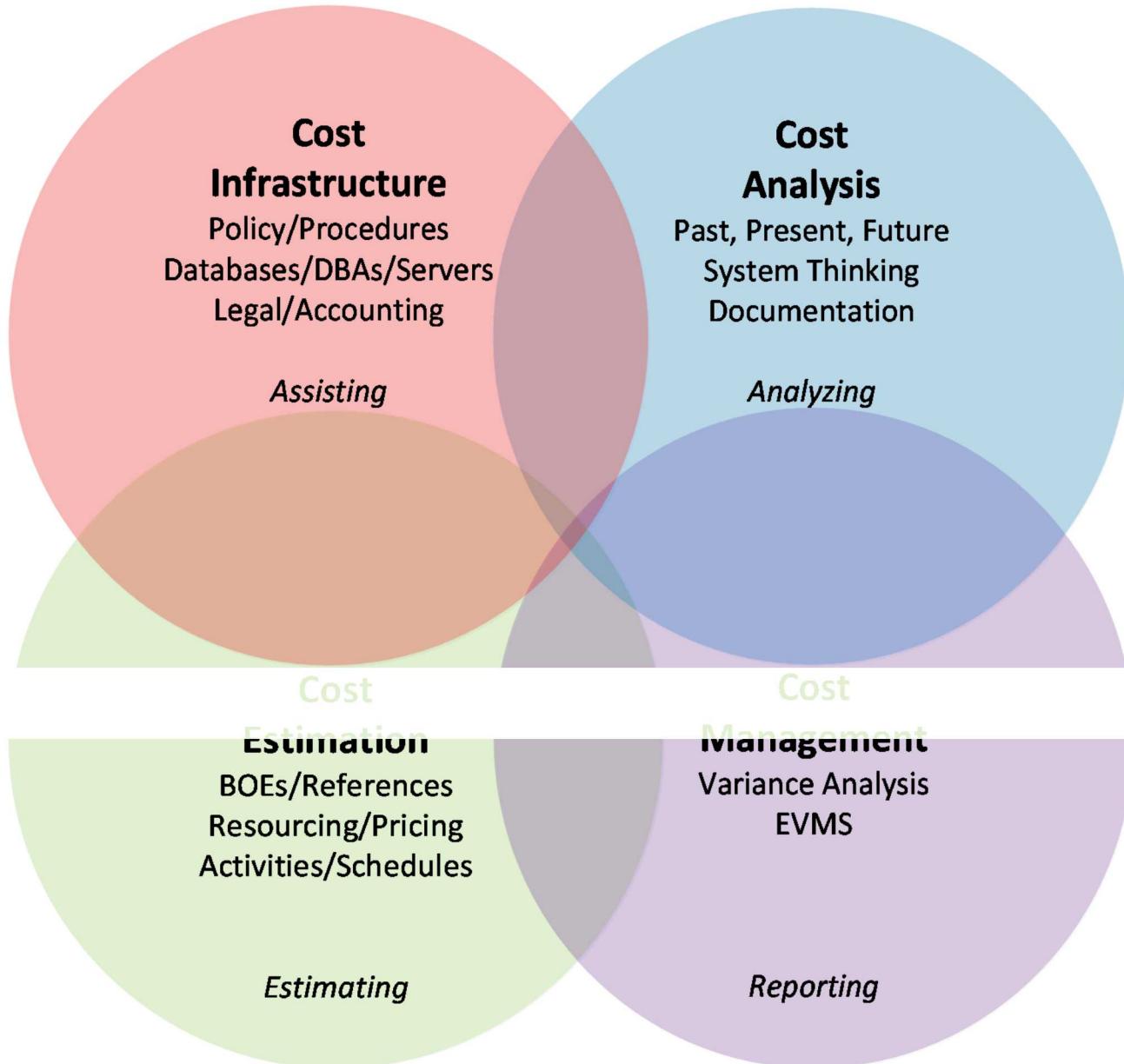
Takeaways

- Innovative framework for cost estimating and analysis that documents, describes and visually displays the lifecycle of a program through an organization with discrete handoffs
- The framework may be applicable to any organization
 - R&D
 - FFRDC
 - Government entities, etc.
- The framework may assist in the identification of organizational gaps and overlaps
 - Process improvement

Background



Cost Functions



Process Steps of the Cost Functions

Cost Infrastructure Process View

Cost Infrastructure Process View
Initiate Cost Infrastructure
Define Cost Infrastructure
Execute Cost Infrastructure
Review Cost Infrastructure
Close Out Cost Infrastructure
Submit to Cost Infrastructure Data Repository

Cost Analysis Process View

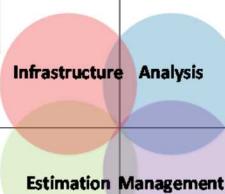
Cost Analysis Process View
Initiate Cost Analysis
Define Cost Analysis
Execute Cost Analysis
Review Cost Analysis
Close Out Cost Analysis
Submit to Cost Analysis Data Repository

Cost Estimation Process View

Cost Estimation Process View
Initiate Cost Estimation
Define Cost Estimation
Execute Cost Estimation
Review Cost Estimation
Close Out Cost Estimation
Submit to Cost Estimation Data Repository

Cost Management Process View

Cost Management Process View
Initiate Cost Management
Define Cost Management
Execute Cost Management
Review Cost Management
Close Out Cost Management
Submit to Cost Management Data Repository



Participants of the Process Steps of the Cost Functions

Cost Infrastructure Process View

Cost Infrastructure Process View			
Process	Step 1	Name	Initiate Cost Infrastructure
	Participants	Cost Infrastructure Team Cost Infrastructure Customer	
Process	Step 2	Name	Define Cost Infrastructure
	Participants	Cost Infrastructure Team Cost Infrastructure Customer	
Process	Step 3	Name	Execute Cost Infrastructure
	Participants	Cost Infrastructure Team	
Process	Step 4	Name	Review Cost Infrastructure
	Participants	Cost Infrastructure Team Cost Infrastructure Customer Cost Infrastructure Review Team	
Process	Step 5	Name	Close Out Cost Infrastructure
	Participants	Cost Infrastructure Team	
Process	Step 6	Name	Submit to Cost Infrastructure Data Repository
	Participants	Cost Infrastructure Team	

Cost Analysis Process View

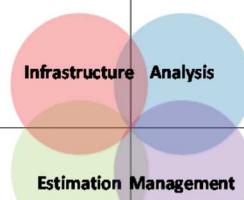
Cost Analysis Process View			
Process	Step 1	Name	Initiate Cost Analysis
	Participants	Cost Analysis Team Cost Analysis Customer	
Process	Step 2	Name	Define Cost Analysis
	Participants	Cost Analysis Team Cost Analysis Customer	
Process	Step 3	Name	Execute Cost Analysis
	Participants	Cost Analysis Team	
Process	Step 4	Name	Review Cost Analysis
	Participants	Cost Analysis Team Cost Analysis Customer Cost Analysis Review Team	
Process	Step 5	Name	Close Out Cost Analysis
	Participants	Cost Analysis Team	
Process	Step 6	Name	Submit to Cost Analysis Data Repository
	Participants	Cost Analysis Team	

Cost Estimation Process View

Cost Estimation Process View			
Process	Step 1	Name	Initiate Cost Estimation
	Participants	Cost Estimation Team Cost Estimation Customer	
Process	Step 2	Name	Define Cost Estimation
	Participants	Cost Estimation Team Cost Estimation Customer	
Process	Step 3	Name	Execute Cost Estimation
	Participants	Cost Estimation Team	
Process	Step 4	Name	Review Cost Estimation
	Participants	Cost Estimation Team Cost Estimation Customer Cost Estimation Review Team	
Process	Step 5	Name	Close Out Cost Estimation
	Participants	Cost Estimation Team	
Process	Step 6	Name	Submit to Cost Estimation Data Repository
	Participants	Cost Estimation Team	

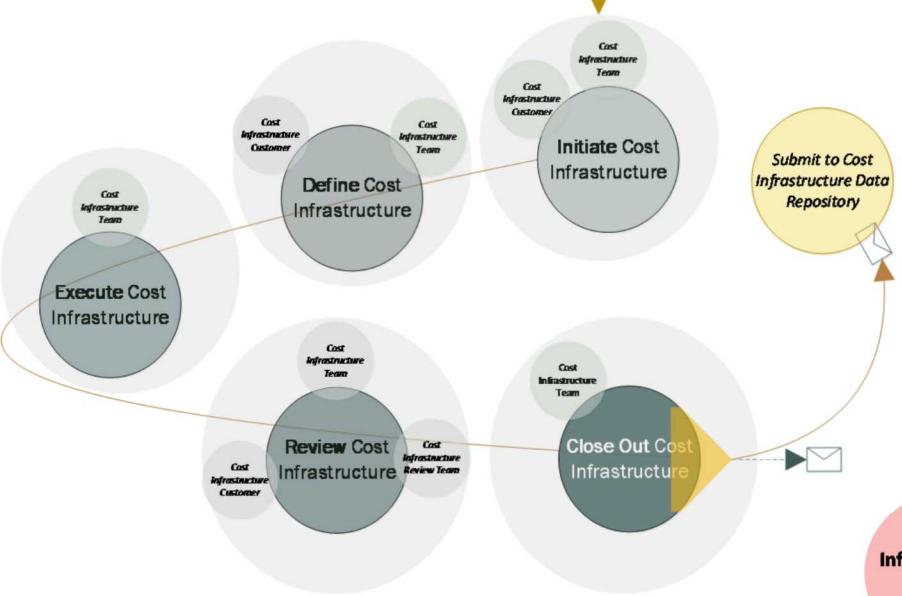
Cost Management Process View

Cost Management Process View			
Process	Step 1	Name	Initiate Cost Management
	Participants	Cost Management Team Cost Management Customer	
Process	Step 2	Name	Define Cost Management
	Participants	Cost Management Team Cost Management Customer	
Process	Step 3	Name	Execute Cost Management
	Participants	Cost Management Team	
Process	Step 4	Name	Review Cost Management
	Participants	Cost Management Team Cost Management Customer Cost Management Review Team	
Process	Step 5	Name	Close Out Cost Management
	Participants	Cost Management Team	
Process	Step 6	Name	Submit to Cost Management Data Repository
	Participants	Cost Management Team	

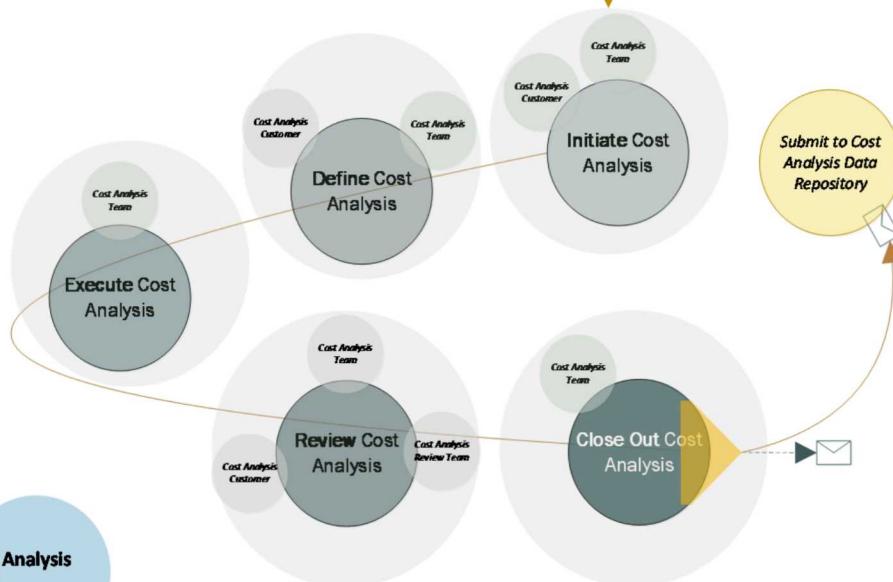


Organizational Cost Community Framework

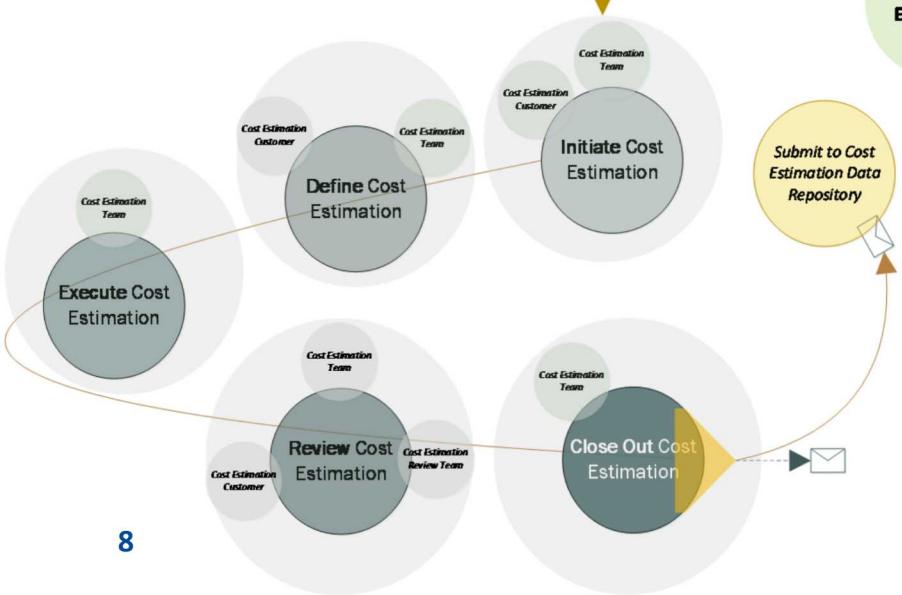
Cost Infrastructure Process View



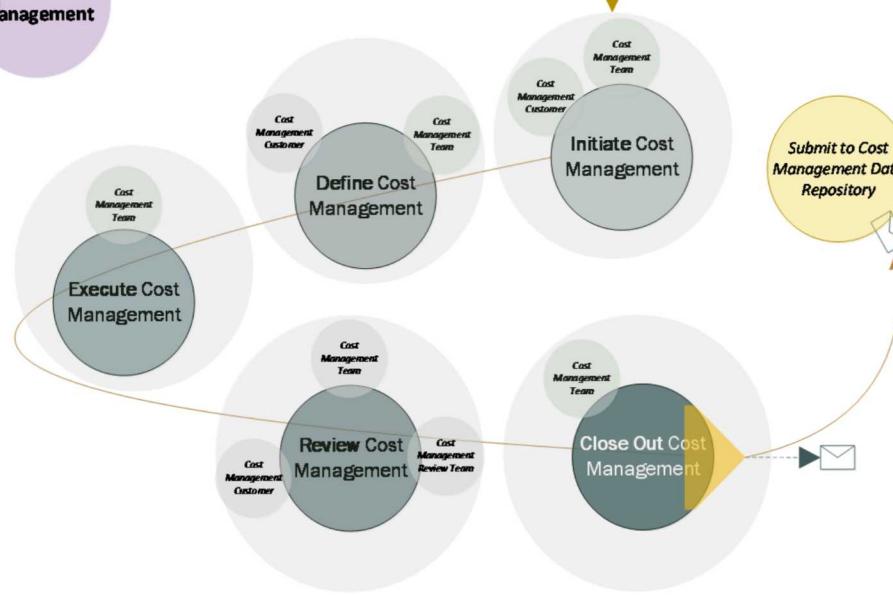
Cost Analysis Process View



Cost Estimation Process View



Cost Management Process View

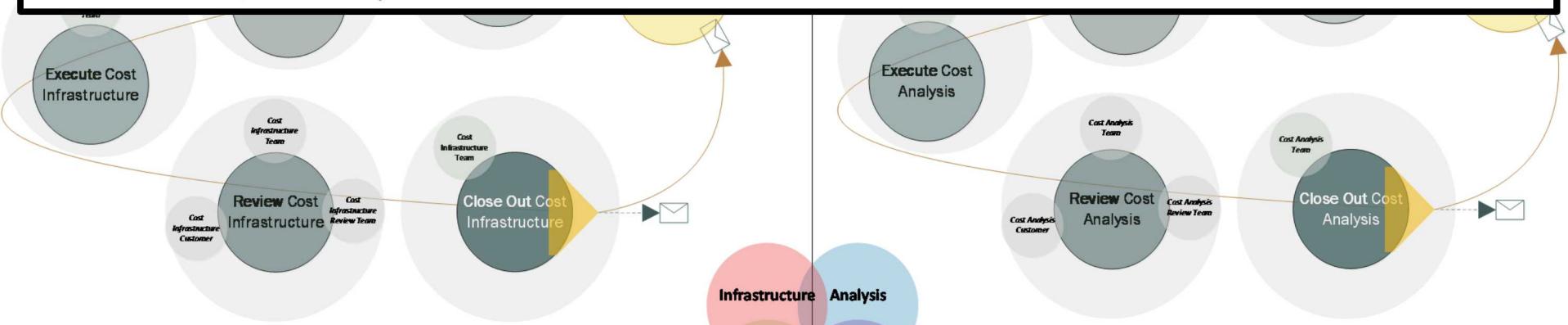


Organizational Cost Community Framework

Cost Infrastructure Process View

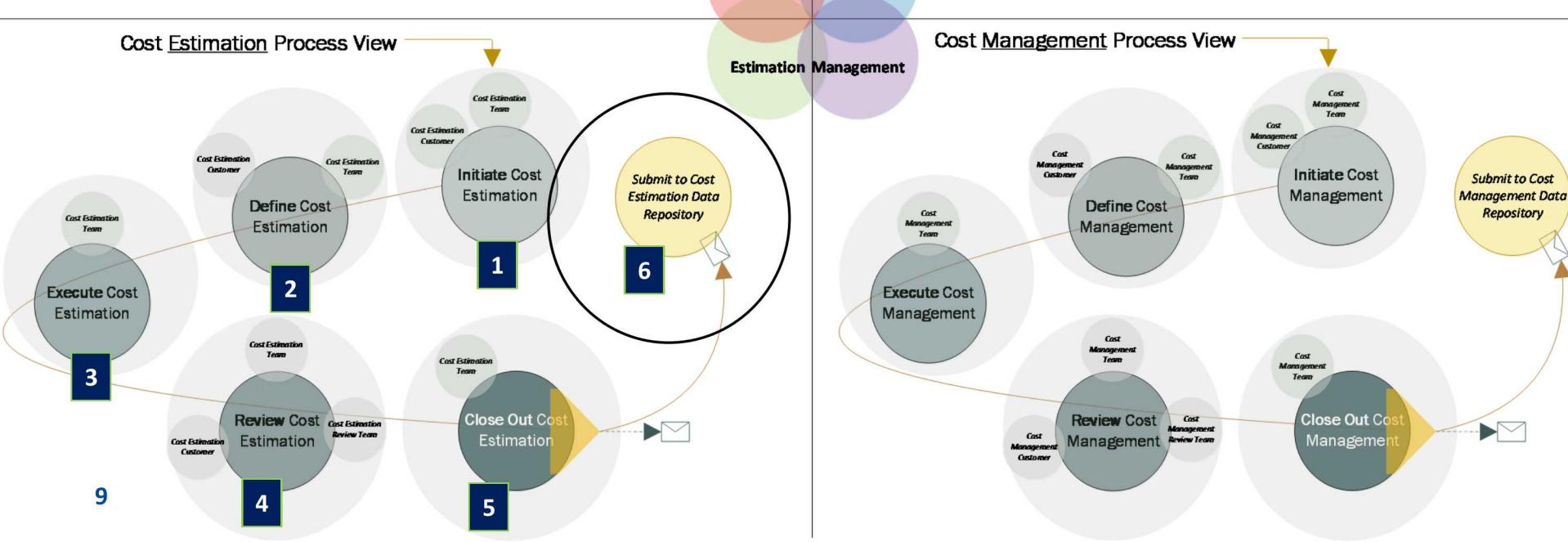
Cost Analysis Process View

Case Study 1: An organization receives a request from an external customer for a cost estimate based on a redesign of an asset that the organization previously designed in the mid-1990's. In the mid-1990's, the organization was in the early stages of capturing cost data in digital format. The customer request placed a substantial time constraint on the Cost Estimation Team, and their priorities did not include sufficient time to discover historical cost data.



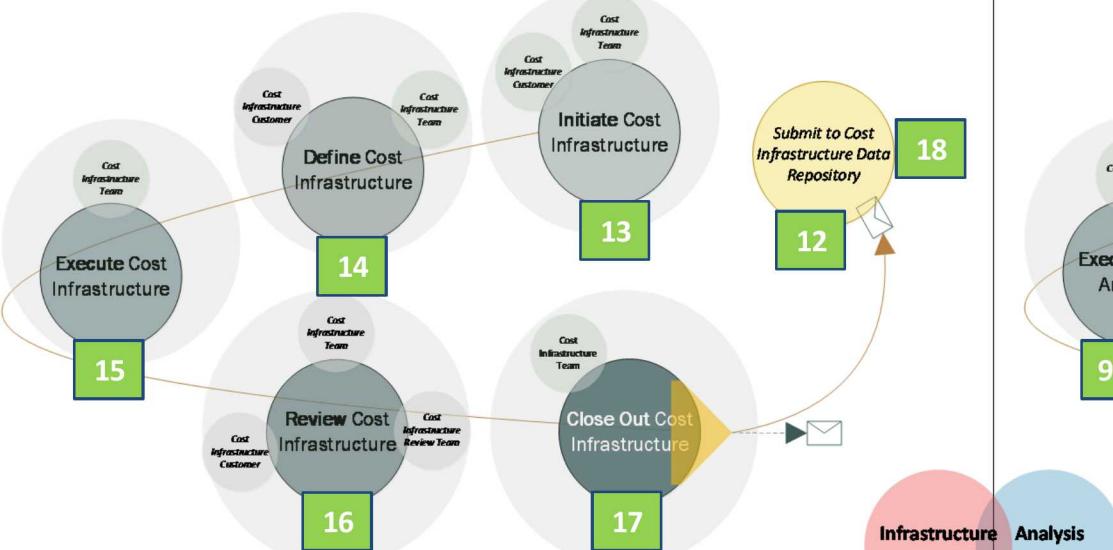
Cost Estimation Process View

Cost Management Process View

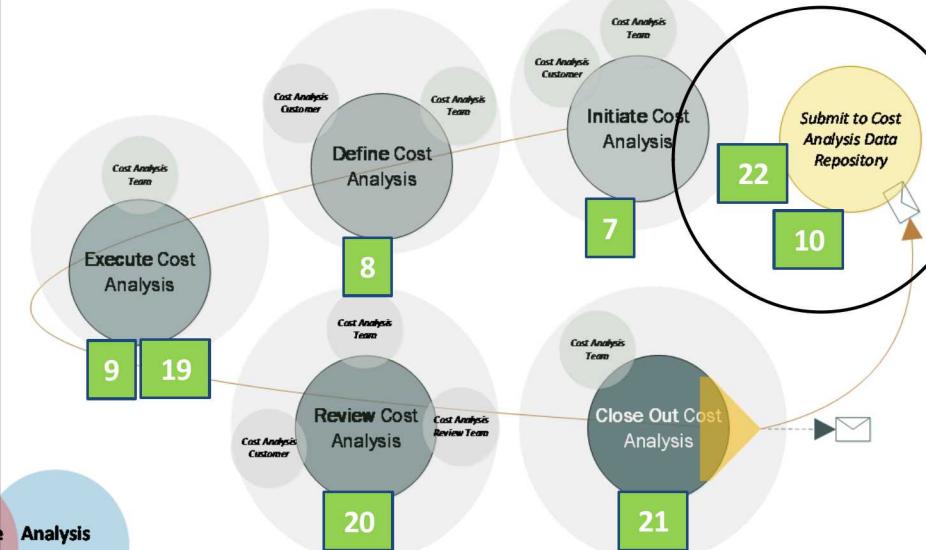


Organizational Cost Community Framework

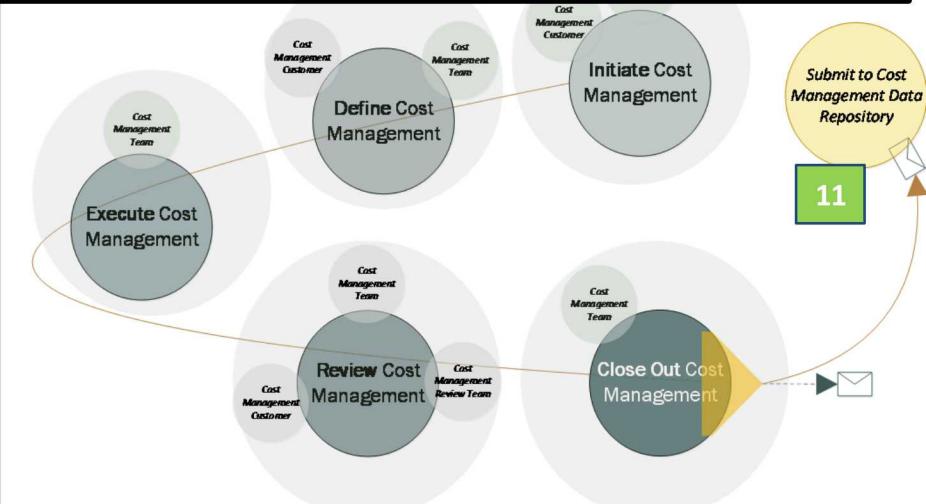
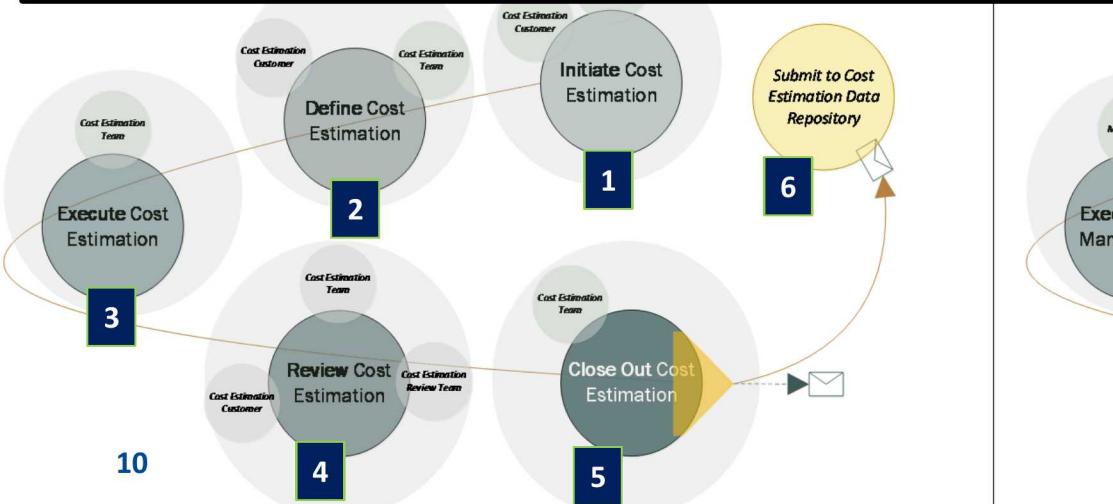
Cost Infrastructure Process View



Cost Analysis Process View



Case Study 2: Based on the feedback that the Cost Estimation Team received in Case Study 1 from the organization's leadership, the Cost Estimation Team initiated the Cost Analysis Process to explore what historic data may exist with respect to their asset in order to revisit the Cost Estimation Process.

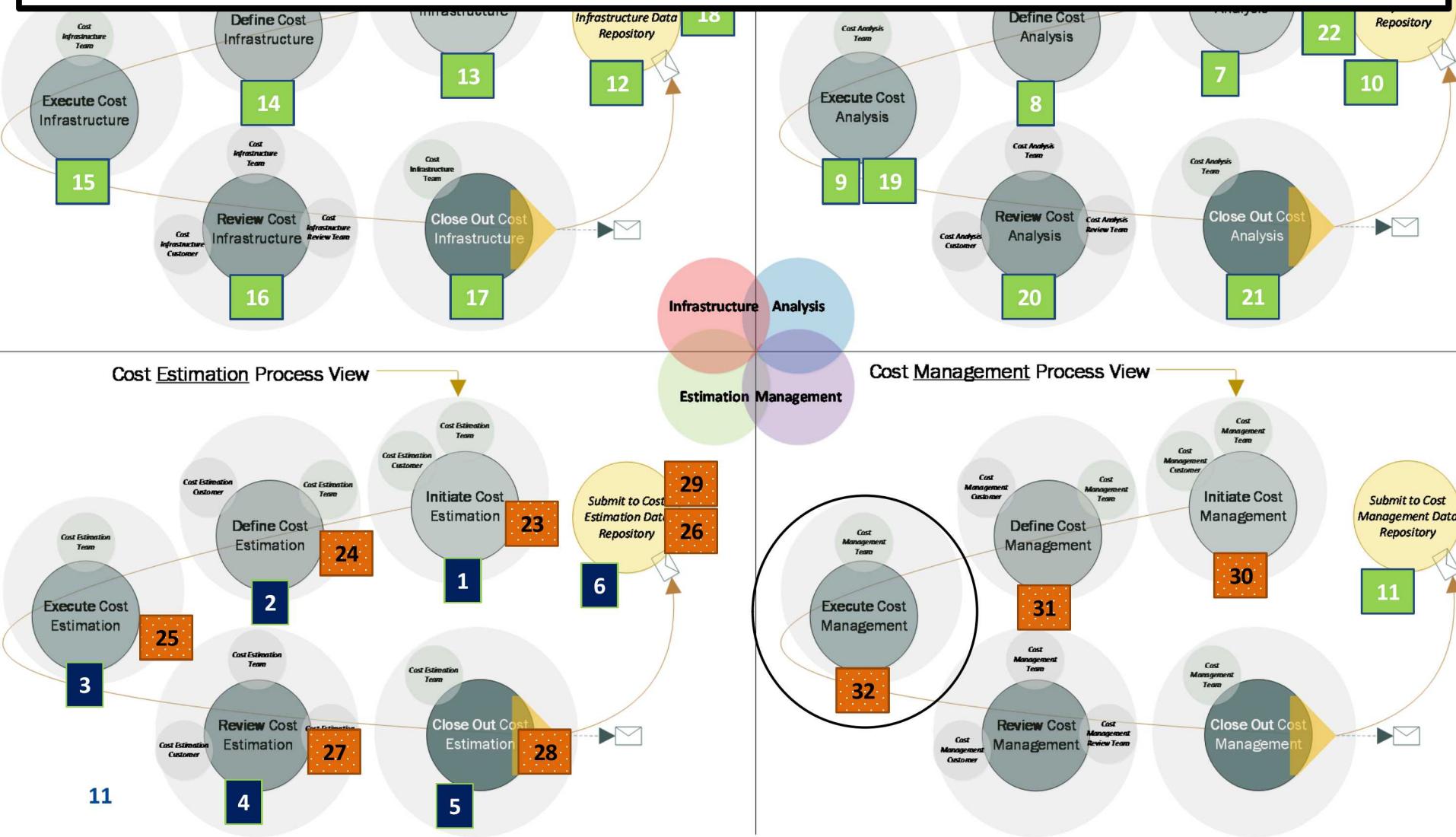


Organizational Cost Community Framework

Cost Infrastructure Process View

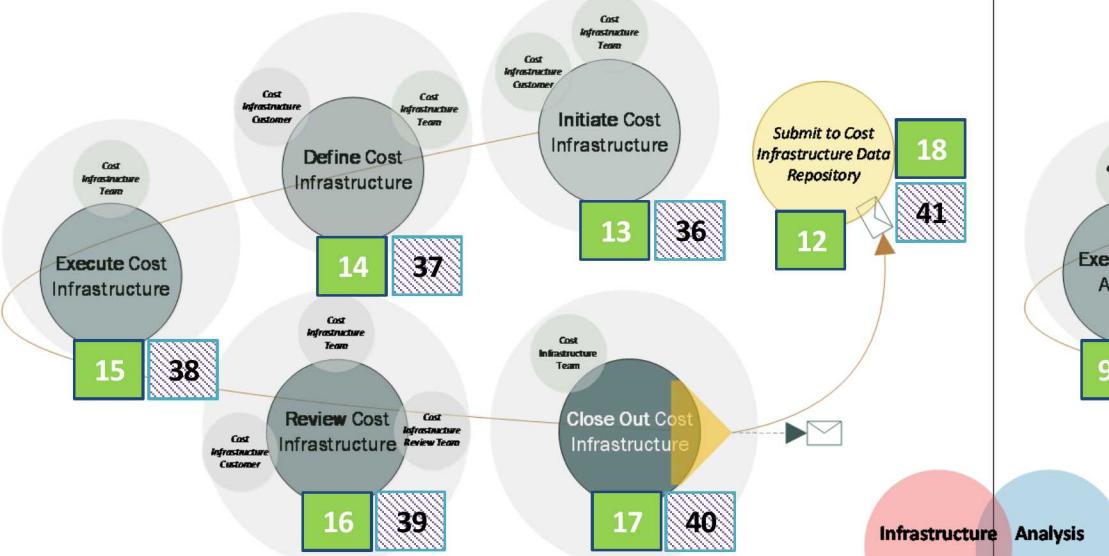
Cost Analysis Process View

Case Study 3: The Cost Analysis Team, through the Cost Analysis Process, completed the scope defined by the Cost Estimation Team in Case Study 2. The Cost Estimation Team revisits the Cost Estimation Process to seek approval from organizational leadership.

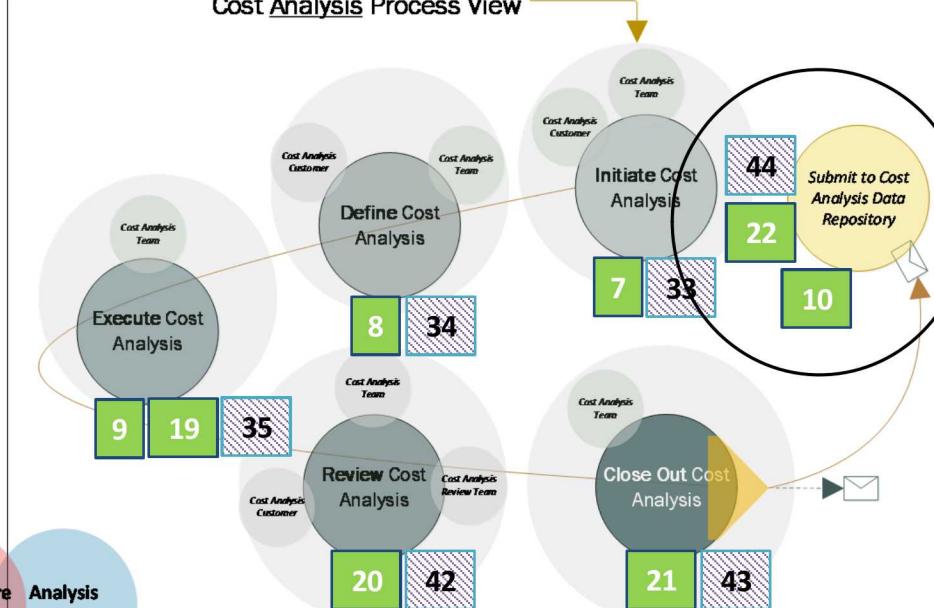


Organizational Cost Community Framework

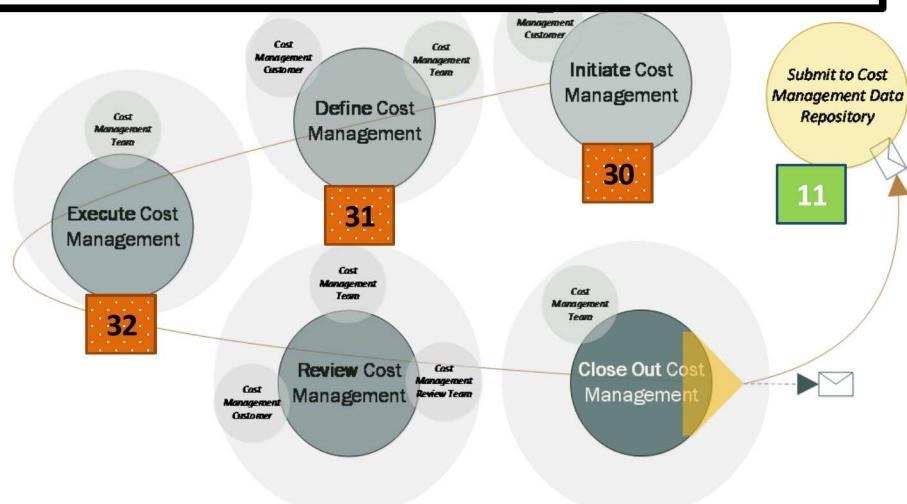
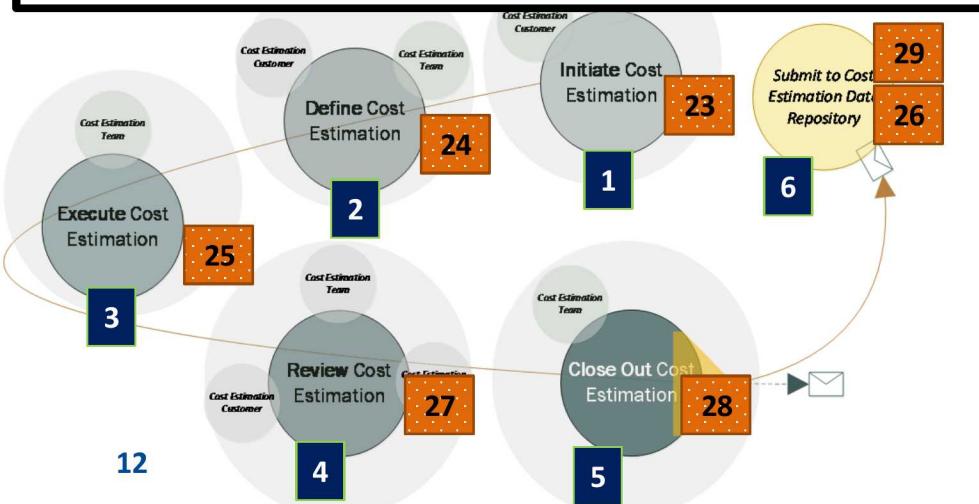
Cost Infrastructure Process View



Cost Analysis Process View



Case Study 4: The Cost Analysis Team, based on their discovery of historic cost data from Case Study 2, initiated the Cost Analysis Process to reconcile the continuum of historic cost data. Furthermore, the Cost Analysis Team initiated the Cost Infrastructure Process to develop an enabling capability to use the historic data for future estimation and analysis.

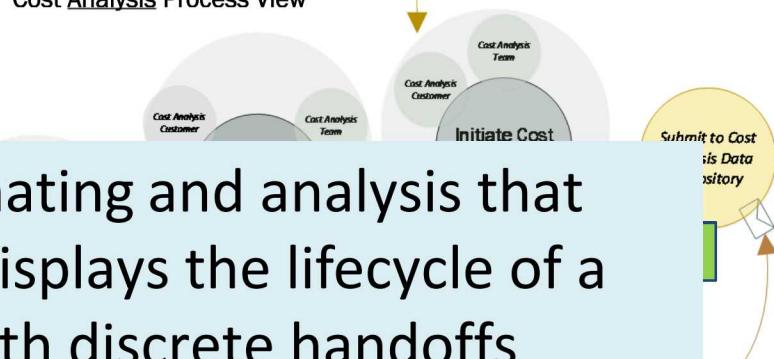


Takeaways

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Cost Analysis Process View



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