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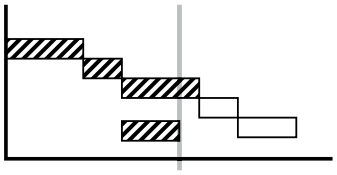
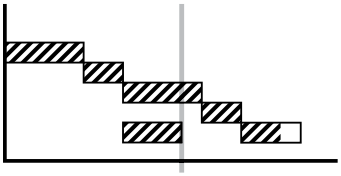
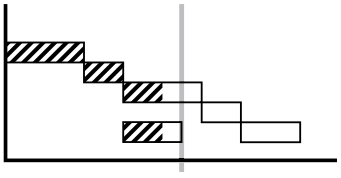
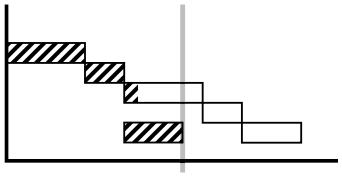
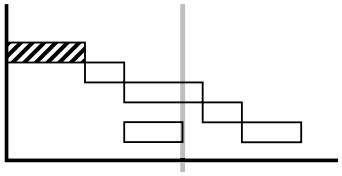
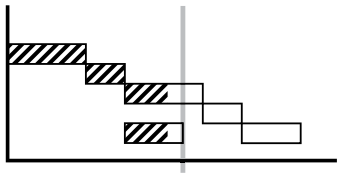
Six Cost Performance Scenarios

	PLAN TO DATE	ACTUAL TO DATE	ACCOUNTANTS ARE SAYING	GANTT	REAL SITUATION
SCENARIO 1	500	720	**DISASTER!**		Only a bit ahead and ***a lot*** overspent. Looks very bad, and is still pretty bad, though not quite as bad as it looks since some of the overspend is due to our being ahead of schedule. Will be OK if Time is the key driver.
SCENARIO 2	500	650	**OVER BUDGET**		Unfairly blamed. ***We*** know that the overspend is because we are ahead of plan – in fact we've nearly finished. We'll come in ahead of time AND under budget. Very rare in real life, unfortunately. Should make you wonder whether the quality is OK. Or maybe it was bad estimating? You can't win!
SCENARIO 3	500	550	**SLIGHTLY OVER BUDGET**		Project Creep. Common, and worse than it looks. Overspend partly hidden by lateness. We're only a little bit late, and only a little bit overspent, but these combine. For example, if we planned to spend 30 and have spent 32, and have only done 28, we are 4 over, not 2, and we'll end up 8 over if we don't do something ***now!***

SCENARIO 4	500	500	**SPOT ON!**		It could be that our spending is capped, either by strict cost controls, or by labour being our main cost. We have spent to plan but done less than planned, so we are both late and over. Common, bad, and hard to spot. Nobody will know there's a problem until the finish date, when we're not finished!
SCENARIO 5	500	450	**GOOD**		Unfairly praised. Time to get your CV typed! Because although we planned to have spent 50 and we've only spent 49, we've only done 25, so we've been spending double! And we're WAY behind! Total disaster, invisible to the accountants. Compared with the next example the difference is the degree of lateness and the degree of underspend.
SCENARIO 6	500	450	**VERY GOOD**		Only half as good as it looks, but still good. We've spent a lot less, but done a bit less, so by the time we've done the bit of work that's still left we'll still be under budget. But we are late. We probably have the option to use some of the spare money to crash some tasks and catch up some of the time.