
Cost Management

Credits 1.4 CEUs / 14 PDUs

2 Days

Course description

The first step in successfully managing a project's costs is to have a project budget that realistically reflects the costs for executing the project. This course gives project managers the tools they need to develop reliable cost estimates by assessing necessary project resources, applying one or more cost estimating methods, adjusting the estimates based on resource availability and project risk, and evaluating the quality of cost estimates prepared by others. This course is 100% compliant with the Project Management Institute's (PMI's®) current Project Management Body of Knowledge (PMBOK®).

Who should attend

This course is primarily designed for project managers or individuals who have project management training, or experience in project management techniques such as scope statement development, work breakdown structures, risk and resource planning. Prior involvement with project budgets or cost estimating at an elementary level is expected. This is NOT a course for professional full-time cost estimators. Individuals taking this course should have at least two years of experience working on project teams.

What you will achieve

- An understanding of the three basic cost estimating methods contained in the PMBOK® Guide, Third Edition, and the advantages and disadvantages of each
- The ability to prepare a basic cost estimate using bottom-up estimating
- The ability to evaluate the adequacy of a cost estimate prepared by a project team member
- The ability to prepare a project cost baseline, allocating estimated costs over the life cycle of the project

What you will learn

- Analogous and Parametric Estimating - how to use information from previous projects and industry standards to estimate costs for a new project
- Bottom-up Estimating - how to develop a project estimate, working upward from the project's work activities
- Estimate Evaluation - how to record cost estimates, and things to look for to evaluate the quality of a cost estimate
- Life-Cycle Costing - how to estimate the costs of long-term and multi-year projects
Time-Phased Budgeting - how to prepare a project cost baseline that will be used to measure and monitor cost performance during project execution

Agenda

Day One

- Course Introduction
- Overview of Project Cost Management
- Cost Estimating

Day Two

- Cost Budgeting
- Cost Control