

# Costing and cost estimating methods

## Understand the methods and challenges behind them

NEW

### WHO SHOULD ATTEND?

Controllers – Financial, Consolidation Accounting  
Managers – Buyers – Sales – Project managers –  
Non-finance managers

**Prerequisites:** *this training do not require any prerequisite.*

### OBJECTIVES

- › Understand the fundamental principles of costing
- › Understand the process, issues and players involved in costing
- › Identify cost components and their evolution
- › Understand how and when to apply different costing methodologies
- › Discover these practical methods and apply them through simple case studies

### WHY YOU SHOULD ATTEND?

- › Upstream of a bid submission (in response to specifications), in the process of evaluating an investment, or as part of a cost reduction project (design to cost), estimating the forecasted level of costs is a major input. However, there are numerous costing approaches and methodologies available, each with different levels of precision and reliability. And the increasing volatility of market prices, coupled with the uncertainty of macro-economic variables, makes costing even more critical. As a financial controller, it is therefore essential to know the origin of the figures you are given before using them in your analyses.

### DETAILED CONTENT

#### › Costing fundamentals

- Mission – Roles and responsibilities – Independence
- Objective of cost estimates
- Cost estimation process and stakeholders
- Approaches to cost estimation
- Model-based cost engineering

#### › Cost drivers and calculation parameters

- Types of costs
- Activity Based Costing
- Cost drivers
- Evolution over time, indices, variability, control
- Cost optimization (design to cost)

#### › The main cost estimation methods

- Analogical
- Parametric
- Analytical
- Practical simplified application of each method

### INSTRUCTIONAL APPROACH AND LEARNING ASSESSMENT

- **During the session:** alternating theoretical developments and illustrations drawn from real-life situations. Numerous practical case studies to validate the acquisition of skills as the training progresses.
- **After the session:** the trainer is available to answer any follow-up questions participants may have.

**DURATION:** 1 DAY

**DATES\*:** 27/05/24  
07/11/24

**PRICE EXCL. VAT:** 1 240 €

(\*) Delivery method: face-to-face, subject to change according to your requests and/or health conditions.

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