

Subject	Formula	Description
% Spent	$PS=AC/BAC*100$	Used to calculate the amount of money spent presented as a percentage
1 Sigma	1 s = 68.26%	Used in Quality Management to calculate the percentage of data that will found within + or - 1 sigma from the mean
2 Sigma	2 s = 95.46%	Used in Quality Management to calculate the percentage of data that will found within + or - 2 sigma from the mean
3 Sigma	3 s = 99.73%	Used in Quality Management to calculate the percentage of data that will found within + or - 3 sigma from the mean
6 Sigma	6 s = 99.99%	Used in Quality Management to calculate the percentage of data that will found within + or - 6 sigma from the mean
Actual cost of work performed (ACWP)	ACWP = AC	It refers to the actual cost incurred so far
Backward pass - Late finish (LF)	LF=LS of the Successor	A scheduling method to calculate duration of the project
Backward pass - Late Start (LS)	LS=LS - Duration +1	A scheduling method to calculate duration of the project
Benefit Cost Ratio (BCR)	BCR = Benefit/Cost	Used to find the worth of a project by comparing benefits and costs
Beta Distribution Estimate	$E = (O+4M+P)/6$	Used to estimate time
Budget Estimate	BE = -10% - +25%	An early stage estimation technique
Budgeted Cost of Work Performed (BCWP)	BCWP = EV	It calculates the amount of budget and time spent considering the amount of work done
Budgeted Cost of Work Scheduled (BCWS)	BCWS = PV	A measure of present value of the future cash
Cash Flow (CF)	CF = Cash In - Cash Out	Used to calculate the liquidity of cash
Communication Channels	$C = n(n-1)/2$	Used to calculate umber of communication channels in an organization
Control Limit	CL = 3 s From mean	Used to reflect expected variation of data
Control Specifications	CS CL (Defined by customer)	Used to reflect expected variation of data
Cost Variance % (CV%)	$CV\% = CV/AV*100$	used to calculate the difference between planned and actual cost presented as a percentage
Cost variance (CV)	CV=EV-AC	used to calculate the difference between planned and actual cost
Cost performance index (CPI)	CPI=EV/AC	used to know how good the cost is on track
Crashing	More Resources	A technique to compress the schedule
Critical Path Float	Zero	It has a standard value of zero
Current Assets (CA)	CA = Short term assets	Used to calculate the short term assets
Current Liabilities (CL)	CL = Short term liabilities	used to calculate the short term liabilities
Definitive Estimate	DE=-5%- +10%	An early stage estimation technique
Discount Factor (DF)	DF =	used to calculate the time value of money
Discounted Cash Flow	DCF=CF*DF	Used to calculate investments while discounting the accumulated interest
Double Declining Balance Method - Book Value	BV=BV at the beginning DE(d)	Used to calculate the depreciated value of an assets

Double Declining Balance Method - Depreciation Expense	$DE = DR(d) * \text{Book value in the beginning of year}$	Used to calculate the depreciated value of an assets
Double Declining Balance Method - Depreciation Rate	$DR(d) = 2 * (100\% / \text{Useful Life})$	Used to calculate the depreciated value of an assets
Earned Value (EV)	$EV = \text{Percentage complete} * BAC$	It calculates the amount of budget and time spent considering the amount of work done
Earned Value Measurement	$EMV = \text{probability} * \text{Impact (in currency)}$	Used to measure project performance
Earnings Before Interest & Taxes (EBIT)	$EBIT (\text{earnings before interest and taxes}) = \text{Operating profit} + \text{non operating income}$	Used to calculate profit
Earnings Before Tax (EBT)	$EBT = \text{Operating profit} - \text{one off items and redundancy payments, staff restricting} - \text{interest payable}$	Used to calculate profit
Economic Value Add (EVA)	$\text{Net operating profit after tax} - \text{cost of capital (Revenue - Op. Exp - Taxes)} - (\text{Investment capital} * \% \text{ cost of capital})$	Economic value Add benefit measurement
Estimate Class - Definitive	Project definition = 50% - 100%	An early stage estimation technique
Estimate Class - Intermediate	Project definition = 1% - 15%	An early stage estimation technique
Estimate Class - Preliminary	Project definition = 10% - 40%	An early stage estimation technique
Estimate Class - Substantive	Project definition = 30% - 70%	An early stage estimation technique
Estimate to complete (ETC)	$ETC = EAC - AC$	Used to make a forecasted estimate
Estimate to complete (EAC)	$EAC = BAC / SPI$	If schedule variance continues
	$EAC = BAC / CPI$	If cost variance continues
	$EAC = AC + ETC$	Rebaseling Fundamentally flawed
	$EAC = AC + BAC - EV$	Whatever has happened, project will be on budget atypical
	$EAC = AC + (BAC - EV) / (CPI * SPI)$ $EAC = AC + ((BAC - EV) / CPI)$	Used when both cost & schedule performance are considered. Typical
Fast Tracking	Parallel task	A technique to compress the schedule
Forward pass - Early Finish (DF)	$EF = ES + \text{Duration} - 1$	A scheduling method to calculate duration of the project
Forward pass - Early Start (DS)	$ES = EF \text{ of predecessor}$	A scheduling method to calculate duration of the project
Gross profit	$\text{Gross profit} = \text{sales revenue} - \text{cost of sales and other direct costs}$	Used to calculate profit
Gross profit percentage	$\text{Gross profit percentage} = [(\text{net sales} - \text{cost of goods sold}) / \text{net sales}] - 100\%$	Used to calculate profit

Internal Rate of Return (IRR)	IRR = Rate when NPV is Zero	The rate at which a future value can be calculated to have zero present value
JIT Inventory	0%	A technique to improve performance in a supply chain
Mean	$m = x_1 + x_2 + \dots / n$	Used to calculate mean i.e. Sum of items / n
Median	med = $X(n+1)/2$ (n is odd) = $(X_n/2 + X(n+1)/2)$ (when n is even)	Used to calculate mean i.e. Middle value
Mood	mode = X_f when f is highest	Used to calculate mean i.e. Frequent value
Net income (NEAT)	Net Income = Operating profit - Taxes - interest	Used to calculate the amount of money realized by selling goods (or services)
Net Income After Taxes (NEAT)	NEAT = Net Income - Tax	Used to calculate net income after deducting tax
Net Income Before Taxes (NEBT)	NEBT = Net Income	Used to calculate net income
Net Present Value (NPV)	NPV = PV (Cash Inflow) - PV (Cash Outflow)	A measure of present value of the future cash inflow minus outflow
Net Profit	Net profit = net sales - cost of goods sold - operating expense - taxes - interest	Used to calculate profit
	Net Profit = operating profit - taxes - interest	Used to calculate profit
Net Sales	Net Sales = Gross sales - (customer discounts + returns + allowances)	Used to calculate the amount of money realized by selling goods (or services)
Operating Profit	Operating Profit = gross profit - total operating expenses	Used to calculate profit
	Operating Profit = gross profit - overheads and other indirect costs	Used to calculate profit
Order of Magnitude	QM = -25% to 75%	An early stage estimation technique
PERT Estimate Standard Deviation	SD = $(P-O) / 6$	A three point estimation technique
PERT Estimate Standard Variance	VAR = $SQR(SD)$	A three point estimation technique
PERT Estimation	$E = (O+4M+P)/6$	A three point estimation technique
PM Communication Time	90%	Amount of time PM spends communicating
Pareto Principle	80/20	A rule that is used to attributed causes of risks, issues, productivity and other parameters
Payback Period	CBR = Cost / Benefit	Used to calculate the time required to get back the time invested
Percentage Complete	PC = $EV / BAC * 100$	Used to know the progress of an activity or project
Point of Total Assumption (PTA)	PTA = $((\text{Ceiling Price} - \text{Target price}) / \text{Buyers share ratio}) + \text{Target cost}$	Used in FPI contracts where at this point the seller bears all the cost overrun
Present Value (PV)	$PV = FV / (1+R)^n$	A measure of present value of the future cash
Retained Earnings	Retained Earnings = Profit after tax - dividends	Used to calculate profit

Return on Assets (ROA)	$ROA = NEBT / TA$ or $NEAT / TA$	Used to calculate a company's profitability as compared to its assets
Return on Investment (ROI)	$ROI = NEBT / TI$ or $NEAT / TI$	Used to calculate the efficiency of an investment
Return on Sales (ROS)	$ROS = NEBT / TS$ or $NEAT / TS$	Used to calculate a company's operational efficiency
Sales Revenue (SR)	Sales Revenue = Price (of product) * quantity sold	Used to calculate the amount of money realized by selling goods (or services)
Schedule Performance Index (SPI)	$SPI = EV / PV$	Used to know how good the schedule is on track
Schedule variance % (SV %)	$SV \% = EV / PV * 100$	Used to calculate the difference between planned and actual schedule (in monetary terms) Presented as a percentage
Schedule variance (SV)	$SV = EV - PV$	Used to calculate the difference between planned and actual schedule (in monetary terms)
Slack	$LS - ES$ or $LF - EF$	A measure of the time that an activity can be delayed without delaying the overall project timeline
Source Selection	$(Weightage \times Price) + (Weightage \times Quality)$	No Value
Straight Line Depreciation - Depreciation Expense	$DE(d) = Asset\ Cost / Useful\ Life$	Used to calculate the depreciated value of an asset
Straight Line Depreciation - Depreciation Rate	$DR(s) = 100\% / Useful\ Life$	Used to calculate the depreciated value of an asset
Sum of Years Digits - Depreciation Rate	$DR(m) = Years\ Left / Sum\ of\ the\ Digits$	Used to calculate the depreciated value of an asset
Sum of Years Digits - Sum of Digits	$SD = Useful\ Life + (Useful\ Life - 1) + (Useful\ Life - 2) + (Useful\ Life - 3) + \dots +$	Used to calculate the depreciated value of an asset
To complete Performance Index (TCPI)	$TCPI = (BAC - EV) / (EAC - AC)$	Used to determine whether an estimate at completion is reasonably accurate
Total Assets (TA)	$TA = Current\ Assets (CA) + Long\ Term\ Assets$	Used to calculate all the assets owned by an organization
Total Investment (TI)	$TI = Sum\ of\ money\ invested\ by\ share\ holder\ through\ equity\ or\ debt$	It is the sum of money invested by share holder through equity or debt
Total Sales (TS)	$TS = Price\ (of\ product) * quantity\ sold$	Total sales
Triangular Distribution Estimate	$E = (O + M + P) / 3$	Used to estimate time
Triangular Estimation	$E(T) = (O + M + P) / 3$	A three point estimation technique
Variance Estimate	$V = Square\ ((P-0)/6)$	Used to estimate time
Variance at completion (VAC)	$VAC = VAC - EAC$	Used to know the difference between budget and estimate at completion
Working Capital	$WC = CA - CL$	Used to calculate capital needed for day to day operations