



Estimating a Project?

- A key early stage project activity
- A complete task break down is essential
- A best estimate is better than no estimate
- Use estimates to underpin critical business decisions



Rowallan Software Services

Rowallan Software Services Ltd was established in 1994 in response to a need for realistic and practicable advice for busy IT departments and, in particular, development teams.

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Software Project Estimating

by David Williams

Travel by Software

When you travelled to the office this morning, you almost certainly knew where you were going. Getting on a train or bus, or into your car without knowing the destination makes little or no sense to most people.

However, in another context, we do this all the time. We are often prepared to embark on a significant software project with barely a guesstimate of how much it will cost or how long it will take. Even worse, we may know when it must finish, and our business colleagues are betting their revenue on it. No pressure..... not really!

Completeness

The key to successful estimating is completeness. If it is a project cost of any kind, be it effort, materials or contractors, then it should be included in the project estimates. And remember, for most software projects, the cost of detailed design and coding represents maybe less than 50% of the total. A common mistake is ignoring the other 50% until it is too late.

Let's now briefly look at what 'completeness' means.

Task Break Down

You need to find a way of listing out each and every task in the project. There are several ways of doing this, although I favour using the inherent structure of the project as a basis. This is easier to do, and better ensures completeness.

For example start by setting out the separate project phases (e.g. requirements, design, coding etc.); and, yes, this works just as well for Agile methods - so that's not an excuse for cutting important corners.

Once the phases are established, try setting down all the tasks within that phase (e.g. capture requirements, document requirements, review requirements, update documentation). Clearly parts of the project could still be hazy at the early

stages, but the important message is to put in some placeholders until things become clearer.

For a very large project you might need to continue this break down technique for at least two more levels.

Try listing significant purchases as well. Again, a placeholder is better than an omission. You then know what you don't know. You can return later and add details.

Remember, it does require a certain relentlessness in a project manager to get high levels of completeness in a task break down.

Don't Forget The Numbers

Now you need to take each task in turn (and the purchases) and supply an estimate of how much resource (or cash) it will require. Try, by whatever means at your disposal, to make this as accurate as you can.

Comparison with previous projects, other people's experience, and even formal estimating methods are all useful. I know this isn't easy at the very early stages of a project; but ignore doing it at your peril. A good guess is always better than a zero.

You now have the raw data to try and construct your first project plan, and get your first indication of the project resource profile and its duration.

Regular Updates

This is not the end of the story. Your capability to estimate more accurately increases as the project progresses through its early phases. So do just that.

Update the estimates at each project phase. Indeed, some project management methodologies formally require this to be done so that the Business Case can be kept current.

Sometimes terminating a project whose cost is rapidly inflating is a much better business tactic than accepting those costs, especially if the deliverables cannot justify them.