

Aims and Objectives

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BAWA, Bristol

Purpose

- The purpose of this workshop is to provide a **training session** in cost estimating conducted by professional estimating teams from academia, industry, tool vendors and consulting with the added benefit of **top-level critique** by senior government and industry executives.
- This program will be **instructive, entertaining, and suitable for a wide interest audience** (estimators as well as managers).

Workshop ethos

The workshop ethos will be;

- Presentations will be conducted in a **non-hostile atmosphere**.
- All observations will be **focused on the methodology and approach**, rather than the absolute cost accuracy.
- This is a **learning exercise** for the Teams and the audience.
- Team should seek ways to **demonstrate its innovation, experience, and presentation** skills.
- It is SCAF's preference that **younger members** of staff are used for the exercise, rather than 'veterans' of cost estimating, to provide a valuable opportunity for 'the next generation' to gain experience.

Background

- New EU rules on vacuum cleaners came into force on 1st September 2014 and will mean that “consumers will get better vacuum cleaners” and less energy will be wasted. A statement from the EU stated that it was not power that made a vacuum cleaner perform well. The EU will now require that all vacuum cleaners clean well and at the same time avoid wasting electricity. This will ensure quality, help consumers save money and make Europe as a whole use less energy.
- From September the EU will have to abide to a new set of minimum requirements that cover: Power; Performance (ability to pick up dust); Energy Efficiency; Dust Re-emission (particularly important for people with asthma); Noise Level and Durability (no early failure of the hose or the motor).
- As regards power, the current average for a vacuum cleaner is 1800 watts. The maximum permitted input power will be reduced to 1600 watts (from 1st Sept 2014) and to 900 watts in September 2017

The Challenge (Problem)

- The challenge is to gather cost and performance data and produce a life cycle cost analysis (assume 10 year life) to either support or contradict the EU assumption that wattage has become a marketing tool, steering the market towards more power hungry appliances.
- The side effect is that a lot of power is wasted and not turned into sucking power, whereas the consumer is still paying for that wasted electricity.

The Challenge (Problem)

- Each team will present its solution including;
 - The sources of data,
 - approaches to data gathering,
 - any ground rules or assumptions made,
 - normalisation techniques,
 - analysis of the power and capability of the vacuums,
 - consider the cost drivers for a vacuum cleaner,
 - establish if a cost estimating relationship can be determined for vacuum cleaners.

The Challenge (Problem)

- The objective is not so much to prepare accurate and realistic estimates, but to **describe the approach** to this task and how the task has been conducted. It is reminded that the Team members should not disclose proprietary information.
- They may use and display public domain models or even invent some models for the purpose of the exercise. If so, the Team will indicate it in order to avoid the audience from being misled.
- There is **no pass or fail** and certainly no “right answer.” We strive to keep the estimating spirit alive and to present a good cross-section demonstration of how world-class estimators approach the issue of analysing data and producing risk adjusted models.

General Estimating Assumptions

- Any estimates should be based at 2015 economics,
- 10 years life,
- Assume an average UK floor space of 76m² (818 ft²).
- The teams will need to supply their own insight into vacuums and data,
- Technology forecasting, augmenting assumptions, and innovative estimating are encouraged

Format and Schedule

- The results of this case study will be in MS Office (PowerPoint and Excel) format, presented in **30 minutes** by one or more team presenters **including time for questions and answers** from the Senior Review Panel and audience

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