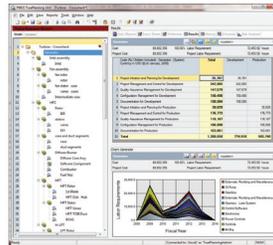


# Systems Cost Modeling for Acquisition and Oversight Costs

PRICE cost estimating solutions deliver qualities that meet the demand for credible, data-driven estimating in today's economy—speed, accuracy, transparency, defensibility and standardization.

- **Produce credible top-down estimates** backed by extensive analysis and refinement of historic data points, correlated to the scope and complexity of specific projects.
- **Use multiple cost models** integrated within a single estimate, for a more accurate picture of true costs across all components and disciplines.
- **Reduce cost proposal** cycle time and expense by 30%-60%.



*Multilevel nesting of Systems and Assemblies models help to determine the true cost of systems engineering and program management for complex system and system-of-systems.*

## Keep system support costs from slipping out of sight

PRICE® Cost Models™ used to estimate systems-building in PRICE® TruePlanning™ address costs of systems engineering, project-management and assembly-related activities, processes, and overhead, to provide full oversight and assess impacts related to potential changes.

- **Assembly Model:** Estimate activities associated with incorporating hardware, software, or components into working assemblies or sub-assemblies.
- **System Model:** Estimate costs of project oversight activities, such as systems engineering and program management.
- **Purchased Good Model:** Account for costs of goods, associated overhead, and processing costs, for outside purchases.
- **Purchased Service Model:** Throughput estimates of services required for integration of hardware and software.
- **“Other-Cost” Model:** Allow for throughput of other costs associated with a project or program.
- **TOC Model:** Account for the Total Ownership Costs of a system.
- **Folder:** Although not an actual cost model, the Folder is a placeholder for aggregated costs in an assembly.

## Systems Cost Model Performance Benefits

- Ensure thorough accounting of easily overlooked “soft” costs related to project assembly/control
- Capture the multiple levels of systems integration costs often underestimated for complex systems
- Reduce comprehensive estimating times to days or hours
- Integrate with other PRICE Hardware/Software Cost Models used in PRICE TruePlanning, for scalability from component to System of Systems (SoS) estimates
- Factor in comprehensive cost drivers for Total Ownership Cost
- Account for purchased goods and services, as well as items to be built
- Include intangibles for “what if” and trade-off analyses
- Enable complex modeling for teams with diverse experience, skill sets, and locations
- Estimate cost impacts for accelerated, interrupted, or protracted development schedules
- Aid budgeting, risk analysis, and project tracking, via summaries of monthly cost and progress
- Seamless integration with Microsoft® Excel®

## Fact-based cost modeling, at a system level

PRICE Cost Models provide fact-based integrity designed to accommodate system-level perspective. Unlike speculative techniques or “guesstimates,” PRICE Cost Models use industry-specific parametric data models and benchmarks built on factual data gleaned from thousands of programs. This reliable data, plus the hundreds of proven cost estimating relationships embedded in PRICE Cost Models, deliver credible estimates from the component to system level.

## Account for integration costs, too

Overlooking or miscalculating the costs to modify and integrate finished components into a system build often requires estimates to be reworked. The ability of PRICE TruePlanning to factor in hardware component, assembly, subsystem, and software integrations, up front, means more accurate estimating for better decision-making and fewer requirements to make adjustments after the fact.

## Gain the benefit of repeatable methodologies

PRICE methodologies use industry and in-house historical data that enable users to improve their estimating process incrementally, with every successive project. The more projects estimated with PRICE Cost Models for TruePlanning, the greater your historical data relevance and estimating accuracy.

## Harness the power of PRICE Research

PRICE Cost Models leverage the latest information from PRICE® Research™, the industry’s most effective independent cost research organization, representing four decades of experience serving government, commercial, and industrial programs.

### PRICE TruePlanning: One framework for multiple solutions

PRICE Cost Models for the PRICE TruePlanning framework integrate data-driven credibility within estimates spanning multiple disciplines:

- **PRICE Hardware Models** for chips, components, modules, and COTS or custom hardware
- **PRICE Software Models** for custom, COTS, and SOA uses
- **PRICE Systems Models** for process and assembly tasks
- **PRICE IT Models** for IT Infrastructure
- **PRICE Early Concept Models** for military aircraft, ships, vehicles
- **Customer-specific cost models**

PRICE TruePlanning Companion Applications add flexibility and power for sharing and managing data with the cost estimating framework.

### PRICE TruePlanning’s role in Estimating Systems Integration

The compatible family of PRICE® TruePlanning™ Cost Estimating Framework and Companion Applications, PRICE® Integrated Cost Models™, PRICE® TrueFindings™, and PRICE® TrueMapper™ empowers a more strategic view of cost estimating and life cycle cost management, within the context of PRICE Estimating Systems Integration.



**DECADES OF COST ESTIMATING EXCELLENCE**

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