



# Project Cost Management

*Duration: 1 day*

“ PM-Partners have been leaders in training and professional certification for over 20 years.

Our trainers are highly qualified, practitioners in their chosen fields. ”

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## Overview

Increasingly tougher economic conditions mean increasingly tighter project budgets, and a more aggressive focus on meeting a financially on-target delivery.

Every project involves cost management. Whether its delivery is internal or external to the organisation, every project has a cost implication to the organisation's bottom-line profit, cash flow and overall financial wellbeing.

Poor estimates, unrealistic budgets, ROIs (return on investments) falling short of expectations, poor change control, and generally poor financial management usually reflect a lack of knowledge and awareness of the processes, tools and techniques that are available for managing project costs effectively.

Our practical course focuses on providing the knowledge, techniques and practical application of project costing tools to support participants in successfully managing project cost, thus ensuring the maximisation of business returns.

Participants will be guided through a practical and best practice process-oriented approach to managing cost, and will take back to the workplace the ability to apply this knowledge within a realistic and structured framework

## Course Objectives

Participants will learn to apply proven methods for preparing estimates, developing and tracking budgets and use Earned Value Analysis (EVA) to ensure that the forecasted ROI is achieved.

Successful completion of this course will enable participants to:

- Clearly understand the cost management discipline and process
- Recognise potential pitfalls and understand avoidance strategies
- Use a cost management estimation and control plan
- Understand the process and importance of cost estimation, cost budgeting and cost control

# Project Cost Management

## Who should attend?

This course is designed for:

- Project Managers who have not received formal training in Project Cost Management
- Individuals who are about to lead activity on a project
- Project Managers wishing to refresh knowledge, skill and application in Project Cost Management

## Prerequisites

General project management knowledge and experience is essential for attending this course.

Participants will, ideally, have successfully completed a Project Management Fundamentals course and understand the crucial role that cost plays within the project management environment.

## Pre-Course Work

In 200 words or less, describe your current approach to Project Cost Management.

Please provide a very high-level overview of the critical success factors that contribute to your planned delivery.

## Course Summary

### Overview

The importance of effective cost management. The three cost management processes: estimate costs, determine budget, control costs. Lifecycle costing and activities.

### Financial considerations

Types of project costs. Types of project benefits. Cost-benefit analysis calculations.

### Getting ready to estimate

Building the foundations for successful cost estimating: effective scoping, building a work breakdown structure. Identifying and incorporating risks into estimates.

### Cost estimating

Estimate types and their associated accuracy levels. Estimating tools and techniques: 3-point estimating, analogous, parametric, time-cost-quantity.

### Cost budgeting

Presenting the project budget using graphs, spreadsheets and Microsoft Office Project. Guidelines for producing accurate bids.

### Cost control

The project Cost Management Plan. Tracking and measuring performance with Earned Value Management (EVM)

## Course Delivery

Trainers of this course will use a practical delivery approach to provide participants with a 'hands-on', multi-faceted and challenging learning experience.

This course can be held on-site or at our premises. All courses can be customised to suit your requirements.

Optional training modules can be added to complement this course such as risk management or Microsoft Project.

**Materials:** A comprehensive participant handbook is provided.

## Development Units

Participants who have been awarded the Project Management Professional (PMP)<sup>®</sup> credential by the Project Management Institute (PMI)<sup>®</sup> are eligible to earn **7 PDUs** for their participation in this course (7 Technical).

Participants holding any of the Project Management accreditations (CPMP/CPMM/ CPPD) are eligible to earn **14 CPDs** for this short course.