MORS Co$t Analysis
Community of Practice (CoP)
Overview

12 May 2015
CoP Purpose

• Formed to continue discussions from the annual Symposium and Special Meetings:
  – Provide an opportunity to meet regularly throughout the year
  – Mostly virtual, but one face-to-face meeting is scheduled during annual Symposium
  – Work on any outstanding issues from Special Meetings that were not resolved
  – Share best practices, work being done, etc.
  – Work on Projects
  – Provide technical professional development opportunities for all MORS analysts
• The goal for each CoP is to be tied/linked with one (or more) of the annual Symposium’s composite groups (CGs) or working groups (WGs)
Current MORS CoPs

• Affordability
  – Established in October 2012
  – Key goals
    • Define affordability analysis concepts, including portfolios
    • Develop an affordability analysis "how to manual" ○People, authorities, skills, processes, methods, data and standards
    • Identify organizational accountability across the full life cycle
    • Develop a trace-back capability for key decisions

• Wargaming
  – Established in October 2007
  – Explores the use professional games as a tool for analysis and education
  – “Better Game Design through (deductive) Social Science”
Co$t Analysis CoP: Background

• In recent years, the Department of Defense has been impacted by significant budget constraints, making the defense of the nation more and more challenging.
• The ability to control costs as well as to balance cost with capability has become increasingly more important to senior decision makers.
• As a result of the above, the roles and responsibilities of the cost analyst, in both the public and private sector, have been brought to the forefront.
Co$t Analysis CoP: Charter

1) Provide a forum for communication and collaboration of cost analysis-related topics within the MORS community
Co$t Analysis CoP: Charter (continued)

2) Meet annually in-person (nominally during the annual symposium) as well as regularly throughout the year via “virtual” means (e.g., teleconferences, Adobe® Connect™, etc.) to:

a) Review current cost analysis-related policy and guidance

b) Share cost analysis-related ideas,

c) Discuss cost analysis-related issues pertaining to establishing and maintaining an effective cost-focused OR analysis capability throughout the MORS Community,

d) Document ideas, thoughts, actions, and recommendations,

e) Create and convene a MORS Cost Analysis Workshop.

f) Report regularly to the MORS Leadership (CoP Community Chair) and Sponsors on the status of the CoP.
3) Maintain an interface with the cost-related activities throughout the MORS Community to facilitate quick response collaboration (e.g., peer reviews, directory of key experimentation personnel, etc.)
4) Develop a means to facilitate the sharing of:
   a) Cost analysis-related best practices.
   b) Cost analysis-related processes, analytical models and tools, architecture protocols, and modeling and simulation standards.
   c) Insights, lessons learned, and joint sessions with other MORS CGs and WGs such as Decision Analysis and Modeling & Simulation.
   d) Insights and lessons learned with other cost community members such as:
      • OSD CAPE
      • Service Cost Agencies
      • NASA Cost Analysis Division
      • International Cost Estimating and Analysis Association (ICEAA)
      • Defense contractors
Co$t Analysis CoP: Charter (continued)

5) Maintain a web site identifying and summarizing the cost-related capabilities and activities within the MORS Community

http://www.mors.org/Communities/Cost-Analysis
Co$t Analysis CoP: Membership

• Government
  – Department of Defense
  – Federal Agencies
  – Federally-funded Research Development Centers

• Private Industry

• Academia

• You do not need to be classified as a cost analyst to participate
  – We also encourage leadership to participate as well
Cost Analysis CoP: Benefits

• Brings together cost analysts and the multi-faceted disciplines of the operations research community
• Excellent opportunity for networking and outreach
• Enables members to keep up with the latest in policy, tools, and methods
• Ability to inform senior leadership and to affect change
Co$t Analysis CoP: Website

- Source for research studies, presentations, and other cost-related information.
- Forum for asking/answering questions and collaborating with others across the MORS community.

http://www.mors.org/Communities/Cost-Analysis
Co$t Analysis CoP: POCs

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Questions?
MORS Co$t Analysis
Community of Practice (CoP)
Professional Development Series

12 May 2015
Professional Development Overview

• Monthly presentations to enhance understanding of cost analysis policy, practices, procedures, and tools

• Presenters from across the Cost Estimating, Acquisition, and MORS communities
Professional Development Topics

• Policy/Guidance
  – DoD Instructions (5000.02, 5000.4-M)
  – Federal Acquisition Regulations
  – GAO Cost and Schedule Guides

• Cost Estimating Techniques
  – Learning Curves
  – Software Technical Baseline Review
  – Data Collection/Validation
  – Inflation/Price Escalation
  – Trade-off Analysis
  – Cost/Schedule Risk and Uncertainty

• Cost Estimating Tools
  – Crystal Ball
  – VAMOSC
  – OSD CADE Database

• Miscellaneous
  – Profit and Fee
  – Ethics in Cost Estimating
  – Direct and Indirect Rates
  – Contractor financial Health
  – Cost Proposal Evaluation
Professional Development Discussion

- What topics/focus areas are relevant?
- What is an appropriate level of detail?
- What is the preferred order of topics, if any?
- What “guest speakers” are desired?
- What are other areas/avenues of outreach?
Questions?