

CMC-101-COST CONSULTANCY & COST MANAGEMENT (OUTLINE)

➤ Overview:

Cost Management Consultancy is becoming more and more a sensitive professional role in large scale projects in the international market especially at the pre-execution stage.

CMCCO announces here a onetime special training event, aiming at acquiring professional sophisticated skills in cost management and cost consultancy especially at the pre-execution stage.



This training seminar, is presented by experts in the domain of project management with long experience, in implementing cost management and control consultancy services for large scale projects in the international market.

Attendance will acquire in addition to special experience in estimation, cost management and consultancy, will understand deeply several methodologies and systematic approaches in estimation and cost consultancy scopes of work implementation stage.

Together, with acquisition of a variety of help templates and guide procedures that are very much helpful to push their estimation and cost management department performance forward.

The cost consultancy and estimating techniques covered in this course will provide delegates with the necessary skills to forecast accurately the anticipated costs of projects with a focus on estimates for pre-construction services, estimating sub-Contractor work, estimating general conditions, pricing self-performed work, and estimating negotiated contracts.

The development of reliable cost estimates during the design and early conceptual stages of a proposed project is of critical importance since the decision to proceed with a project is often based almost exclusively on early conceptual cost estimates. These estimates also provide the basis for the cash flow projections and forecasts used during the project feasibility study.

Who should attend:

Cost managers, cost consultants, estimation and cost control engineers project/program managers, program management support staff, technical, business managers, control account managers and any other interested candidates in cost management.

Objectives

- To acquire cost estimation and cost management consultancy skills especially in the pre-execution stage
- Apply techniques used in Project estimating, from the conceptual stage to the final detailed estimate
- Understand the different types of contracts based on the distribution of risk between contracting parties
- Synthesize innovative incentive arrangements to get the best results from the contract
- Apply proper risk analysis to effectively mitigate risks at minimal costs, and to determine appropriate contingencies for residual risks
- Prepare lump-sum, unit-price, cost plus, and time-and-materials estimates and contracts

➤ Structure:

30 hours to be distributed over 5 Days.

➤ Content:

A brief description of the sessions is as follows:

Day One

Cost Estimating Basics

- Resources planning at the pre-execution stage
- Historical Analysis of similar projects cost modeling
- Analogous Estimation Techniques
- Scenarios for Cost Modules as per functional analysis of the project
- Project Requirements Integration to functional analysis
- Basic Project Management definitions
- Cost Selection Methods
- The estimating life cycles
- Phases of the Design Process
- Schematic design
- Design development
- Construction documents
- Estimating accuracy by phase
- Conceptual Cost Estimates
- Rough Order of Magnitude Estimates Broad Scope Estimates

Day Two

Cost Estimating Basics

- Parametric Modules within the functional organization of the project
- Life Cycle costing practices at the parametric cost estimation stage
- Lump-sum contracts
- Unit-price contracts
- Cost-plus contracts
- Cost-plus contract with guaranteed maximum price GMP
- Time-and-materials contracts
- Bid method
- Negotiated method
- Quantity take-off & Priced BOQ
- Types of construction contracts
- Procurement methods
- Pre-construction services

Day Three

Budget Estimating Process

- Bottom Up estimation as WBS of project documents
- Design Management and Bottom up estimation issues
- Project Estimation Revisions Procedure
- Cost Management Procedures
- Estimating by design phase
- Design development budget estimates
- Estimating pre-construction services
- Request for proposal
- Development of pre-construction services estimate
- Pre-construction services contract
- Budget control log

Day Four

Approximate & Detailed Estimating Methods

- Unit price bid forms
- Direct cost estimation
- Materials
- Labor
- Indirect labor
- Subcontractors
- Recap summary sheet
- Direct-to-indirect cost factor
- Mark-up determination
- Variation-in-quantity contract provision
- Risk analysis
- Bid finalization
- Procurement Management
- Pre-qualification techniques and grading systems implementation
- Nominated subcontractors' requirements and solicitation process implementation
- Risk distribution in contracting
- Project risk profiles

Day Five

Advanced Estimating Methods

- Building Information Modeling (BIM)
- Cost Estimating Relationships (CER)
- Computer Estimating
- Control Charts
- Case study for estimation and budget report generation for a large-scale project
- Discussion for a practical complete tender document verification and review process for a large-scale project