



R. Lembcke & Associates
Educational Development for Construction Professionals
rlembckeassociates@gmail.com

433 King Street, Suite 1904
London, Ontario N6B 3P3
(519) 643-6459

ESTM201 – Construction Budget Estimating Processes

The key to a successful financial outcome with respect to a construction project often lies in the accuracy of budget forecasting which took place during the planning stages. Only accurate budgets can establish clear feasibility. Budget estimates allow the comparative allocation of funds and inform intelligent design decisions. But why do so many projects exceed their initial budget forecasts? What techniques are used when project parameter and design information is sparse? How do budgets develop to become more accurate reflections of real time expenditures?

Who should attend?

Construction industry professionals, project managers, estimators, owners and consultants should understand how a budget develops and where the pitfalls and risks lie with respect to construction budget estimating.

What is a budget estimate?

Whenever we make a purchasing decision our primary concern soon falls to cost. In the same way, once a construction need, desire or investment opportunity is established, the next question is often “what will that cost, can we afford it, and does this make economic sense?” Budget estimates answer all of those questions, but only if proper techniques and procedures combined with intelligence and expertise are employed, and only if the budget continues to develop in harmony with available design information.

What will the course cover?

- Definition of construction budget estimating.
- Categories and types of budget estimates.
- Processes used to create budget estimates.
- Analogous, parametric and elemental processes.
- Three-point budget estimating.
- Program Evaluation and Review Techniques. [PERT]
- Risks related to various budget estimating processes.
- Elemental cost planning and cost analysis
- Unifomat and CIQS methodologies
- Implementation of budgeting tools

What will you learn?

Learning Outcomes:

Upon successful completion of this course, participant will be able to:

1. Clearly define construction budgeting.
2. Identify and categorize several types of construction budgets.
3. List several budget estimating processes and procedures.
4. Differentiate between several common processes.
5. Understand timelines with respect to budget development.
6. Implement the use of budget estimating tools

How will you learn it?

Online discussions using a slide presentation will provide the basis of the course. Participants will be provided with various spreadsheet-based tools to use in the development of elemental budget estimates. The course will culminate in a short practical application of the tools provided.

Day one – Introductions, definitions, reasons and types of budget estimates

Day two – Exploring techniques, cost planning and analysis tools, lifecycle costing

Day three – Applied knowledge using tools provided.

3 Gold Seal Credits

