

The Aerospace Corporation

Cost Analysis

This course presents the state-of-the-art in all aspects of cost analysis. In-class computer-based exercises will illustrate these principles and provide practice in applying these techniques to a realistic space system cost estimate. Participants will assess the result of a cost analysis in order to gain practice reviewing others' work and conduct a cost analysis to simulate a team leadership or independent analysis effort.

Topics Include

- How acquisition managers, systems engineers and engineering specialists work with cost risk analysts to develop realistic cost probability distributions
- Identification of the probabilistic nature of each program element of cost in a cost estimate
- Integration of program technical uncertainty and cost modeling variation into a probabilistic cost estimate using state-of-the-art statistical methods
- Organization and display of the probabilistic nature of the cost estimate in a way that is explainable to decision-makers, and portrays the range of possible costs as well as their likelihoods

Who Should Attend

- Program Leaders and Engineers
- Project Officers
- Systems Engineers
- Risk and Cost Analysts
- Acquisition Team Members and Source Selection Advisors

How You Will Benefit

- Learn information necessary to become a technical leader for cost-risk analysis efforts
- Learn how to assist our customers in planning when and how to conduct cost-risk analyses
- Be able to assess the quality of government or contractor supplied cost-risk analyses
- Be able to lead an integrated government team cost risk analysis effort or conduct Aerospace independent analysis by understanding the level of effort, personnel requirements, necessary expertise and time, and the quality of the product
- Be able to provide specific actionable recommendations from the results of a cost risk analysis

Course Length

One days

Prerequisite

General familiarity with government and/or commercial acquisition processes, and a working knowledge of the theory of probability and statistics

Instructors

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