



# PMtech Digital Solutions (Private) Limited.

[info@pmtechww.com](mailto:info@pmtechww.com); [www.pmtechww.com](http://www.pmtechww.com)

## ACTIVITY COST ESTIMATES TEMPLATE

This Activity Cost Estimates Template is free for you to copy and use on your project and within your organization. We hope that you find this template useful and welcome your comments.

Public distribution of this document is only permitted from the PMtech Digital Solutions official website at:

[PMtech Digital Solutions \(https://www.pmtechww.com\)](https://www.pmtechww.com)

For word document of this template, please email us at:

[info@pmtechww.com](mailto:info@pmtechww.com)

## ACTIVITY COST ESTIMATES

COMPANY NAME  
STREET ADDRESS  
CITY, STATE ZIP CODE

DATE

### Document History

Version	Issue Date	Changes
[1.0]	[Date]	[Section, Page(s) and Text Revised]



## PMtech Digital Solutions (Private) Limited.

[info@pmtechww.com](mailto:info@pmtechww.com); [www.pmtechww.com](http://www.pmtechww.com)

*Activity Cost Estimates are an indispensable project management instrument for ascertaining project expenses. The activity cost estimate, similar to the way in which a project's work is divided into activities and work packages, reduces the project's costs to the activity level to enhance the estimate's reliability and accuracy.*

*The activity cost estimate takes into account the costs associated with the completion of each project activity. Direct costs for project resources, indirect costs that may be transferred to the project, and the amount held in contingency reserve for the activity are all included in these costs. A particular activity may be allocated a multitude of resources, all of which must be included in the estimate for that activity.*

*One of the characteristics of the activity cost estimate is the documentation of the process used to determine the estimate. This is typically accomplished through parametric or analogous estimation. Analogous estimating is a method that involves estimating the cost of similar past projects or activities. Parametric estimation involves the determination and application of a unit cost that is calculated over a specified duration or number of units. Parametric estimation is typically more precise and should lead to a greater degree of confidence.*

*An additional attribute of the activity cost estimate is that it frequently employs a confidence level and a range for the cost estimate. At various stages of project planning, certain activities may be more clearly defined, which can lead to a significantly higher level of confidence than those with a greater number of unknowns. It is crucial to acknowledge that, similar to the majority of project management documentation, the activity cost estimate should be updated and enhanced over the course of the project's lifespan.*

*In general, the more information and detail that is available for an activity, the more precise the cost estimate will be. Once all of the activities of a project have been completed, the activity cost estimates can be utilized to develop the overall project cost estimate.*



# PMtech Digital Solutions (Private) Limited.

[info@pmtechww.com](mailto:info@pmtechww.com); [www.pmtechww.com](http://www.pmtechww.com)

## Standard Activity Cost Estimates Template:

Activity Cost Estimates										
Project:								Date:		
WBS No.	Resource	Direct Costs	Indirect Costs	Reserve	Estimate	Method	Assumptions/ Constraints	Additional Information	Range	Confidence Level
<i>This should be the WBS number from the Work Breakdown Structure</i>	<i>Type of resource (labor, material, equipment, service, etc.)</i>	<i>Costs related to project work (staff salaries, supplies, training, etc.)</i>	<i>Costs not directly attributable to the project (utilities, rent, security, etc.)</i>	<i>Amount of funding held in reserves for contingencies</i>	<i>Estimated cost</i>	<i>Method used such as parametric, analogous, etc.</i>	<i>Any assumptions used in developing the estimate such as labor cost per hour</i>	<i>Information on cost of quality, interest rate, or other</i>	<i>Range of estimate</i>	<i>The degree of confidence in the estimate based on available information</i>

## Example with Sample Data:

Activity Cost Estimates										
Project: Digital Transformation of Advantech Digital								Date: 10/08/2024		
WBS No.	Resource	Direct Costs	Indirect Costs	Reserve	Estimate	Method	Assumptions/ Constraints	Additional Information	Range	Confidence Level
4.1.1	Jr. Programmer for 40 hours	40 hrs. @ \$30.00 = \$1,200	\$0	\$0	\$1,200	Parametric	Must obtain functional manager approval to assign Jr. Programmer	N/A	\$1200 - \$1250	8
4.1.1	Network Specialist for 10 hours	8 hrs. @ \$40.00 = \$320	\$0	\$0	\$320	Parametric	Must obtain functional manager approval to assign Network Specialist	N/A	\$320 - \$350	7
4.1.1	Lease Network Test Equipment	4 hrs. @ \$50.00 = \$200	12 hrs. @ \$50 = \$600	\$0	\$800	Parametric	Assume test equipment will be available	Lease from Test Supply Corp.	\$800 - \$825	7

This free Activity Cost Estimates Template is brought to you by [PMtech Digital Solutions](http://www.pmtechww.com)  
(<https://www.pmtechww.com>)