

Managing Project Cost (Tier 3)



2 Days (minimum 6 participants)

Prerequisites

None, although a course in project management basics is recommended.

Audience

Current and aspiring project managers, sub-team leaders, and team members. Project clients, sponsors, and other stakeholders may also benefit.

Description

The purpose of Managing Project Cost is the completion of the project within budget constraints. While cost of resources is the main focus, a broader, life-cycle costing view is examined. Care should also be given to the manner in which different stakeholders measure project costs.

This workshop provides participants with a clear three-step process for managing costs:

- Cost Estimating
- Cost Budgeting
- Cost Control

Participants learn practical techniques for each of these steps. Throughout the course the role of the Project Manager in the cost management process is examined.

Objectives

Upon successful completion of this course, participants will be able to:

- ✓ Employ standard GAAP terms and definitions correctly when interfacing with Financial operations
- ✓ Lead the project team through a systematic process of identifying appropriate resources requirements and estimating the associated costs
- ✓ Develop and express risk in terms of contingency amounts
- ✓ Prepare project budgets, spending plans, and alternative analyses
- ✓ Execute cost control tools and techniques (such as EV) in order to provide for good decision making, keeping the project within cost constraints

Managing Project Cost (Tier 3), continued

MODULE 1: Introduction to Managing Project Cost

- Purpose
- Key Concepts and Definitions
- General Costing and Project Costing Context
- PMI Perspective Overview

MODULE 2: Developing Cost Estimates

- PMI Cost Estimating Process
- OBS/WBS Relationship
- Cost Estimating Methods
- Resource Planning
- Cost Estimating Definitions

MODULE 3: Project Cost Budgeting

- PMI Cost Budgeting Process
- Reserve Analysis
- Cost Estimating Accuracy
- S-Curves
- Funding Considerations

MODULE 4: Controlling Project Cost

- PMI Cost Control Process
- Earned Value and Analysis
- Forecasting
- Life-Cycle Costing

MODULE 5: Summary and Re-cap