

Huntsville Regional Chapter of INCOSE Meeting Minutes June 21, 2007

1. Chester Williams, President of INCOSE HRC, welcomed the attendees who had gathered at the SAIC Millennium Room for this General Meeting. The meeting was opens at 5:50 PM. There were 19 attendees. Chester introduced 2 first time attendees.
2. Chester introduced Dr. Christian Smart, the speaker for the evening. He is currently a technical manager with MCR, LLC, and is a SCEA certified cost estimator /analyst (CCEA), and a member of the Society for Cost Estimating and Analysis (SCEA) and the International Society of Parametric Analysts (ISPA). Dr. Smart is a past president of the Greater North Alabama Chapter of SCEA.
3. Dr. Smart made the presentation, answering questions from the audience along the way. He described the benefits of a portfolio effect when managing projects as a group. The gap between theory and reality was outlined, and methods for handling this gap were discussed. It was argued that funding for multiple missions benefits from a portfolio effect, that the various risks of cost overruns for individual missions is less when considered as a group. The result of this diversification, in theory, should allow NASA the ability to fund individual missions at, for example, the 61st percentile, while achieving an overall confidence that is much higher, such as the 80th percentile. He discussed that cost estimation has a need for uncertainty and a common set of terminology to work. He discussed Risk adjustments, S Curves and Confidence levels and how this leads to modern portfolio theory. He mentioned works by Harry Markowitz and Tim Anderson that have help to advance this methodology. There was a lot of question and answer around the politics of upfront schedule estimation, with the audience stating that many projects would not be started if the “true” duration we know up front, and that this leads to as much estimation error as any discussed.
4. After Dr. Smart's excellent presentation, he opened it up for Questions and Answers from the receptive audience.
5. Chester thanked Dr. Smart for an excellent and informative talk, and everyone applauded. Chester on behalf of the Chapter presented him a plaque/framed certificate. The meeting was adjourned at 7:20 p.m.
6. An Officers meeting followed the general session. The topics included a status on points for receiving INCOSE recognitions for the chapter in 2007, and the plan for speakers for the general sessions for the next few months. This meeting lasted approximately 45 minutes.