



FUNDAMENTALS of Cost Estimating

Course Introduction:

This course covers the fundamental principles of cost estimating either in a generic version or a version for capital investment projects (petroleum, utilities, engineering, and construction industries).

The main topics include estimates' classifications, estimating tools and techniques, the importance of historical records, project management maturity and impact on cost estimating. We also emphasize the need to have more than one or two estimates during the project life span. The course will discuss appropriate estimating in accordance with the different project stages and for different requirements.

Further, the course will also cover the specific components of proper estimates, such as: direct and indirect costs, escalation and technology allowances, contingencies and management reserve and any other project specific requirements.

This course will not provide specific rates or material costs tools since these are specific to a company and industry.

Course Objectives:

- Understand key terms and definitions relating to cost estimating
- Understand the need for more than one estimate along the project life span
- Learn about the difference between estimates classifications, which is a function of the use of the estimate
- Develop a good working knowledge of cost estimating tools and techniques
- Learn about the various components of an estimate
- Understand the differences between an estimate and a control budget

Who Should Attend?

- All personnel, project team members, project managers, and others who are interested in learning how to prepare an estimate for projects of all types and classes.
- Other versions of the generic course would be a version with a focus on clients' organizations or an emphasis on capital projects.

Course Outline:

What is cost Estimating

Estimating essential concepts

- Estimating tools and techniques
- How many estimates during project life span
- Estimates' classifications
- Estimates' accuracy
- Estimating and project funding approvals

Requirements for proper estimating

- Scope of work
- Schedule
- Influence of project management maturity

Cost estimating essential components

- Direct versus indirect costs
- Productivity
- Non-obvious costs
- Management & overhead
- Escalation factors
- Special allowances (new technology, others)

Reserves

- Contingency reserve
- Management reserve

Estimating versus budgeting

- Control estimate
- Control accounts

Class wrap-up

- Class project
- Action plans

Course Certificate:

International Center for Training & Development (ICTD) will award an internationally recognized certificate(s) for each delegate on completion of training.

Course Methodology:

A variety of methodologies will be used during the course that includes:

- (30%) Based on Case Studies
- (30%) Techniques
- (30%) Role Play
- (10%) Concepts
- Pre-test and Post-test
- Variety of Learning Methods
- Lectures
- Case Studies and Self Questionnaires
- Group Work
- Discussion
- Presentation

Course Fees:

To be advised as per the course location. This rate includes participant's manual, and-Outs, buffet lunch, coffee/tea on arrival, morning & afternoon of each day.

Course Timings:

Daily Course Timings:

08:00 - 08:20	Morning Coffee / Tea
08:20 - 10:00	First Session
10:00 - 10:20	Coffee / Tea / Snacks
10:20 - 12:20	Second Session
12:20 - 13:30	Lunch Break & Prayer Break
13:30 - 15:00	Last Session