

The logo for Standards Australia, featuring a stylized yellow and white wave shape with overlapping circles.

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Update to Australian Standard AS4817 Using ISO 21508:2026 as the Basis

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Convenor ISO TC258 WG12 EVM & WBS Updates

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Agenda

1. The Challenge Facing Major Projects
2. Context (of relevant ISO standards)
3. Evolution of Earned Value Management
4. Key Changes in ISO 21508:2026
5. Integration of Risk into EVM
6. 12 Integration Clauses (New)
7. Integrating Agile (example)
8. Summary and Conclusions

The Challenge Facing Major Projects

- Around the world, major projects continue to experience:
 - Cost overruns
 - Schedule delays
 - Late visibility of emerging problems
 - Decisions based on optimism and intuition rather than evidence
- Common themes:
 - Approx ~30–40% of projects deliver on time and budget
 - Numbers vary by industry and organizational sectors
 - Mega projects have low rates of success delivering to time and budget
 - Mega projects with hard fix end dates (e.g., Olympics) deliver to schedule but not cost
 - Major problem are usually visible months before they are formally recognized
 - The real issue is rarely lack of effort
 - It is lack of objective performance data providing visibility early enough to act
 - Or management deciding **not** to act proactively where data is providing visibility of emerging performance issues

Optimism & intuition



Late problem recognition



Cost & schedule overruns

Objective performance measurement (EVM)

(EVM)



Early visibility



Better decisions



Improved delivery outcomes

Fundamental Lessons for Successful Delivery

– Based on 30 plus years of personal experience

1. Objectively measure and track project status and performance
2. Investigate deviations from plan so that corrective action can be taken
3. When performance measurement and variance analysis are neglected:
 - Teams are repeatedly surprised by deviations from plan they cannot recover from
 - Projects lose control with recovery becoming impossible
4. Projects which implement EVM achieve better delivery outcomes compared to projects which do not

Context (of relevant ISO standards)

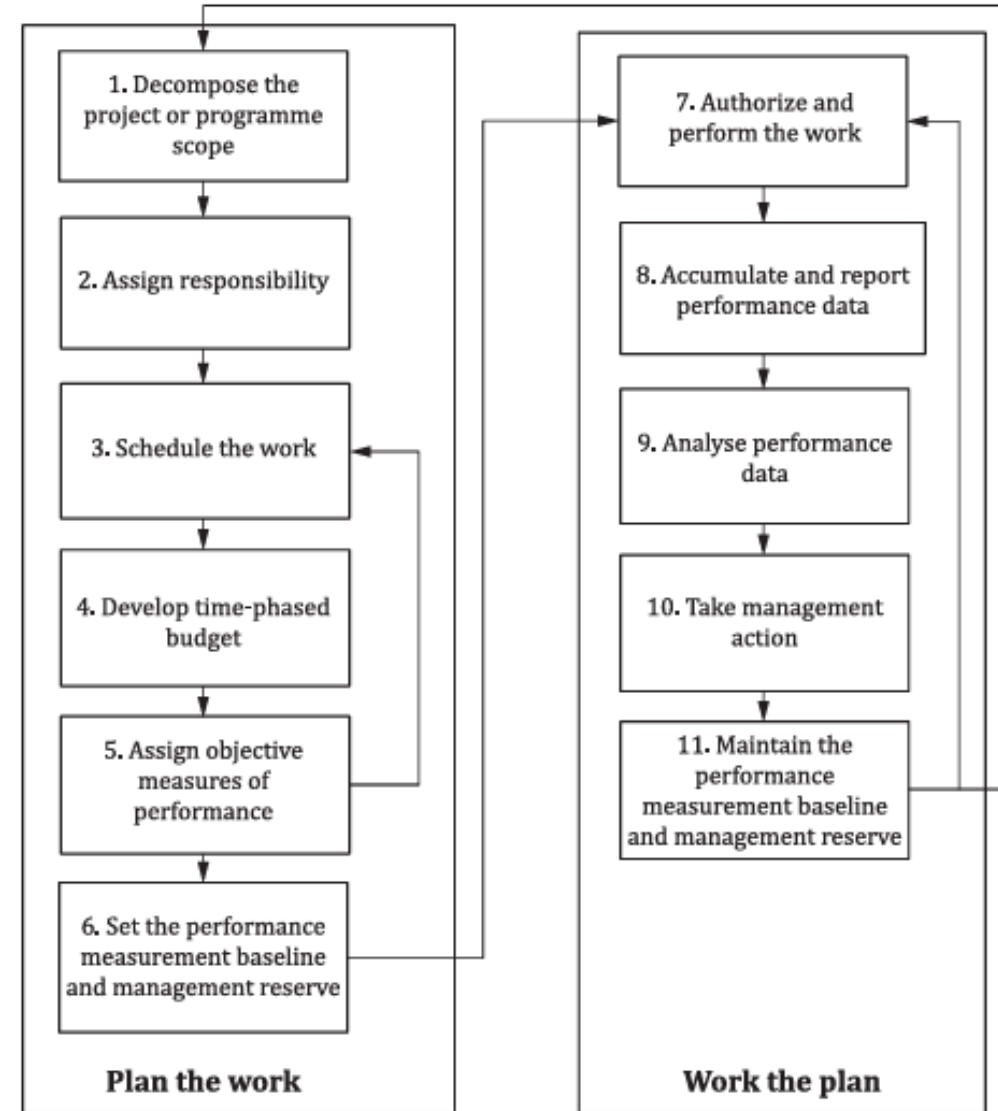
- ISO 21508 ed2 – Earned Value Management (EVM) published **6 Feb 2026**
- SA planning to adopt with modification as AS4817 2026
 - Modification – substitute Clause 5 reinserting “Shall” statements
 - ISO TC258 standards are informative guidance standards
 - AS4817 is a normative standard
- Other relevant standards
 - ISO 21512:2024 EVM Implementation Guidance published in 2024
 - Identical adoption by SA
 - ISO 21511 ed2 - Work Breakdown Structures (revision underway)
 - WBS is **foundational** to project success
- **Goal: Create a modern, integrated EVM standard that addresses contemporary issues and is aligned with global ISO P3M standards**

Evolution of Earned Value Management

- **From Cost Control to Decision Support**
 - Traditional perception of EVM:
 - Cost and (to lesser extent) schedule control tool
 - Often limited to major government (Defence) projects
 - Perceived high nonvalue adding overheads for implementation
 - **To Integrated project performance measurement and management capability**
 - Decision Support:
 - Evidence-based **data driven** decision making
 - Predictive analytics (for schedule as well as cost)
 - Integrating Risk
 - Governance at all levels including portfolio
- Scalable affordable implementations for “most projects most of the time in most organizations”

Key Changes in ISO 21508:2026

- Major updates include:
 - Integration of **risk management into EVM process steps (Clause 5)**
 - Addition of **integration clauses linking EVM to other P3M processes**
 - Expanded application to **portfolio management**
 - Inclusion of **Earned Schedule in the body of the standard**
- These changes reposition EVM as an
 - **Integrated project performance management and control capability**
 - **Governance capability at all levels including portfolio**
 - *Portfolio is important because this is where strategic decisions are made*



NOTE 1 Steps 3, 4 and 5 are performed iteratively.

NOTE 2 The process steps can be performed once or several times during a project or programme.

Integration of Risk into EVM

Risk-Integrated Performance Measurement and Management

New emphasis:

- Risk directly integrated into 11 step EVM processes:
 - Risk identification and mitigation activities included in WBS
 - Risk mitigations and treatments (when risk realized) included in schedules
 - Management Reserve directed linked to, risk realization and residual risk
 - Risk status reflected in performance analysis
- LinkedIn discussion:
 - Ben Collier: ***Integrating risk management into EVM is a game-changer.*** How do you see this impacting project planning early on?
 - Val Jonas: Ben Collier - ***in my opinion, the game-changer is to stop risk being seen as an add-on. It is integral to all decision making, so should be embedded in the process.*** Hence introducing appropriately, it into every part of the 11-step EV process. This includes threat, opportunity and issues management. ***A massive step forward.***

12 Integration Clauses (New)

9 Integrating other P3M processes with earned value management

9.1 Overview

9.2 Integrating across the project, programme and portfolio life cycle

9.3 Integrating risk management

9.4 Integrating earned schedule with the critical path

9.5 Integrating critical chain scheduling

9.6 Integrating agile

9.7 Integrating project, programme or portfolio management office

9.8 Integrating resource management

9.9 Integrating systems and engineering planning

9.10 Integrating technical performance measurement

9.11 Integrating continuous improvement

9.12 Integrating governance

9.13 Integrating benefits management

Integrating Agile

- Integrating Agile Clauses in 2108 ed2 and ISO 21512 explain:
 - The “What” and “How” of integrating Agile into EVM
 - Supports integration without detracting from Agile
- The “how” is extensively treated in ISO 21512
 - Planning for Agile in EVM environment
 - Decomposing work to integrate Agile (using WBS)
 - Integrating EVM and Agile measures
 - Integrating Agile progress into the schedule
 - Analysis and Reporting
 - Treatment of changes to project scope
- The ability of Agile teams to prioritize work in sprints is **not** affected
- Figure 26 from ISO 21512 is part of a step-by-step process description covering:
 - Measuring Agile progress
 - Incorporating Agile progress into schedule
 - Accumulation of Agile progress as Earned Value
- Additional coverage (ISO 21512)
 - Analysis of performance using Agile **and** EVM metrics
 - Taking management action

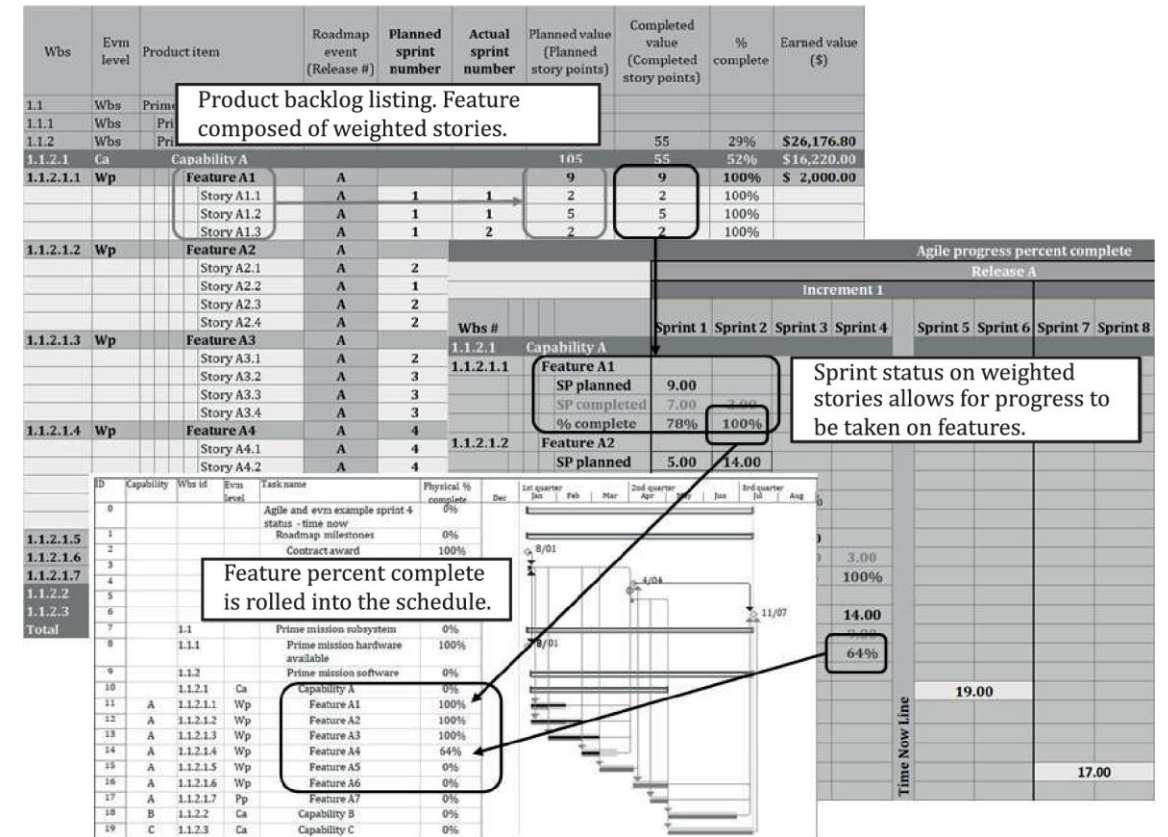


Figure 26 — Example of an integration of sprint status, product backlog and integrated schedule

Summary and Conclusions

- ISO 21508 ed2 (2026) EVM Standard is a substantial update on 1st edition standard
 - “Game changing” integration of Risk into EVM 11 step process
 - 12 new integration Clauses
 - Expansion of standard to include portfolio
 - Important because portfolio is where strategic decision are made
 - Moving Earned Schedule into body of standard
- **Goal:** Create a modern, integrated EVM standard that addresses contemporary issues and is aligned with global ISO P3M standards
- Standards Australia will adopt as AS4817
 - “Modified” adoption as per AS4817-2019
 - Insert “shall” statements in Clause 5
- **Aim:** Promote the adoption of EVM for “most projects most of the time in most organizations”
 - In conjunction with the other ISO standards, notably ISO 21512: 2014 EVM Implementation Guidance

The logo for Standards Australia features a stylized yellow and white shape resembling a leaf or a drop, with several overlapping white circles of varying sizes. A thin white line curves around the bottom and left sides of the graphic.

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Questions and Thank you
