

24 & 25 May 2012 – Protea Fürstenhof, Windhoek

CONSTRUCTION ESTIMATING

Practical “how-to” instructions and essential information on how to minimise errors which will help you to save valuable time and money on any construction project

In association with



This training course presents you with an opportunity to get up-to-date with the very latest principles, practices and techniques for accurately estimating construction project costs regardless of any changes in the cost of materials, equipment and labour. You will learn how to:

- Proactively manage the risks associated with accurate estimating
- Use proven tools to promote accuracy, efficiency and produce detailed estimates
- Allow for and build into your estimate realistic contingencies
- Organise cost data in a clear and logical manner
- Adjust your estimate in terms of variable factors that affect production rates
- Identify the most common errors but more importantly how to avoid making them

Professional Reference Manual plus and additional Take-Home Data Pack (valued at over R1000) which is jam packed with current and up-to-date industry techniques, ideas and tools

REGISTER TODAY!

Phone: +27 11 447 7470 • Fax: +27 11 880 1131
Email: info@alusani.co.za

Website: www.alusani.co.za

Accredited Training Provider Services SETA - Full Accreditation #2536

Each Course Participant will receive 12 months of additional Post Course Support absolutely FREE!

Comprehensive Course Outline

TRAINING METHODOLOGY

Major cost overruns on any construction project are frequently due to poor forecasting of the costs and inherent risks in a contract at tender stage. And this in turn means that poor estimating can impact the economic feasibility of any proposed construction project.

That is why estimating is considered to be one of the most important of all of the practical aspects of construction management. There are many, sometimes complex issues to consider when estimating the cost of a construction project and there are a number of key elements that come into play with each of these issues which can dramatically shape the entire estimating equation.

Over-estimating may result in your client quite literally getting the shock of their life when it actually comes to the tender process and in extreme cases the project actually being abandoned. On the flipside under-estimating may have dire consequences for you as the Estimator and in the long run severely hamper your confidence, as well as your reputation.

When companies are reliant on the tender process to acquire their work, tendering with confidence in the outcome is vital – so learning how to estimate accurately and consistently is a must!

Estimating is not simply number crunching to get a figure. But it is a multi-faceted process that must be followed in order that all risks are accounted for,

So this training course offers the A-Z of construction estimating and will give all Course Participants a thorough grounding in the principles and best practices of construction estimating in terms of real-life construction projects.

Using proven case studies, all the procedures that are involved in the compiling of a viable estimate for construction projects are covered in detail, and you will leave this training course understanding how to prepare an accurate estimate for typical construction projects.

PRE-COURSE QUESTIONNAIRE

We want to make sure that you get the most out of this training course. So, in order to ensure that the content, approach and pace of the course are all pitched at the right level we ask that you take the time to complete a short pre-course questionnaire. This will also help our Course Leader to tailor the practical elements of the training course to meet your requirements.

We will forward the questionnaire to you before the course.

MODULE ONE

Covering The Basics & Purposes In Terms Of Estimating

Estimating is a complex subject, and in all honesty, it is often very very puzzling, especially when you consider that there are so many variables and so much that can go wrong. So, this first module will lay the groundwork for the entire training course as it covers in detail all of the basics, reasons for as well as types of estimating. The importance of correct and accurate estimating is obvious but the levels of accuracy of the estimate typically correspond to the status of the project cycle, so in order for all of the remaining modules to make sense we will focus on:

- Why we estimate, what is the actual purpose?
- When do we estimate?
- Different types of pricing strategies in terms of estimates:
 - Lump sum
 - Target cost
 - Cost reimbursable
 - Reimbursable
- Measurement – what information do you actually need for estimating lump sum contracts and re-measurable contracts?

MODULE TWO

Analysing All Of The Risks As Well As A Variety Of Variable Factors That Can Radically Influence The Outcome Of Your Estimate

Now we get down to the nitty gritty of actually starting the preparation of the estimates. But there are a lot of variable factors and elements that come into the estimating

equation. So during this module we will discuss and review each one in detail as well as how they impact the entire estimating process and this will allow for maximum flexibility and accuracy in estimating:

- Risk analysis processes and best practices
- Site inspections
- Standard methods of measurement – what are they?
- Commercial risks and discussing in detail the applicable contract forms
- Technical risks in terms of various contract specifications
- Geographic location risks (country, political etc.)
- Resource availability risks
- Pricing risks, in terms of:
 - Supplier prices
 - Escalation
 - Currency fluctuations

MODULE THREE

Everything You Need To Know About Putting Costs To The Estimate In Terms Of Pricing Structures & VAT In A Bid To Create & Organise Accurate Estimates

This module covers in detail two important factors in your bid to create the 'perfect' estimate. Firstly we tackle the issue of price structure and then we take a look at the issue of VAT. You will learn how to cost a known scope of work, as well as how to allow for direct and indirect costs. So, during this module we will provide you with step-by-step instructions and guidelines for identifying and tracking key cost drivers in terms of your construction projects:

- Examining in detail the best practices and principles of pricing structures by:
 - Looking at the direct costs, namely:
 - ~ Labour
 - ~ Materials pricing
 - ~ Plant and equipment costs
 - ~ Sub-contracts
 - Discussing indirect costs that can radically affect the estimate namely:
 - ~ Preliminary and general items
 - ~ Performance security
 - ~ Insurance
 - ~ Payment security
 - ~ Scaffolding
 - ~ Batch plant
 - ~ Tower cranes
 - ~ Generating equipment
 - ~ Small tools
 - Estimating and pricing labour costs by considering:
 - ~ Employment costs
 - ~ Employment benefit costs
 - ~ Protective clothing and other costs
 - ~ Induction and safety related costs
 - ~ Productivity
 - Discussing in detail material costs, especially in today's market which fluctuates up and down literally on a daily basis, so we will examine best practices for pricing the following material costs:
 - ~ Procurement costs
 - ~ Delivery costs
 - ~ Handling costs
 - ~ Storage costs
 - ~ Wastage
 - ~ Shrinkage
 - Assessing how to price plant costs in terms of:
 - ~ Internal hire costs
 - ~ External hire costs
 - ~ Fuel costs
 - ~ Operator costs
 - ~ Availability
 - ~ Utilisation
 - ~ Efficiency
 - ~ Productivity
 - Pricing subcontractor costs by considering:
 - ~ Direct costs
 - ~ Indirect costs
 - ~ Supervision
 - ~ Attendance

"Ian Massey is very knowledgeable in earthworks, civil and structural scopes and I really liked how he shared his own experiences and illustrated possible problems that estimators may potentially encounter, a really good course."

Senior Estimator – BATEMAN

"Excellent, informative, interesting and a pleasure to attend the course."

Estimator (QS) – STEFANUTTI STOCKS BUILDING

"Good content, well presented and excellent facilities."

Structural Engineer – BKS

- Learning how to estimate and account for risk and allow for overheads and profit mark-ups
- Covering in detail all the VAT related issues that impact how you estimate
- The 10 Commandments that you must apply when checking numbers that relate directly to the estimate
- How best to adjust rates and recognise further opportunities in the bills of quantities

MODULE FOUR

Working Through Some Typical Construction Costing Scenarios In Order To Complete Detailed Estimates

Now this module gives you a real opportunity to test everything that you have learnt up until this point. You will be given proven methodologies for accurately 'pricing' each of these. And you will then use this time to put together an actual estimate using real-world exercises and examples of some typical costing scenarios for:

- Concrete
- Shuttering
- Brickwork
- Excavation of trenches
- Bulk excavation
- Reinforcing steel
- Structural steel
- Pipework

MODULE FIVE

Programming – Discussing In Detail How This Is Used To Refine And Balance Your Bid

So now you have a price for carrying out the work, but you now need to make sure that you have the resources to complete the work in time. One way of doing this is to adjust your labour complement to meet your production requirements but you also need to balance your indirect resources (supervision and that sort of thing) to balance with your labour complement. Similarly, you need to ensure that your production requirements are "smoothed" over the duration of the contract to avoid peaks and troughs in your resources throughout the contract period...sounds simple enough doesn't it! Sadly, reality is a whole lot different and during this module we will discuss in detail the principles of time and resource allocation risk and you will learn about:

- Programmes and the minimum requirements needed for ensuring tendering progress
- Resources histogram's and resource smooth-programme adjustments – how will these impact what you are trying to achieve?
- How to make allowances for other risks such as the weather and other foreseeable events
- The key differences between payment risk and time and resource requirement risk

MODULE SIX

New Emerging Issues That Radically Influence How You Estimate - Everything Else You Need To Know About That You Won't Find In A Text Book!

So, you now have all of the technical aspects understood. It is time to discuss all of the other issues that can impact the way in which you estimate...and believe me there are many. But many of these are often ignored or overlooked as unimportant to the estimating process. But experience tells us that they are all vitally important to the entire process. So, this module has been specifically developed to give you a keen working knowledge of:

- Guidelines to follow when formulating winning bids and tenders
- Running through the practical elements of putting together covering letter for tenders in light of the outcomes of your estimating process
- Ethics, competition and the contracting environment – what is the professional behaviour that is expected of an Estimator?
- Top tips for managing cash flow correctly
- How and when to use estimating software, discussing general industry practice
- Scope creep – tips for how to deal with this as any major changes in scope during the key phases can negatively impact your estimation
- Life cycle costing – what does this mean and should you include this or not in your estimate?
- Estimating errors – learning about the common errors many Estimators make and how you can avoid making them

THE ALUSANI ADVANTAGE – WHAT MAKES US DIFFERENT?



From our extensive experience in training provision, we have realised that the learning experience should extend beyond the time in the actual classroom.

We realise that this training course covers vast areas of subject matter and that inevitably questions will arise after the training course. Typically after a short-course, you return to the workplace pressured by missed work time and faced with email overflowing from your inbox. The course reference manual gets put on the shelf and rarely gets opened again. **In order to support the transition and implementation of the course learnings, we offer Post-Course Support.**

For this course, you will receive monthly emails for 12 months after the course which include **reminders about specific course content, bonus material and limited email access to the Course Leader** to clarify specific course content.

BRING THIS TRAINING COURSE TO YOUR ORGANISATION



Onsite Training can dramatically cut training costs and increase results. Any of our training courses can be tailored to your organisation's specific needs and objectives and delivered at your location anywhere around South Africa as well as in neighbouring countries.

We offer over **150 training courses in 19 different subject areas**. As all the Course Participants will be from your company we can customise and align any of our courses based on your particular business issues and needs.

To find out more about our Onsite Training Solutions please call **+27 (11) 447 7470** or visit our website today at **www.alusani.co.za**



ACCREDITATION AND CPD CERTIFICATION



We believe in delivering excellence in everything that we do. Our commitment to quality service and exceeding our customer's expectations is reflected in the professional recognition and quality standards that have been awarded to Alusani Skills & Training Network:

- Full Accreditation with the Services SETA #2536 •
- CPD Certification through SAICE •
- Official Member of the Direct Marketing Association of SA •

For more information and documentation on our accreditation & CPD certification, please contact our QMS Administrator – jacinta@alusani.co.za

ALUSANI SKILLS & TRAINING NETWORK'S RISK-FREE GUARANTEE



We believe that we offer real value in all of our short training courses; and as we strive to be the best we are confident that you will find our products and services to be of superior quality. For your peace of mind our promise to you is quite simple. If you attend this short training course and feel that it falls short of the advertised course objectives and outline we will give you a credit note towards a future course of equal value within the next 12 months.

Meet Your Highly Qualified Course Leader

Ian Massey is a civil engineer with over 40 years experience, 18 of which he spent as a contractor. During his time as a contractor, Ian was a Contracts Manager, Contracts Director and Managing Director responsible for the preparation and finalisation of tenders.

He has spent 24 years practicing in contractual and commercial law and has specialised in the preparation and quantification of claims. He has worked with some of South Africa's largest construction, engineering and mining houses as a commercial consultant and has a unique grasp of the intricacies of the estimating process.



Having had experience of all pre-construction functions on highly technical commercial construction projects ranging in value from relatively small to multi-million both locally and across border he has been able to use his expert knowledge and understanding of unit costs as well as the factors that can affect construction costs to his advantage and he is well placed to offer you sound and focused training on construction estimating.

CONSTRUCTION ESTIMATING

24 & 25 May 2012 – Protea Fürstenhof, Windhoek

Please do not remove the mailing label

Reference Code
ET06 - WEB
A B C D E

Easy Payment Methods

Direct Deposit or Cheque
Alusani Skills and
Training Network,
Standard Bank,
Jan Smuts Avenue,
Branch Code 004-205,
Account # 402330188

Training Course Timetable

Registration and morning coffee will be at 7:30am with a prompt start at 8:30am each day. There will be two refreshment breaks at appropriate intervals and lunch will be served at 12:30pm each day. This training course will end at 4:00pm each day.

CPD Points

This training course has been awarded 2 CPD points by SAICEcon10/00729/13

Training Course Fee Structure, per Course Participant:

2-day Construction Estimating short training course + Data Pack + 12 months of Free Post Course Support	
Register and Pay by 26th April 2012	: N\$ 6,999
Register and Pay by 11th May 2012	: N\$ 7,999
Normal price	: N\$ 8,999

Course Participants Details Please print clearly in capital letters:

Company Name: _____

Company VAT # (compulsory): _____

Postal Address: _____

Code: _____

Tel: _____ Fax: _____

1. Mr/Mrs/Miss: _____ Full Name: _____

Designation: _____ Cell: _____

Email: _____

2. Mr/Mrs/Miss: _____ Full Name: _____

Designation: _____ Cell: _____

Email: _____

3. Mr/Mrs/Miss: _____ Full Name: _____

Designation: _____ Cell: _____

Email: _____

4. Mr/Mrs/Miss: _____ Full Name: _____

Designation: _____ Cell: _____

Email: _____

Authorisation

The signatory must be authorised to sign on behalf of the stated company. I acknowledge that I have read and understood all of the terms and conditions of this registration:

Full Name: _____

Designation: _____

Email: _____

Date: _____

Signature: _____

HOW TO REGISTER

☎ Call us on +27 11 447 7470 or

☎ Fax this form to +27 11 880 1131 or

☎ Post the form to PO Box 2844, Saxonwold, 2132 or

☎ Email the above information to registrations@alusani.co.za



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OUR POLICIES, TERMS & CONDITIONS

All registrations are taken as confirmed. In addition you will as the authorising signatory be deemed to have accepted on behalf of the stated company the Policies, Terms & Conditions of Alusani Skills and Training Network which is mentioned below for any and all registrations:

Registration Fees & Payment Terms

- On receipt of your registration, you will receive a VAT invoice.
- The registration fee for the training course covers all written materials, lunches and refreshments only.
- Please note – payment is due on receipt of invoice.
- We reserve the right to refuse admission to the training course if evidence of full payment cannot be shown.

Discount Policy

- Multiple booking discounts only apply when Course Participants are all registered at the same time and they may not be used in conjunction with any other special discount or offer which may be offered from time-to-time.
- Unless otherwise stated, any discount available on any training course may not be used in conjunction with any other special offer or discount which may be offered from time-to-time.
- Many of our discounts are time sensitive, if we have not received full payment by the date stipulated on the invoice we reserve the right to re-invoice the Course Participant at the higher amount.

Course Participant Transfers

You are entitled to one free transfer from the training course on which you were originally registered to another training course. However, if the new requested dates are sold-out we reserve the right to transfer you to the next available open dates or to an alternative training course. Please note that no transfers will be accepted from 3 business days prior to the start of the training course that you were originally registered for. Please note that if a transfer request is received less than 3 business days prior to the start of the training course, you will be charged a Late Transfer Fee of N\$ 2000. All transfer requests are to be made in writing and will be confirmed via email only. Please note that transfers will only be accepted where full payment of the registration fee or the Late Transfer Fee can be shown. In the event of any amount being outstanding you will need to settle the invoice before we can make the transfer. In addition no cancellations will be accepted for registrations which are transferred.

Course Participant Substitution Conditions

Registered Course Participants may be substituted at any time prior to the start of the training course and will not incur any additional charges. Please note that we must be notified in writing in order to facilitate the substitution.

Course Participant Cancellation Conditions

- Please note that all Course Participant cancellations must be received in writing and are subject to the following conditions:
- You may cancel your registration up to 10 business days before the training course takes place.
 - In the event of cancelling your registration and payment has already been made, we will issue a 100% credit for the value paid to be used towards any public course only for up to 12 months from the date of issue.
 - For any cancellations received less than 10 working days before the training course takes place, the full fee is payable and no credit notes or refunds will be given.
 - No refund or credit will be given to Course Participants who do not cancel or fail to attend the training course.

Important Notice

The planning for our training courses takes place well in advance and all information is correct at the time of publication. We reserve the right to change the date, location or training course leader and if necessary to cancel, postpone or reschedule the training course without notice; however we will undertake to advise all Course Participants of any changes as soon as possible. In the unlikely event that we cancel, postpone or reschedule the training course for any reason, we will automatically give you a 100% credit note to the value of monies received and we hereby disclaim any further liability.