



Australian Government

BSBPMG533 Manage project cost

Release: 1

BSBPMG533 Manage project cost

Modification History

Release	Comments
Release 1	This version first released with BSB Business Services Training Package Version 7.0.

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.

The unit 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

Business Competence – 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 Identify resource requirements for individual tasks identified in the work breakdown structure in consultation with relevant stakeholders 1.2 Estimate project costs for project budget to be prepared within agreed tolerances 1.3 Develop a project budget 1.4 Develop a cost-management plan for project finances according to scope of responsibility
2. Monitor and control project costs	2.1 Implement agreed financial-management processes and procedures for monitoring actual expenditure against budget 2.2 Identify cost variations and evaluate alternative actions 2.3 Implement and monitor agreed actions for maintaining financial

ELEMENT	PERFORMANCE CRITERIA
	objectives 2.4 Provide accurate and timely financial reports
3. Complete cost-management processes	3.1 Conduct activities to signify financial completion according to task and organisational requirements 3.2 Review project outcomes using available records 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	DESCRIPTION
Reading	- Interprets and analyses textual information from a range of sources - Reviews and interprets information related to budget
Writing	Drafts and develops documents using appropriate format and language for context
Oral Communication	- 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	Uses mathematical formulae to calculate resources against predetermined budgets, solve variances and finalise project costs
Initiative and enterprise	Adheres to organisational policies and procedures and understands responsibilities of own role
Teamwork	Selects and uses appropriate conventions and protocols when communicating with internal and external stakeholders to confirm requirements, seek guidance or share information
Planning and organising	- 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

Supersedes and is equivalent to BSBPMG514 Manage project cost.

Supersedes but is not equivalent to BSBPMG604 Direct cost management of a project program.

Links

Companion Volume Implementation Guide is found on VETNet -

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

Assessment Requirements for BSBPMG533 Manage project cost

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Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- manage project cost on at least two occasions.

In the course of the above, the candidate must:

- 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.

Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

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

Assessment Conditions

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes access to:

- workplace documentation and resources, including budgets and other financial documents

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

Links

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