



ISYS 630 Project Management

Pie Pub Restaurant

Project Cost Analysis

Group 3

Team members

Abeer Katiyal | Aditya Purandare | Sneha Chandrashekaraiah

Project Cost Analysis

Budgeting is part of managing a business and is included in the plan. It is also a valuable tool to help the consultant and restaurant owners to have a realistic sense of the budget. A budget is really just a financial plan. A budget document is created to track the monetary expense and also to forecast the financial reserve required for the project. They serve as a dependable basis for business planning and budget reviews, facilitate any re-adjustment of funds when necessary, create transparency and a clear audit trail, and aid in external reporting and regulatory reporting to the investment community along with the SEC.

The budget document explains the financial distribution in two different periods. We provide a long term budget plan which covers the major business functions and key activities extended over the entire project. The short term budget represents the in-depth expense per month over the staff, resource and other expenses.

The budget was formulated by the Agventures and sign-off will be provided Pie Pub regarding the over-all financial distribution across the period of 6 months.

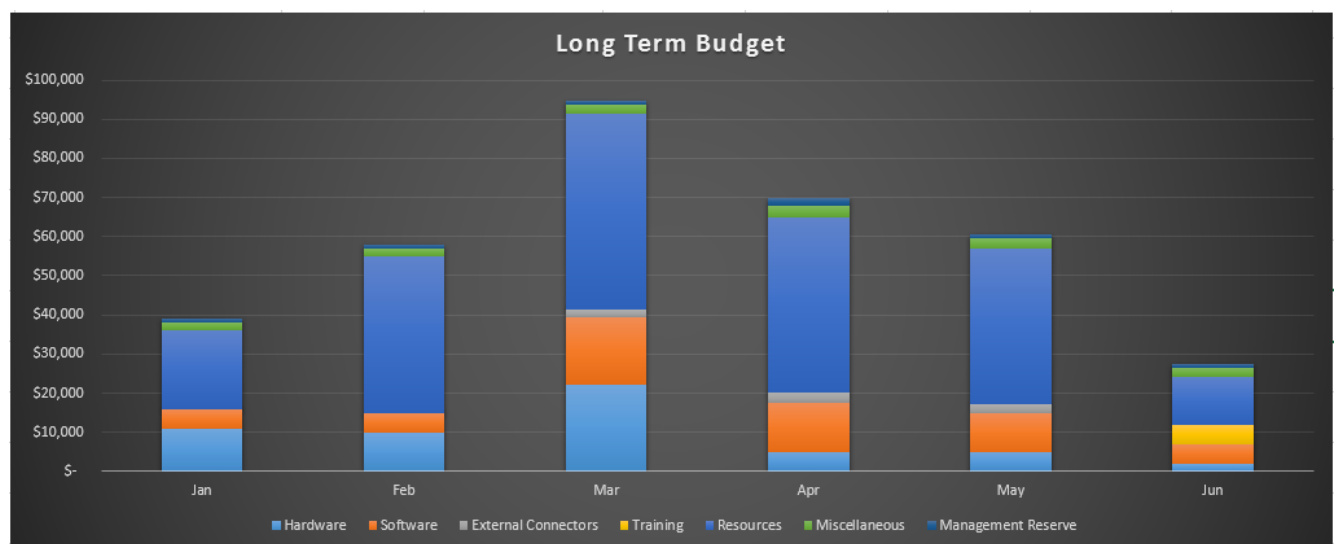
Cost Analysis

- Labor Cost: Our project incurs heavy labor cost for both hardware installation and software development sectors. Our total resources expenditure for both department inclusive is \$207,000. This also includes the consultants, analysts and the training staff.
- Hardware and Software cost: Our project requires purchase of hardware equipment and software development takes care of the integration, mobile app and other aspects. Apart from the actual Point of Sale systems, routers and as such that needs to be purchased, we also need external connectors that needs to be purchased. The total budget for all sectors is combined to \$116,500.
- Training: Exclusive of staff salary, the training imparted to the restaurant staff on how to use the system and its integration with the mobile devices has a budget of \$5000 for space renting and other utilities.
- Miscellaneous: Other costs which might not always be anticipated or deemed irrelevant costs will be charged to miscellaneous account which has a budget of \$14000.
- Management Reserve: We have allocated 2% of our total budget as management reserve, and as a buffer resource.

Long Term Budget

Long term budget provides an overview of how our finances are distributed over the entire project duration. It covers the money spent on the key areas and our major spending sectors. It gives us an overview of which sectors may need extra buffer and provides a high-level view of the money spread across in a matrix. We have the breakdown given in a matrix and its graphical representation below:

Category	Budget	Jan	Feb	Mar	Apr	May	Jun	Trends
Hardware	\$ 55,000	\$ 11,000	\$ 10,000	\$ 22,000	\$ 5,000	\$ 5,000	\$ 2,000	
Software	\$ 55,000	\$ 5,000	\$ 5,000	\$ 17,500	\$ 12,500	\$ 10,000	\$ 5,000	
External Connectors	\$ 6,500	\$ -	\$ -	\$ 2,000	\$ 2,500	\$ 2,000	\$ -	
Training	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000	
Resources	\$ 207,000	\$ 20,000	\$ 40,000	\$ 50,000	\$ 45,000	\$ 40,000	\$ 12,000	
Miscellaneous	\$ 14,000	\$ 2,000	\$ 2,000	\$ 2,250	\$ 2,750	\$ 2,500	\$ 2,500	
Management Reserve	\$ 7,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 2,000	\$ 1,000	\$ 1,000	
Total	\$ 349,500	\$ 39,000	\$ 58,000	\$ 94,750	\$ 69,750	\$ 60,500	\$ 27,500	



Short-Term Budget

Short term budget is a detailed breakdown of each key area given in the long term budget and how that applies in that month. It also takes into account any additional expense incurred and provides an in-depth analysis of each month expenditure. We have chosen to give a break-up of the month of March as it provides a good representation of the mid-project budget allocation to various departments.

Budget for the month of March

Hardware Procurement		Rate	Quantity	Hardware Cost
	PoS Terminal	180	50	9000
	Routers	25	20	500

	Cloud server	750	4	3000
	Workstations	200	20	4000
	Scanners	125	10	1250
	Printers	50	10	500
	Disk Storage	25	10	250
	UPS	75	20	1500
	Tablets	200	10	2000
	Hardware total			22000
Software Procurement		Rate	Quantity	Cost
	Cloud Hosting space	4500	100 GB	4500
	Virtual Private Network license	5	100	500
	Operating System	40	50	2000
	Application software user license	100	40	4000
	Google Apps for work	5	400	2000
	Inventory Management subscription	450	1	450
	Security Software	12	250	3000
	Mobile App license	100	3	300
	Integration software license	750	1	750
	Software total			17500
External Connectors		Rate	Quantity	Cost
	Switches	60	15	900

	Ethernet Cables	4	200	800
	Coaxial cable	10	30	300
	External connector total			2000
Resources		Hourly Rate	Man-hours	Cost
	Mobile application development team	40	100	4000
	Integration software development team	50	250	12500
	Web Development team	45	100	4500
	Project Managers	70	150	10500
	Testing team	40	160	6400
	Business Analyst	40	55	2200
	Network analyst	35	60	2100
	Quality Analyst	45	100	4500
	Security Analyst	50	66	3300
	Resources			50000
Miscellaneous		2250		
	Contingency resource	2250	-	2250
	Miscellaneous total			2250
Management Reserve		1000		
	Management Reserve	1000	-	1000
	Reserve Total			1000