

# PROJECT COST AND FINANCIAL MANAGEMENT



# COURSE OBJECTIVE

The objective of this module is to enable you to better manage the financial and cost aspects of the project, and to promote a better understanding of the interfaces of cost and other areas of the project. We will discuss the tools used to prepare the financial estimates and what the project manager can do to be in close contact with the project's budget. Additionally we will define and present the concepts of investment projects and the technique used to select projects.

## [ THE PARTICIPANTS WILL LEARN

- The context of project finance and cost management;
- The relationship between quality x cost x schedule.
- The project phases;
- The project cost management processes;
- How to estimate costs;
- The quantitative tools for financial management and project selection;
- How to control the financial aspects of investment projects.

# METHODOLOGY

Macrosolutions / Ricardo Vargas use the state-of-the-art in the training process, including:

- [ Explanatory classes utilizing audio-visual resources.
- [ Use of films and video clips as an educational resource
- [ Demonstrations and computer simulations
- [ Workgroups activities focused in problem-solving
- [ Scenario-based simulations using real cases to be further discussed in groups

# COURSE CONTENT

## [ COURSE OPENING

## [ THE CONTEXT OF PROJECT FINANCIAL MANAGEMENT

- Presentation
- The different types of costs
- Income
- Price formation
- Operating profit

## [ THE RELATIONSHIP BETWEEN QUALITY X COSTS X SCHEDULE

- Direct relationship
- Priority differences among projects
- Cost x Time relationship
- Cost x Performance relationship

## **THE PROJECT PHASES**

- The 5 project phases
- The 5 project phases
- The overlapping of phases in the PMBOK
- The interference of the phases in the project cost management
- The 44 processes that constitute the PMBOK Guide - 4th edition

## **THE PROJECT COST MANAGEMENT PROCESSES**

- Cost estimating
- Budgeting
- Cost Control

## **COST ESTIMATING**

- Detailed estimating
- Analogy
- Parametric
- Monetary adjustments

## **QUALITATIVE FINANCIAL MANAGEMENT TOOLS AND PROJECT SELECTION TOOLS**

- Project selection
- Present value
- Benefit cost analysis
- Net present value
- Break-even point

## **COST CONTROL, IN INVESTMENT PROJECTS**

- Definition
- Order of magnitude control
- Pre-project analysis
- Price formation in investment projects

## **COURSE CLOSE-OUT**

# FURTHER INFORMATION

For further information about this course, please contact:

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