

Course ID
PROJBUDG
Course Duration
2 days
PDUs
14 PDUs

Course Title
Building and Controlling Project Budgets

Related Courses

- Controlling Project Risk: Managing Threats and Promoting Opportunities (RISK, 3 days)
- Controlling Change to Scope and Requirements (CONTROL, 2 days)
- People in Projects: Foundation for Project Success (PEOPLE, 3-4 days)
- Advanced Project Management for the Experienced Practitioner (ADVPM, 4 days)
- Cost Reduction: Opportunities and Strategies (COSTRED, 2 days)
- Engineering Economics: A Comprehensive Workshop (ECONENG, 2 days)

Aimed At

This course will be of immediate value to Business Owners, Project Managers, Portfolio Managers, Budget Analysts, Project Estimators, Functional Managers, PMO/COE Directors, Product Development Directors, Senior Managers, Acquisition/Procurement Officials, and Business Managers with project responsibility.

Group Size

5 to 25

Prerequisites

This course assumes familiarity with basic project management concepts as well as some experience in the planning and management of project budgets. Effective Project Management (PROJMGT3, 3 days) or the equivalent is suggested to ensure a firm grounding in Project Management concepts.

Course in a Nutshell

This course delivers practical, hands-on training in the development and management of project budgets. Budgeting is viewed both from the portfolio level, where effective project selection is critical, to the project level where detailed planning is a must. Attendees are shown how to generate useful preliminary estimates; use a project charter to establish a solid foundation for project budgeting; use Work Breakdown Structure, Risk Analysis and other techniques to drive budget accuracy; employ Earned Value Management as the tool of choice for accurate forecasting; control project cost through effective Change Control; and execute a Transition Plan in order to optimize long term project value.

Customize It!

- ***Are your projects consistently over budget?*** This course can be customized to help you improve control over the budgets of your most important projects.
- ***Are you a project manager who would like to go beyond the standard project management curriculum?*** This course presents a practical approach to the development of accurate and well managed budgets. Take home a whole new set of tools and techniques.
- ***Are you a manager, executive, or sales person whose work includes responsibility for project success?*** Take this course and learn what you can do to ensure that your budgets accurately reflect the work that must be done to reach the business objectives of your projects.

Course Topics:

- Why we do projects: Business Value
- Portfolio Management Perspective: *Every Project is an Investment*
- Budget lifecycle
- The four functions of the budget
- Using project management best practices to prevent cost overruns
- Creating useful preliminary estimates of project cost
- Importance of the Work Breakdown Structure (WBS)
- Investing in Risk Management to reduce project cost
- Creating a detailed project budget
- The project performance baseline
- Monitoring project cost and progress
- Reporting and forecasting with Earned Value
- Managing budget risks
- Project cost control
- Optimizing long-term project value

Course Outline **The Project Budget in Context**

- Why we do projects: Business Value
- Impact of Portfolio Management
- Budget lifecycle
- Connecting project, program and business budgets
- How effective project management prevents cost overruns
- Setting project baselines
- The four functions of the budget

Initiation

- How to create useful estimates
- Estimating project cost
 - Defining scope
 - Analyzing risks

- Considering organizational impact
- Creating a high level budget
- Estimating Project Return
 - Define Business Value
 - Time frame

Planning

- Work Breakdown Structure (WBS)
- Schedule
 - Building on the WBS
 - Value of a formal schedule
 - Resource planning
- Risk
 - Sources of budget risk
 - Value and cost of proactive risk management
 - Contingency cost
 - Management Reserve cost
- Creating a Budget
 - Elements of project cost
 - Elements of post-project cost
 - Assigning cost responsibility
- The project performance baseline
- Managing project constraints

Execution

- Monitoring project cost and progress
- Forecasting with Earned Value Management
- Controlling cost through project Change Control
- What you should never cut from your project
- Managing project baselines

Transition

- Delivery to the customer
- Optimizing long term project value
- Closing the budget

How You Will Learn

- A highly experienced instructor will use interactive lecture format, numerous hands-on exercises, team activities, group discussions, and other techniques to drive home the essential points of this course.
- You have the option of using your own, ongoing project as the focus of class exercises. As a result, not only do you gain experience with the tools, but you also learn more about your project.
- We will build on your prior experience in project budgeting, while providing you with tools, structure and vocabulary to use in future

projects.

- If you have modest knowledge of project budget concepts, you will find that the clarity of the material and direct presentation style of the instructor will make the subject matter easy to understand.
- You will receive a Student Guide which will help you follow the material, take notes and retain what you learned so that you can apply it on your job.

Revision

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