

# METHODS LIFE CYCLE COSTING ANALYSIS

Learn about Life Cycle Costing and its application in Asset Management. Understand the different elements that make up a full Life Cycle Costing Analysis. Discover how to build a Cost Breakdown Structure and what parameters are used to drive the LCC calculation.

## Format

**Duration:** 15 hours    **Schedule:** 2 Day(s)    **Delivery:** Classroom

## Who should attend

Those who are:

- Looking to improve the efficiency and effectiveness of asset management plans, supply logistics, technology, equipment and spare parts purchasing decisions, project evaluation.
- Interested in the future impact of their equipment engineering, maintenance, procurement, asset management and reliability activities and the cost of failures.
- Job roles: Asset Managers, Reliability Engineers, Project Engineers, Maintenance Analysts, Maintenance Supervisors, Design Engineers, Continuous Improvement personnel.

## Objectives

- Understand the foundation of Life Cycle Costing and the main terminology used in its analysis.
- Discover the data requirements needed to ensure an accurate LCC analysis.
- Participate in a real-world exercises to develop LCC models within dedicated software.

## Required Prerequisites

None

## Program Outline

### Day 1

- Asset Management and Life Cycle
- Introduction to Life Cycle Cost
- Interest – Simple Interest and Compound Interest
- Nominal and Effective Interest Rates
- Life Cycle Cost Analysis Formulas; Future Value, Present Value, Current Value and NPV.
- Cost Breakdown Structure
- Cost Disciplines
- Data Requirements; Database, Existing Data Sources

### Day 2

- Steps in Life Cycle Cost Analysis
- Using AWB software, Availability Workbench, LCC module
- Sensitivity Analysis
- Life Cycle Cost Models
- LCCA Examples Workshop

## Languages

- English
- Spanish

