

WEEK 4: COST PLANNING AND EARNED VALUE ANALYSIS

Cost planning starts with the proposal for the project, at which time project costs are estimated. For budgeting purposes, it is best to keep the work packages or activities small in terms of scope and duration. Once your budget is planned and allocated across your work packages, it is critical to monitor and control your project's cost.

What are some of the ways that a project manager can take these budgeting plans and track and compare them to actual data?

What are some key components to monitor the health of the project, as it relates to earned value?

You are to submit three quality posts over 3 different days, with the first post on or before Wednesday for each graded discussion topic.

Answer:

Typically projects I have been involved with have been budgeted to make the most profit with as little overhead as possible. Although projects rarely ever go 100% according to plan bc foreseen issues do arise and cause delays/budget issues. It's crucial to have these known variables accounted for when bidding a job. Speaking solely in a construction project sometimes heavy machinery breaks down and you may lose a day or so of work while machine gets worked on. So bidding on a job you need to have that mindset going in so when these issues happen you are covered and don't lose profitability. My previous company we would have daily conversations with sales and project manager on what we finished that day and what we foresee our completion