How to improve your cost estimations by closing the Gap between Business & IT

Iván Pinedo
MIND THE GAP

3+1

BUSINESS

MIND THE GAP

I.T.

IMPROVE YOUR COST ESTIMATIONS!
I will not pay for that!

Those rates are too expensive

Is that a fair price for my project?

I have to change 7 different scripts!

對不起，唐納德，但您會為此付費
LET’S SEE WHAT IT LOOKS LIKE!
CHOOSE YOUR OWN LANGUAGE
MINDSET
Success in Disruptive Times

Expanding the Value Delivery Landscape to Address the High Cost of Low Performance
WHICH APPROACH IS BEST SUITED FOR YOU?
"The future of value delivery is a spectrum of approaches – predictive, iterative, incremental, agile, hybrid, and whatever Will come next to change how we work".
The State of Project Management
Annual Survey 2018
What project management methodology do you currently use?

- A combination of different methodologies: 56.6%
- Agile: 27.4%
- Waterfall: 25.5%
- Nothing: 16%
- Other: 0.9%
**AGILE**

**Define priority** | **Estimation of each Story**
---|---
US0019 Login integration | **14 points**
US0017 Update user profile info | **6 points**
US0016 New Login | **11 points**

**Total estimation of the Request**

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**SUPPORTS ALL DEVELOPMENT METHODOLOGIES AND FRAMEWORKS**
WHAT ARE THE BIGGEST CHALLENGES YOU FACE IN MANAGING PROJECTS?

- Managing vendors and/or teams outside the company in the supply chain: 35.5%
- Defining clear priorities: 37.4%
- Visibility into what my team and others are working on: 38.3%
- Organizing work: 39.3%
- Ensuring that team members are working on the right thing at the right time: 41.1%
- Sharing information across teams: 43.9%
- Meeting deadlines: 45.8%
- Managing project costs: 49.5%

Other: 1%

INFORMATION
“55% do not have access to real time KPIs with nearly 50% spending 1 or more days manually collating project reports”.
# Detailed Size Estimation

## Functional Size

<table>
<thead>
<tr>
<th>System: APP_Java</th>
<th>Technology: JAVA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Element name</td>
<td>Group</td>
</tr>
<tr>
<td>Listado de facturas</td>
<td>Interacción con el usuario</td>
</tr>
<tr>
<td>Listado de ventas</td>
<td>Interacción con otras Aplicaciones</td>
</tr>
<tr>
<td>Subgroup</td>
<td>Element</td>
</tr>
<tr>
<td>Consulta de datos</td>
<td>Información compleja</td>
</tr>
<tr>
<td>Envio de datos</td>
<td>Información compleja</td>
</tr>
<tr>
<td>Element</td>
<td>Complexity FunctionF.Imp.</td>
</tr>
<tr>
<td>Información compleja</td>
<td>Media</td>
</tr>
<tr>
<td></td>
<td>Media</td>
</tr>
<tr>
<td></td>
<td>Media</td>
</tr>
</tbody>
</table>

UFP: 10  IFP: 10
ESTIMATION DASHBOARD!

My estimate's results

<table>
<thead>
<tr>
<th>COST (€)</th>
<th>EFFORT (HOURS)</th>
<th>RESULTS FOR REQUESTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>12,882.49</td>
<td>128.82</td>
<td>RQ_Code_001</td>
</tr>
</tbody>
</table>

Breakdown of results

<table>
<thead>
<tr>
<th>COST (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>12,882.49</td>
</tr>
</tbody>
</table>

Comparative analysis with other projects.
COMPARE VENDORS / TECHNOLOGIES WITH THE MARKET
TESTING
40 Years of Function Points: Past, Present, Future

30 Years of Software Measurement

13:00 – 13:30
Eric van der Vliet & Ton Dekkers - Nesma

IFPUG Acquires the Simple Function Points Method

Roberto Meli
# Testware Estimation

## Total

<table>
<thead>
<tr>
<th></th>
<th>#TC Test Cases</th>
<th>#DEF Defects</th>
<th>Standard</th>
<th>Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>TC Test Cases</td>
<td>102.00</td>
<td>7.00</td>
<td>105.77</td>
<td>105.77</td>
</tr>
</tbody>
</table>

### Request Details

- **Request:** Demo Request 001 | Request 001
- **Provider:** Vendor 3
- **Methodology:** Waterfall

### System Details

- **System:** APP_Cobol
- **Technology:** Cobol

### Task Details

<table>
<thead>
<tr>
<th>Task</th>
<th>#TC</th>
<th>#DEF</th>
<th>Design</th>
<th>Exec.</th>
<th>Verif.</th>
<th>Other Activ.</th>
<th>Total</th>
<th>Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>System Test</td>
<td>86.00</td>
<td>6.00</td>
<td>31.13</td>
<td>33.73</td>
<td>3.06</td>
<td>19.72</td>
<td>87.65</td>
<td>Adjust</td>
</tr>
<tr>
<td>UAT</td>
<td>16.00</td>
<td>1.00</td>
<td>7.22</td>
<td>8.05</td>
<td>0.58</td>
<td>2.26</td>
<td>18.12</td>
<td>Adjust</td>
</tr>
<tr>
<td>TOTAL</td>
<td>102.00</td>
<td>7.00</td>
<td>38.35</td>
<td>41.78</td>
<td>3.64</td>
<td>21.98</td>
<td>105.77</td>
<td>105.77</td>
</tr>
</tbody>
</table>
**DON'T FORGET...**

<table>
<thead>
<tr>
<th>PEOPLE</th>
<th>Use a common language!</th>
</tr>
</thead>
<tbody>
<tr>
<td>MINDSET</td>
<td>Keep your mind open to all methodologies!</td>
</tr>
<tr>
<td>INFORMATION</td>
<td>Be in control of your decisions</td>
</tr>
<tr>
<td>TESTING</td>
<td>The black hole of cost estimates.</td>
</tr>
</tbody>
</table>
DON’T FORGET...

We’ll be available in our booth for any assistance. Look for us in the large foyer.

THANK YOU!
ACKNOWLEDGEMENTS

Image of Jon Snow by Chris Murphy. https://flickr.com/photos/chrism70/28126216396/
Image of Tormund by Chris Murphy. https://flickr.com/photos/chrism70/38533315396/