



Australian Government

BSBPMG514 Manage project cost

Release: 1

BSBPMG514 Manage project cost

Modification History

Release	Comments
Release 1	This version first released with BSB Business Services Training Package Version 1.0.

Application

This unit describes the skills and knowledge required to identify, analyse and refine project costs to produce a budget, and to use this budget as the principal mechanism to control project cost.

It applies to individuals responsible for managing and leading a project in an organisation, business, or as a consultant.

No licensing, legislative, regulatory or certification requirements apply to this unit at the time of publication.

Unit Sector

Management and Leadership – Project Management

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Determine project costs	1.1 Determine resource requirements for individual tasks identified in the work breakdown structure, with input from stakeholders and guidance from others 1.2 Estimate project costs to enable project budget to be prepared within agreed tolerances 1.3 Develop a project budget 1.4 Develop a cost-management plan, within delegated authority, to ensure clarity of understanding and ongoing management of project finances
2. Monitor and control	2.1 Implement agreed financial-management processes and

ELEMENT	PERFORMANCE CRITERIA
project costs	procedures to monitor actual expenditure against budget 2.2 Select and use cost-analysis methods and tools to identify cost variations and evaluate alternative actions 2.3 Implement and monitor agreed actions to maintain financial objectives 2.4 Provide accurate and timely financial reports
3. Complete cost-management processes	3.1 Conduct appropriate activities to signify financial completion 3.2 Review project outcomes using available records to determine effectiveness of project cost management 3.3 Review cost-management issues and document improvements

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Reading	1.1, 1.2, 2.2, 3.2, 3.3	- Interprets and analyses textual information from a range of sources - Reviews, compares and contrasts information related to budget
Writing	1.3, 1.4, 2.4, 3.3	Drafts and develops documents using appropriate format and language for context
Oral Communication	1.1	- Participates in verbal exchanges using clear language and appropriate tone and syntax to provide relevant information - Uses active listening and questioning to elicit views and opinions of others
Numeracy	1.1-1.4, 2.1, 2.2, 2.4, 3.1, 3.2	Uses mathematical formulae to calculate resources against predetermined budgets, solve variances and finalise project costs
Navigate the world of work	1.4, 2.1	Adheres to organisational policies and procedures and understands responsibilities of own role
Interact with others	1.1	Selects and uses appropriate conventions and protocols when communicating with internal and external stakeholders to confirm requirements, seek guidance or

		share information
Get the work done	1.1, 1.3, 1.4, 2.2, 2.3, 2.4, 3.2, 3.3	- Plans and schedules complex activities, monitors implementation and manages relevant communication - Monitors actions against goals, adjusting plans and resources where necessary - Uses analytical skills to review and evaluate process and decide on future improvements - Uses digital applications to access, organise, integrate and share relevant information in effective ways

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
BSBPMG514 Manage project cost	BSBPMG514A Manage project cost	Updated to meet Standards for Training Packages	Equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=11ef6853-ceed-4ba7-9d87-4da407e23c10>

Assessment Requirements for BSBPMG514 Manage project cost

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Performance Evidence

Evidence of the ability to:

- work closely with others to determine resources against budgetary frameworks
- prepare a budget and cost-management plan for a project
- monitor costs across a project's life cycle including solving cost variations and analysing possible alternatives
- record expenditure, create accurate financial reports and review cost-management processes.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- explain appropriate budgeting processes, tools and techniques
- describe methods and tools for costing and cost analysis
- explain strategies for managing costs and their application in different situations
- outline processes for reviewing costs against outcomes
- summarise key organisational policies and procedures applicable to this role.

Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the management and leadership – project management field of work and include access to:

- workplace documentation, including budgets and other financial documents
- case studies and, where possible, real situations.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

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