



One could say that your biggest challenge as a Project Manager is delivering "within budget".

If you are late then you can consider adding more staff, if the quality of your deliverables is not good enough then you can consider scheduling more time, but if you are over budget, then there are not a lot of options for you. So to help you out, we have described here how to:

Manage Projects "Within Budget"

Every Project Manager has a fixed budget. It is one of those things that makes a "project" a project. If you had an on-going annual budget, then you would be managing an *operational activity*, not a project.

The budgeting challenge for a Project Manager is that often by the time that they are allocated to a project, the budget has already been set by the Sponsor. The Project Manager does not have any real "say" in the matter. So how to can you manage your project within budget, when you have not created the budget in the first place? Here are *10 top tips* on how...

Tip 1: Revise the budget

As soon as you are allocated to a project, make it one of your first jobs to revise the budget set. Even if the budget has not formally been set, the Project Sponsor will have some ideas on the overall amount of budget available for use. If you think that the budget is insufficient, tell your Sponsor as early as possible.

Tip 2: Create a Financial Plan

Whether a budget already exists or not, your next step is to create a detailed [Financial Plan](#) for your project. This plan will set out all of the planned expenses and when they are likely to occur. Make sure that your Sponsor accepts your plan and that you are comfortable that you can deliver the project against it.

Tip 3: Baseline the plan

Right, so you are now managing the project against a detailed Financial Plan, not a loose budget or general guide on what should be spent. You have *a detailed view of the forecast project costs*, against which to measure project progress. You should now baseline the plan by getting your Sponsors endorsement and communicating it to your team leaders.

MPMM Version 4.0 Released !

Do you want a truly customizable Methodology for projects?

Just released, this [Project Management Methodology](#) now enables you to:

- **Create** brand new methodologies
- **Customize** project methodologies
- **Import** your existing methodologies
- **Export** the MPMM methodology
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Want to centrally manage your project templates and processes?

MPMM allows you to do this, by acting as the central source of all project processes and template documentation.

You can:

- Upload templates
- Export templates
- Create processes
- Import processes

Tip 4: The plan is the plan

Many people manage their project against the total amount of expenditure available. Do not fall into this trap, as you will always think you have enough funds to complete the project. Instead, manage the project against the detailed [Financial Plan](#) you have set out. If some items go over budget, investigate why and fix the issues. Only by managing at this level of detail can you build an accurate view of the projects performance against budget.

Tip 5: Get serious

If you are serious about delivering your projects within budget, then you need to implement some form of [Cost Management Process](#). This process will give you formal procedures for the identification, recording and tracking of project costs.

Tip 6: Use Expense Forms

Ensure that your staff record all expenses using [Expense Forms](#). Only by formally recording expenses can you build an accurate picture of the overall cost of the project to date.

Tip 7: Register your expenses

By using an [Expense Register](#) or log, you can create a summarized view of the project cost to date, at any point in time.

Tip 8: Report progress We have seen some Project Managers tell their Sponsor that they are likely to be over budget the week before they were due to finish! If you even have an inkling that you might be over budget, tell your Project Sponsor about it as early as possible. It will help you gain buy in and they may even be able to help you out.

Tip 9: Do not be afraid If you need more money and you have exhausted all other options, then *ask for it*. Do not be afraid to tell your Project Sponsor that you have reached this point. Remember, there are quite often very valid reasons for needing more money throughout the project.

Tip 10: Balance time, cost and quality evenly

Remember, your goal is to deliver the project on time, to cost and quality. Never compromise time and quality to bring your project in under budget. It is a challenging job, but always try and balance time, cost and quality fairly. You can do it!

If you would like help managing projects within budget, then these 2 products will give you all of the templates and methods you need...

- [Project Management Templates](#)
- [Project Management Methodology](#)

- Export processes

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New Directors

Due to the enormous growth we are experiencing, we have appointed two new Company Directors.

So we would like to introduce you to:

Pamela Good who now manages all of our partner programs worldwide. She is located in the USA.

Craig Nicholson who manages our development team, currently located in New Zealand.

Watch out for more appointments coming to you soon...

Our Vision

So that you can find out more about us, we have added the following pages to our website:

[About us](#)

[Our Background](#)
[Our People](#)
[Our Directors](#)
[Our Clients](#)

If you would like to know more about our company, vision, people and clients, then click the links above.

Have a fantastic June!

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