

## Managing Project Schedule and Costs

Cost management and a well-constructed schedule are the backbone of any successful project. A project's schedule brings the entire picture of the project life cycle into focus, giving clear and concise expectations of project milestones and completion date. Managing costs is more than tracking expenses; it considers how much work was done for the amount spent. Hands-on exercises are used to help you understand the PMI processes for project scheduling and cost management and the principles and techniques they use. This two-day program will equip you with the critical, working knowledge you need to put together winning projects that meet the constraints of your time and budget.

### Learning Points:

- Understand the importance of a good work breakdown structure in managing cost and schedule.
- Use precedence diagramming method to develop a network diagram.
- Practice estimating techniques that can help you create a realistic schedule and budget.
- Use critical path method to calculate project duration and flexibility.
- Understand the importance of a time-phased budget and how to create it.
- Understand techniques for collecting actual performance data and the impact on reports.
- Calculate earned value variance and performance index for schedule and cost.
- Use these calculations to forecast end of project performance.
- Understand the trade-offs between schedule, cost and scope.

### Outline

1. Overview of project management basics
  - a. PMI® and the *PMBOK® Guide* processes
  - b. The project charter and stakeholder expectations
  - c. Competing demands – scope, schedule, cost
2. Project scheduling
  - a. Create a schedule management plan
  - b. Create a network diagram
    - i. Precedence diagramming method
    - ii. Dependencies
    - iii. Lead time and lag time
  - c. Estimating techniques
    - i. PERT, analogous, parametric, Delphi, bottom up, top down
    - ii. Range estimates and confidence levels
    - iii. Reserves

- d. Estimate resources and durations
    - i. labor, equipment, materials, supplies
    - ii. Resource assignment matrix
    - iii. Effort, availability and commitment
  - e. Create a baseline schedule
    - i. Critical path method
    - ii. Critical chain method
    - iii. Project duration and float
    - iv. Schedule analysis and compression techniques
- 3. Cost management
  - a. Create a cost management plan
  - b. Estimate costs
  - c. Create a time-phased budget
- 4. Controlling schedule and cost
  - a. Compare actual performance to planned
  - b. Collect actuals
  - c. Earned value management
  - d. Forecast and trend analysis
  - e. Manage changes

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