

K^oss K^osten Stabil Steuern[®]

(Stable controlling of Costs)

Initial Position

Like John Ruskin, English social researcher from 1819 to 1900, already ascertained:

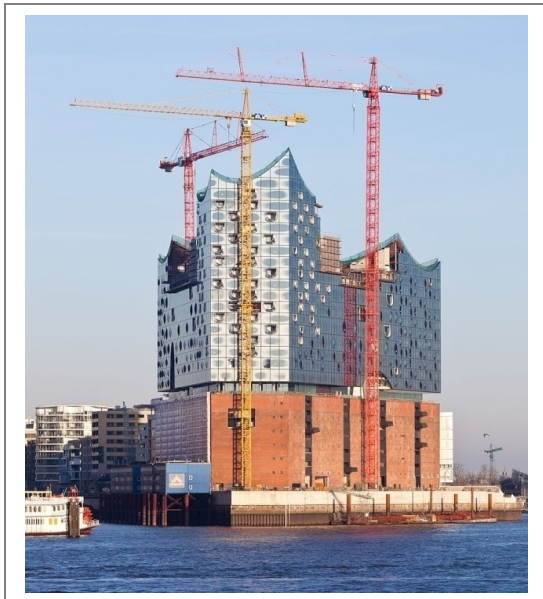
There is hardly anything in the world that someone cannot make a little worse and sell a little cheaper, and people who consider price alone will suffer from poor quality. It is neither wise to pay too much nor to pay too little. When you pay too much you lose some money that is all. When you pay too little you may lose everything because the thing you bought is not capable to fulfil its function.

*The common law of business balance prohibits paying little and getting a lot. It cannot be done. **If you deal with the lowest offer you have to add something for the risk you run.** And if you do that you will have enough to pay for something better.*

The German construction industry is meanwhile characterized by:

- Costs are named too early due to “political” reasons
- Cost accounts must not show any risk costs
- Cost reserves are hidden
- Single market segments tend towards supplier markets

The result is: **Costs are rising constantly**



Solution

In a consistent and complete risk assessment and cost control system a usual calculation of costs can be compiled. Thus, up to the conceptual design, risk cost can be distinguished and specified.

The **initial project planning** has to take place completely.

In the **preliminary** and in the **conceptual design** the following influencing factors have to be exemplary assessed

1. Unknown stock
2. Unknown influences in the ground
3. Quantity determination
4. Insecure prices
5. Influences from neighbourhood
6. Competences of the planners
7. Influence of fire protection
8. Influence of the monumental protection
9. Unknown Influences of building law, public agencies, planning permission, statics, achievement methods
10. Systematics of cost calculation



The order at the costs we achieve by the sub-processes

**solidly ensuring costs
constant reduction of costs**

As such, **stable controlling of costs** is possible

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Utility Model of Contelos Engineering

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