

PROJECT BUDGETING & COST MANAGEMENT



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TRAINING CENTER



Introduction

Project Budgeting & Cost Management Training Course builds the financial control a project manager needs to deliver within cost. Participants work through cost estimating, budget construction, cost baselines, commitment control, cost monitoring, and corrective action as one connected discipline. The programme links project management practice with the cost accounting that governs how project spend is recorded and reported. As a result, learners gain a method that keeps projects financially visible. Furthermore, the course strengthens estimating discipline, cost control rigour, and the reporting that stands up to finance review and audit.

Project Budgeting & Cost Management Course Objectives

- Explain the project lifecycle and where cost control applies.
- Estimate project costs using bottom-up, parametric, and three-point methods.
- Build a project budget with cost baselines, phasing, and contingency.
- Apply work breakdown structures (WBS) and cost breakdown structures (CBS).
- Apply job costing, activity-based costing (ABC), and relevant costing to projects.
- Apply commitment accounting, purchase orders, and accrual cost capture.
- Apply earned value management (EVM): PV, EV, AC, CV, SV, CPI, and SPI.
- Calculate estimate at completion (EAC) and forecast to complete.
- Apply cost reduction and value engineering without harming scope or quality.
- Prepare project cost reports and support project audit requirements.

Course Methodology

- Interactive sessions built on project budgeting and cost management cases.

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- Workshops on cost estimating, budget construction, and cost control design.
- Group exercises on variance investigation, forecasting, and corrective action.
- Hands-on practice with cost schedules, EVM templates, and cost control reports.
- Simulation of a project cost overrun investigation and a recovery plan.
- Facilitator coaching and peer review on personal project cost plans.

Who Should Take This Course

- Project managers and project controls professionals.
- Project finance officers and cost engineers.
- Quantity surveyors and cost estimators.
- PMO analysts handling project budgets and cost reports.
- Programme managers overseeing multiple project budgets.
- Finance professionals working alongside project teams.

Project Budgeting & Cost Management Course Outlines

Day 1: Project Foundations and Cost Estimating

- The project lifecycle and the cost control points within it.
- Cost versus price and the cost of capital in projects.
- Bottom-up estimating from a work breakdown structure (WBS).
- Parametric estimating and analogous estimating from history.
- Three-point estimating and contingency setting.
- Escalation, currency, and risk allowances.
- Case discussion: a project estimate that missed its biggest cost.





Day 2: Building the Project Budget and Cost Baseline

- From estimate to approved budget and cost baseline.
- Cost breakdown structure (CBS) and cost account design.
- Phasing, cash flow curves, and the S-curve.
- Contingency versus management reserve.
- Capital versus operating treatment of project spend.
- Budget approval, funding gates, and release of funds.
- Workshop: building a cost-loaded project budget and S-curve.

Day 3: Cost Accounting and Commitment Control

- Job costing and cost accumulation by cost account.
- Activity-based costing (ABC) for project activities.
- Relevant costing for change and scope decisions.
- Purchase orders, commitments, and accrual-based cost capture.
- Cost code discipline, coding errors, and reconciliation.
- Period-end accruals, prepayments, and cut-off control.
- Exercise: recording project cost and commitments through a period close.

Day 4: Cost Monitoring and Variance Analysis

- Budget versus actual monitoring and reporting cadence.
- Variance classification and materiality thresholds.
- Price, volume, and efficiency variance decomposition.
- Earned value management (EVM): PV, EV, AC, CV, SV, CPI, and SPI.
- Estimate at completion (EAC) and forecast to complete.

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- Root cause investigation and corrective action planning.
- Simulation: diagnosing an overrun and reforecasting the outturn.

Day 5: Cost Reduction, Reporting, and Closeout

- Cost reduction versus cost cutting and protecting scope quality.
- Value engineering and design-to-cost approaches.
- Change control and its effect on the cost baseline.
- Project cost reports, dashboards, and executive updates.
- Project closeout, final reconciliation, and capitalisation.
- Audit readiness, cost traceability, and lessons learned.
- Capstone: presenting a project cost management and recovery plan.

Conclusion

By successfully completing Project Budgeting & Cost Management, participants will gain a practical command of project cost estimating, budget construction, commitment control, and cost performance analysis. They will acquire skills in cost breakdown structures, earned value analysis, forecast-to-complete calculation, and value engineering that keep projects within cost. Gentex Training Center designs the programme to help project professionals manage project cost with confidence.

FAQs





Q1 What is the "Project Budgeting & Cost Management" course about?

It builds the financial control a project manager needs to deliver within cost. The course spans project foundations and cost estimating, building the project budget and cost baseline, cost accounting and commitment control, cost monitoring and variance analysis, and cost reduction, reporting and closeout.

Q2 What are the key benefits of the "Project Budgeting & Cost Management" course?

You gain a method that keeps projects financially visible. The course improves estimate quality and contingency setting, strengthens cost baseline and commitment discipline, sharpens earned value and variance analysis, and gives you value engineering approaches that reduce cost without damaging scope.

Q3 What skills will I gain from the "Project Budgeting & Cost Management" course?

You will develop four core skills: project cost estimating with contingency setting, project budget and cost baseline construction, cost accounting with commitment control, and cost monitoring with earned value analysis and corrective action.



Q4 What tools, methods, or standards are covered in the "Project Budgeting & Cost Management" course?

The course covers the project lifecycle and cost control points, bottom-up, parametric and analogous estimating, three-point estimating, escalation and risk allowances, work breakdown structures (WBS) and cost breakdown structures (CBS), cost baselines and phasing, cash flow curves and S-curves, contingency and management reserve, capital versus operating treatment, funding gates, job costing, activity-based costing (ABC), relevant costing, purchase orders and commitment accounting, accrual-based cost capture, cost code discipline and reconciliation, period-end accruals and cut-off control, budget versus actual monitoring, variance classification, price, volume and efficiency variance decomposition, earned value management (PV, EV, AC, CV, SV, CPI, SPI), estimate at completion (EAC) and forecast to complete, root cause investigation, value engineering and design-to-cost, change control, project cost dashboards, closeout reconciliation and capitalisation, and audit readiness and cost traceability.

Q5 How is the "Project Budgeting & Cost Management" course applied in real-world practice?

Participants apply it to real work such as building a project cost estimate with contingency, converting it into a cost-loaded budget and S-curve, recording costs and commitments through a period close, diagnosing an overrun and reforecasting the outturn, and running a value engineering exercise on a project package. The same methods support change request assessment and closeout reconciliation.