



Co-funded by the
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ACADEMY OF HOME ECONOMICS

*"A BUDGET IS TELLING YOUR MONEY WHERE TO GO, INSTEAD OF WONDERING
WHERE IT WENT."*

- DAVE RAMSEY -

ACADEMY OF HOME ECONOMICS AGREEMENT NO. 2019-1-PL01-KA204-065804



INTRODUCTION OF THE ACADEMY OF HOME ECONOMICS

- The project Home Economics Academy is co-financed by the Erasmus + KA 204 programme strategical partnership, Exchange of good practices.
- Project coordinator is NAVICULA.M Sp. z o.o. from Poland.
- Partners from Czech Republic (Aliance Lektoru a Konzultantu), Slovenia (Association DISORA), Spain (FAMDIF/COCEMFE – Murcia) and Turkey (Recep Tayyip Erdogan University) participated in the project.
- The main objective of the "Home Economics Academy" project is to exchange experiences and develop a teaching tool in the form of a training for trainers on how to teach learners to manage their home budgets more effectively.



PROGRAMME MODULES

- MODULE 1: Managing your household budget
- MODULE 2: Savings
- MODULE 3: Cost planning
- MODULE 4: Cost Control
- MODULE 5: Common errors in budget management



WHAT WILL WE LEARN

- HOW TO MANAGE YOUR HOUSEHOLD BUDGET: control of expenses, classification of expenses etc.
- HOW TO PLAN AND CONTROL YOUR EXPENSES: example of household budget, creation of an individual home budget, how to control cash flow etc.
- HOW TO CONTROL YOUR COSTS: defining cost control, cost control techniques, how to be best cost controller, creating sustainable cost control techniques. (module 4)



MODULE 4: COST CONTROL TECHNIQUES

Module topics:

- Lesson 1. Basics of Cost Control
- Lesson 2. How to be Best Cost Controller
- Lesson 3. Cost Control Techniques
- Lesson 4. How to Create Your Sustainable Cost Control System



LESSON 1. BASICS OF COST CONTROL

Cost Control is concerned with measuring variances from the cost baseline and taking effective corrective action to achieve minimum cost overruns.

As a cost controller, you continuously have to be aware of these elements:

- Know what has to be done
- Know what has been done
- Know how actual performance compares with performance norms
- Know what remains to be done
- Identify and implement corrective actions
- Check the results of corrective actions

LESSON 1.TO DEFINE COST CONTROL

DURATION	EXPLANATION
60 min	1. Do the activity [1] and discuss
10 min	2. Watch the video and discuss with the
30 min	students.
40 min	3. Read the text and do the activity [2]
40 min	4. Read the text and do the activity [3].
	5. Read the text and do the activity [3]

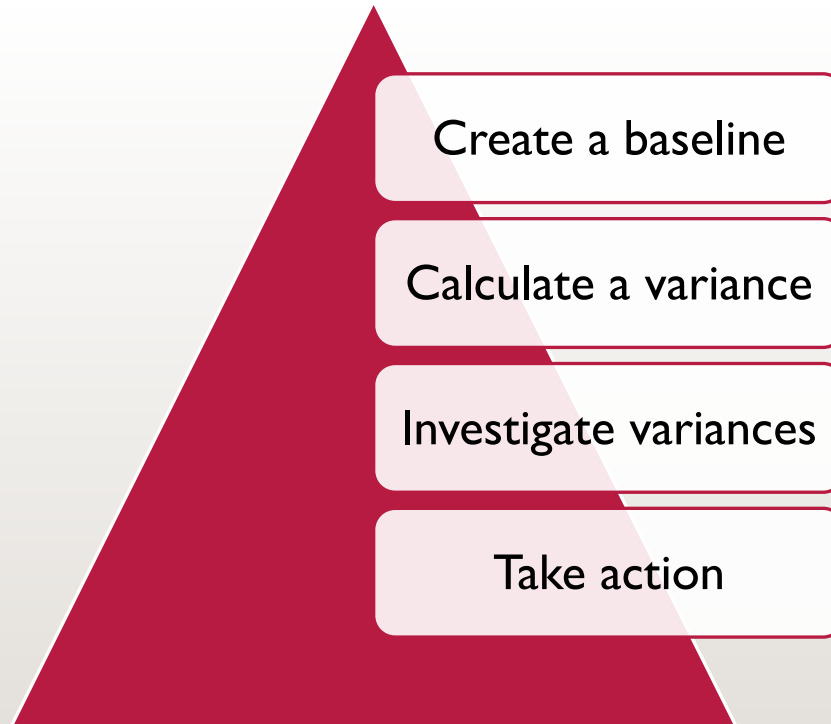
WHAT IS COST CONTROL?



INVESTOPEDIA[®]
Presents



4 STEPS OF COST CONTROL





ACTIVITIES

- Ask students to define “cost”, “control”, “cost control” in their own words. What do they know about cost control? Have they experienced cost controlling before?
- What are the basic elements of cost control?
- What are the steps of cost control? Draw a sample cost control wheel.



ACTIVITIES

- Ask students to define “cost”, “control”, “cost control” in their own words. What do they know about cost control? Have they experienced cost controlling before?
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LESSON 2. HOW TO BEST COST CONTROLLER

- When we say home economics, we are talking about a set of skills that help us to manage our household well.
- When do we manage our household well? Probabbly when we are able to stay within our monthly budget, set and reach new goals and even reduce our spending without lowering the quality of our daily lives in a significant way. Do you agree?
- To do so we need to understand different types of costs, ways to classify them and keep track of them and strategies to reduce or even eliminate them.

LESSON 2. HOW TO BE BEST COST CONTROLLER

Duration	Explanation
15 min	1. Do the money management quiz and discuss the scores they got from the quiz with the students. Ask students whether they agree with the results and possess such an attitude towards money management.
30 min	2. How to be the best cost controller: Step 1. Set Goal
30 min	3. How to be the best cost controller: Step 2. Identify Income and Expenses
30 min	4. How to be the best cost controller: Step 3. Separate Needs from Wants
30 min	5. How to be the best cost controller: Step 4. Design Your Budget
15 min	6. How to be the best cost controller: Step 5. Put Your Plan into Action
15 min	7. How to be the best cost controller: Step 6. Manage Seasonal Expenses
15 min	8. How to be the best cost controller: Step 7. Looking Ahead



HOW TO BE BEST COST CONTROLLER AT ~~HOME~~

1. Set goals,
2. Identify income and expenses,
3. Separate needs from wants,
4. Design your budget,
5. Put your plan into action,
6. Manage seasonal expenses,
7. Looking ahead



LESSON 3. COST CONTROL TECHNIQUES

Senator Elizabeth Warren popularized the so-called "50/20/30 budget rule" (sometimes labeled "50-30-20") in her book, *All Your Worth: The Ultimate Lifetime Money Plan*. The basic rule is to divide up after-tax income and allocate it to spend:

- 50% on needs,
- 30% on wants,
- 20% to savings.

Here, we briefly profile this easy-to-follow budgeting plan.

LESSON 3. COST CONTROL TECHNIQUES

Duration	Explanation
45 min	Freewriting
45 min	50/20/30 rule
60 min	Cost control techniques
30 min	Activities



LESSON 3. COST CONTROL TECHNIQUES

Control has a regulatory effect. For better performance and better results certain means of control have been evolved. These are called control techniques.

Mainly two types of standards are established to control costs:

- External
- Internal

External standards are applied for comparing performance with other budgets. The external standards are used for comparing the cost performance with the other budgets take the shape of a set of cost ratios.

Internal standards, on the other hand, are used for the evaluation of intra home cost elements like housing expenses, living expenses, etc.

LESSON 5. HOW TO CREATE A SUSTAINABLE COST CONTROL SYSTEM

60 min	i. Case study: Cem and Havva Read the recommendations for sustainable cost control: An example from a Turkish bank
60 min	
60 min	Activities



LESSON 4. HOW TO CREATE YOUR SUSTAINABLE COST CONTROL SYSTEM

- Case study