



## Capital Project Cost Control Utilizing TCM

The AACE International Total Cost Management (TCM) Framework identifies the effective application of professional and technical expertise to plan and control project resources, costs, profitability and risk. Simply stated, TCM is a systematic approach to managing cost throughout the life cycle of capital projects.

This course will describe the concepts of TCM, and illustrate how it addresses the project cost control process for capital projects. It will provide a comprehensive understanding of the Plan-Do-Check-Assess cycle of project cost control; and illustrate the principles of both performance measurement and performance assessment that is critical to effective project control.

This course is intended for those involved in the management and control of large capital projects. A combination of lecture, examples, and interactive sessions will be utilized, providing the attendees with an opportunity to engage in discussions and to participate in an effective learning experience.

### **Day 1**

Day 1 provides an overview of the TCM Framework, and the project control process. It describes both the objectives and responsibilities involved in project controls for capital projects. It also focusses on the steps to plan, estimate, schedule, and analyse potential risk in terms of establishing a baseline budget and schedule to support effective project controls.

- ) **Overview of Total Cost Management**
- ) **Project Control Overview**
  - o Objectives
  - o Roles and Responsibilities
  - o The TCM Project Control Process (Plan-Do-Check-Assess)
- ) **TCM Project Controls - Plan**
  - o Planning
  - o Scheduling
  - o Estimating
  - o Risk Analysis
  - o Budgeting



## **Day 2**

Day 2 begins with discussing the implementation of the integrated project controls plan. It then describes the processes of cost accounting; and the collection of data and information to support project progress and performance measurement. The analysis and assessment of progress and performance will support the development of forecasts against the baseline, and drive required change management.

- )] **TCM Project Controls - Do**
  - Project Control Plan Implementation
- )] **TCM Project Controls - Check**
  - Cost Accounting
  - Progress and Performance Measurement
- )] **TCM Project Controls - Assess**
  - Performance Assessment
  - Forecasting
  - Change Management

## **Day 3**

Day 3 continues to focus on the Assess step of project controls focusing on risk fund management and (when needed) project recovery. Discussion of the project control needs and requirements of the project owner are examined. Day 3 ends with review of sample project cost reports, and the discussion of various applied examples of project controls.

- )] **TCM Project Controls - Assess**
  - Risk Fund Management
  - Project Recovery
- )] **Owner Needs in Project Control**
- )] **Cost Reporting Examples**
- )] **Applied Examples in TCM Cost Control**