



**#NoEstimates
does not mean
“no estimates!”**

Seb Rose

Claysnow Limited



Your company
NEEDS
that estimate

<http://claysnow.co.uk>





**You won't
notice we're there**

**We don't make
mistakes like other
builders**

**I'll be back
tomorrow to finish off**

**All our previous
customers are
completely satisfied**

**That will be
fixed before we
leave**

**You'll be in by
Christmas**

**Integration
takes hardly any
time**

**It's working in the
test environment**

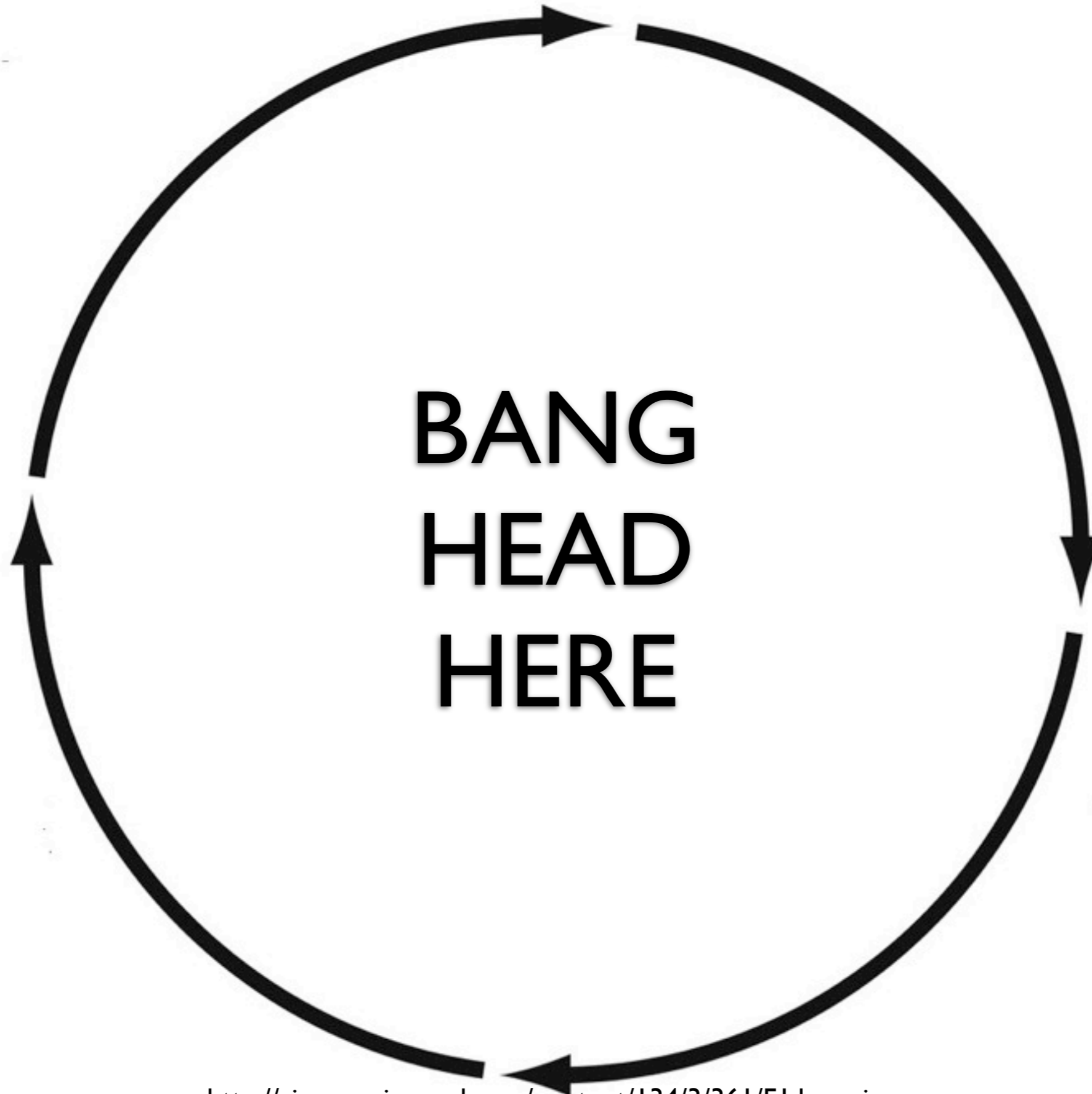
**The project status is
still green**

**On time, on budget
every project**

**We will deliver
with zero defects**

We're 90% done

Observed Cycle



Estimation pathologies

1. Guarantism

The belief an estimate is actually correct.

2. Promisoriality

The belief that estimates are possible

3. Swami-itis

The belief that an estimate is a basis for sound decisions

4. Craftosis

The assumption that estimates can be done better

5. Reality Blindness

The insistence that estimates are implementable

6. Accept-ism

The belief that I have to provide an estimate now

<http://moduscooperandi.com/blog/modus-list-3-our-five-estimate-pathologies/>

<http://neilkillick.com/2015/03/22/a-6th-estimate-pathology/>

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“Old fogies know
your estimates will be **bogus**.”

They know you
won't
get them **right**.

They know you
won't
hit the deadline with
full scope”

<http://xprogramming.com/articles/artifacts-are-not-the-problem/>

So, **why** do we estimate?

- Prediction
- Prioritisation
- Analysis and understanding of requirements
- Blame!

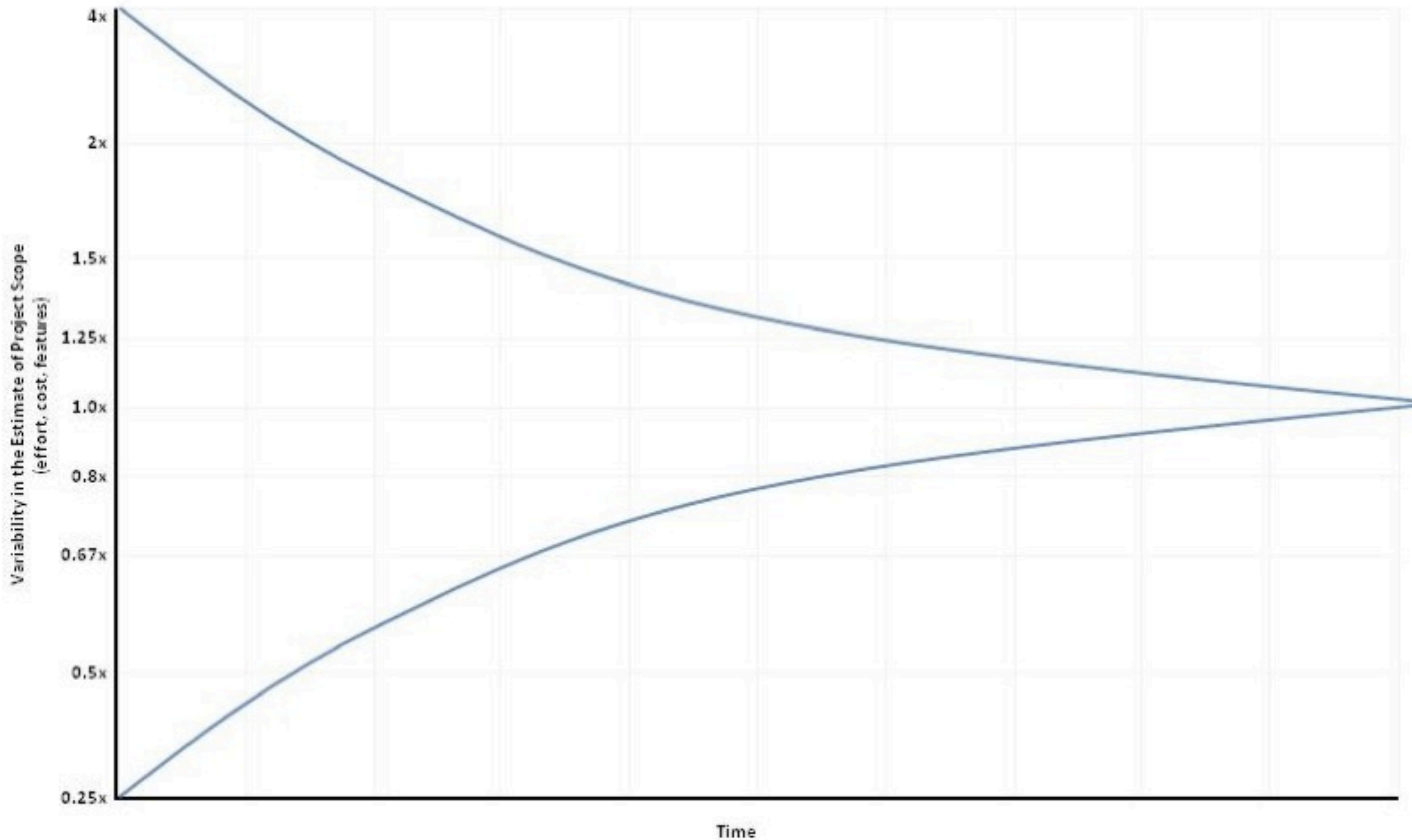
Prediction

*“I try not to get involved in the business of **prediction**.*

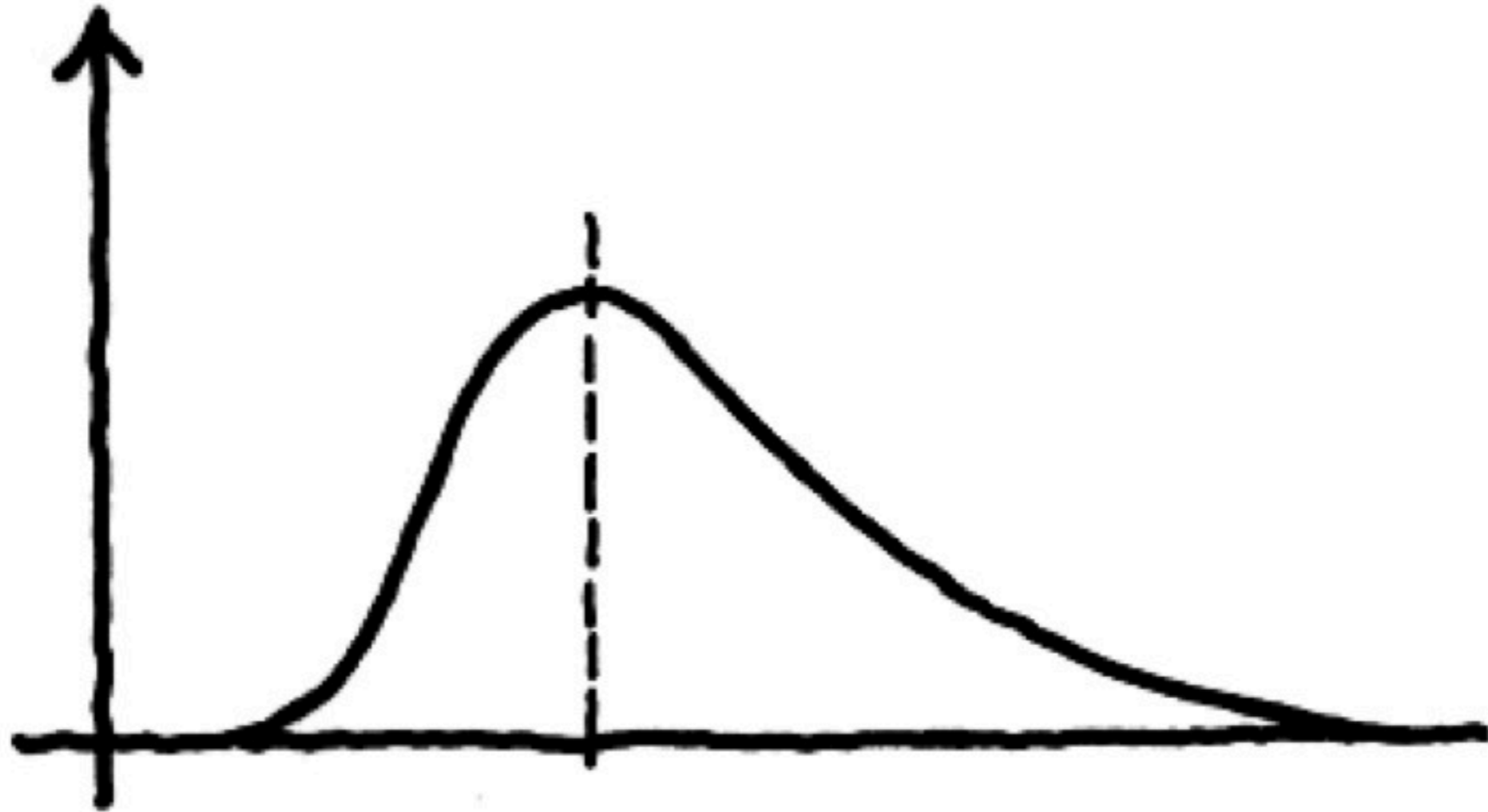
*It's a quick way to look like an **idiot**.”*

Warren Ellis, author & humanist

The Cone of Uncertainty in Project Management



**Relative
Probability**



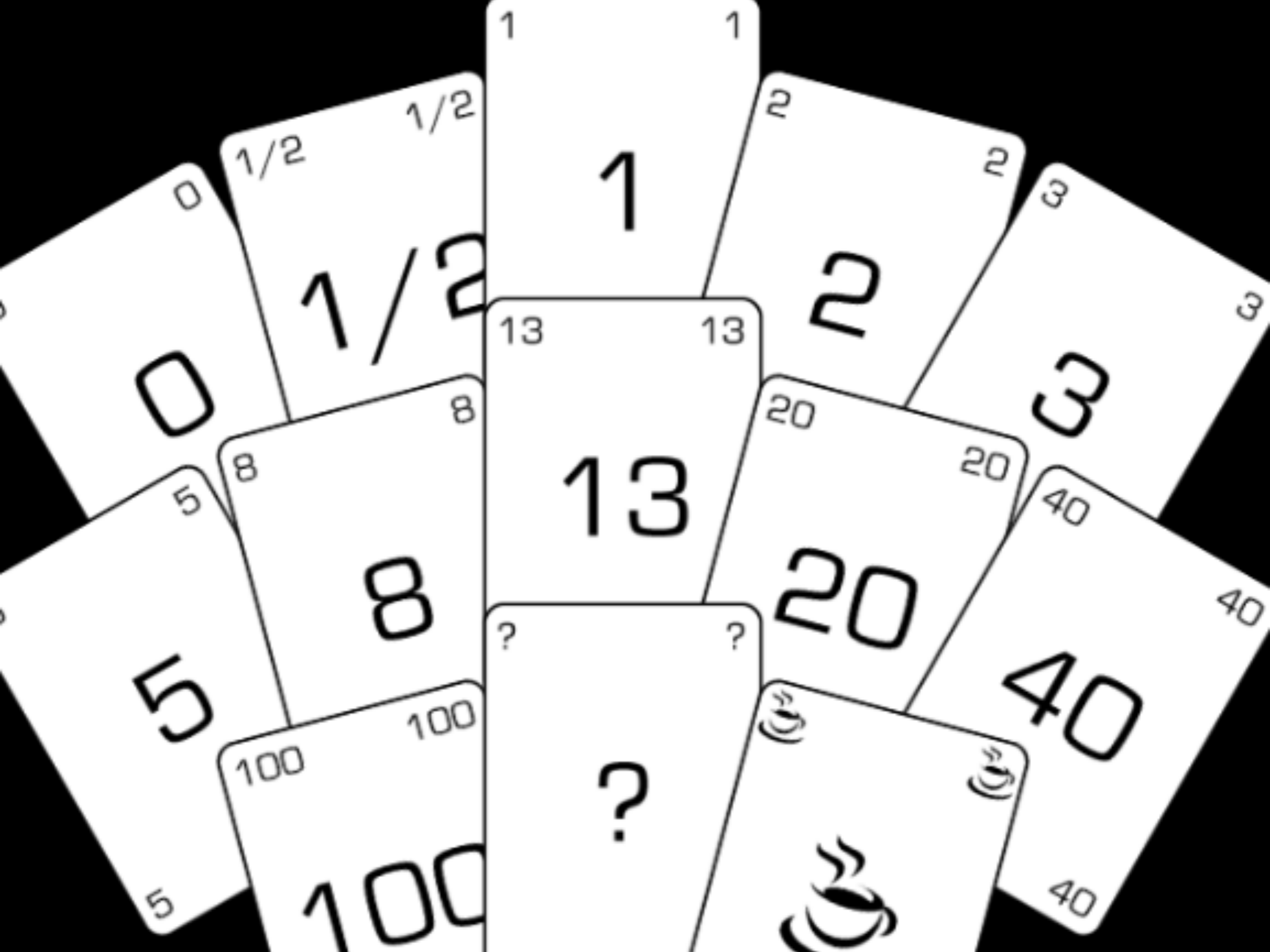
Overconfidence



**"We aren't really bad at
estimating.**

**What we are really bad at is
enumerating all the
assumptions that lie behind
our estimates."**

-Paul Rook



... these studies which have for a few years now given rise to the claim that "research shows that people are better at relative than absolute estimation" do not in fact seem to square with that claim.

This doesn't entail that relative estimation doesn't work - only that it is not proven.

<http://guide.agilealliance.org/guide/relative.html>

Why predict?

Release planning

When?

Resource allocation

How much?

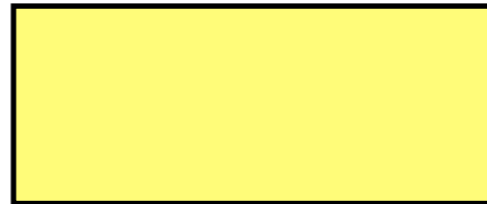
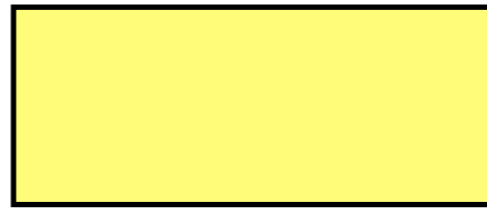
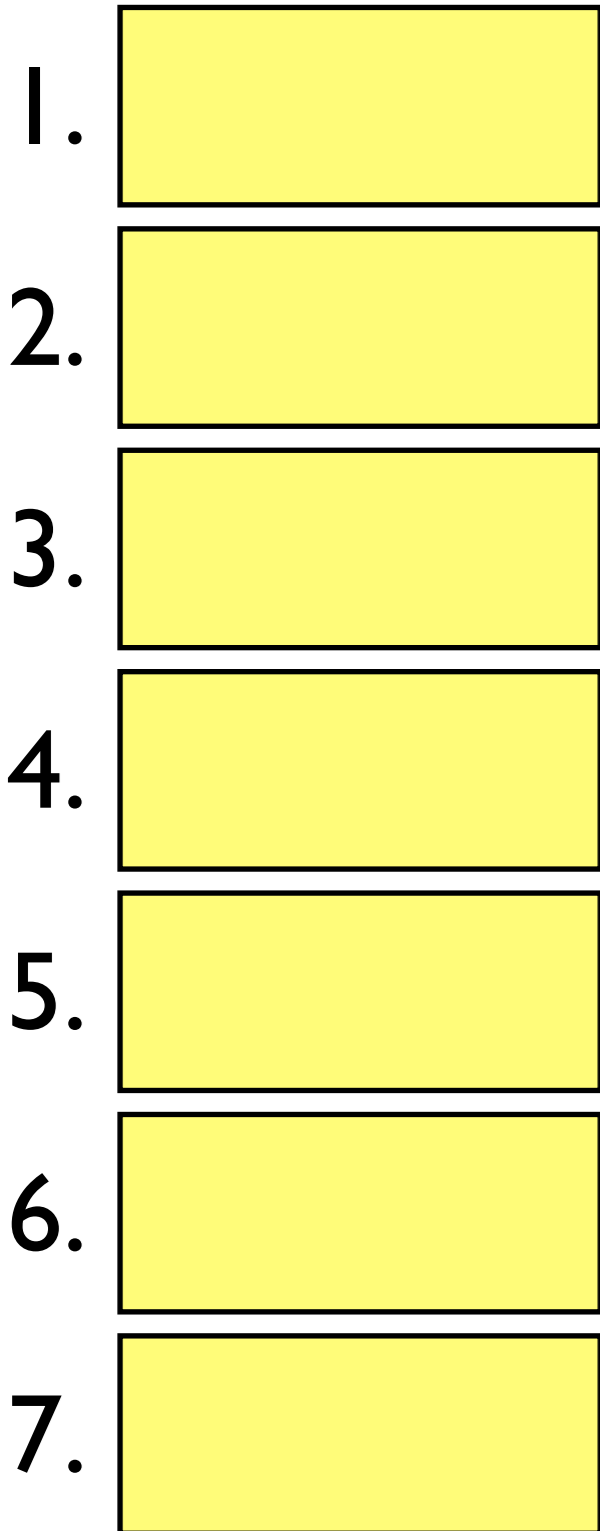
Release planning

Naked Planning

MMFs

In progress

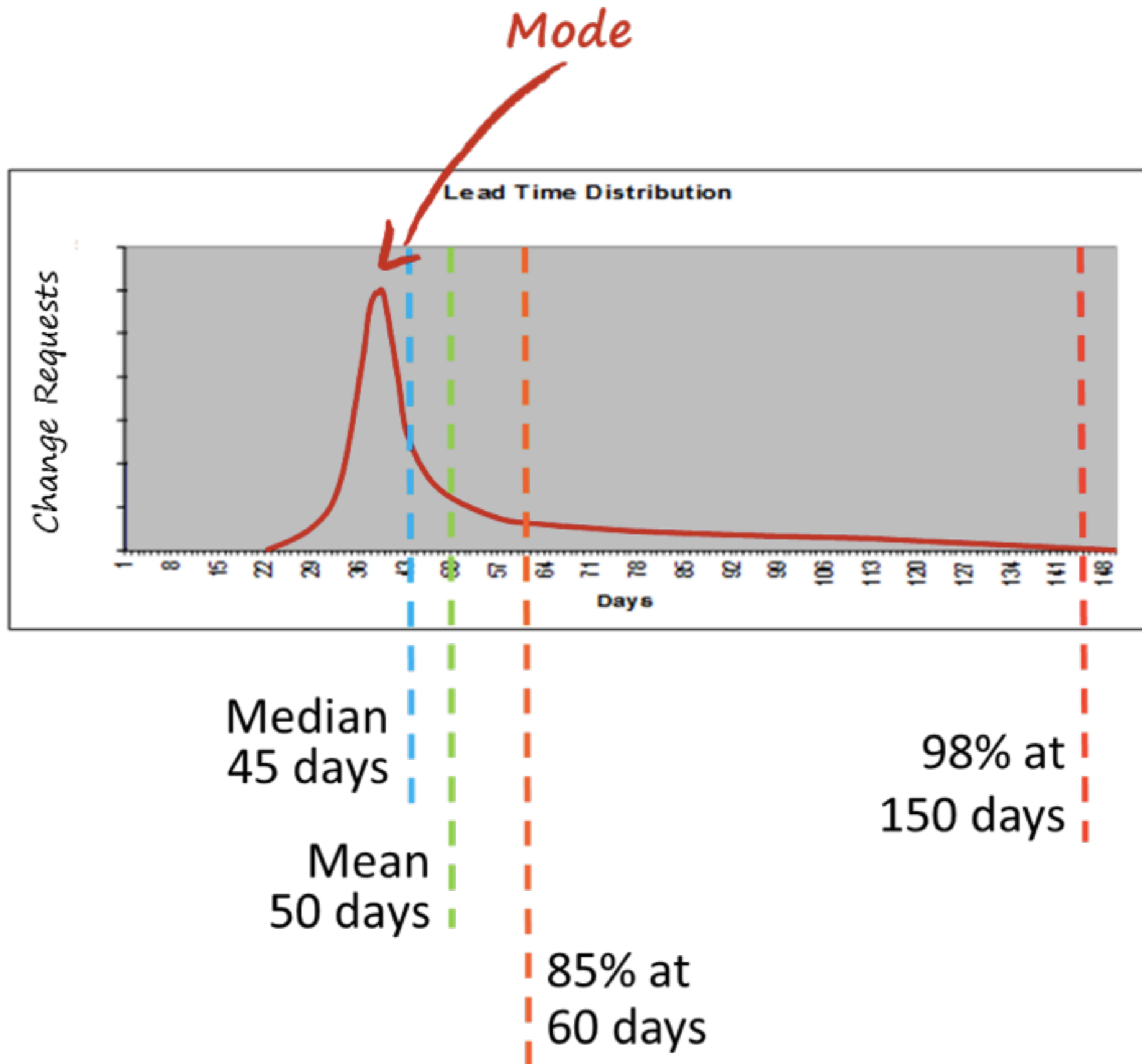
Urgent



Average delivery
time from here:
?? days

Probabilistic planning

...uses **historical** data or a model of expected capability to build a **forecast** of the project outcome



<http://www.djaa.com/project-management-kanban-part-3-forecasting>

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Little's Law

$$\frac{\text{Delivery Rate}}{\text{Delivery Rate}} = \frac{\text{WIP}}{\text{Lead Time}}$$

<http://www.djaa.com/project-management-kanban-part-3-forecasting>

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Resource allocation

If a project is estimated to cost £1 million
how important is it to bring it in on budget
if it will deliver
~~£200 million~~
of benefit?

Estimation:

A Paradigm Shift Toward
Dynamic Design-to-Cost
and
Radical Management

“Accurate estimation is impossible for complex technical projects, but keeping to agreed budgets and deadlines is achievable by using feedback and change.”

<http://www.gilb.com/dl460>

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Scope
(Features,
Functionality)

Quality

Resources
(Cost, Budget)

Schedule
(Time)

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<http://www.ambysoft.com/artwork/ironTriangle.jpg>

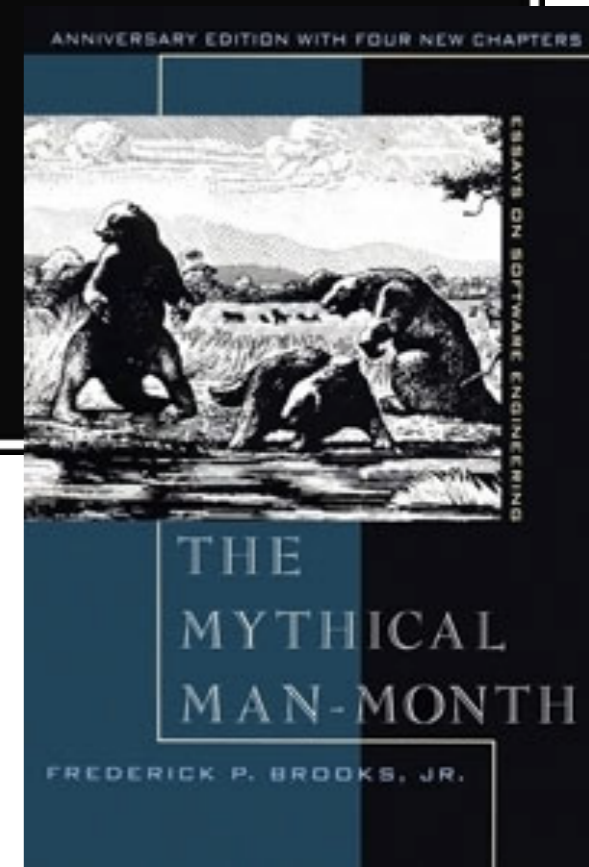
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Brooks's Law: Adding manpower to a late software project makes it later.

(Fred Brooks)



<http://izquotes.com/quotes-pictures/quote-brooks-s-law-adding-manpower-to-a-late-software-project-makes-it-later-fred-brooks-213576.jpg>

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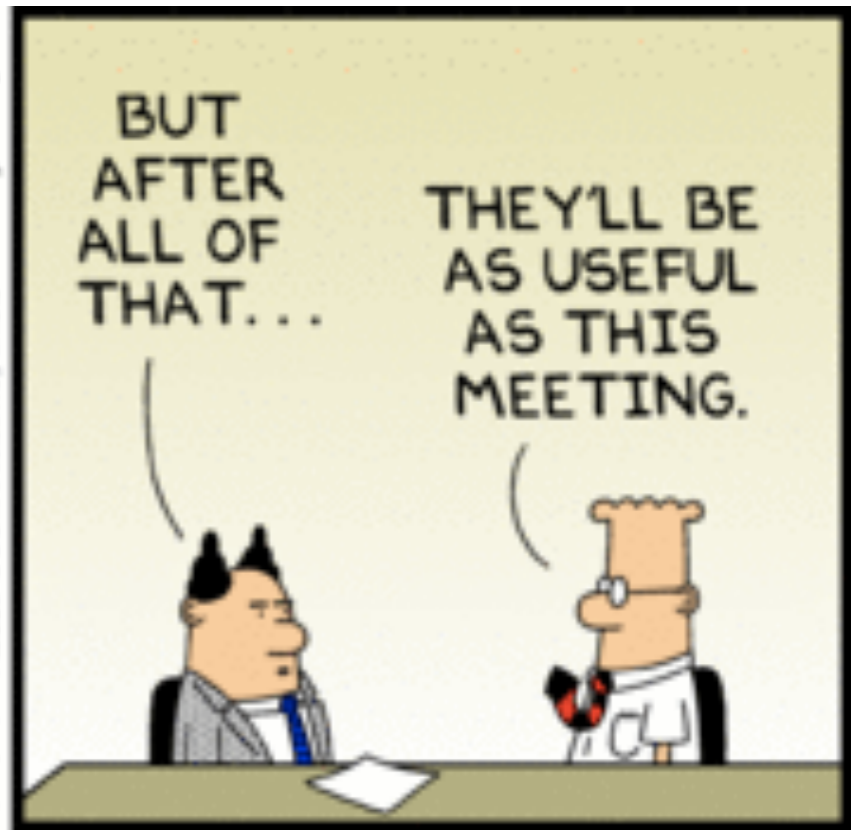
<http://claysnow.co.uk>



Dilbert.com DilbertCartoonist@gmail.com



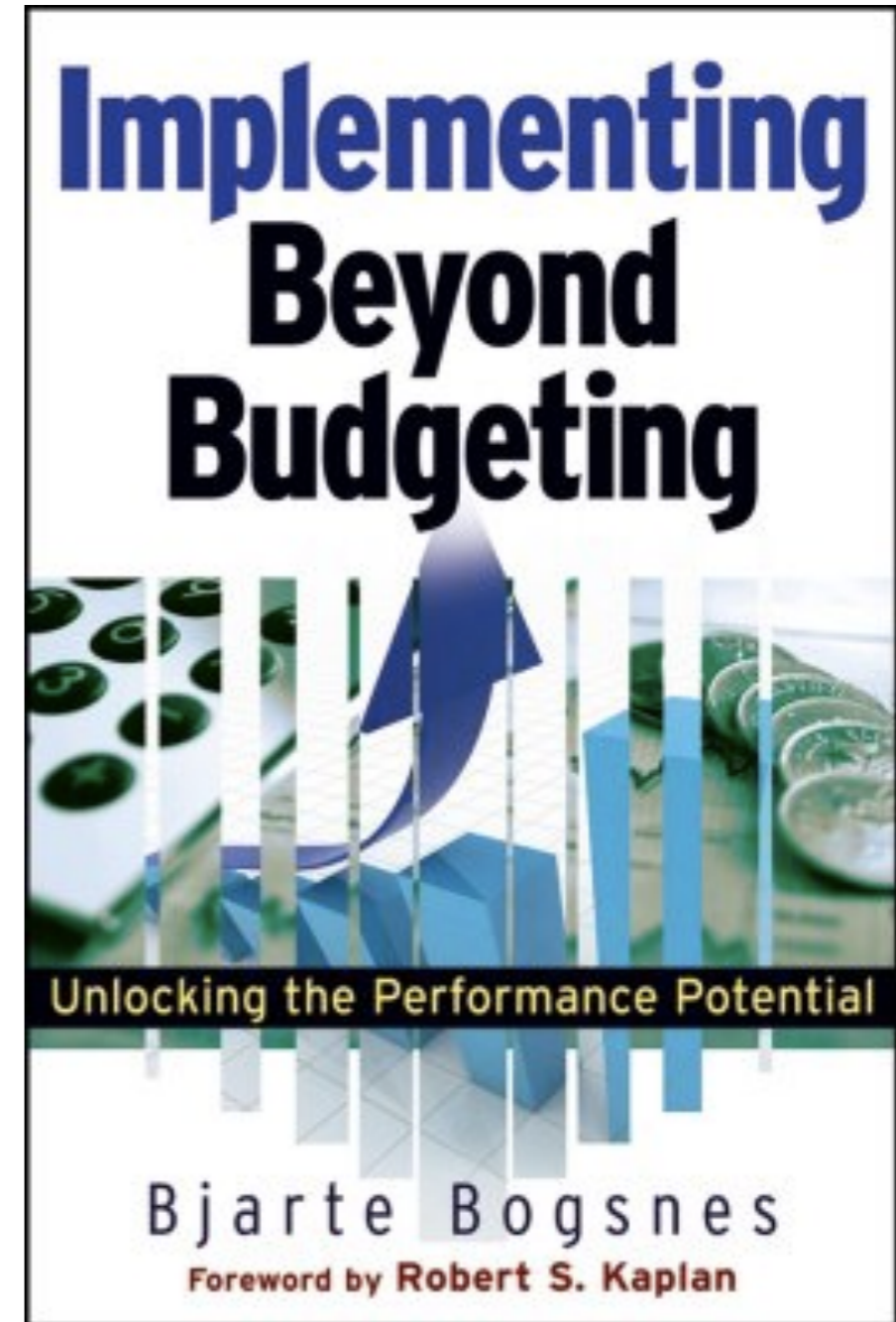
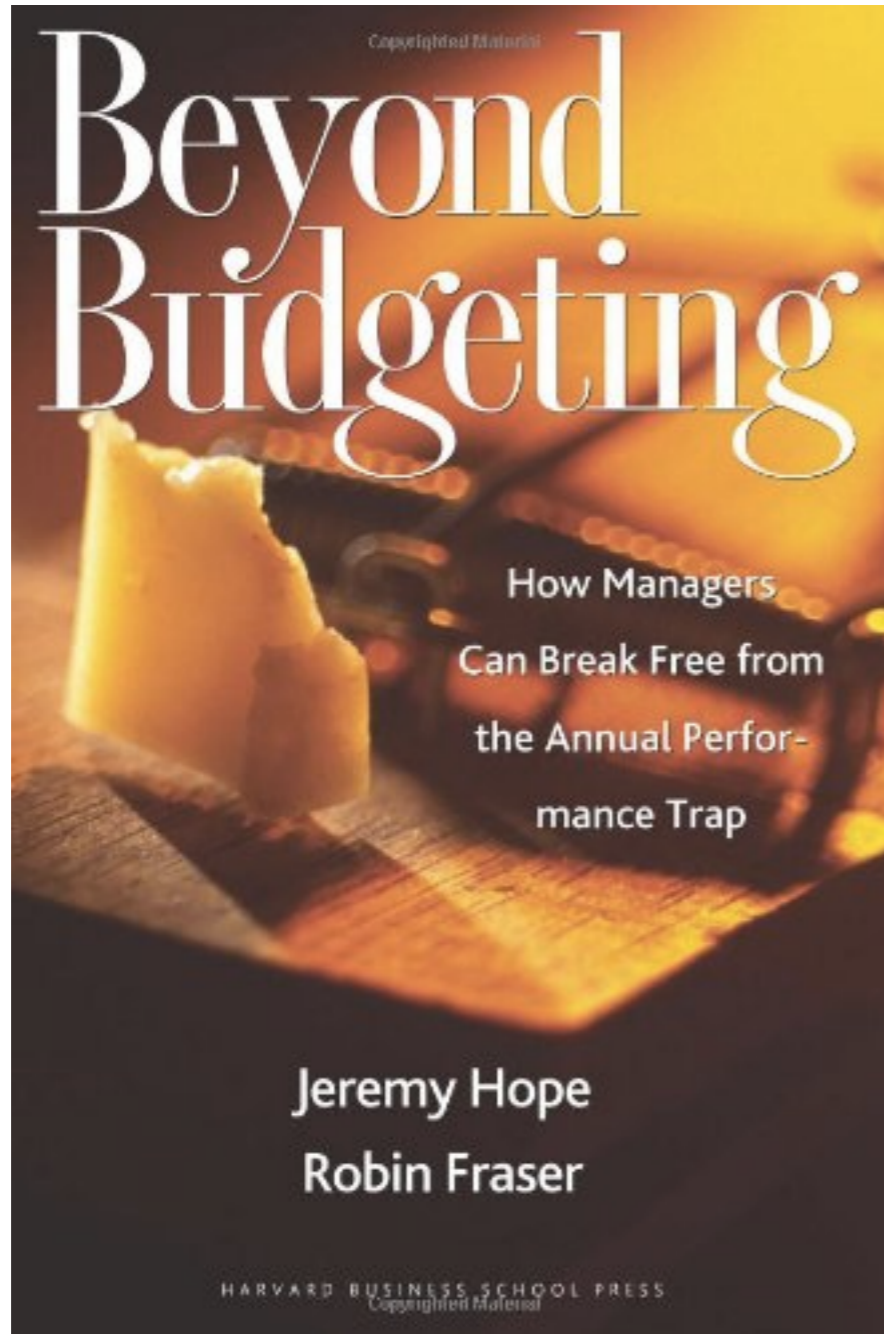
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<http://blog.enspiral.com/wp-content/uploads/2013/02/dilbert.gif>

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12 Beyond Budgeting Principles

Governance and transparency

1. Values

Bind people to a common cause; not a central plan

2. Governance

Govern through shared values and sound judgement; not detailed rules and regulations

3. Transparency

Make information open and transparent; don't restrict and control it

12 Beyond Budgeting Principles

Accountable teams

4. Teams

Organize around a seamless network of accountable teams; not centralized functions

5. Trust

Trust teams to regulate their performance; don't micro-manage them

6. Accountability

Base accountability on holistic criteria and peer reviews; not on hierarchical relationships

12 Beyond Budgeting Principles

Goals and rewards

7. Goals

Set ambitious medium-term goals, not short-term fixed targets

8. Rewards

Base rewards on relative performance; not on meeting fixed targets

Planning and controls

9. Planning

Make planning a continuous and inclusive process; not a top-down annual event

10. Coordination

Coordinate interactions dynamically; not through annual budgets

11. Resources

Make resources available just-in-time; not just-in-case

12. Controls

Base controls on fast, frequent feedback; not budget variances

Prioritisation

Why prioritise?

Common anti patterns

- ✓ Focus on managing cost and not value.
- ✓ Prioritize with size as the most important input.



ThoughtWorks

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Estimation:

A Paradigm Shift Toward Dynamic Design-to-Cost and Radical Management

“... rather than trying to improve the initial project estimates, the budgets and deadlines must be set based on the value of delivery (not the cost).”

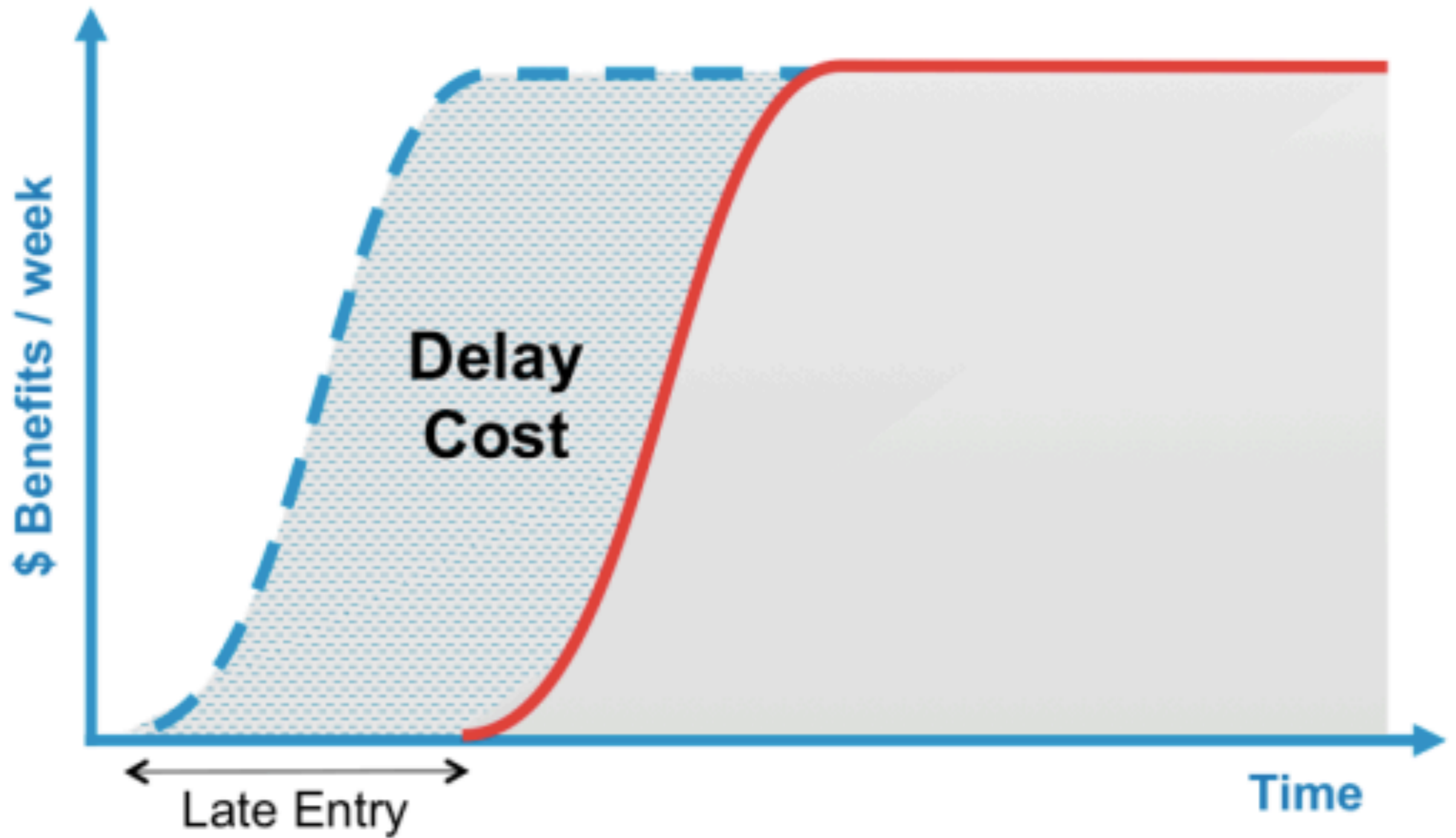
<http://www.gilb.com/dl460>

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Cost of delay

... is a way of communicating the impact of time on **value**.



For ideas with a very long-life, with peak unaffected by delay

Getting started with Cost of Delay:

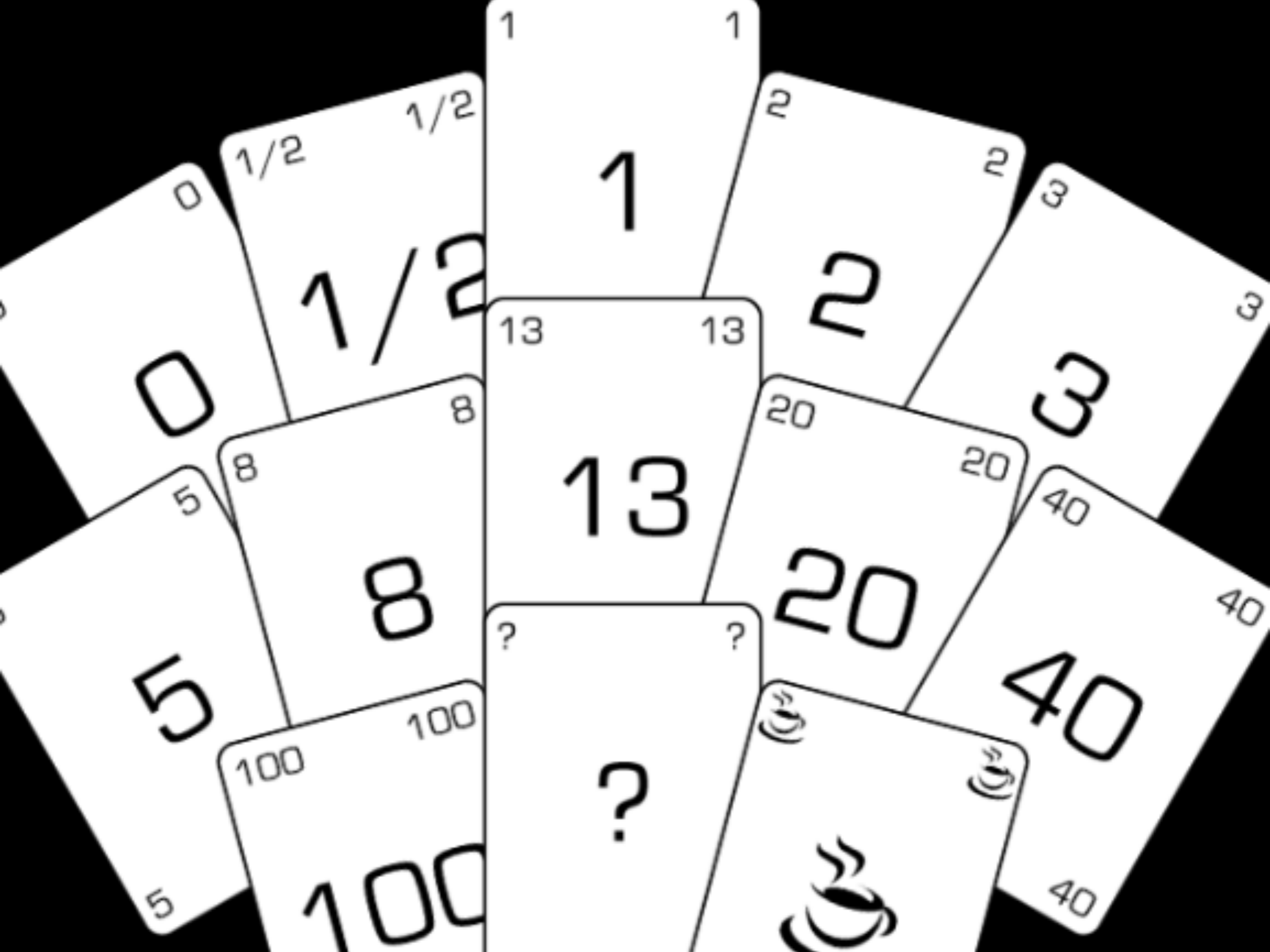
- ① **Identify benefit types**
- ② **Consider urgency**
- ③ **Estimate peak benefits**
- ④ **Calculate Cost of Delay**

blackswanfarming.com

Cost of delay

1. Better Decision-making – by making the economic trade-offs **visible**
2. Better Prioritisation – by using CD3 (Cost of Delay Divided by Duration) we deliver more **total value**
3. By changing the focus – from efficiency and cost (which encourages the wrong behaviours), to **speed and value**

Analysis



Is it small,
or just far away?



HOW TO SPLIT A USER STORY

1 PREPARE THE INPUT STORY



3 EVALUATE THE SPLIT



WORKFLOW STEPS

DEFER PERFORMANCE

OPERATIONS

BUSINESS RULE VARIATIONS

2 APPLY THE SPLITTING PATTERNS

VARIATIONS IN DATA

SIMPLE/COMPLEX

BREAK OUT A SPIKE

MAJOR EFFORT

INTERFACE VARIATIONS

* INVEST - Stories should be:
 Independent
 Negotiable
 Valuable
 Estimable
 Small
 Testable



Visit <http://www.richardlawrence.info/splitting-user-stories/> for more info on the story splitting patterns
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Last updated 3/26/2013

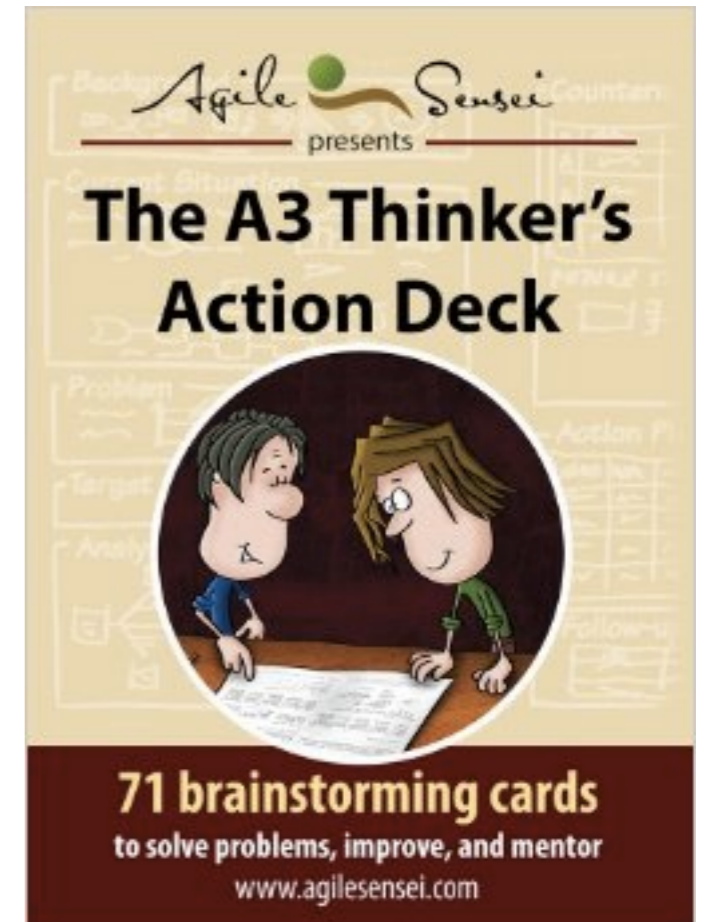
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<http://claysnow.co.uk>

Friday, 24 April 15

Toyota's secret

“The A3 Process helps people engage in collaborative, in-depth problem-solving”



<http://www.coe.montana.edu/ie/faculty/sobek/a3/index.htm>

<http://www.amazon.co.uk/The-Thinkers-Action-Deck-Brainstorming/dp/B00CQ9CVBO>

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Cracking Big Rocks

“The collection of Cracking Big Rocks cards ask questions and give you suggestions to help you get perspective. They can help you come up with unexpected answers, and choose new avenues to pursue.”





<http://other-ai.org/wp-content/uploads/2011/11/oblique-strategies.jpg>

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<https://estimation.lunarlogic.io/assets/cards-range-8fc41b2e3fd282125f4602a712020204.png>

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<http://claysnow.co.uk>

Deliberate discovery

“... during an inception, when we are
most ignorant
about most aspects of the project,
the best use
we can possibly make of the time available
is to attempt to
identify and **reduce**
our **ignorance**”

<http://dannorth.net/2010/08/30/introducing-deliberate-discovery/>

#NoEstimates

Woody Zuill



http://www.agileroots.com/wp-content/uploads/2014/06/WoodyZuill_2013-150x168.png

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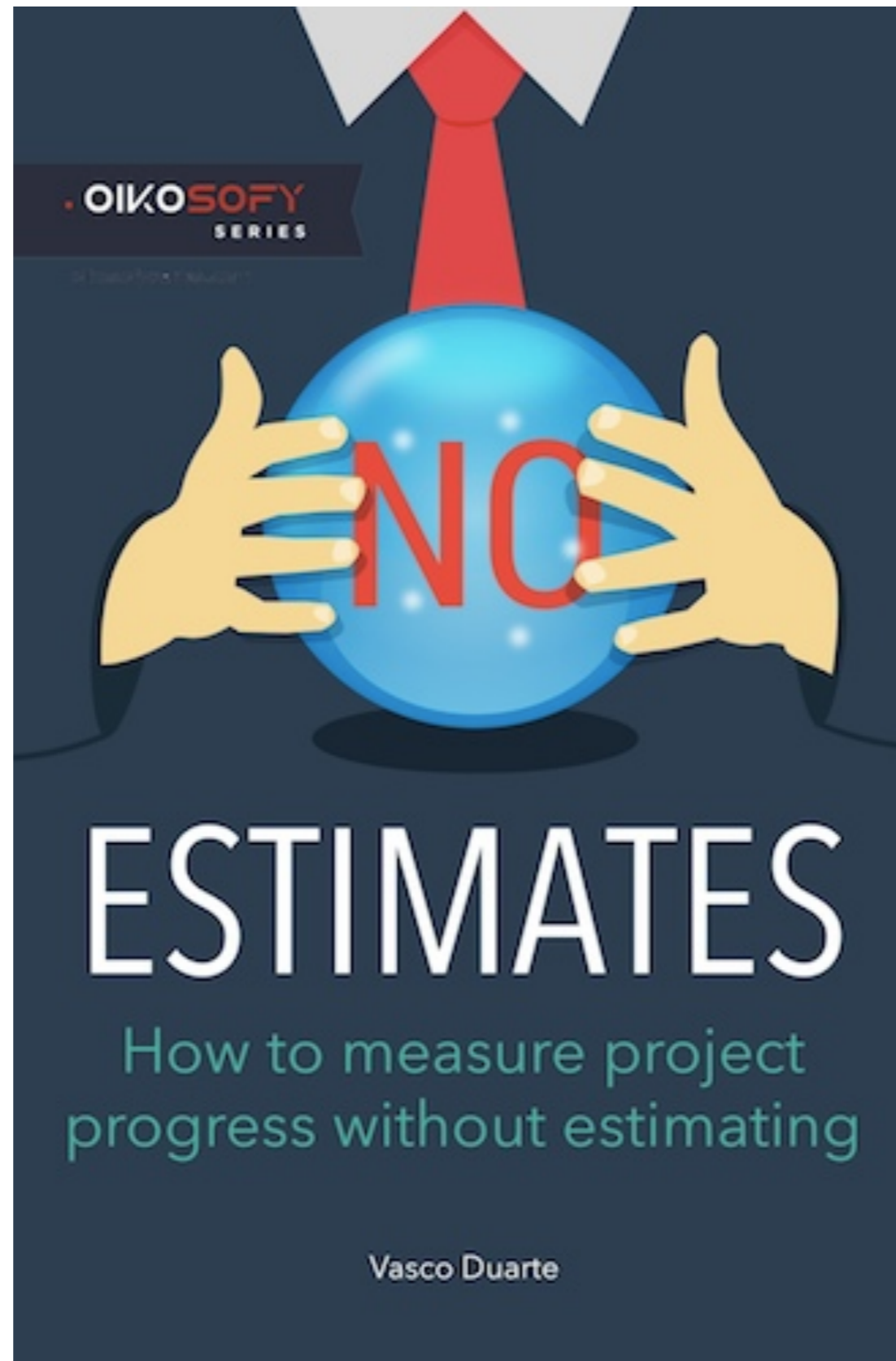
Vasco Duarte



<http://2013.itakeunconf.com/wp-content/uploads/2013/03/vasco-duarte-300x400.jpg>

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<http://claysnow.co.uk>



<http://noestimatesbook.com/>

<http://claysnow.co.uk>

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Friday, 24 April 15

Neil Killick



https://media.licdn.com/mpr/mpr/shrink_200_200/p/7/000/2c4/38d/0ea9e25.jpg

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<http://claysnow.co.uk>

Glen Alleman



http://pbs.twimg.com/profile_images/1176417752/Headshot_2.jpg

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The idea behind the #NoEstimates approach to software development **isn't to eliminate estimates**

[it is] to explore other ways to solve problems

without specifically asking,

'How long will it take?'

<http://www.cio.com/article/2381167/agile-development/-no-estimates-in-action-5-ways-to-rethink-software-projects.html>

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Giving software projects an **API**

... [is] about

“**yes, yes, yes**”.

<http://xprogramming.com/articles/artifacts-are-not-the-problem/>

Take aways

Challenge the use of estimates

- what are they we trying to achieve?

What's the **value** of the project

- estimates of cost may not be necessary

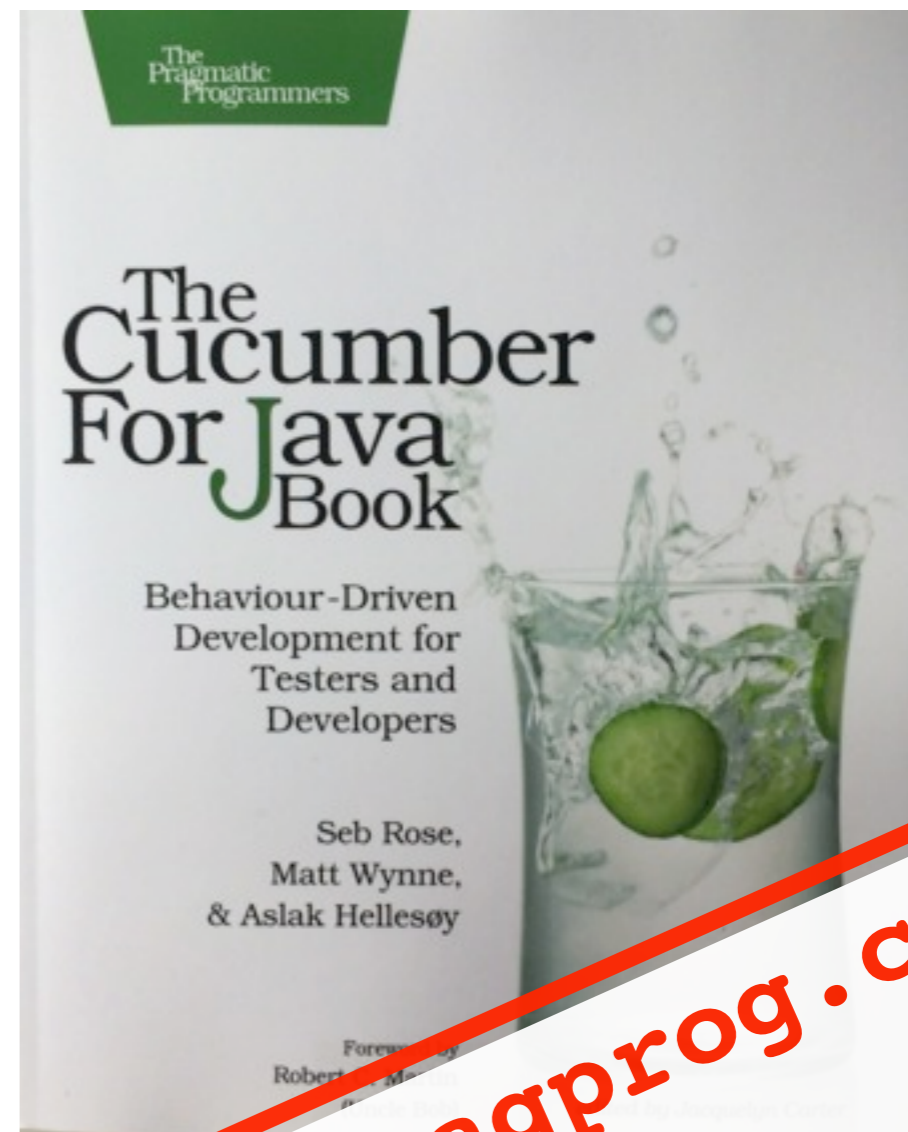
Is it small or just far away?

- **ignorance** is our major constraint

Finally....

Ask yourself whether the value you get from estimates justifies the cost of producing them.

#NoEstimates is the banner under which people who answer **“NO!”** are looking for **better, cheaper** ways of getting the **benefits** that we want, without the **waste** that we don't.



Seb Rose

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