
Construction Cost Estimating: Tender Pricing and Bid Review Course for Leaders

11 – 15 January 2027
Milan





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Programme Summary

Construction cost estimating, tender pricing and bid review is the subject of this one-week training course for managerial leaders at applied level, ending in a tender pricing and bid review dossier for one live tender. Bids are won or lost on measured quantities, justified rates and honest risk allowances. The approach moves from estimate classes and cost build-up, through risk allowance and bid decisions, to a tested submission. Mars Training Centre UK delivers this programme in construction cost estimating, tender pricing and bid review.

The Business Case

Contractors lose margin when a bid is underpriced, and owners inherit disputes when an accepted bid is incomplete. Leaders who sign off prices need a method to test how an estimate was built and what risk it carries.

- Bid Margin Erosion: Falls as quantities, rates and exclusions are tested before submission.
- Hit Rate on Priced Bids: Improves as bid or no-bid decisions rest on a scorecard rather than habit.
- Post-Award Cost Variance: Narrows as risk allowances and scope gaps are agreed up front.

Principles and Evidence Base

- AACE International cost estimate classification: Its Class 5 to Class 1 scale frames estimate maturity and accuracy ranges in Session 1.
- ICMS, the International Construction Measurement Standards: Its common cost structure organises cost classification and comparison in Sessions 1 and 4.

Intended Participants

- Leaders who direct estimating teams and approve final tender prices.
- Managers who decide whether to bid and how much risk to carry.
- Owner representatives who compare, clarify and recommend bids for award.
- Commercial managers who link estimates to budgets, contracts and cash flow.

The programme serves contracting, property development, infrastructure and industrial project organisations.



Learning Outcomes

1. Participants will be able to evaluate the maturity and accuracy range of an estimate against its project definition.
2. Participants will be able to construct a priced item from quantities, resource rates and productivity.
3. Participants will be able to diagnose scope gaps, exclusions and unbalanced items in a tender price.
4. Participants will be able to prioritise risks and convert them into a justified allowance.
5. Participants will be able to compare competing bids and explain outliers to an approver.
6. Participants will be able to justify a bid or award recommendation to a senior committee.

Programme Structure

Day 1: Construction Cost Estimating Foundations

What does an estimate at each stage of project definition really tell a decision maker?

- AACE International Estimate Classes 5 to 1
- ICMS Cost Classification Structure
- Estimate Basis and Assumptions Register
- Direct, Indirect and Preliminaries Cost Split
- Estimate Maturity and Accuracy Range Review

Day 2: Quantities, Unit Rates and Cost Build-Up

How is a price built from measured quantities, rates and productivity?

- Quantity Take-Off Methods and Measurement Rules
- Labour, Plant and Material Rate Build-Up
- Subcontractor and Supplier Quote Levelling
- Productivity and Escalation Adjustments
- Overhead and Margin Allocation

Day 3: Tender Pricing and Risk Allowance

Where does the price carry risk, and how much allowance is justified?

- Tender Document and Scope Gap Review
- Risk Register to Contingency Conversion
- Three-Point Estimate for Uncertain Items
- Provisional Sum and Exclusion Strategy
- Cash Flow and Pricing Strategy Test



Day 4: Bid Review and Bid Decision

Should the organisation bid, at what price, and who approves it?

- Bid or No-Bid Scorecard
- Bid Review Gate Checklist
- Bid Comparison and Outlier Analysis
- Qualifications, Clarifications and Alternatives Log
- Approval Pack for Senior Sign-Off

Day 5: Applying Estimating and Bid Review to a Tender

Is the tender price complete, defensible and ready to submit or award?

- Applying the Day 1 Estimate Class to a Live Tender
- Rebuilding Key Items With the Day 2 Rate Build-Up
- Testing the Day 3 Risk Allowance Against the Price
- Running the Day 4 Review Gate on the Final Pack
- Completing the Tender Pricing and Bid Review Dossier

Methodology

The programme rests on structured exercises using redacted sample tender documents, bills of quantities and quotations from building, road and industrial works. Participants price extracts, rebuild disputed items and defend findings before a simulated committee.

- Suggested activity: Taking off a sample element and comparing the result with a supplied bill of quantities.
- Suggested activity: Levelling three subcontractor quotations and ranking their hidden exclusions.
- Suggested activity: Presenting a bid or no-bid recommendation to a simulated committee.

Capstone Output

Each participant completes a tender pricing and bid review dossier for one live or sample tender. It holds an estimate basis statement, a cost build-up for key items, a risk allowance schedule, a bid scorecard and a recommendation. It is used to brief an approval committee, to prepare clarification questions and to record why a price was accepted.



Frequently Asked Questions

Is construction cost estimating, tender pricing and bid review suitable for leaders who are not estimators?

Yes. It is set at applied level for managers who approve or compare tender prices. You need commercial or project experience, not estimating software skills; every method is explained from first principles.

Which standards does construction cost estimating, tender pricing and bid review rest on?

It rests on the AACE International cost estimate classification for estimate maturity and on ICMS for cost structure. Both are used as working references for review rather than studied as theory.

How is the dossier from construction cost estimating, tender pricing and bid review used at work?

You use it to brief an approval committee, prepare clarification questions and record the basis of the accepted price. It becomes the reference when scope or cost is later questioned.

How does construction cost estimating, tender pricing and bid review differ from a procurement course?

It concentrates on how a price is built, tested and approved. Procurement courses concentrate on sourcing strategy, supplier selection and contract award processes.