

# Re: project costs

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- *From:* "Steve House" <sjhouse at hotmail dot com>
  - *Date:* Sun, 22 Apr 2007 15:10:36 -0400
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The simplest way to see the costs is after assigning resources and in the Gantt chart view, select the View menu, Tables option, and switch the task Entry table to the Cost table. To see the project level rollup, in the Tools/Options menu, View page, select Project Summary Task (lower right hand corner of the page).

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Steve House [Project MVP]  
MS Project Trainer & Consultant  
Visit <http://www.mvps.org/project/faqs.htm> for the FAQs

"Jackie" <Jackie@xxxxxxxxxxxxxxxxxxxxxxxxxxxx> wrote in message  
<news:4E8FCDDE-6930-401D-B52E-1E637736E1D6@xxxxxxxxxxxxxxxxxxxx>

Hi John  
thats great! thanks very much. And to run the costs report should I go to  
Project Information/Statistics or is there a better way?  
thanks again  
J

"John" wrote:

In article  
<04B9800C-5F56-4262-BFED-A5F928964A35@xxxxxxxxxxxxxxxx>,  
Jackie <Jackie@xxxxxxxxxxxxxxxxxxxxxxxxxxxx> wrote:

- > Hi John
- >
- > thanks for your reply – I understand what you mean – what I am trying
- > to
- > achieve is precisely a high level concept that will be scoped out
- > properly
- > eventually. The tasks I have and the related durations have been
- > provided by
- > the workstream technical leads, its just that we dont have yet working
- > details. You say that the cost information is automatically available
- > in the
- > Cost field. Please can you expand a bit on this and how to run a report

## Re: project costs

> to  
> show the costs related.  
>  
> Many thanks again  
> J

Jackie,

In your original post when you said you had rate for the resources I assumed that information was entered into the Std Rate field on the Resource Sheet – perhaps a bad assumption on my part. If your resources are entered onto the Resource Sheet along with their pay rates and those resources are then assigned to the various tasks, then the standard Cost field will show all calculated costs for the project.

With regard to your concept plan. If the information your received from task performers (workstream technical leads) consists only of task descriptions and estimated duration, it won't help to build a cost model. Duration is strictly the time during which tasks are performed. The real parameter of interest is the estimated effort, that is, how much work will be required by one or more resources to accomplish each task. For example, you might have 1 week to write a report but the actual effort to write it may only be 20 hours. The duration is one week, the work effort is 20 hours. If a single resource works full time on a task, then the duration and work will be the same.

So, for your concept plan, you need to do a few things. First, enter your resource data, names and pay rate, unto the Resource Sheet. Note that for conceptual plans, you probably want to use generic resources (i.e. engineers, accountants, etc. instead of Joe Smith, Judy Watson, etc.). Second, if the data you have from the performs is not effort based (i.e. estimated work to perform), then you need to query them again and get that data. As I said in my previous response, one good source for that type of information is historical actuals from previous similar projects. Third, after you have the work estimates, you need to assign resources to each of your conceptual tasks. At that point you will have completely costed conceptual planning packages. I know you said you were only asked to develop the labor cost for the plan but if there will be significant material cost, the plan, concept or not, won't be worth much when it comes to describing what the complete project will cost. Finally, when you get the contract or are ready to go ahead with the conceptual plan, you must then get with the performers again and expand the planning packages into detail tasks. At that time you can refine the plan as necessary.

Hope this helps.

John

Project MVP

>  
> "John" wrote:  
>  
>> In article

Re: project costs

<2B90347A-7E07-48F8-A234-152E46801824@xxxxxxxxxxxxxx>,  
>> Jackie <Jackie@xxxxxxxxxxxxxxxxxxxxxxxxxxxx> wrote:  
>>  
>>> Hello  
>>> I have been asked to cost a project (only people, not materials) –  
>>> all I  
>>> have is a high level plan and the daily rates for the resources.  
>>> What is  
>>> the  
>>> fastest way to do this? I have looked in the help and I got  
>>> confused...unfortunately I havent got much time to read about  
>>> this...any  
>>> help  
>>> would be much appreciated.  
>>> Many thanks  
>>  
>> Jackie,  
>> Unfortunately it sounds like you want a quick simple solution to a  
>> not  
>> so simple concept. If you have an existing plan with resources, the  
>> cost  
>> information is automatically available in the Cost field.  
>>  
>> However if all you have is a high level concept plan with no detail,  
>> then all you really have is a top level budget for the plan. The pros  
>> and cons of top down versus bottom up planning has been discussed  
>> many  
>> times in this newsgroup. The top down approach may be what  
management  
>> wants but without the buy-in from the performers at the detail level,  
>> the cost figures in the top down plan are backwards at best and bogus  
>> at  
>> worst.  
>>  
>> In order to properly cost a top level plan there is no shortcut. The  
>> eventual task performers must help you develop the details necessary  
>> to  
>> make the plan viable both from a schedule (time) standpoint and from  
>> a  
>> budget (available funds) standpoint. Once the actual performance  
>> tasks  
>> are laid in and resources assigned, the plan must be reviewed to see  
>> if  
>> it in fact meets the desired end date. If it doesn't or if the  
>> resulting  
>> cost is beyond the available budget, then more resources need to be  
>> added (bring in the end date) or the overall scope must be scaled  
>> back  
>> because the desired original plan can't realistically be accomplished  
>> with the available funding.  
>>

Re: project costs

>> Don't misunderstand me on the need for detail. If you are just trying  
>> to  
>> scope out a project for a proposal for example, you may not have the  
>> time to develop all the working details. But, you MUST consult with  
>> the  
>> performers who will be doing the eventual work and get honest agreed  
>> to  
>> inputs for the plan. And one of the best sources of data for planning  
>> purposes is historical data from a previous project of similar  
>> nature.  
>>  
>> Hope this helps.  
>> John  
>> Project MVP  
>>