PHRC Report #26: Technology Transfer Manual for Computer-Based Cost Estimating: Edition 3

Date: May 1994

Author(s): J. Julo, J. H. Willenbrock, S. Taylor, M. Syal.

BACKGROUND:

A 1992 NAHB study determined that only two out of five builders who have personal computers are using them for cost estimating. Many builders are skeptical of the benefits and savings that can be achieved through the use of computer-based cost estimating. In addition, hesitancy regarding computer-based cost estimating exists because of the perceived costs and complexity involved with purchasing and operating the hardware and software necessary for successful utilization of a computerized estimating system.

SUMMARY OF RESULTS:

This report provides: (1) an introduction to the theory and application of computer-based cost estimating, and (2) presents guidelines for evaluating and purchasing cost estimating software. The steps necessary to create a computer estimate are illustrated in chronological order culminating with a demonstration which provides an estimate of an actual house.

WHAT IT MEANS TO YOU:

This report can assist builders by providing an introduction to computer-based estimating terminology and by providing the elementary steps needed to construct a database and the work packages for use in taking off and costing an estimate. This report also provides: (1) a NAHB compiled cost estimate software directory, (2) software reviews of four NAHB approved cost estimating programs, (3) guidelines for buying cost estimating software, and (4) a strategy to implement these guidelines.

WHAT'S NEXT?

A one day course on computer-based cost estimating can be presented by using this report as a reference document. The course would cover the major topics presented in this report. In addition, similar reports for cost control and scheduling could be developed with one day courses.