

Lifecycle Cost Modelling Process

STEP 1 Define the Scope of the Analysis

- Stakeholder involvement
 - Project plan review
 - Scope of analysis
 - Data requirements analysis
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STEP 2 Develop or Adjust the LCC Model

- Model Selection
 - Depreciation policies and rates
 - Governing accounting practices
 - Categorization of cost contributors
 - Validation of the model by Accounting
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STEP 3 Define Team. Collect Information

- Team identification
 - Responsibility allocation
 - Data collection and configuration
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STEP 4 Populate the Model

- Data verification
 - Audit trail for data entries
 - Consensus discussion
 - Base results demonstration
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STEP 5 Review and Optimize the Model

- Reality checks
 - Sensitivity analysis
 - Variations
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STEP 6 Decide and Implement the Solution

- Presentation to stakeholders
 - Consensus
 - Budget alignment and project team appointment
 - Implementation project definition and activation
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STEP 7 Maintain the Model

- Populate actual data
- Adjust and review

