Forget about estimation!

Jesper Boeg
www.AgileUpgrade.com
agileupgrade@gmail.com
Twitter: J_Boeg
WHO AM I?

VP – Trifork Agile Excellence

Twitter: @J_Boeg
AgileUpgrade

► Review, coaching and training
  ► Scrum
  ► Kanban
  ► Agile
  ► Lean

► See more at www.AgileUpgrade.com
Team

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### Ready (4/12)
- kontakte widex: 125 days
- spørge Roar ang. konference: 78 days
- sæt kalender reminder om at tage billeder af board etc: 52 days
- monte carlo simulation: 51 days

### Planned this week (5/8)
- spørge Kim ang. registrering af min tid: 66 days
- mob refactoring: 62 days
- forsøg at lave landcopedelt GA i google spreadsheet: 48 days
- Kanban og Medico foldere etc. Kanban og porteføljestyring: 44 days
- komme med forslag til Morgenbriefing: 8 days

### Planned next (7/5)
- koordiner med Morten ifht. AS3 kontakt i min ferie: 0 days
- sende opdatering ud til Dashboard vision: 0 days
- lave MOR slides: 1 day
- kanban portefølje tavle: 3 days
- Creuna agile folder (ekstern): 1 day
- svare Morten Elvang på datoer x 1: 2 days

### In Progress (2/3)
- lave to-do liste ud fra lead rolle beskrivelse: 3 days
- forbered Ditmer oplæg: 20 days

### Waiting (6/15)
- content på library: 53 days
- Årsregnskab inden Florida: 38 days
- få flyttet Trifork kursus 19-20: 9 days
- svare mindbiz: 9 days
- vende tilbage til Tine ifht. gå-hjem-møder: 11 days
- få kontaktet Kanban folk ifht. analytics: 9 days

### Completed recently (6/8)
- koordiner min ferie med Roar og Kim: 23 days
- lave terms and agreement nodes for alle sprog: 2 days
- deadline på KPI opgaver til Kim: 1 day
- Oplæg til Proces for dashboard: 38 days
- Købe champagne/kage til at fejre 1/4 deadline: 8 days
- Forbered oplæg for Peter og Jøs når de kommer til Aarhus: 13 days

### Done
- tidsregistrer!: 13 days
- påskerplaner til Kim: 1 day
- oplæg til Roar ifht. procesarbejde i Aarhus: 1 day
- spør Norsted ifht. assistance fra Mikke: 1 day
- på-hjem møder Tor Kata: 47 days
- koordinere projektindførsel til de nye: 32 days
- opdater CFD: 47 days
- projektaftaler AS3 til revision: 45 days

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Maybe taking it too far?
In general

- Please let me know if:
  - You have questions (The primary goal is not to go through every single slide)
  - If I am not making any sense
- You will get the slides
Agenda

1. What not to do
2. How estimates really work
3. The simple alternative
4. Tracking and reporting
Known knowledge

Nothing new here sorry
Why estimate?
WHAT NOT TO DO
2 User Stories, 3 hours, 5 people
Why do we make the same mistakes again and again and again and again.....

YOU CAN'T MAKE THE SAME MISTAKE TWICE. THE SECOND TIME IT'S NOT A MISTAKE. IT'S a choice.

KCGRAPHERS.TUMBLR.COM
The blame game
Expecting manufacturing precision
Why don’t we just ask the tech-lead?

Expert opinions
I have made it easy for you
Using time
Expecting the team to know

I'm just outside town, so I should be there in fifteen minutes.

Actually, it's looking more like six days.

No, wait, thirty seconds.

The author of the Windows file copy dialog visits some friends.
Could I borrow two days of your time for estimation?
Detail != predictability
Tasks are NOT for planning and reporting

\[ p = \left( \frac{rr'' \delta}{M} \right)^2 \sqrt{\left( \cos 2\varphi^2 \left( \frac{\cos \frac{1}{2} \delta}{\cos \varphi \left( 1 - \frac{2 \sin \frac{1}{4} \delta^2}{p \cos \varphi \sqrt{rr' \cos \varphi}} \right) \right)^8 \right)} \]
This time there will be no...
Story point machine
Death spiral
How estimates really work
“Guesstimate” is not a real word
Estimates are not single numbers

Distribution with overlapping tails

Frequency

Effort
Don’t give up on Predictability
Story points considered harmful

http://softwaredevelopmenttoday.blogspot.co.uk/2012/01/story-points-considered-harmful-or-why.html

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#NoEstimates - problems
THE SIMPLE ALTERNATIVE
T-shirt Sizes and story points

XS 1

S 3

M 8

L 20

XL 40

XXL 100
Keep it comparative

<table>
<thead>
<tr>
<th>Small - 3</th>
<th>Medium - 8</th>
<th>Large - 20</th>
<th>XL - 40</th>
<th>XXL - 100</th>
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Why both T-shirt and points?
How do we know the ratio?

<table>
<thead>
<tr>
<th>T-shirt size</th>
<th>Assigned ratio</th>
<th>Actual ratio</th>
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<tbody>
<tr>
<td>XS</td>
<td>1</td>
<td>1.08</td>
</tr>
<tr>
<td>S</td>
<td>3</td>
<td>2.59</td>
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<tr>
<td>M</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>L</td>
<td>20</td>
<td>21.28</td>
</tr>
<tr>
<td>XL</td>
<td>40</td>
<td>35.49 (limited data)</td>
</tr>
<tr>
<td>XXL</td>
<td>100</td>
<td>NA</td>
</tr>
</tbody>
</table>
Follow these simple rules

- New items in the backlog are estimated at the daily standup-meeting
- ALL estimates are comparative and in story points
- User Stories are ONLY re-estimated if they drastically change or are broken down
- All defects are assigned the same estimate (in our case XS) and only count if they are found on functionality that has been more than 1 month in production
- Completed points are based on features deployed to the production environment (or similar)
- Point -> $ is based on data (as soon as it becomes available)
Roughly 0.4 percent is spent on estimation – that is $1/250$. 

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New team on a new project IS different

Comparison with other projects

Worst/Best/Realistic T-shirt estimation

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TRACKING AND REPORTING
How much are you off? (cost)

- 0-10%
- 11-30%
- 31-50%
- 51-100%
- 100+ %
- No idea
Real backlogs do not look like this
But fortunately more like this
## Predictability

Really we want it here

Too many focus here

Easy from here

<table>
<thead>
<tr>
<th>Backlog</th>
<th>UX/Design</th>
<th>Sprint Ready</th>
<th>Sprint Backlog</th>
<th>Development</th>
<th>Test</th>
<th>Demo</th>
<th>QA</th>
<th>Prod</th>
<th>Accepted</th>
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Velocity is the easiest metric to game
CFD

Arrival Rate

WIP

Cycle Time

Velocity

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Cycle time
Data eats detail for breakfast

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The power of data
Improvement
Probabilistic forecasting

- 90 percent
- 99 percent
BUT! Pressure equals unpredictability
Don’t forget the vision
To The Future
Take-aways

• Don’t use estimates for blame games and don’t expect the team to know
• Estimates are a distribution – NOT a single number
• #NoEstimates is an interesting movement but with a narrow focus on predictability
• Story Points and T-shirt sizes can make it much easier to acknowledge uncertainty
• Data beats detail every time!
• Don’t make output velocity goals. Velocity is far too easy to game and you will lose your predictability on the way
• Don’t forget the Vision
STOP WASTING TIME TRYING TO GET ESTIMATES RIGHT! – AND WHAT TO DO INSTEAD

By Jesper Boeg on February 13, 2015

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How To Reach Me

► Jesper Boeg
  ► Mail: agileupgrade@gmail.com
  ► Mobile: +45 22 49 83 38
  ► Twitter: J_Boeg
Training/offerings

➤ Kanban Training
  ➤ April 13-14, Copenhagen
  ➤ April 20-21, Aarhus
  ➤ http://gotoacademy.dk/collections/agile

➤ Predictability made practical
  ➤ Hands-on in-house workshop

➤ www.AgileUpgrade.com
THANKS!