

# WELCOME TO:



Budgeting 201: Effectively Monitoring Public  
Opinion Research  
Project Budgets – Controlling Variance

AAPOR offers webinar sponsorship opportunities to organizations that would like to support AAPOR's online education program.

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For more information, contact;  
Lailah Johnson, AAPOR Program Manager  
[ljohnson@aapor.org](mailto:ljohnson@aapor.org)

# Join us for the Next Webinar in the 2023 Series:

Nonprobability Online Samples:  
Promises & Pitfalls

Presenter: Carina Cornesse

November 1, 2023  
1:00 PM – 2:00 PM ET



Please enter your questions in the Q&A box at the bottom of your screen.

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Please complete the webinar survey immediately following the session.



# TODAY'S PRESENTERS

Chuck Shuttles

Jordon Peugh

**BUDGETING 201:  
EFFECTIVELY  
MONITORING PUBLIC  
OPINION RESEARCH  
PROJECT BUDGETS –  
CONTROLLING  
VARIANCE**

Webinar for the  
American  
Association for  
Public Opinion  
Research (AAPOR)

Sept. 18, 2023

# Agenda

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Instructor introductions & review of learning objectives

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Step 1 - “The Budget” - what was the plan?

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Step 2 - “The Actuals” - available reports?

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Step 3 - “The Variance” - budget to actual

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Step 4 - “Mitigation” - corrective strategies

# Instructors

## Chuck Shuttles

Chief Panel Officer

HyphaMetrics

- Began project budgeting experience with large-scale, multi-factorial design incentive experiments for Nielsen
- Progressed to multi-year hardware panels and startup company-wide budgeting
- Brag-y Thing: Daughter Lauren is HS senior year & son Tyler back from Army Reserve Basic Training!

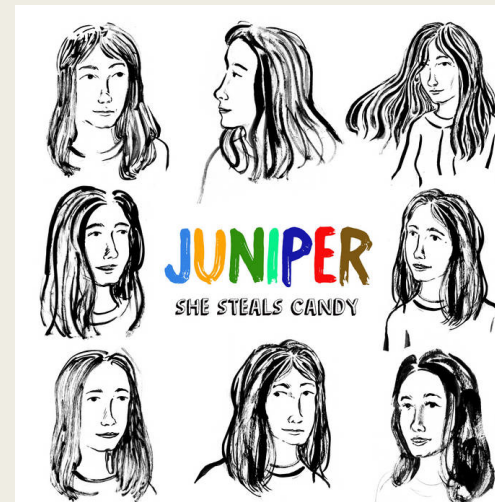


## Jordon Peugh

Chief Business Officer

SSRS

- Jordon leads the SSRS Sales and Client Service teams, directing research development, innovation, and strategy
- Oversees \$30M worth of research across more than 300 project budgets per year
- Brag-y Thing: Daughter, Juniper has recorded two albums, one self-titled and the latest one called "She Steals Candy" She's now a freshman at Vassar College!





# Housekeeping

- Questions:
  - *Ask whenever you have them in Q&A*
- Yes, we will send PDF slides to all registered attendees after the webinar is complete



# Alert – What We’re Not Covering

## Things we’re not covering:

- Principles of accounting
  - *Accrual Based Accounting*
  - *Depreciation*
  - *Capital vs. R&D*
  - *GAAP*
- Your organization’s budgeting rules, reporting requirement, etc.
- Government pricing / reporting rules





# Poll 1 – The Good, The Bad, & The Ugly

- What is your overall experience with the topic of project budgeting?
  - *Good (I like budgeting & want to get even better)*
  - *Bad (I'm not comfortable & need help)*
  - *Ugly (hate budgeting / super freaked by it)*
  - *Meh...(haven't experienced enough to form an opinion)*

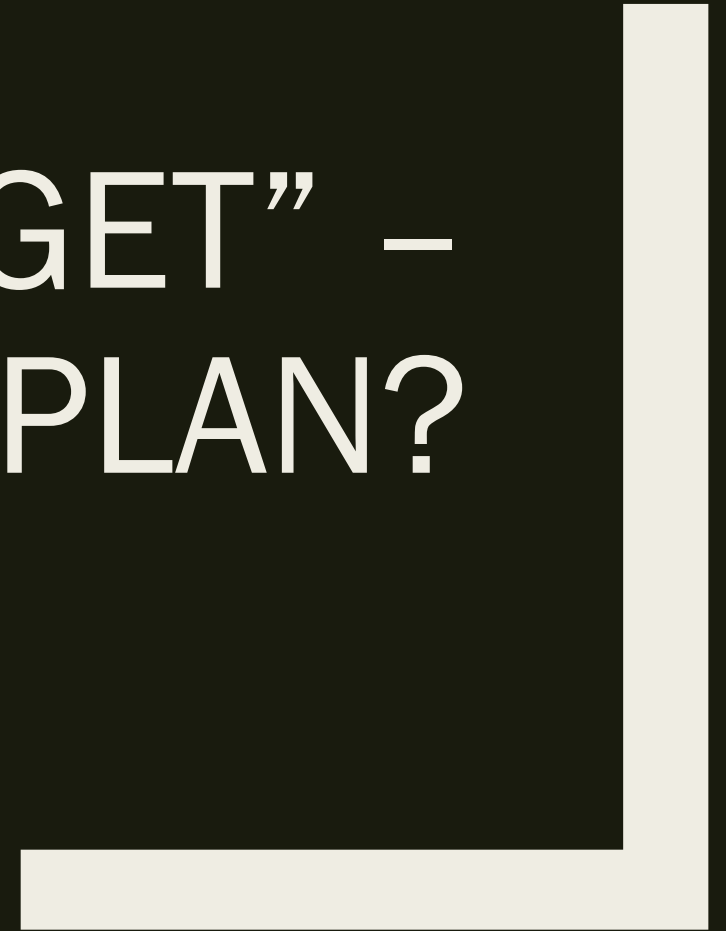




# Poll 2 – How experienced are you?

- What is your experience with managing project budgets in your current role?
  - *Very experienced (manage budgets all the time)*
  - *Somewhat experienced (I do some, but not a lot)*
  - *Not experienced (rarely / never managed budgets)*

STEP 1 – “THE BUDGET” –  
WHAT WAS THE PLAN?





WHAT'S THE  
OFFICIAL  
DEFINITION  
OF  
“BUDGET”???

# The What, Why, & Takeaways

## What:

- Budget = projected costs by a specific timeline
- Costs:
  - *Direct + Indirect Costs*
  - *Fixed + Variable Costs*
  - *Labor*
  - *Equipment & Material*
  - *Travel*
  - *Other*

## Why:

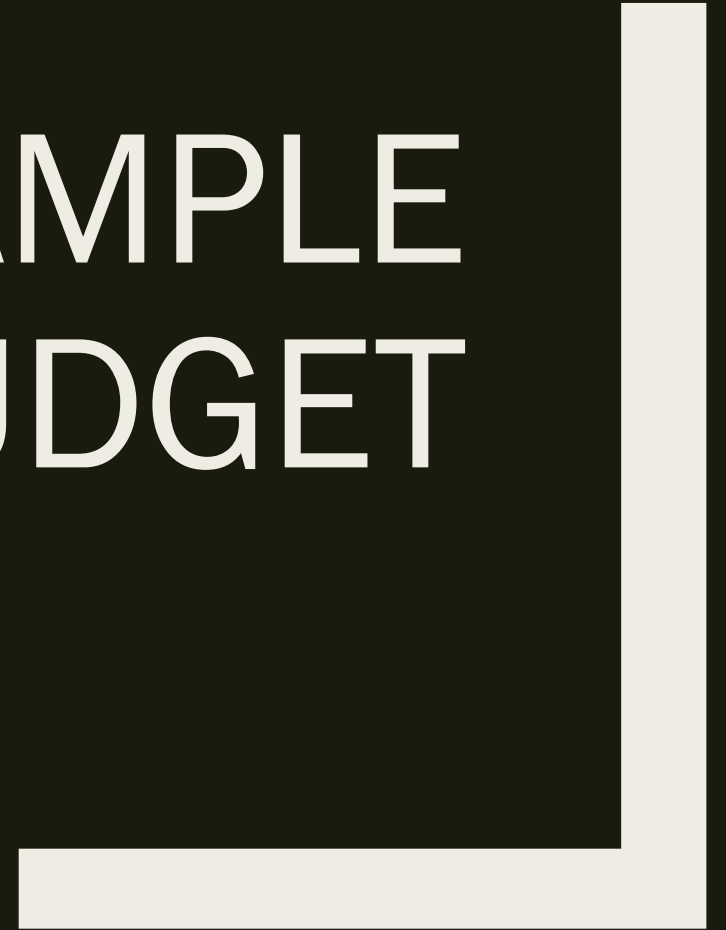
- Tracks Budgeted vs. Actual

## Monitoring Takeaways:

1. Costs
2. Schedule
3. Work Complete



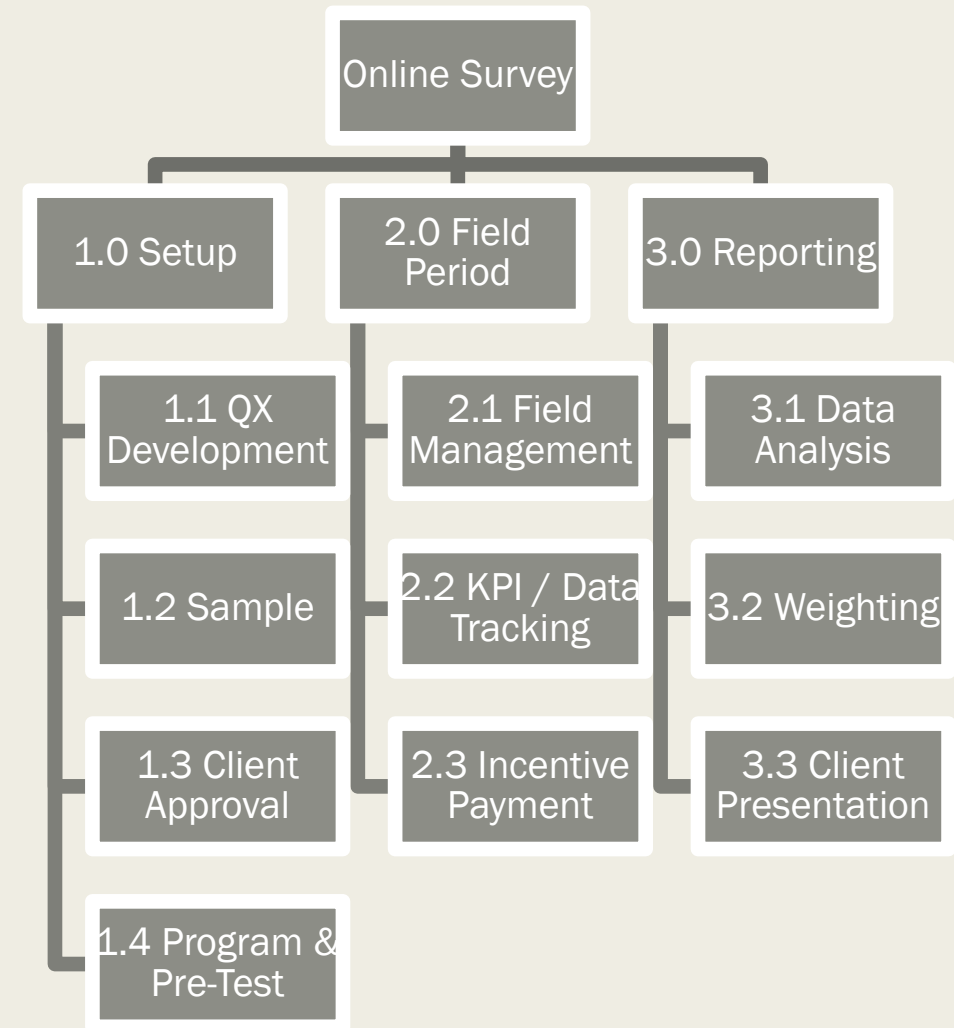
# REVIEW EXAMPLE BUDGET





# Online Survey WBS Example

- Goal – client wants 1,500 completed English & Spanish online surveys
- Nationally representative online probability sample
- Field 2 weeks prior to and post-Election Day
- Perform data cleaning and analysis
- Deliver report to client in-person



		Completes:	1,500	150	450	450	450			
				10%	30%	30%	30%			
		Setup		Field Period				Analysis / Reporting		Grand Total
Task	Description	Aug-21	Aug-28	Sep-4	Sep-11	Sep-18	Sep-25	Oct-2	Oct-9	
<b>1.0</b>	<b>Setup</b>									
1.1	QX Development									
	1.1 SUBTOTAL	6,804	6,964	-	-	-	-	-	-	13,768
1.2	Sample									
	1.2 SUBTOTAL	2,588	904	-	-	-	-	-	-	3,492
1.3	Client Approval									
	1.3 SUBTOTAL	-	4,862	-	-	-	-	-	-	4,862
1.4	Program & Pre-Test									
	1.4 SUBTOTAL	-	1,636	-	-	-	-	-	-	1,636
	<b>1.0 SETUP SUBTOTAL</b>	<b>9,392</b>	<b>14,366</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,757</b>
<b>2.0</b>	<b>Field Period</b>									
2.1	Field Management									
	2.1 SUBTOTAL	-	-	1,899	3,429	3,429	3,429	-	-	12,186
2.2	KPI / Data Tracking									
	2.2 SUBTOTAL	-	-	880	880	880	880	-	-	3,520
2.3	Incentive Payment									
	2.3 SUBTOTAL	-	-	1,284	3,852	3,852	3,852	-	-	12,840
	<b>2.0 INTERVIEWERING SUBTOTAL</b>	<b>-</b>	<b>-</b>	<b>4,063</b>	<b>8,161</b>	<b>8,161</b>	<b>8,161</b>	<b>-</b>	<b>-</b>	<b>28,546</b>
<b>3.0</b>	<b>Reporting</b>									
3.1	Data Analysis									
	3.1 SUBTOTAL	-	-	-	-	-	-	3,032	4,376	7,408
3.2	Weighting									
	3.2 SUBTOTAL	-	-	-	-	-	-	-	1,504	1,504
3.3	Client Presentation									
	3.3 SUBTOTAL	-	-	-	-	-	-	-	4,862	4,862
	<b>3.0 REPORTING SUBTOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,032</b>	<b>10,742</b>	<b>13,774</b>
	<b>Weekly Total</b>	<b>9,392</b>	<b>14,366</b>	<b>4,063</b>	<b>8,161</b>	<b>8,161</b>	<b>8,161</b>	<b>3,032</b>	<b>10,742</b>	<b>66,077</b>

- Project started Wk of Aug. 21<sup>st</sup>
  - 2 Wks left in Field Period
  - 2 Wks for Reporting
- Staggered complete schedule
  - Wk 1 - 150 completes
  - Wk 2 - 450 completes
  - Wk 3 - 450 completes
  - Wk 4 - 450 completes
- Halfway point of the Field Period

STEP 2 – “THE ACTUALS” –  
AVAILABLE REPORTS?



# Monitoring the Budget

- Plan on regular (weekly, monthly) reporting
  - *Historical look at “actual” costs incurred*
  - *Forecasted “future” costs not yet incurred*
  - *Comparison of actual vs. future to compute variance*
    - Positive / favorable variance
    - On target
    - Negative / unfavorable variance
- Goal: Identify budget problems well in advance of completion
- Extensive(!) reporting options
  - *Pursue Project Management Professional (PMP) certification for greater needs*



- Types of variance:
  - Cost Variance
  - Schedule Variance



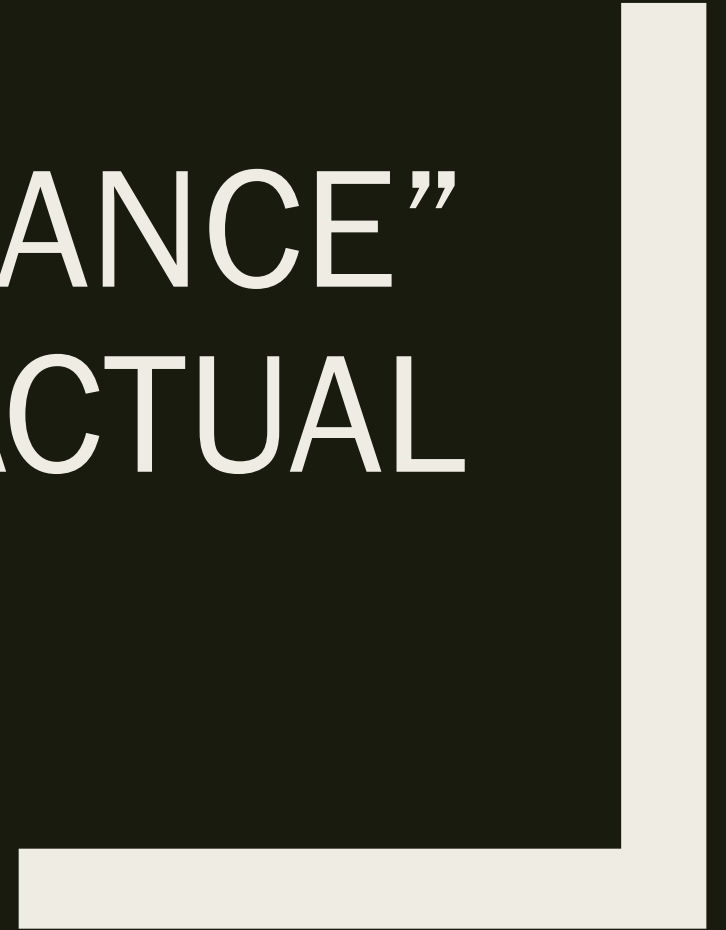
# Status Report



## End of week of Sept. 11<sup>th</sup> report:

- Setup:
  - *Completed on time*
  - *Submitted Setup costs = \$23,282*
- End of 2<sup>nd</sup> week of online surveys:
  - *Completed surveys*
    - *Wk 1 - 200 completes*
    - *Wk 2 - 445 completes*
  - *Submitted Interviewing costs = \$9,000 (Wk of Sept. 11) & \$14,000 (total to date)*
- You already purchased your airline tickets for the client meeting = \$1,600

STEP 3 – “THE VARIANCE”  
– BUDGET TO ACTUAL



# The Most *Basic* Report

Description	Project to Date Booked	Contract Budget	Difference / what's left
Total	38,882	66,077	27,195

- Simple, but least informative – what’s not accounted for here?
- What conclusions would you draw from this report?
  - *Time* – we are at halfway point of the project
  - *Cost* – we’ve spent ~60% of the budget





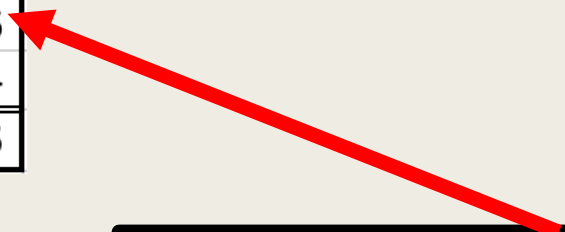
## Poll 3 – Budget Status?

- Based on this information, what's the budget status (forced choice – not offering DK/not enough info)?
  - *Good – on or above target*
  - *Bad – below target*
  - *Ugly – significantly below target*



## 2<sup>nd</sup> Report – Task / Phase Info

Task	Description	Project to Date Booked	Contract Budget	Difference / what's left
1.0	Setup	23,282	23,757	475
2.0	Interviewing	14,000	28,546	14,546
3.0	Reporting	1,600	13,774	12,174
<b>Total</b>		<b>38,882</b>	<b>66,077</b>	<b>27,195</b>



We spent \$14K in Wks 1 & 2 and we \$14K+ left

- Breaks out report by task / phase
- What conclusions would you draw from this report?
  - *Time – we are at halfway point of the project*
  - *But, we really need to understand the schedule better*



## Poll 4 – Budget Status?

- Based on this information, what's the budget status (forced choice – not offering DK/not enough info)?
  - *Good – on or above target*
  - *Bad – below target*
  - *Ugly – significantly below target*

# 3<sup>rd</sup> Report – Projecting into the Future

Task	Description	Current		Future	At Completion	
		Current Period Booked	Project to Date Booked	Costs Not Yet Incurred	Contract Budget	Difference / what's left
1.0	Setup	-	23,282	-	23,757	475
2.0	Interviewing	9,000	14,000	16,322	28,546	14,546
3.0	Reporting	-	1,600	12,574	13,774	12,174
<b>Total</b>		<b>9,000</b>	<b>38,882</b>	<b>28,896</b>	<b>66,077</b>	<b>27,195</b>

- Breaks out report - looking at Interviewing:
  - Current phase - this past week (\$9K) & to date (\$14K)
  - Future phase - we expect \$16K in more cost
- What conclusions would you draw from this report?
  - *Future Interviewing Cost - \$16K we only have \$14,546 left*
  - *But, we really need to understand the proportionate difference budget to actual*

Call this what it is... "variance" (budget to actual comparison)



## What is Cost Variance?

- Difference between the budgeted (baseline) amount of expense and actual expense
- Look at both the \$ and % difference budget to actual variance

# 4th Report – Total Expected Costs

A	B	C	D	E	F	G	H	I
Task	Description	Current		Future	Contract Budget	At Completion		
		Current Period Booked	Project to Date Booked	Costs Not Yet Incurred		Total Expected (D + E)	Est. Variance (F - G)	Variance % (H / F)
1.0	Setup	-	23,282	-	23,757	23,282		
2.0	Interviewing	9,000	14,000	16,322	28,546	30,322		
3.0	Reporting	-	1,600	12,574	13,774	14,174		
	<b>Total</b>	<b>9,000</b>	<b>38,882</b>	<b>28,896</b>	<b>66,077</b>	<b>67,778</b>		

- Column G: Total Expected = Costs Booked to Date + Costs Not Yet Incurred (\$)

# 4th Report – Estimated Variance

A	B	C	D	E	F	G	H	I
Task	Description	Current		Future	At Completion			
		Current Period Booked	Project to Date Booked	Costs Not Yet Incurred	Contract Budget	Total Expected (D + E)	Est. Variance (F - G)	Variance % (H / F)
1.0	Setup	-	23,282	-	23,757	23,282	475	
2.0	Interviewing	9,000	14,000	16,322	28,546	30,322	(1,776)	
3.0	Reporting	-	1,600	12,574	13,774	14,174	(400)	
	<b>Total</b>	<b>9,000</b>	<b>38,882</b>	<b>28,896</b>	<b>66,077</b>	<b>67,778</b>	<b>(1,701)</b>	

- Column G: Total Expected Cost = Costs Booked to Date + Costs Not Yet Incurred (\$)
- Column H: Estimated Variance = Contract Budget – Total Expected Cost (\$)



# 4th Report – Variance %

A	B	C	D	E	F	G	H	I
Task	Description	Current		Future	Contract Budget	At Completion		
		Current Period Booked	Project to Date Booked	Costs Not Yet Incurred		Total Expected (D + E)	Est. Variance (F - G)	Variance % (H / F)
1.0	Setup	-	23,282	-	23,757	23,282	475	2%
2.0	Interviewing	9,000	14,000	16,322	28,546	30,322	(1,776)	-6%
3.0	Reporting	-	1,600	12,574	13,774	14,174	(400)	-3%
	<b>Total</b>	<b>9,000</b>	<b>38,882</b>	<b>28,896</b>	<b>66,077</b>	<b>67,778</b>	<b>(1,701)</b>	<b>-3%</b>

- Column G: Total Expected = Costs Booked to Date + Costs Not Yet Incurred (\$)
- Column H: Estimated Variance = Contract Budget – Total Expected Cost (\$)
- Column I: Variance % = Estimated Variance / Contract Budget

# 4th Report – Variance

A	B	C	D	E	F	G	H	I
Task	Description	Current		Future	Contract Budget	At Completion		
		Current Period Booked	Project to Date Booked	Costs Not Yet Incurred		Total Expected (D + E)	Est. Variance (F - G)	Variance % (H / F)
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3.0	Reporting	-	1,600	12,574	13,774	14,174	(400)	-3%
	<b>Total</b>	<b>9,000</b>	<b>38,882</b>	<b>28,896</b>	<b>66,077</b>	<b>67,778</b>	<b>(1,701)</b>	<b>-3%</b>

- What conclusions would you draw from this report?
- Looking at how positive variance (green) balance out negative variance (red)



# STEP 4 – “MITIGATION” – CORRECTIVE STRATEGIES



		Completes:	1,500	150	450	450	450			
				10%	30%	30%	30%			
		Setup		Field Period				Analysis / Reporting		Grand Total
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	<b>1.0 SETUP SUBTOTAL</b>	<b>9,392</b>	<b>14,366</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,757</b>
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3.2	Weighting									
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3.3	Client Presentation									
	3.3 SUBTOTAL	-	-	-	-	-	-	-	4,862	4,862
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- Go back to your budget assumptions
  - Incidence rates?
  - Response rates?
  - Length of interview?
  - Labor increases?
  - Vendor costs?
  
- Can you change any future expectations
  - Less analysis labor hours?
  - Cancel report trip?
  - 1-day trip?
  
- Others?

# Summary

## Monitoring Takeaways:

1. Costs
2. Schedule
3. Work Complete

Hopefully, you now have greater ability to:

- Identify elements of an overall budget
- Use formula-driven functions of budget monitoring
- Plan for monitoring budget to actual variance
- Perform variance reporting

# Earned Value Report – OUT of SCOPE

Work Complete

Schedule

		Current						Future	At Completion					
Task	Description	Budgeted Cost for Work Scheduled (BCWS)	% Scheduled Work Completed	Budgeted Cost for Work Performed (BCWP) (C * D)	Actual Cost for Work Performed (ACWP)	Schedule Variance (E - C)	Cost Variance (E - F)	Schedule Performance Index (E / C)	Cost Performance Index (E / F)	Costs Not Yet Incurred	Contract Budget	Total Expected (F + K)	Est. Variance (L - M)	Variance % (N / L)
1.0	Setup	23,757	100%	23,757	23,282	-	475	1.00	1.02	-	23,757	23,282	475	2%
2.0	Interviewing	12,224	108%	13,141	14,000	917	(859)	1.08	0.94	16,322	28,546	30,322	(1,776)	-6%
3.0	Reporting	-	0%	-	1,600	-	(1,600)	-	-	12,574	13,774	14,174	(400)	-3%
<b>Total Costs</b>		<b>35,981</b>		<b>36,898</b>	<b>38,882</b>	<b>917</b>	<b>(1,984)</b>	<b>1.03</b>	<b>0.95</b>	<b>28,896</b>	<b>66,077</b>	<b>67,778</b>	<b>(1,701)</b>	<b>-3%</b>

Cost

- This report helps identify root causes for issues
- Takes into account:
  - Cost
  - Schedule
  - Work Complete