

Study on the optimization strategy of the project budget in the construction project cost management

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Abstract: China's construction industry with the development of economy, has made leapfrog progress, whether it is construction technology, construction engineering management, construction engineering investment or construction engineering project scale has a deep development, gradually in the standardized model. Construction project cost control is the key link of construction project management, which directly affects the benefit of the project, so we must reasonably control the cost of the project, only in this way to maximize the benefit of the enterprise. In view of this, this paper will analyze the optimization of the project budget in the construction project cost management, and put forward some strategies for the reference of all colleagues only.

Key words: construction project cost management; project budget; optimization strategy

Under the background of the vigorous development of China's construction industry, the construction project cost management is increasingly concerned by enterprises. As an important part of cost management, the rationality and accuracy of project budget are of great significance to the investment decision, resource allocation and project cost control of project projects. Starting from the optimization strategy of project budget, this paper will discuss how to maximize the benefit of enterprise in the construction project cost management.

1. Construction project budget, definition and importance

As the core link of project management, the definition and importance of construction project budget cannot be ignored. Budget, in short, is the process of pre-estimation and planning of the funds needed for construction projects. It is not only an important basis for project decision-making, but also a key means to ensure the smooth progress of the project, control the cost and improve the economic benefits. According to statistics, a reasonable construction project budget can effectively reduce the project cost, improve the return on investment, and even play a decisive role in the success or failure of the project. Therefore, it is of great significance to deeply understand and grasp the definition and importance of the project management level and promote the healthy development of the construction industry.

In practical cases, we can find that those enterprises who value and are good at using the construction project budget are often able to stand out in the fierce market competition. For example, a well-known construction enterprise in undertaking a large project, through careful budget, not only to ensure the smooth progress of the project, but also to achieve effective cost control. In contrast, some enterprises that ignore budget management often encounter problems such as capital shortage and cost overspend in the process of project implementation, leading to project delay or even failure. These cases fully illustrate the important role of construction engineering budget in project management.

In addition, the importance of the construction engineering budget is also reflected in its role in promoting the development of the industry. With the continuous development of the construction industry, the market competition is becoming increasingly fierce. If enterprises want to gain a foothold in the market, they must constantly improve their competitiveness. As an important part of the project management, the optimization and improvement of the construction project budget will help to improve the project management level of enterprises, and then enhance the competitiveness of the whole industry. Therefore, strengthening the research and practical application of construction engineering budget is of great significance to promote the sustainable and healthy development of the construction industry.

2. The principle of the project budget

In order to further improve the quality and effect of the project budget, we need to follow some basic principles to make the budget work more reasonable and scientific.

2.1 Principles of proceeding from reality

The project budget should be closely prepared around the actual project needs and progress. This principle requires us to fully understand the specific situation of the project, when carrying out the budget work, including the project scale, construction cycle, construction technology and so on. By making a budget that matches the actual project progress, we can ensure that the budget work is reasonable and scientific.

2.2 Market research and analysis

In the project budget, we also need to pay attention to the market dynamics and conduct in-depth research on related industries and policies. By collecting and analyzing the market information, we can better understand the materials, equipment, human resources and other resources required by the project, so as to ensure the rationality and scientific nature of the project budget.

2.3 Comprehensive discussion from multiple perspectives

In order to ensure the accuracy of the project budget, we should conduct a comprehensive discussion and analysis of the budget from different angles. This includes social needs, organizational management, science and technology, and so on. Through multi-angle

discussions, we can get a more comprehensive understanding of the project needs, and then develop a more precise budget.

2.4 The budget is controlled within a reasonable range

The purpose of the project budget is to provide reasonable financial guarantee for the enterprise to ensure the smooth progress of the project. Therefore, when preparing the budget, we should pay attention to control the budget amount within a reasonable range. This requires us to take full consideration to the actual needs of the project in the process of budgeting to avoid too high or too low budget.

2.5 Maximize the comprehensive benefits

When carrying out the project budget work, we should pay attention to the comprehensive benefits of the project, and strive to maximize. This means that in the process of budgeting, we should fully consider the social, economic and environmental benefits of the project to ensure the comprehensiveness of the budget work.

Following the above principles, we can carry out the project budget work more effectively and improve the quality and effect of the budget. Through reasonable budget control, we can make enterprises realize the reasonable allocation of funds in the process of project implementation, reduce costs and improve the investment efficiency. At the same time, the comprehensive market research and multi-angle discussion and analysis can help enterprises to better grasp the project needs and ensure the accuracy and feasibility of the project budget. Finally, these principles will help enterprises to maximize their comprehensive benefits and lay the foundation for their sustainable development.

3. The optimization role of the project budget in the construction project cost management

3.1 Reduce construction costs

The ultimate goal of enterprise development is to make profits, and the basis of making a profit is to develop a reasonable and scientific cost budget. For construction engineering enterprises, if you want to ensure the low construction cost, you must control the project budget, to ensure its rationality and scientific, so as to control the cost in a more reasonable range.

3.2 Provide the basis for the project cost control

As the cornerstone of project cost, its importance is self-evident. Before the project cost activities, it is necessary to carry out a detailed project budget work. Only after the completion of the project budget, the enterprise has the qualification to apply for approval to the relevant departments, and then obtain the actual required construction funds. Only by ensuring the rationality of the project budget, can we ensure the high efficiency and high-quality of the project cost management process. In order to ensure the rationality of the project cost, it is necessary to make a scientific and reasonable plan, covering the raw material procurement channels and the use arrangement of different stages of the project funds. Only after the enterprise can obtain the project loan issued by the bank can the relevant departments strictly examine and confirm that the plan is feasible. Therefore, the rigor and accuracy of the project budget is very important for the smooth progress of the project cost, we must attach great importance to and strictly implement the relevant budget system, to ensure the smooth progress of the project cost work.

3.3 It is conducive to the budget of the building construction drawing

Construction construction drawing occupies a pivotal position in construction engineering and is the key basis to guide the construction process. In order to ensure the accurate calculation of the overall quantity of the project, the calculation must be carried out in accordance with the construction drawings. In this process, the construction drawing must be scientific and reasonable, and consistent with the actual situation of the project, which is a necessary prerequisite for the review of the relevant departments. Once the construction quantity can be clear, we can smoothly carry out the statistical work of direct and indirect costs of the project, and finally accurately get the cost of the construction project.

4. The optimization strategy of the project budget in the construction project cost management

4.1 There should be professional cost talents

Professional engineering cost talents are an important prerequisite to ensure the effective control of the construction project cost. In order to control the construction project cost within a reasonable range, the primary task is to absorb the engineering cost professionals with solid theoretical knowledge and rich practical experience. Such talents have the ability to make a reasonable budget and formulate a feasible management plan, and lay a solid foundation for the project cost control. Secondly, it is necessary to focus on improving the professional quality and professional ethics level of the project cost personnel. Through regular relevant training and assessment, they constantly improve their professional ability and professional quality. For those who do not reach the standard in the assessment results, targeted training courses should be formulated to help them improve their ability level, and ensure that every person involved in the project cost work can meet the job requirements.

4.2 The project budget shall be effectively supervised

In order to effectively improve the quality and efficiency of the construction project budget, it is necessary to strengthen the overall supervision of the project budget process. Only by adopting the scientific and reasonable way and the strict audit and supervision of it can the accuracy and rationality of the project budget be ensured. The specific supervision measures are provided as follows:

First, in the construction project audit stage, detailed rules and regulations should be formulated to clarify the primary and secondary relationship, grasp the key nodes, clearly define the rights and obligations of both parties, to ensure that all affairs have rules to follow and

documented.

Second, the relevant departments should strictly examine the use of project funds, and strictly prevent the occurrence of bad phenomena such as exceeding the budget or making false budget. Once such problems are found, they should be dealt with seriously according to relevant laws and regulations to make an example to others.

Third, enterprises should establish a sound construction project supervision mechanism to ensure that construction personnel and budget management personnel can consciously abide by the relevant regulations, so as to improve the overall budget efficiency of construction projects.

4.3 Ensure the rationality of the design scheme

As an important link before the whole building construction, its rationality is directly related to the control effect of the project cost. In order to ensure a scientific and reasonable design scheme, it is necessary to ensure that the architectural engineering designers have a high degree of professional quality. Only under this premise can the potential problems in the design be identified and effectively solved in time. In addition, public bidding can be used to select the best among the many design schemes to ensure the professionalism and rationality of the design scheme. At the same time, through the implementation of the amount control management, we strive to minimize the cost of the project on the basis of ensuring the quality of the design, so as to maximize the economic and social benefits of the project construction.

4.4 Strengthen the control of building materials

The cost of building materials occupies a significant proportion in the overall construction project cost. In order to ensure the scientific nature and rationality of the project cost, it is necessary to strictly coordinate and accurately calculate the related costs of building materials. To control the cost of building materials, the following measures should be taken:

One is to strengthen market research, the relevant personnel need to go deep into the reality, a wide range of market inquiry work. By comparing the price difference between the building material price and the material price agreed in the contract, and negotiate with the heads of relevant departments to ensure the rationality and fairness of the material price.

Second, after the completion of raw material procurement, it is necessary to strictly control the warehousing link, strengthen supervision, ensure that the quality of warehousing materials meets the standards, and prevent unqualified materials from entering the construction site.

Thirdly, in the construction process, we should focus on ensuring the quality of raw materials, and constantly optimize the construction technology. Through fine management, we strive to give full play to the maximum use value of materials on the basis of no construction problems, and realize the reasonable allocation of resources, so as to effectively reduce the cost and improve the project efficiency.

4.5 Information technology promotes project cost control quality

Science and technology is the first productive force, once the enterprise master advanced technology, its development speed will rise steadily, no danger of reduction. The application of modern information technology in the field of construction engineering has been extensive, especially in the cost control of construction engineering, playing a decisive role. If an enterprise wants to achieve rapid development, it must adhere to the concept of advancing with The Times, make full use of the efficient and convenient network information platform, and strengthen the effective management and control of the construction cost. Specifically, modern information technology should be used to extensively collect valuable market information, which has the advantages of fast speed and wide range, and can save manpower, financial resources and material resources to a certain extent, to ensure the timely and effective reflection of the dynamic of the relevant situation. At the same time, the cost data provided by modern information technology is more conducive to the control of the construction project cost in a scientific and reasonable scope, so as to promote the sustainable and healthy development of enterprises.

sum up

In summary, in order to further improve the optimization effect of engineering budget in construction project cost management, we can have professional cost talents; effectively supervise the project budget; ensure the rationality of the design scheme; strengthen the control of building materials; information technology to promote the project cost control and quality, so as to promote the optimization quality of engineering budget in project cost management to a new height.

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