

PRICE SYSTEMS

PRICE® Systems is the **world leader for Cost Management** solutions in 4 strategic areas: Defense, Aerospace, Aeronautics and Information Systems.

KEY TOOLS:

1-PRICE TRUEPLANNING®

Launched on market in 2004 by **PRICE® Systems**, **TruePlanning®** is the **parametric estimation engine** for the evaluation of complex programs and projects.

This tool, of which **Creasys** is the **supplier in Italy**, concerns hardware systems, software, integrated systems and systems of systems.

The parametric estimation **model** used by TruePlanning®, is based on the experience obtained through thousands of real projects developed in more than 40 years of activity, by following the **standard ABC – Activity-Based Costing** (see Figure 1) **approach**.

Following the product-oriented method, PRICE TruePlanning® uses **"Cost Objects"** catalogues to represent the **product** or the **service** to analyze (see Figure 2).

Every "Cost Object" is used to describe an object to be produced (software applications development, integrated electronic boards, mechanical structures, etc.). The estimate of the object is obtained by modelling specific "Activities" that, on their own, consume "Assets" (see Figure 3). TruePlanning uses furthermore mathematical models to calculate costs, expenses and associated delays, for activities and assets.

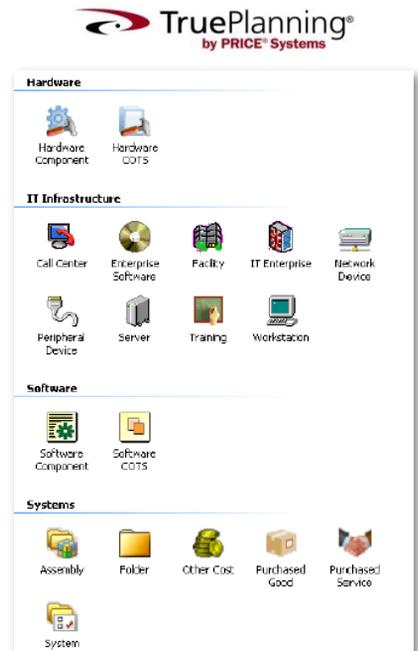


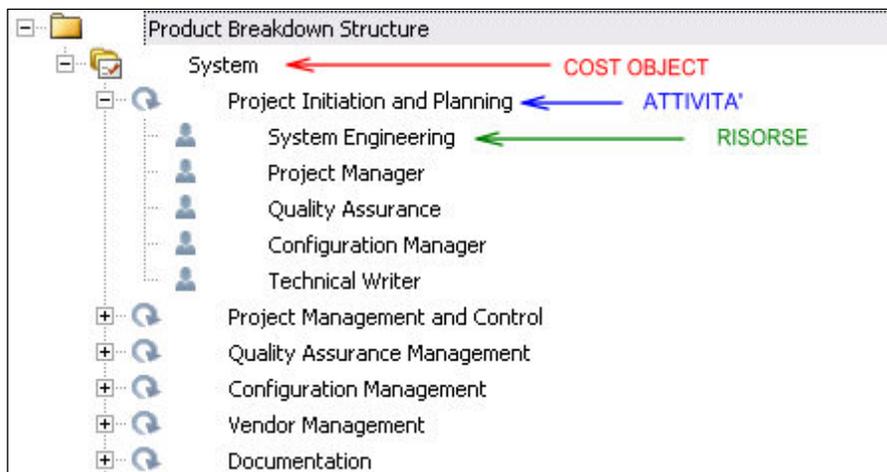
Figure 2: Cost Objects

Figure 1: ABC Methodology





Figure 3: PBS, Cost Object, Activities and Resources in TruePlanning



Analysis stages

The **estimation process is iterative** and is illustrated in the following four **main stages**:

First Stage - Definition of Estimation Context

Second Stage - PBS tree construction
(Product Breakdown Structure)

Third Stage - Valorization of Parametric Variables

Fourth Stage - Estimation production

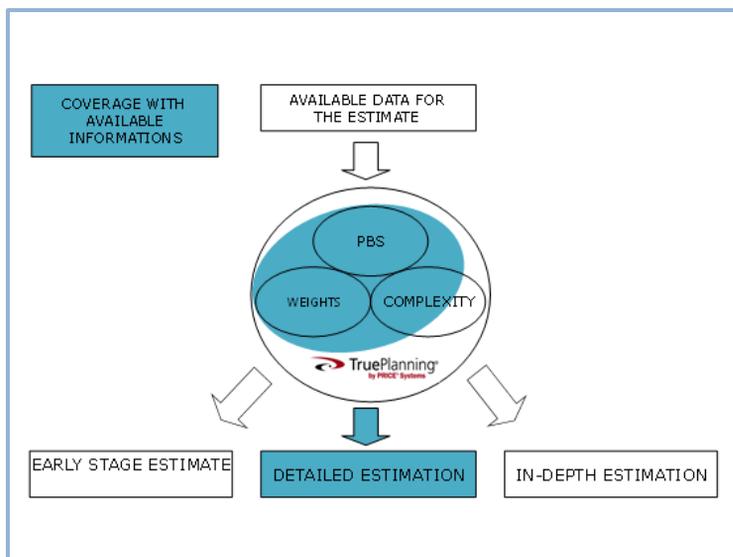
Definition of Estimation Context

The figure 4 shows the information typology (PBS, Weights e Complexity) needed to PRICE® TruePlanning® tool to produce the estimation and covering with available information. **The estimation scope** (Early Stage, Detailed and in-depth) **depends on the available information accuracy level**.

The figure represents the context in which a parametric estimation process it develops:

- The three factors needed to obtain an estimation (PBS, Weight and Complexity);
- Covering of information available in the three factors;
- Estimation type choice.

Figure 4: Definition of Estimation Context





2-TRUEMAPPER®

PRICE® TrueMapper is the tool that allows to connect the parametric estimation (**top-down**) to the costs detailed analysis (**bottom-up**).

The tool allows to define relations between the costs representation made through a parametric estimation and costs structure of the client's organization (figure 5), in order to:

- a) Realize at any moment a **comparison** between estimations and real costs;
- b) Verify the **entirety** of proposal;
- c) Obtain a **coherent baseline** for the performance control, from the beginning to the end of a program life-cycle.

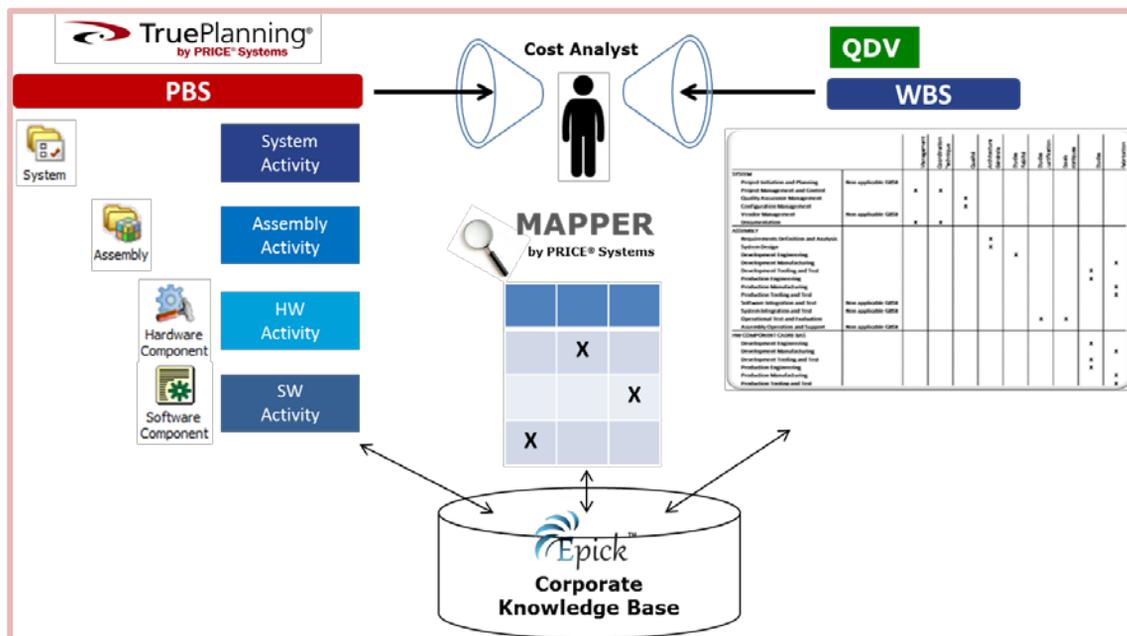


PRICE TrueMapper™ is integrated with PRICE® TruePlanning® and EPICK™ because it allows to compare data present in a configuration tree (PBS), produced with TruePlanning®, with a WBS representation produced by a planning system which is, for example:

- QDV7
- Primavera
- MS Project

The **result** of the **comparison** activity is saved in EPICK™ corporate knowledge base.

Figure 5: PRICE® TrueMapper™



PRICE® TrueMapper™ makes available to the user a **graphic interface** that allows to **associate** the **elements** that form the **Product Breakdown Structure** with **specific activities defined in the Work Breakdown Structure**. The user will be able to upload easily, with the desired percentage, the implemented estimations, whole or partial, with the WBS analytic approach.

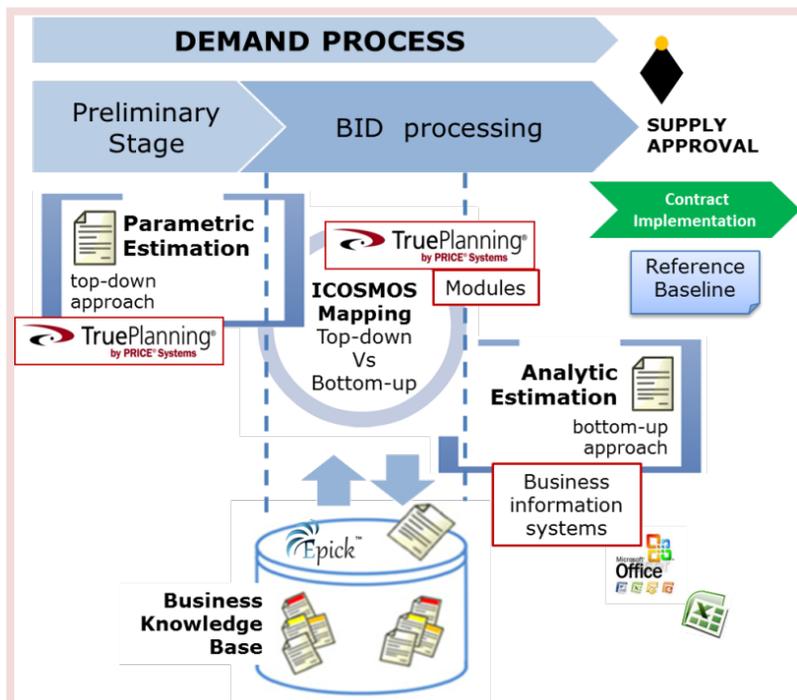


TRUEPLANNING and ICOSMOS: THE NEW COST MANAGEMENT FRAMEWORK

ICOSMOS is the new **framework** dedicated to the **Cost Management**, developed by PRICE® Systems in partnership with Creasys. The solution makes available to the customer a tools integrated platform: **TruePlanning®** (for parametric estimations), **Epick™** (Corporate Knowledge Base to support the Organization's Knowledge Capture process), **TrueMapper™** (for cross check analysis), **QDV7** (for bottom up estimations), and a substantial services catalogue. Thanks to the tools and services that are included, **ICOSMOS allows** to their customers to **manage** and **monitor** all **complex programs/projects from the preliminary stage** to the **closure**. **ICOSMOS** is a strong **support** to the «**Demand Process**» as illustrated in figure 6. It supplies an innovative methodology to the evaluation and costs management that connect the top-down approach, secured by PRICE® TruePlanning parametric system, with the traditional approach based on bottom-up costs estimation. The solution supports the mapping and cross-checking phase, between the two kind of estimation, with the goal to define a **robust and reliable project baseline** already during the acquisition stage of the project.



Figure 6: ICOSMOS support during the «Demand Process»



* To deepen the framework presentation, visit the dedicated section on the site www.creasys.it.