CHAPTER 14

PROJECT CONTROLS

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1. INTRODUCTION

Project controls are systems used to plan, schedule, budget, and measure the performance of a project/program. The cost estimation package is one of the documents that is used to establish the baseline for project controls. This chapter gives a brief description of project controls and the role the cost estimation package plays. Additional information can be found in the Project Control System Guide.

2. COST ESTIMATION PACKAGE USAGE BY PROJECT CONTROLS

The cost estimation package is developed primarily for establishing the project budget and for providing the appropriate documentation and justification for a funding request. Once the project is funded, this package is not filed away. It becomes the baseline or target against which the performance of the project/program can be controlled and compared. By comparing the baseline with the actual performance, deviations from the baseline can be identified and corrected before they cause an impact on the project/program.

A. Technical Scope

As a project develops, some portion of the technical scope may be revised. If there is a deviation from the original technical scope, a change order is initiated and a revision to the original estimated cost usually occurs. Project control can use the detailed technical scope as well as the assumptions made by the estimator when assessing the cost impact of a change in scope. The detailed scope is used as a baseline, and all changes to it are documented by project controls.

B. Schedule

The schedule in the cost estimation package represents the same timeframe as the estimate. Therefore, any change in this schedule could affect the cost of the project/program. Thus, management can compare the baseline schedule to the actual schedule to identify scheduling problems or changes and any associated cost updates.

C. **Work Breakdown Structure**

The WBS and the organization of the budget cost estimate included in the cost estimation package set the precedence for all estimates throughout the life of the project. The same organization will be used by project controls so any cost changes may be easily tracked against the baseline WBS element.