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**COURSE CODE: ENG 384**

**QUESTION 2**

1. **Keep everyone informed and accountable**

An important part of staying on budget is to make sure all team members are aware of the current budget status as well. Keep the project team informed of the project budget forecast. An informed team is an empowered team that takes ownership of its projects. By keeping the team informed of the budget status, they will be more likely to watch their project charges and far less likely to charge extra “gray area” hours to your project

## Revisit, review, re-forecast

A project left to run without budget management and re-forecasting will lead to failure. Frequent budget oversight is essential in preventing budgets from getting too far out of hand. A 10 percent budget overrun is far easier to correct than a 50 percent overrun, and if you don’t keep an eye on your budget and re-forecast, that 10 percent overrun can turn into a 50 percent overrun before you know it. Your chances of keeping a project on track with frequent budget review are far greater than if you forecast once and forget about it

## Choosing Right People is Key to Managing Costs

Not everyone is right for every task. Even though you try to hire well-rounded team members, there will always be areas where one outperforms the rest. Know your team’s strengths and weaknesses. Be familiar with their work habits and attitudes, so that you can accurately predict how long it will take someone to do a particular task. This doesn’t just apply to saving on project costs, either. If you find that you’ve got extra hours, you might be able to assign a task to a newer team member as a learning experience. It’ll take a bit longer, but you’ll have given him valuable on-the-job training