

Project Budgeting, Estimation and Cost Saving Techniques

Why Attend

- The overall aim of this course is to provide participants with the knowledge and skills needed to successfully estimate project costs and manage project budgets. Participants in this interactive course will learn all the critical tools and techniques required to plan, manage, control, and optimize overall project finances.

Course Methodology

- This course relies on the use of individual and group exercises aimed at helping participants learn all the key activities related to project budgeting and cost estimation. The course also features the use of a number of case studies and role plays by participants followed by discussions. In addition, this course incorporates pre and post testing.

Course Objectives

By the end of the course, participants will be able to:

- Explain the project cost management process and develop project cost management plans
- Develop a business case and utilize capital budgeting techniques to evaluate long-term investments used in a project
- Develop accurate estimates and identify different methods for estimating a project's overall costs
- Develop a project cost baseline and project budget and explain contingency and management reserves allocated for the project
- Identify project variance and calculate project performance metrics using earned value analysis
- Identify different cost-saving strategies for projects and apply continuous improvement concepts on project overall finances

Target Audience

- Project managers who seek to estimate costs for the activities of their projects, manage project budgets, and learn the different methods that can help in saving project costs. Our institute has been reviewed and approved by the PMI® Authorized Training Partner Program. This course is worth 30 Professional Development Units (PDUs).

Target Competencies

- Project management
- Project planning
- Budgeting
- Cost estimating
- Earned value analysis
- Cost savings

Overview

- Project life cycle
- Project cost management processes
- Cost management plan

Capital budgeting

- Business case
- Capital budgeting techniques
- Benefit/Cost Ratio (B/C)
- Return on Investment (ROI)
- Payback Period (PBP)
- Net Present Value (NPV)
- Internal Rate of Return (IRR)
- Decision Tree/Expected Monetary Value (EMV)

Cost estimation

- Building work breakdown structure
- Estimation accuracy
- Cost estimating techniques
- Expert judgement
- Analogous estimating
- Parametric modeling
- Bottom-up estimating
- Three-point estimating

Project budgeting

- Cost aggregation
- Preparing budgets
- Types of costs
- Contingency reserves
- Cost baseline
- Management reserves
- Funding limit reconciliation
- Cashflow management
- Project cost optimization

Cost saving strategies

- Cost saving strategies for projects
- Optimize the use of labor
- Smooth workloads
- Improve quality of your processes
- Value stream mapping

Earned value management

- Variance analysis
- Earned value analysis
- Cost performance metrics
- Schedule performance metrics
- Forecasting your project
- Control account management