Cost Benefit Analysis: A Practical Guide

A 2 DAY EXECUTIVE TRAINING PROGRAM

Delivery Date: 8-9th September 2008

Location: Sir Roland Wilson Building, ANU, Canberra

Overview
A Practical Guide to Cost-Benefit Analysis

Cost-benefit analysis is increasingly required within Government to evaluate project proposals. Numerous books and manuals provide basic guidance on methodology and theoretical aspects, but there is little practical guidance available to those who need a non-technical introduction, or wish to refresh their skills in the area.

The Crawford School course is specifically designed to provide participants with sufficient confidence to initiate their own analysis on return to the workplace, or to supervise specialist consultants. Our experienced Course Convenor, Dr Leo Dobes, will also provide follow-up assistance and advice to course participants if required.

Course Outline

The course is structured around 10 practical steps. Following discussion of each of the 10 topics, participants are invited to undertake the next stage in the corresponding component of a practical exercise. For example, participants will undertake discounting of flows of costs and benefits, estimate consumer and producer surplus from basic data, etc.

By the end of the course, participants will therefore have worked through a practical example of cost-benefit analysis using the following 10 basic steps:
1. Identify and specify objectives and policy considerations
2. Determine ‘standing’
3. Identify and catalogue impact of the project or policy, and its alternatives
4. Predict impacts of policy alternatives over the project life cycle
5. Estimate the economic value of the costs and benefits
6. Estimate the Net Present Value of the costs and benefits
7. Allow for uncertainty
8. Conduct sensitivity analysis
9. Undertake distributional analysis to assist decision-makers
10. Make a recommendation

While there is no set text for the course, a readable but comprehensive treatment is to be found in:

**Expected Outcomes**

Using skilled PS practitioners, the course content is intentionally focused on practical issues, to build the skills of public sector managers so that that they can confidently undertake at least a basic cost benefit analysis themselves, and also capably analyse and understand commissioned studies or reviews conducted by expert consultants or other specialists.

**Course Presenters**

The Academic Course Convenor is Dr Leo Dobes, Visiting Fellow at the Crawford School, ANU. A DPhil from Oxford University, Dr Dobes has been an Australian diplomat, worked at ONA, Defence, Treasury and Transport and Communications, including at the SES level, and with Ernst & Young. He lectures on aspects of CBA and regularly conducts courses on cost-benefit analysis for various government agencies, including through the Crawford School, and has published relevant articles in the field.

Guest Presenter Dr Richard Denniss, an adjunct Professor at Crawford School and Director of The Australia Institute, is currently authoring a book on Public Policy (out through Cambridge University Press in 2009). Dr Denniss was Chief of Staff to former Leader of the Australian Democrats Natasha Stott Despoja, and, until recently, Strategy Adviser to Greens Leader, Bob Brown.

Mr Scott Austin, an experienced and senior member of the Office of Best Practice Regulation, will also be a Guest Presenter on the operations and requirements of the Office of Best Practice Regulation (OBPR).

**Program Cost**

The course tuition fee is AUD 2,700.00 per participant for the 2 day program. The course fee is fully payable prior to course commencement.

**To register for attendance**

COST BENEFIT ANALYSIS: A PRACTICAL GUIDE

Please go to: http://www.crawford.anu.edu.au/executive/programs.php and click on the “Register Now” button

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