

FAQs: Why is Cost Estimation Crucial for Project Planning?

Many clients have questions about our project cost estimation services. Think of it this way, we anticipated a few inches of snow and lacked the clarity to prepare for much more. To provide clarity, we do a thorough cost estimation analysis. I've written up replies to a few of the questions that come up most often about cost. If you find it helpful, I'm glad and would be happy to talk with you more. If not, please feel free to share it with someone who might find it useful. Many thanks.

How do you determine the cost of my project?

Like indelible ink, the first quote a client may request, never goes away. The client will always expect that first forecast to be accurate and it rarely is. A quick answer is invariably the wrong answer when it comes to estimating project costs. We take the time needed to develop accurate numbers. Our solution: generate the information. We use our experience with similar projects to analyze each new one, and speak with each potential contractor and vendor to understand how much they would charge, and why.

Cost estimating is both an art — based on instinct and relationships — and a science, based on a systematic process in three stages: concept, detail, procure, aka bidding. First, **conceptual pricing** is based on square footage costs. Unless it's a modular home, no two buildings are alike. Second, we consider specific cost, time, labor, and materials. Then we create a **detailed estimate**. With an inexperienced architect, you could go through a whole design process and find out you're over budget. With us, the detailed estimate is active in design-development, so we can identify more specific costs for labor and materials. Third, we analyze the bidding results which are pricing commitments for **contract**. Let's say the project requires a metal roof. Three different contractors could give three very different prices based on the quality of drawings and specifications. In my experience, cost overruns happen with the low bids that typically underestimate the long run, or misinterpret the scope and its goals. Understanding the numbers and the people you'll be working with is so important. Finally, we use good judgment to **select our team** in the cost estimation process to minimize risks, ideally in the design process.

Why should I invest in cost analysis in the earliest stages?

Anticipation and clarity are balanced in this crucial part of the project. The anticipation can get foggy without proper analysis. Invest the time, I advise my clients, otherwise, you'll likely get blindsided. After a snowstorm, I wonder: How long is it going to take to shovel the sidewalk? Well, it depends. If the snow is wet or icy, it could take much longer and cost me a trip to the chiropractor. Likewise, in design and construction, you have to take into account many variables with logistics and supervision. Thorough cost estimation, gives peace of mind. Having a reliable estimate of the cost, team member choices and materials selection helps define the quality of the building process. For example, solid stone rather than stone veneer will last centuries and yield a very high return on design. It's human nature to say: "Give me (quick) shelter from the blizzard." Yet I encourage my clients to think long term, Spring is on its way.

How long is my project going to take?

We discuss scheduling in the design-development stages. Like costs, we strive to quantify scheduling. We analyze, this is what we know and what we can proceed with. We identify unknowns, knowing it is not easy to ever know them all. We bring them to the table and eliminate as many as possible and prepare for any squalls that may occur. In each estimate, there is a unique range of contingencies. Transforming ideas to drawings is the architect's role and function. Transforming drawings to be built is the builder's realm, a bit more complex and challenging. For example, renovations can be on the lower end of that range, restorations on the higher end. By nature, people want to follow their instincts, a la "we got this"... but without proper analysis, the costs can increase surprisingly as there are many variables in play during the course of a project. Through cost estimation, we create a system of calm before *and* during the storm. We generate useful information that guides intelligent decision-making. This facilitates the best means and methods for successful results by presenting quality in the process, from the beginning to the completion.

Well planned is half done
Which is better? Fast turtle?
Or half-fast rabbit?

