

Estimation

Why Aren't We Getting Any Better At This?!?!



Session Outline

- Drilling into the problem
- Common estimation stumbling blocks
- Are you hosed before you start?
- What we can do NOW!
- Let's take a look "out of the box"
- Is there fertile ground?
- Conclusion



Drilling into the problem

- Project Estimating is something that we've all been doing for years. We've trained our team members numerous times and we're still not showing significant improvements.

WHY?



Drilling into the problem

- Point of clarification:
 - ◆ Is the problem estimation or the estimate?
 - ◆ Estimation is:
 - ◆ The policy requiring the estimate
 - ◆ The process to determine the estimate
 - ◆ The tools to assist in the determination
 - ◆ The people to facilitate and accomplish the process
 - ◆ The estimate is:
 - ◆ What we believe it will take to do what we need to do based on what we know at this point in time



Common Estimation Stumbling Blocks

- Ambiguous and/or changing scope
- Requirements are:
 - ◆ incomplete, ambiguous, inconsistent, incorrect, incomprehensible, etc., etc., etc.
- Not enough time ...
 - ◆ To plan, to estimate, to schedule, to prototype, to turn around
 - ◆ To do it right the first time




Common Estimation Stumbling Blocks

- Lack of the right (skilled) resources / team members
- Over aggressive schedules
- Triple constraint previously solidified
- Customer is not involved
- No reliable historical information
- Those providing estimates \neq Those doing work



Common Estimation Stumbling Blocks

- If we are aware of these stumbling blocks, then WHY do we still have this problem?
- What is the root cause to not doing the required, recognized, industry proven due diligence to provide accurate estimates?
- Is it estimation or the impacts to the estimate?



Are You Hosed Before You Start?

- Does your WBS include:
 - ◆ Change management
 - ◆ Meetings and allocations for ALL the attendees
 - ◆ Reviews and approvals of deliverables
 - ◆ Multilayered reporting
 - ◆ Percent allocation (surface and hidden)



Are You Hosed Before You Start?

- Does your WBS include:
 - ◆ Documentation; creation, review, approval
 - ◆ Contingency a.k.a. “To pad or not to pad”
 - ◆ Forecasting or Re-Estimating
 - ◆ Total float for cascading delays impacting SMEs
 - ◆ Rework from testing and governance
 - ◆ 8-80 hr work packages



What we can do NOW to improve estimation!

- Track ALL your actuals
- Develop an environment of collaboration
 - ◆ Customer
 - ◆ Team members
- Set expectations
- Embrace risk
- Drive ownership



What we can do NOW to improve estimation!

- Mandate Work Breakdown Structures (WBS)
- Create an historical repository
 - ◆ Personal or organizational
- Institutionalize closed loop estimation
- Extrapolate when possible
- Get more roles involved in the estimate



Let's take a look "out of the box"

- External influences to estimation behaviors and accurate estimates
 - ◆ Actuals: 40 hours versus overtime
 - ◆ The pain-points of "actuals versus estimates"
 - ◆ Matrixed teams
 - ◆ Production or Project activities
 - ◆ Inaccurate time tracking
 - ◆ The 70 / 30 split, a.k.a. It's time to code!



Is there fertile ground?

- Is there an organizational policy on estimating, scheduling and planning?
- Do you have PPQA on estimates?
- Do you require a review of the WBS prior to beginning estimation?
- Do all PMs and team members present their estimates with detailed documentation?
 - ◆ Assumptions
 - ◆ Complexity factors
 - ◆ Sizing
 - ◆ Historical comparisons
 - ◆ Peer reviews
 - ◆ Skill Levels



Is there fertile ground?

- Is the project the center of your policy decisions?
- Is the successful project the prime / only PM responsibility?
- Has “Do your actuals meet you estimates?” been stricken from all performance evaluations?
- Do all levels of management truly manage and mentor?
- Are you actively taking the roadblocks out from in front of your team?



Is there fertile ground?

- If you answered “No” to any one of these questions,

You ***do not*** have fertile ground for accurate estimates in your organization!



Conclusion

- How can we improve estimation?
 - ◆ Ensure the policies, processes, tools, and people are in place
 - ◆ These are mechanical and typical solutions
 - ◆ They have been implemented by many, far better than us
 - ◆ Take the models that are available and don't reinvent the wheel
 - ◆ Put in place rewards that promote the process



Conclusion

- How can we improve the *accuracy* of estimates?
 - ◆ Create a fertile environment for accurate, effective project management
 - ◆ Change your organizational culture
 - ◆ Value accuracy of time tracking
 - ◆ Define success as the ability to manage and communicate effectively
 - ◆ Take the roadblocks out from in front of the project teams
 - ◆ Put in place rewards that promote the desired behaviors



Thank You

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The missing piece to the project puzzle