**Cost Schedules**

The cost and schedule estimation process help in determining number of resources to complete all project activities. It generally involves approximation and development of costing alternatives to plan, perform or work, deliver, or give project. A good estimation is very much essential for keeping a project under budget. Two perspectives are generally required to derive project plans. These perspectives are given below:

1. **Forward-Looking :**
   * The Forward-Looking approach is also known as Top-Down approach. This approach generally starts with describing and explaining various project tasks that involve starting with project aim or end deliverable and breaking it all down into smaller planning chunks.
   * Top-down budgeting also refers to a method of budgeting where project managers prepare a high-level budget for organization.
   * These project managers or senior management develops and creates a characterization of overall size, process, environment, people, and quality that is essential for software project. In this approach, duration of deliverable’s is estimated.
   * It generally takes less time and effort than bottom-up estimate. With help of software cost estimation model, an estimation of overall effort and schedule is done. The project manager generally divides estimation of overall effort into a top-level of WBS (Work Breakdown Structure).
   * They also divide schedule into major milestones dates. At this stage, sub-project managers are simply given responsibility for decomposing every element of WBS into lower levels with help of various allocations of top-level, staffing profile, and, major milestones dates as constraints.
   * The main benefit of this approach is use of holistic data from earlier projects or products, along with unmitigated risks, and scope creeps. This also helps in reducing risk of overlooked work activities or costs.

**2. Backward-Looking:**

* Backward-Looking approach is also known as Bottom-up approach.
* In this approach, project team breaks requirements of clients down, determining lowest level appropriate to develop a range of estimates, covering overall scope of project based on available definition of task.
* Overall elements of lowest level WBS are generally explained into detailed tasks, for which WBS element manager is responsible for estimating budget and schedule.
* All of these estimates are joined and integrated into higher-level WBS budgets and milestones.