Labor - Expected Margin ($/%)

The Expected Margin (%EM) is the computed from the [Expected Execution Budget](#) (EB_E) and [labor](#) (LB) amount of a contract.

$$\%EM_{labor} = 1 - \frac{EB\_E}{LB}$$

$$\$EM_{labor} = LB \times \%EM_{labor}$$

It can differ from the [Margin Objective](#) (%MO) depending on how the project is going.

Interpretation

- **%EM >= %MO** - The team will spent less money than expected. In such situations [Execution Efficiency](#) is >= 100%.
- **%EM <= %MO** - The team will spent more money than expected. In such situations Execution Efficiency is <= 100%.

Revision #6
Created 3 March 2023 20:59:38 by guillaume
Updated 14 April 2023 10:19:51 by guillaume