

Project Management (PM)

Project Cost Estimating - 3 Days

Course Code: PM404

Estimating costs is as much an art form as an accounting process. To do it successfully one must have a good understanding of the work required and the skills of those performing the work. The course introduces methods and techniques used in estimating project costs through defining tasks via a work breakdown structure (WBS). A wide variety of cost estimating techniques are practiced during the workshop and emphasis is placed on selecting the most accurate estimating methods for a particular task.

Learning Objectives

- Define cost estimating
- Review project cost basics
- Differentiate direct and indirect costs
- List cost estimating terminology
- Create a work breakdown structure (WBS) for use in cost estimating
- Identify costs to be estimated
- Evaluate cost estimating techniques
- Select techniques to achieve more accurate results
- Apply techniques to plan, measure, and control costs
- Practice cost estimating
- Improve cost accuracy
- Establish reserves to cover risks
- Use team estimating
- Create a Spend Plan
- Create several Cost Estimates throughout the workshop using the techniques learned

Topics & Content

- Familiarize participants with best practices tools, techniques and communication
- Cost estimating process
- Various terminology used in cost estimating
- Cost estimating concepts and elements
- Analogous estimating
- Heuristic estimating
- Delphi Technique estimating
- Parametric estimating
- Phased estimating
- Effort distribution estimating
- Monte Carlo Simulation
- Detail estimates for each work package or task
- Intermediate estimates
- Estimates at completion (EAC)
- Estimate to complete (ETC)
- Factors that influence estimates
- Effort vs. duration estimates
- Documenting estimates
- Basis of estimate (BOE)

Course Information

Duration

3 days

Audience

Those responsible for estimating costs on projects.

Accreditations

PMI: 21 PDUs

SHRM 21 PDCs

OPM: 21 CLPs

OPM Competency:

Financial Management



“It was very informative and enjoyable. It covered some topics that I already knew but allowed me to look at them from a different view.”