



Virtual Workshop



International Issues: Cost of Replacing Capabilities

**The Future of IT &
Software Estimating**

**Carol Dekkers,
Quality Plus Technologies**

- **An Ontology-based Cost
Modelling Approach for
High-Value Manufacturing**

● **Maryam Farsi,
Cranfield University**

1 December 2020 • 4pm GMT • 11am EST • 8am PST

iceaaonline.com/scaf2020iceaa



The Future of IT and Software Estimating

CAROL DEKKERS

QUALITY PLUS TECHNOLOGIES, INC.

About Quality Plus Technologies, Inc.

USA-based consulting, training, and coaching services in project management (PMP), software measurement estimation, benchmarking, scope management, ISO stds






About Carol Dekkers, PMP, CFPS (Fellow)

Professional engineer (Canada)


Lead author of ICEAA Software Cost Estimating Body of Knowledge (SCEBoK), Past president International Function Point Users Group (IFPUG), ISO/IEC Project Editor...



Wouldn't it be fun to have a crystal ball to predict the future... of IT and software estimating? Let's look at the past and the future of software cost estimating: where we've been, what's going well today and what trends are on the horizon. Let's connect the dots between the world today and where we're going in ICEAA and software estimating.

Crystal Balls, Rollercoasters, and Software

- ▶ **Basics**
- ▶ **Models and Questions**
- ▶ **Trends**
- ▶ **SCEBoK and the Future...**



Where are we in Software? Past → Present

YEAR	COMPANY	OUTCOME (COSTS IN US \$)
2005	Hudson Bay Co. [Canada]	Problems with inventory system contribute to <u>\$33.3 million*</u> loss.
2004-05	UK Inland Revenue	Software errors contribute to <u>\$3.45 billion*</u> tax-credit overpayment.
2004	Avis Europe PLC [UK]	Enterprise resource planning (ERP) system <u>canceled after \$54.5 million[†] is spent.</u>
2004	Ford Motor Co.	Purchasing system <u>abandoned after deployment costing approximately \$400 million.</u>
2004	J Sainsbury PLC [UK]	Supply-chain management system <u>abandoned after deployment costing \$527 million.[†]</u>
2004	Hewlett-Packard Co.	Problems with ERP system contribute to <u>\$160 million loss.</u>
2003-04	AT&T Wireless	Customer relations management (CRM) upgrade problems lead to revenue loss of <u>\$100 million.</u>
2002	McDonald's Corp.	The Innovate information-purchasing system <u>canceled after \$170 million is spent.</u>
2002	Sydney Water Corp. [Australia]	Billing system <u>canceled after \$33.2 million[†] is spent.</u>
2002	CIGNA Corp.	Problems with CRM system contribute to <u>\$445 million loss.</u>
2001	Nike Inc.	Problems with <u>supply-chain management system contribute to \$100 million loss.</u>
2001	Kmart Corp.	Supply-chain management system <u>canceled after \$130 million is spent.</u>
2000	Washington, D.C.	City payroll system <u>abandoned after deployment costing \$25 million.</u>
1999	United Way	Administrative processing system <u>canceled after \$12 million is spent.</u>
1999	State of Mississippi	Tax system <u>canceled after \$11.2 million is spent; state receives \$185 million damages.</u>

Note: “Bad” cost estimates were not *the reason* for project “failure” but, when failure = \$ \$ \$...

Standish Findings By Year Updated for 2009

	1994	1996	1998	2000	2002	2004	2009
Succeeded	16%	27%	26%	28%	34%	29%	32%
Failed	31%	40%	28%	23%	15%	18%	24%
Challenged	53%	33%	46%	49%	51%	53%	44%

Most projects cost more than they return, Mercer Consulting: When the costs are added up, as many as 80% of technology projects actually end up costing more than they are worth. This is true for both government and business projects. (Source: Mercer Consulting, 2001)

Software industry stats a decade ago

U.S. DoD (2011):
40% - 60% rework

Standish Group (1995):
 U.S. government / business
~ \$81B USD = canceled software projects
~ \$59B USD = budget overruns

33% file to perform against expectations

Communications of the ACM Nov 2007: Sauer, Gemino, Reich

Abandoned 9%

<http://www.project-estimation.com>

Time to Get Serious - Remove Impediments

1. Congressional inquiry
2. Project internalized
3. The FBI CIO takes ownership
4. Agile is adopted as the project framework
 - a) Design is broken into 670 user stories
 - b) Self-organizing teams
 - c) 45 staff (not 300 as previous)
 - d) Product Owner prioritized the work
 - e) Two week sprints
 - f) Demo every sprint



Bureau of Inve

was frustrated by the delays.

FBI system finally succeeds...

Software Solutions Symposium 2017

Outcome, Rubber Meets Road

1. After a few sprints, it became possible to forecast the rough timescales and start to plan the dates for incremental business change and adoption of releases of the new software.
2. System delivered using only half of the budget.
3. Agents used the system on real cases. In the first quarter of its use, over 13,000 agents progressed over 600 cases, meeting or exceeding all expected targets.
4. The old mainframe system was turned off.

Software Solutions Symposium 2017

Outcome in Dollars and Cents

1. The three-year Agile project delivered the requested system and improvements.
2. A success after 10 years of failure and \$600 million wasted on the two previous aborted 'Waterfall' attempts.
3. Total cost of only \$99 million.



Source: https://resources.sei.cmu.edu/asset_files/Presentation/2017_017_001_495733.pdf
Thomas Friend: Agile Project Success and Failure (The Story of the FBI Sentinel Program)

Standish Group CHAOS report (1996→2015)

- ▶ **Success = On time, on budget, with all features**
- ▶ **Challenged = delivered but either late or overbudget, or missing features**
- ▶ **Failed / cancelled = no delivery**

PROJECT SUCCESS RATES AGILE VS WATERFALL

METHOD	SUCCESSFUL	CHALLENGED	FAILED
AGILE	42%	50%	8%
WATERFALL	26%	53%	21%

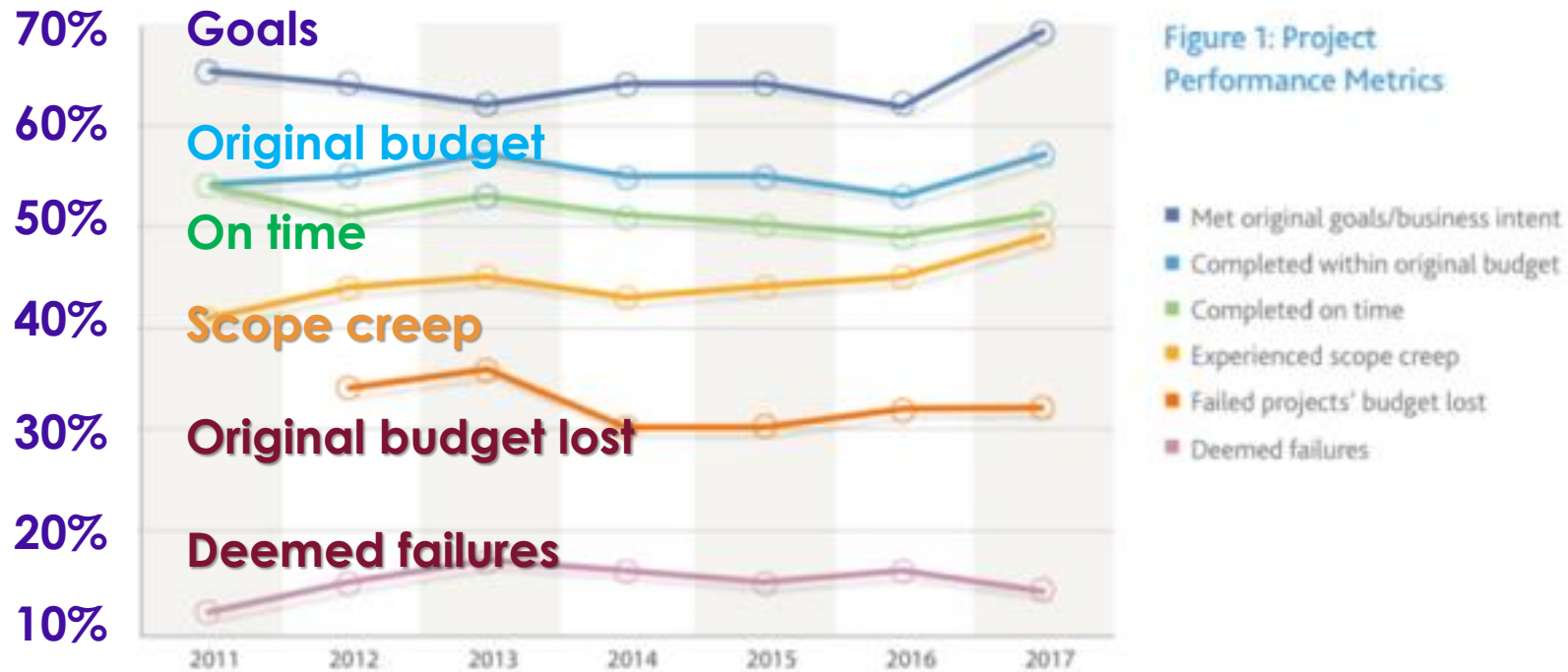


Figure 1: Project Performance Metrics. Reprinted from *PMI's Pulse of the Profession 9th Global Project Management Survey*, by Project Management Institute, 2017, retrieved from <https://www.pmi.org/-/media/pmi/documents/public/pdf/learning/thought-leadership/pulse/pulse-of-the-profession-2017.pdf> Copyright 2017 by Project Management Institute

PMI Study 2017

The WHYs of project “failures”

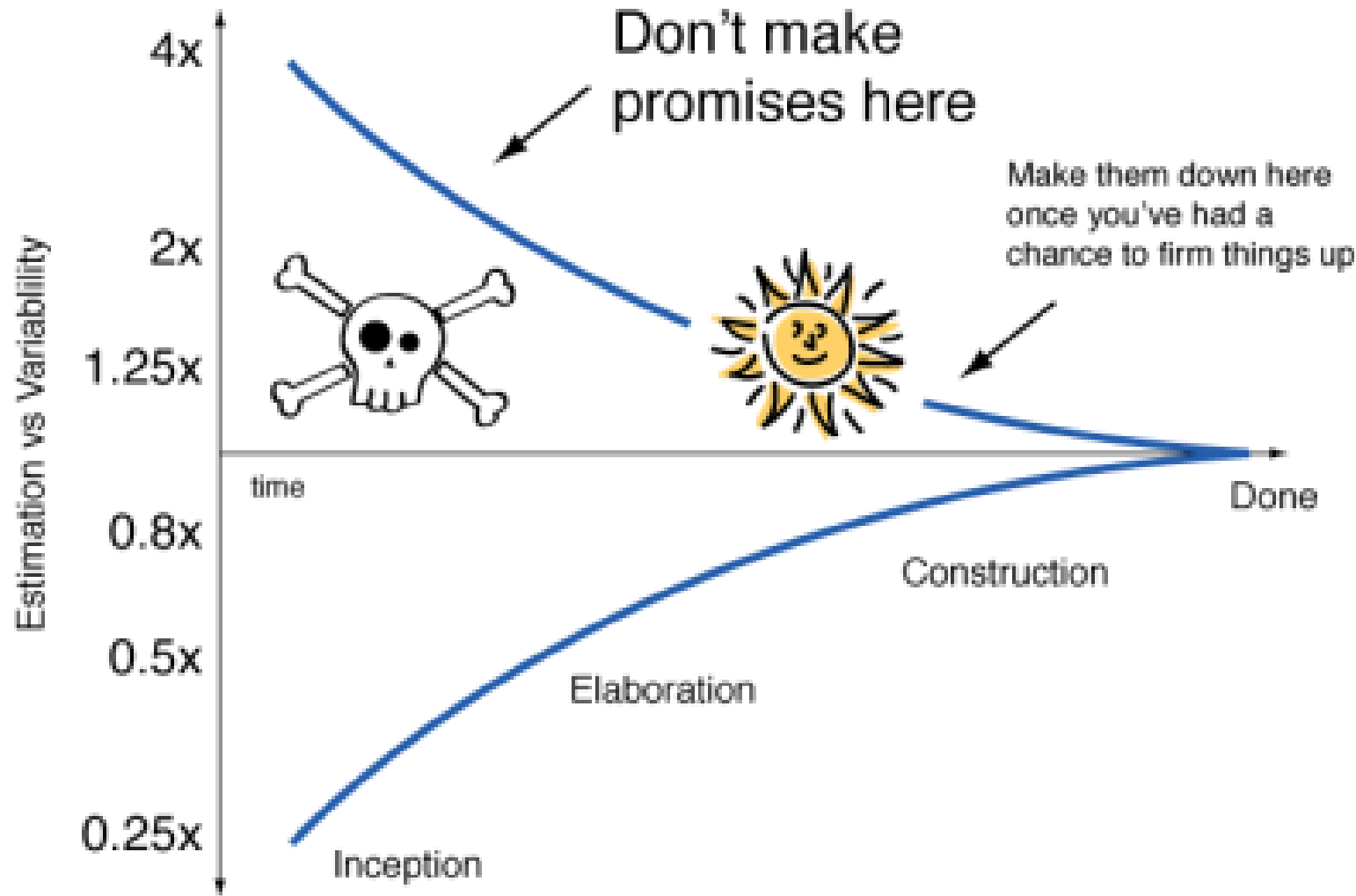
Cause	Business / Customer	Supplier	Comment / Solution
Poor user input	X	X	Training, time
Stakeholder conflicts	X	?	PM
Vague requirements	?	?	Terminology
Poor cost and schedule estimation	?	X	Overly-optimistic, risk (avoidance)
Skills that do not match the job	X	X	Training
Hidden costs of going "Lean and Mean"	X	X	Unrealistic goals, Resources
Failure to plan	?	?	Structure, PM
Communication breakdowns	X	X	Blame (He said, she said)
Poor architecture		X	
Late “failure” warning signals		X	Measurement

Loren May, CrossTalk editor <http://info.psu.edu.sa/psu/cis/biq/se501/a/a1/MajorCausesofSoftwareProjectFailures.pdf>

Tom DeMarco: Any failure will be viewed as a direct result of **underperformance**, even though it is "not even a significant factor" in the failure of most projects... failed projects had **goals... inherently unattainable.**



**But, but,
but...†**



Software estimating poses unique challenges.

Uncertainties:

- Scope (size of software),
- Non-Functional Reqs,
- Technical Complexity
- Time (date-driven)
- Locations
- Team size
- Rework (ambiguity)
- Cost of status quo
- Capability
- + Human Factors

Early Software Estimates → Back of the Napkin Estimating → Reality (In Some circles)

Fixed or fluid software requirements?

Ambiguous? (In)complete?

What about the Intangible Software product(s)?

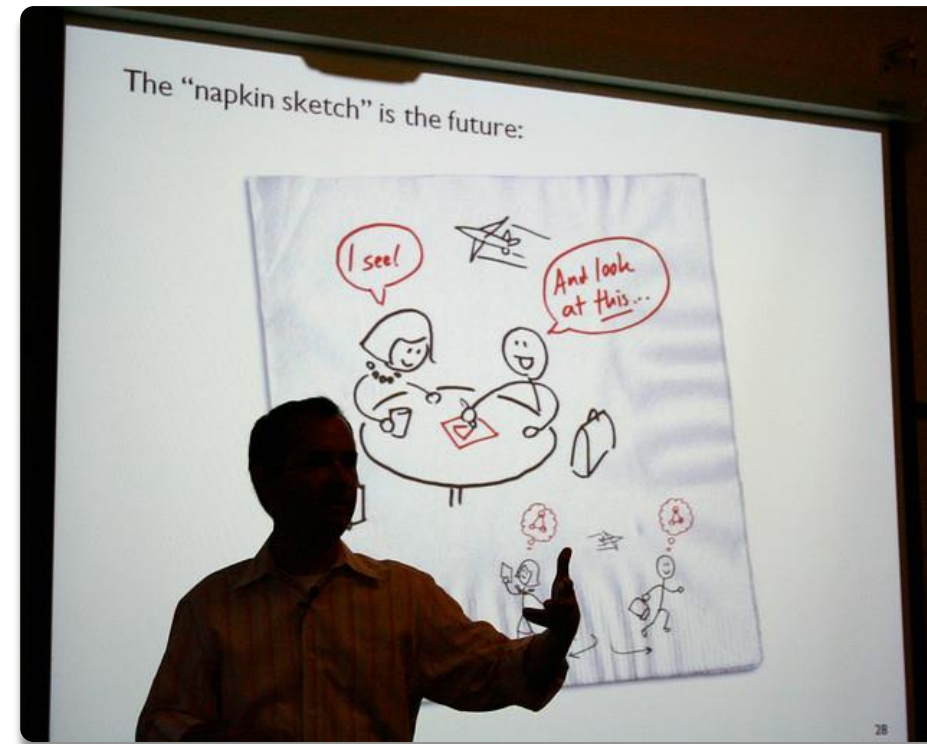
Agile “WWKI WWSI” requirements

We can apply structure and knowledge:

Functional (what the software does)

+ Non-functional (how good)

+ Technical (how will we build)



18
What other industry deals with this level of estimation uncertainty?

Hurricanes: Science and Society

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Hurricane Science

Hurricane Observations

Hurricane Forecasting and Modeling

Hurricane Forecasting

Hurricane Forecast Models

How Hurricane Forecast Models Work

Types of Hurricane Forecast Models

Brief History of Hurricane Forecast Models

Hurricane Forecast Model Accuracy

Hurricane Research Models

Basic Science

Home > Science > Hurricane Forecasting and Modeling > Hurricane Forecast Models

Hurricane Forecast Models

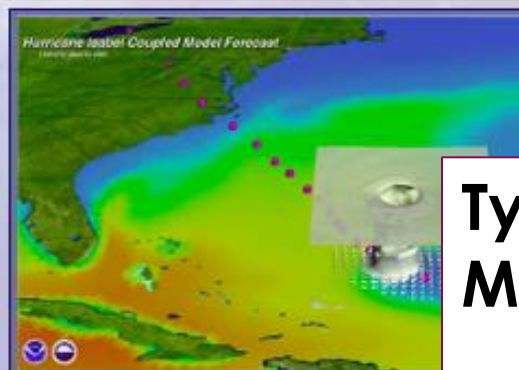
A hurricane forecast model can be defined as any objective tool, usually based on mathematical equations, that is designed to predict the future behavior of a [hurricane](#) (or more generally, any [tropical cyclone](#)). The primary purpose of a hurricane forecast model is to predict a hurricane's [track](#) and/or [intensity](#) (and sometimes rainfall) for the next 3-5 days (although longer [lead times](#) are possible). Other forecast models are designed specifically to forecast the impacts of hurricanes, such as [storm surge](#).

Hurricane forecast models vs. hurricane research models

Like any other computer software program, a hurricane forecast model is written using one or more computer languages. Depending on the complexity of the model and the speed of the computer (or supercomputer) on which it is processing, the model may require anywhere from less than a second to a few hours to produce a hurricane forecast. Some models are so complex (or so detailed) that they take even longer to produce a forecast on fast supercomputers; these models can only be used for researching past hurricanes because the computer cannot produce the forecast until after the hurricane has passed the forecasted location. To differentiate these models from hurricane forecast models, they are often classified as hurricane research models, although hurricane forecast models can also be used for researching past hurricanes. Moreover, a complex hurricane research model may eventually become a hurricane forecast model when supercomputers are developed with a larger number of processors and faster processing speeds. Also, some hurricane research models are intentionally designed to be **less** complex to enable a researcher to isolate the impact of some physical processes on a hurricane without accounting for other potentially important physical processes; these models are **not** intended for producing accurate forecasts. Hurricane research and forecast models are developed primarily for making 3-5 day forecasts, but they can also be used in conjunction with [climate models](#) to predict future hurricane activity.

Hurricane Forecast Models

- How Hurricane Forecast Models Work
- Types of Hurricane Forecast Models
 - Dynamical Models
 - Statistical, Statistical-dynamical, and Trajectory Models
 - Ensemble or Consensus Models
 - Numerical Models of Storm Surge, Wave, and Coastal Flooding
- Brief History of Hurricane Forecast Models
- Hurricane Forecast Model Accuracy



Three-dimensional view of Hurricane Isabel (2005) approaching the East Coast of the United States. Results were obtained from a 99-hour forecast made at 8:00am, September 15th using the dynamical Hurricane Prediction System developed at the Geophysical Fluid Dynamic Laboratory (GFDL). Since [2004](#), [GFDL models](#) has provided forecast guidance of track and intensity for forecasters at the [National Hurricane Center](#). The white arrows indicate wind speed and direction at the earth's surface, and the pink dots indicate observations made every 6 hours along the hurricane's track. As the hurricane's strong winds move across the ocean the surface waters from below are brought up to the surface resulting in a significant decrease in the sea surface temperature. This can clearly be seen in the animation, with a wake of cooler waters trailing the storm, indicated by the blue colors. The importance of the ocean coupling is important for the hurricane model to properly forecast the storm's intensity.

Types of Hurricane Forecast Models:

- Dynamical Models
- Statistical, statistical dynamical, and trajectory models
- Ensemble or Consensus models
- Numerical models of Storm Surge, Wave and Coastal Flooding

GFS

Global

Ensemble

Hurricane

Mesoscale

Climate

ECMWF



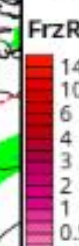
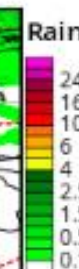
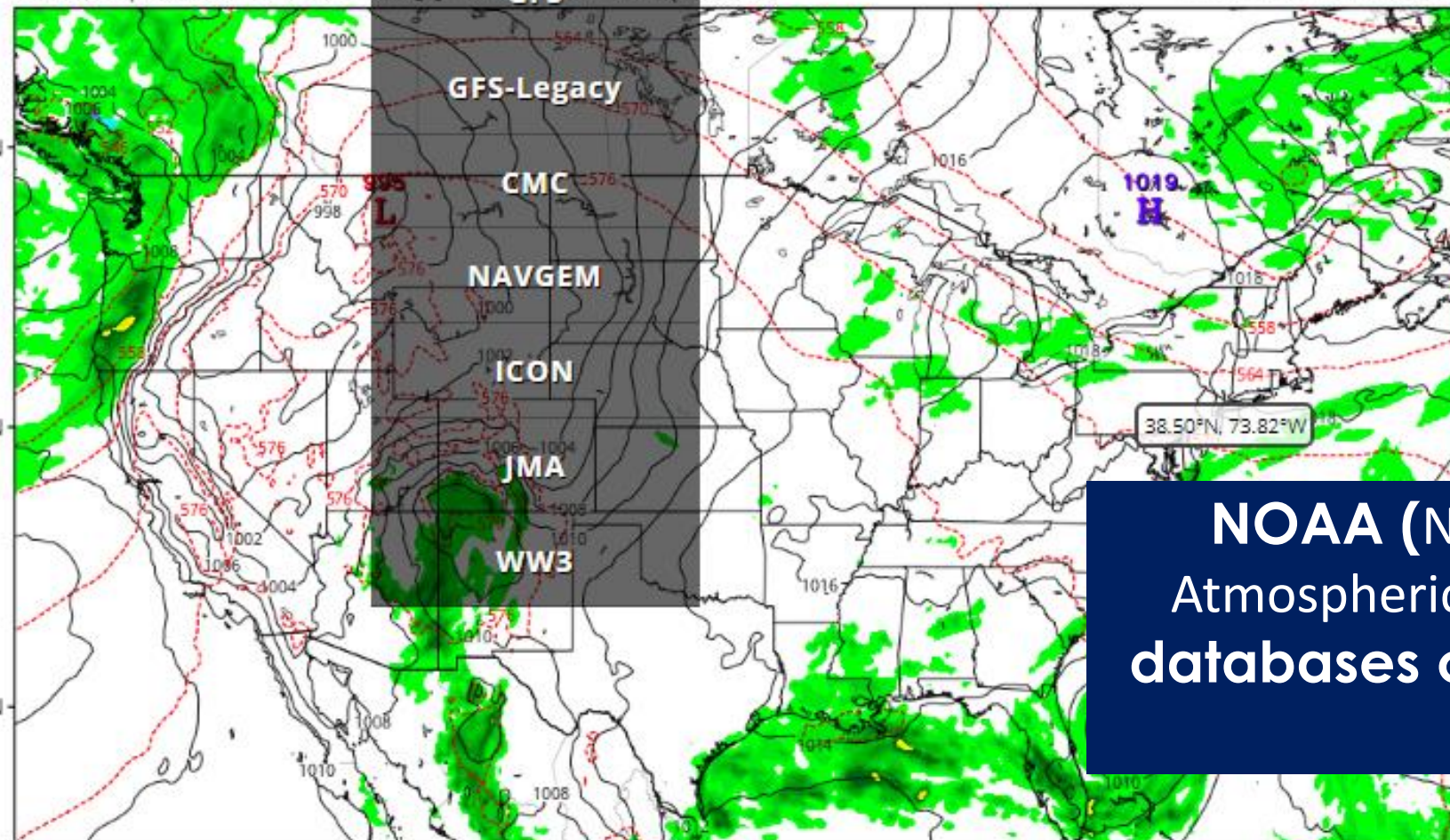
18z Sunday, Sep 15

GFS 6-hour Averaged Precip Rate (mm/hr), MSLP (hPa), & 1000-500mb Thick (dam)

Init: 18z Sep 15 2019 Forecast Hour: [6] valid GFS 18z Mon, Sep 16 2019

TROPICALTIDBITS.COM

Forecast Hour: 6



006	012	018	024	030	036
042	048	054	060	066	072
078	084	090	096	102	108
114	120	126	132	138	144
150	156	162	168	174	180
186	192	198	204	210	216
222	228	234	240	246	252
258	264	270	276	282	288
294	300	306	312	318	324

NOAA (National Oceanic and Atmospheric Administration) has databases of historical tracking data

NHC Track and Intensity Models

Climatology | Names | Wind Scale | Extremes | Models | Breakpoints

Updated 11 June 2019

The term "forecast model" refers to any objective tool used to generate a prediction of a future event, such as the state of the atmosphere. The National Hurricane Center (NHC) uses many models as guidance in the preparation of official track and intensity forecasts. The most commonly used models at NHC are summarized in the tables below.

Forecast models vary tremendously in structure and complexity. They can be simple enough to run in a few seconds on an ordinary computer, or complex enough to require a number of hours on a supercomputer. Dynamical models, also known as numerical models, are the most complex and use high-speed computers to solve the physical equations of motion governing the atmosphere. Statistical models, in contrast, do not explicitly consider the physics of the atmosphere but instead are based on historical relationships between storm behavior and storm-specific details such as location and date. Statistical-dynamical models blend both dynamical and statistical techniques by making a forecast based on established historical relationships between storm behavior and atmospheric variables provided by dynamical models. Trajectory models move a tropical cyclone (TC) along based on the prevailing flow obtained from a separate dynamical model. Finally, ensemble or consensus models are created by combining the forecasts from a collection of other models.

Table 1. Summary of global and regional dynamical models for track, intensity, and wind radii.

ATCF ID	Global/Regional Model Name	Horizontal Resolution	Vertical Levels and Coordinates	Data Assimilation	Convective Scheme	Cycle/Run Frequency	NHC Forecast Parameter(s)
NVGM/NVGI	Navy Global Environmental Model	Spectral (~31km)	60 Hybrid Sigma-pressure	NAVDAS-AR 4D-VAR	Simplified Arakawa Schubert	6 hr (144 hr) 00/06/12/18 UTC	Track and Intensity
AVNO/AVNI GFSO/GFSI	Global Forecast System (FV3-GFS)	Finite Volume Cube Sphere (~13km)	64 Hybrid Sigma-pressure	GSII4D-VAR EnKF hybrid	Simplified Arakawa Schubert	6 hr (240 hr) 00/06/12/18 UTC	Track and Intensity
EMX/EMXI/EMX2	European Centre for Medium-Range Weather Forecasts	Spectral (~9km)	137 Hybrid Sigma-pressure	4D-VAR	Tiedke mass flux	12 hr (240 hr) 00/12 UTC	Track and Intensity
EGRR/EGRI/EGR2	U.K. Met Office Global Model	Grid point (~10 km)	70 Hybrid Sigma-pressure	4D-VAR Ensemble Hybrid	LKMET	12 hr (144 hr) 00/12 UTC	Track and Intensity
CMC/CMCI	Canadian Deterministic Prediction System	Grid point (~25 km)	80 Hybrid Sigma-pressure	4D-VAR Ensemble Hybrid	Kain-Fritsch	12 hr (240 hr) 00/12 UTC	Track and Intensity
HWRP/HWFI	Hurricane Weather Research and Forecast system	Nested Grid point (13.5-4.5-1.5km)	75 Hybrid Sigma-pressure	4D-VAR Hybrid GDAS GFS IC/BC	Simplified Arakawa Schubert + GFS shallow convection (6 and 18km) 1.5km nest - none	6 hr (126 hr) 00/06/12/18 UTC Runs on request from NHC/OTWC	Track and Intensity
CTCX/CTCI	NRL COMPS-TC w/ GFS initial and boundary conditions	Nested Grid point (45-15-6 km)	42 Hybrid Sigma-pressure	3D-VAR (NAVDAS) EnKF DART	Kain-Fritsch	6 hr (126 hr) 00/06/12/18 UTC Runs commence on 1st NHC/OTWC advisory	Track and Intensity
HMCN/HMNI	Hurricane Multi-scale Ocean-coupled Non-hydrostatic model	Nested Grid point (18-6-2km)	51 Hybrid Sigma-pressure	GFS IC/BC	Simplified Arakawa Schubert + GFS shallow convection (6 and 18km) 2km nest - none	6 hr (126 hr) 00/06/12/18 UTC Runs on request from NHC/OTWC	Track and Intensity

Table 2. Summary of ensemble and consensus aids for track and intensity.

ATCF ID	Model Name or Type	Horizontal Resolution	Vertical Levels and Coordinates	Data Assimilation	Perturbation or Consensus Methods	Cycle/Run Frequency	Ensemble Members	NHC Forecast Parameter(s)
AEMN/AEMI	Global Ensemble Forecast System	-33 km for lat 192 hr -55 km for 192-384 hr	64 Hybrid Sigma-pressure	GSII3D-VAR EnKF hybrid	20 of 80 6 hr DA system hybrid EnKF members per cycle	6 hr (384 hr) 00/06/12/18 UTC	20	Track
UMEM/UEMI	U.K. Met Office MOGREPS	-20 km	70 Hybrid Sigma-pressure	4D-VAR EnKF hybrid	44 member EnKF	12 hr (168 hr) 00/12 UTC	11	Track
EMNM/EMN2	ECMWF EPS	-18 km	91 Hybrid Sigma-pressure	4D-VAR	Leading singular vectors based initial perturbations	12 hr (360 hr) 00/12 UTC	50	Track
FSSE	Florida State Super Ensemble				Corrected consensus	6 hr (120 hr) 00/06/12/18 UTC		Track and Intensity
HCCA	HRIP Corrected Consensus Approach				Corrected consensus	6 hr (120 hr) 00/06/12/18 UTC	AEMI AVNI CTCI	Track and Intensity
GFEX	2 model consensus				Simple			
TVCN (Atlantic) (TVCA)	Variable consensus				Simple m/m			
TVCN (E. Pacific) (TVCE)	Variable consensus				Simple m/m			
TVCX	Variable consensus				Simple m/m memb w/alg			
RVCN	Wind Radii Consensus				Multi-radii core			
ICCN	Intensity consensus				Simple all 4 p			
IVCN	Intensity variable consensus				Simple m/m			

* Public Access to these models is restricted due to agreements with the data provider.

Table 3. Summary of statistical models for track, intensity, and wind radii.

ATCF ID	Model Name or Type	Comments	Prediction Methodology	Cycle/Run Frequency	NHC Forecast Parameter(s)
CLP5 (OCD5)	CLIPER5 Climatology and Persistence	Used to measure skill in a set of track forecasts	Multiple regression technique. Inputs are current and past TC motion (previous 12-24hr), forward motion, date, latitude/longitude, and initial intensity	6 hr (120 hr) 00/06/12/18 UTC	Track
SHF5/DSF5 (OCD5)	Decay-SHFORS Statistical Hurricane Intensity Forecast	Used to measure skill in a set of intensity forecasts, includes land decay rate component	Multiple regression technique using climatology and persistence predictors	6 hr (120 hr) 00/06/12/18 UTC	Intensity
TCLP	Trajectory-CLIPER	Used to measure skill in a set of track or intensity forecasts	Substitute for CLIPER and SHFOR; similar predictors but uses trajectories based on reanalysis fields instead of linear regression	6 hr (168 hr) 00/06/12/18 UTC	Track and Intensity
DRCL	Wind Radii CLIPER	Statistical parametric vortex model	Employs climatology with the parameters determined from 13 coefficients and persistence to produce 34-kt, 50-kt, 64-kt wind radii estimates	6 hr (168 hr) 00/06/12/18 UTC	Wind radii
SHIP	Statistical Hurricane Intensity Prediction Scheme	Statistical-dynamical model based on standard multiple regression techniques	Climatology, persistence, environmental atmosphere parameters, and an ocean component	6 hr (168 hr) 00/06/12/18 UTC	Intensity
DSHP	Decay-Statistical Hurricane Intensity Prediction Scheme	Statistical-dynamical model based on standard multiple regression techniques	Climatology, persistence, environmental atmosphere parameters, oceanic input, and an inland decay component	6 hr (168 hr) 00/06/12/18 UTC	Intensity
LGEM	Logistic Growth Equation Model	Statistical intensity model based on a simplified dynamical prediction framework	A subset of SHIPS predictors, ocean heat content, and variability of the environment used to determine growth rate maximum wind coefficient	6 hr (168 hr) 00/06/12/18 UTC	Intensity

Early versus Late Models

Numerous objective forecast aids (guidance models) are available to help the NHC Hurricane Specialists in the preparation of their official track and intensity forecasts. Guidance models are characterized as either early or late, depending on whether or not they are available to the Hurricane Specialist during the forecast cycle. For example, consider the 1200 UTC (12Z) forecast cycle, which begins with the 12Z synoptic time and ends with the release of the official forecast at 15Z. Later until about 16Z, or about an hour after the forecast is issued.

And many science-based models and equations for forecasting and estimating landfall

<https://www.nhc.noaa.gov/verification/verify3.shtml>. Our forecast reflects consideration of all available model output issued by NHC and local National Weather Service offices. Be aware that uncertainty exists in every forecast, and we issue forecast uncertainty in the Tropical Cyclone Information Statement.

HURRICANE FORCASTERS SHOWING THEIR PREDICTIONS...



**Essentially = Inverse
of the Software
Estimation Cone of
Uncertainty**

**NOTE: How many
models are used?**

Hurricane Forecast Computer Models

By Dr. Jeff Masters, Director of Meteorology

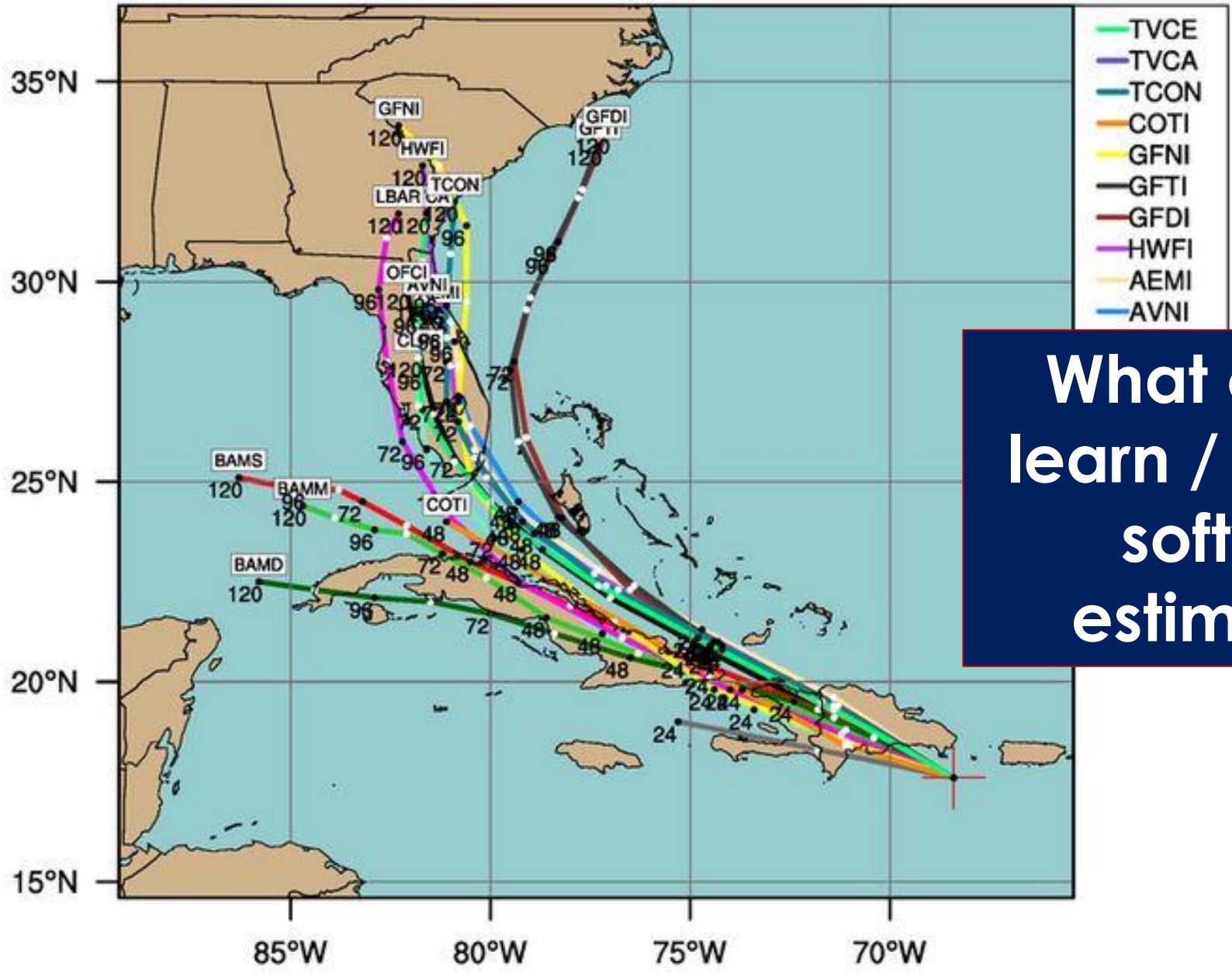
The behavior of the atmosphere is governed by physical laws which can be expressed as mathematical equations. These equations represent how atmospheric quantities such as temperature, wind speed and direction, humidity, etc., will change from their initial current values (at the present time). If we can solve these equations, we will have a forecast. We can do this by sub-dividing the atmosphere into a 3-D grid of points and solving these equations at each point.

These models have three main sources of error:

1) Initialization: We have an **imperfect description** of what the atmosphere is doing right now, due to lack of data (particularly over the oceans). When the model starts, it has an **incorrect picture of the initial state of the atmosphere**, so **will always generate a forecast that is imperfect.**

2) Resolution: Models are run on 3-D grids that cover the entire globe. Each grid point represents a piece of atmosphere perhaps 40 km on a side. **Thus, processes smaller than that (such as thunderstorms) are not handled well and must be "parameterized".** **This means we make up parameters (fudge factors)** that do a good job giving the right forecast most of the time. Obviously, the fudge factors aren't going to work for all situations.

3) Basic understanding: Our basic understanding of the physics governing the atmosphere is imperfect, **so the equations we're using aren't quite right.**



What can we learn / apply to software estimating?



**Introducing
ICEAA's
Software Cost Estimating
Body of Knowledge
(SCEBoK)**

Why SCEBoK? (Personal Opinion)

- ▶ “Over (and under) -optimism leads to distrust, and the perception that software cost estimation is not a true profession. Despite the software industry having *‘the worst metrics and measurement practices of any industry in human history’*¹ ... we can do better. ”

- Carol Dekkers, Dec 2020

1. Capers Jones, **Quantifying Software – Global and Industry Perspectives**, 2018

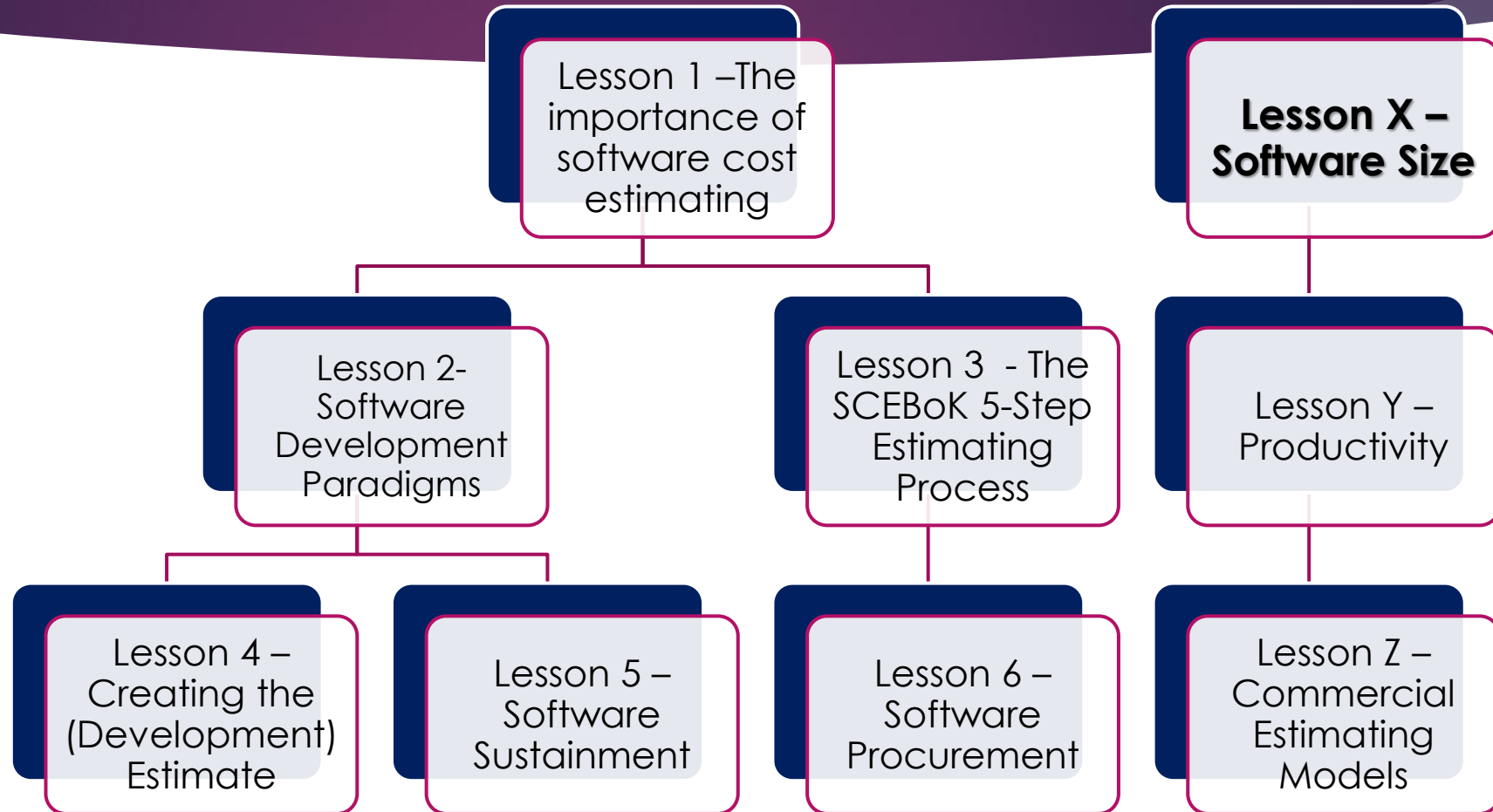
SCEBoK and CEBoK®



SCEBoK will be an extension of ICEAA's Cost Estimating Body of Knowledge (CEBoK®)

- ▶ Fundamental cost estimating lessons will not be repeated in SCEBoK
- ▶ SCEBoK will only be available as an add-on purchase to CEBoK®
- ▶ References and links will cross between core CEBoK® lessons and SCEBoK modules

SCEBoK Lessons 1-6 (subject to change)



SCEBoK Lesson X: Software size

Functional size (iFPUG, Nesma, COSMIC,
Simple FP, Object Points, Use Case Points,
Functional requirements

Relative effort sizing (Story Points)

Effective source lines of code (ESLOC)

Accounting for reused and adapted code

Other considerations, rules of thumb

Questions to ask about software size



SCEBoK Provides Guidance: Fact-based Software Estimates



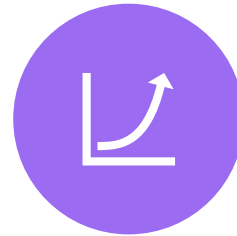
**SYSTEM DEFINITION:
SCOPE, ACTIVITIES,
ORGANIZATIONS,
PARADIGMS**



**COST DRIVERS: SOFTWARE
SIZE, COMPLEXITY, TEAM
CAPABILITY, SCHEDULE
CONSTRAINTS...**



**ESTIMATING TECHNIQUES
BASED ON RELEVANT
HISTORICAL DATA
(NORMALIZED AND
ANALYZED)**



**SOFTWARE GROWTH, REUSE
AND ADAPTED CODE**

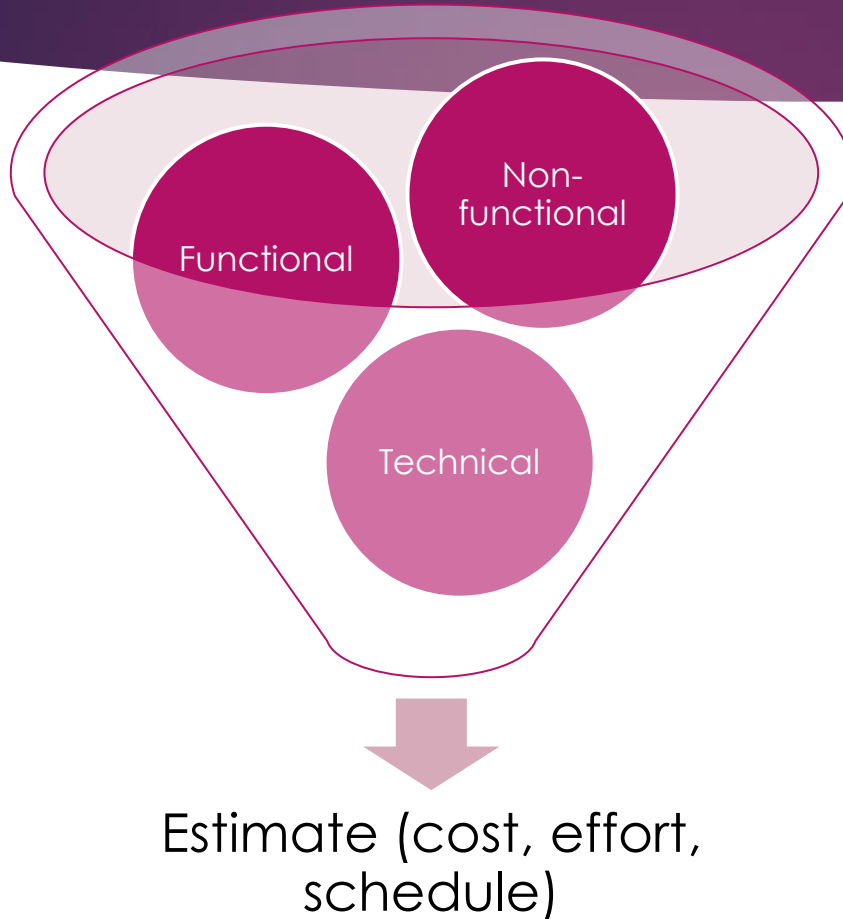


**COTS AND PACKAGED
SOFTWARE**



**SUSTAINMENT AND
MAINTENANCE**

SCEBoK Uses Multiple Estimating Techniques



- Parametric (General CER)
- Custom CER
- Analogy
- Commercial models
- Expert Opinion / Rules of Thumb cross-checks

Increasing cyber security = \$\$\$

How exposed is your business to a data breach or cyber event?

Can you afford NOT to know?

REQUEST A CYBER RISK ASSESSMENT

5%

average slump in
company share price
after 14 days

30%

of your customers will
stop buying from or
working with you

45%

more breaches
reported in 2017 vs
2016

75%

of breaches are by
external attackers



“Agile changes everything...”

OR DOES IT?

Even the Back of the Napkin Estimating is **Improved** → (Size-based) Reality

Functional (**estimated Functional Size**)
+ Non-functional (**estimated NF Size**)
+ Technical (**parameters**)

Software Requirements → Unambiguous,
(In)complete, consistent, **IEEE Checklist**

Use multiple estimating techniques
(Parametric, Analogy, Commercial
Estimating Models, Expert-Opinion)

Use historical data (normalized) → CER,
SER



A Bright Future for Software Estimation (and Project Success)

- ▶ Software provides a number of unique challenges for the estimator
- ▶ Understanding software cost estimation is critical because software is increasingly part of almost every program estimate
- ▶ Solid CEBok principles apply to SCEBoK (with software nuances)
- ▶ Paradigms, software growth, packaged solutions → can all affect cost and schedules
- ▶ “A fool with a tool is still a fool” – but, education makes a difference
- ▶ Understanding cost drivers, and proper use of historical data are pre-requisites to creating better estimates and better projects
- ▶ Communicate with ranges and bands of uncertainty
- ▶ **SCEBoK is the way forward...**

Thank you...

- ▶ **Carol Dekkers**
- ▶ **813-816-1329**
- ▶ **caroldekkers@gmail.com**
- ▶ **www.qualityplustech.com**

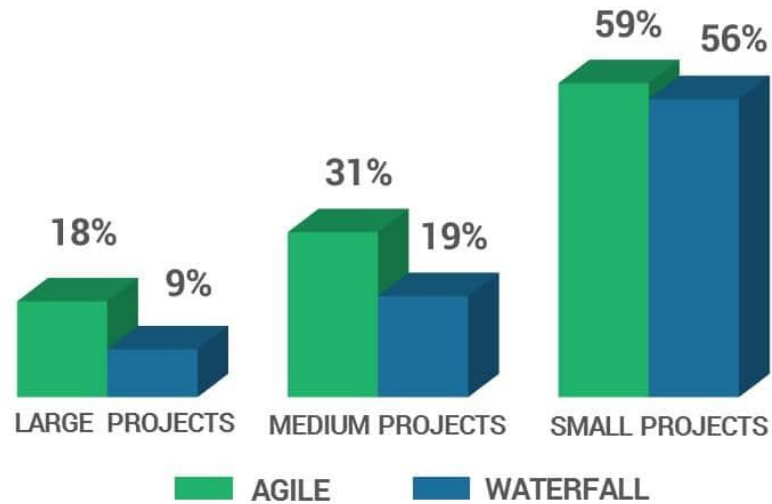


Backup slides

PROJECT SUCCESS RATES BY PROJECT SIZE

AGILE VS WATERFALL

FOR LARGE PROJECTS, AGILE APPROACHES ARE 2X MORE LIKELY TO SUCCEED



Source: Standish Group, Chaos Studies 2013-2017

WWW.VITALITYCHICAGO.COM

Standish
Group
CHAOS
reports
2013-2017

2018 CHAOS REPORT DEFINES CHAOS

- ▶ **C**OMPREHENSIVE
HUMAN
APPRAISAL FOR
ORIGINATING
SOFTWARE
- ▶ HUMAN FACTORS
AND HOW THEY
INFLUENCE
PROJECT SUCCESS

CHAOS FACTORS OF SUCCESS

FACTORS OF SUCCESS	POINTS	INVESTMENT
Executive Sponsorship	15	15%
Emotional Maturity	15	15%
User Involvement	15	15%
Optimization	15	15%
Skilled Resources	10	10%
Standard Architecture	8	8%
Agile Process	7	7%
Modest Execution	6	6%
Project Management Expertise	5	5%
Clear Business Objectives	4	4%

PMI produces an annual “Pulse of the Profession” report that includes survey results that were completed by those 3,000 diverse individuals throughout various industries. The results to a question around project failure were interesting. Below are the top 6 reasons respondents believe projects fail. These were the 2018 results and although not in the same order the top 6 results in 2015 included the same drivers.

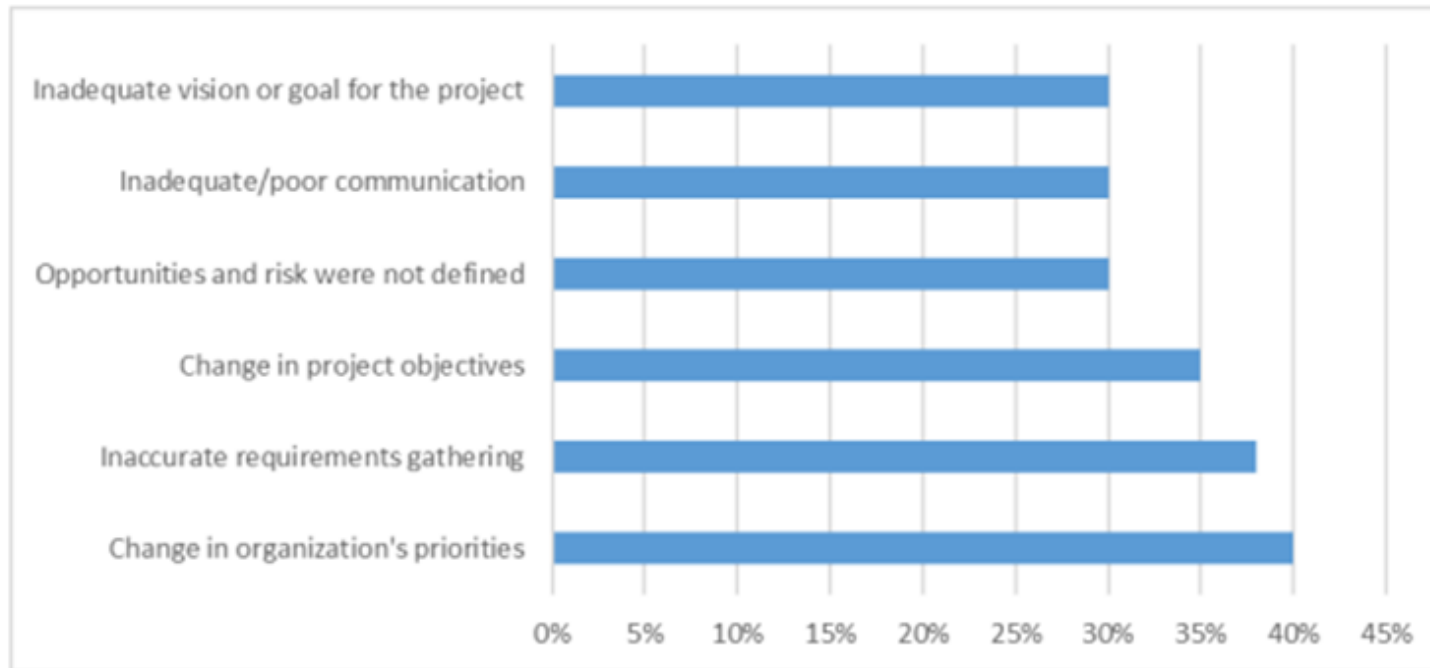


Figure 4: Appendix. Reprinted from PMI's *Pulse of the Profession 9th Global Project Management Survey*, by Project Management Institute, 2017, retrieved from <https://www.pmi.org/-/media/pmi/documents/public/pdf/learning/thought-leadership/pulse/pulse-of-the-profession-2017.pdf> Copyright

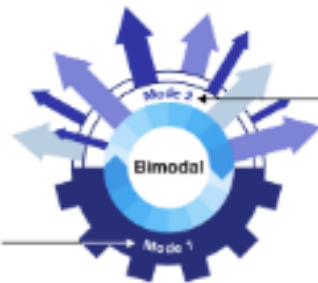
PMI Study 2017

Interesting idea...

Bimodal

Bimodal is the practice of managing two separate but coherent styles of work — one focused on predictability and the other on exploration.

Mode 1 is predictable, improving and renovating in more well-understood areas.



Mode 2 is exploratory, experimenting to solve new problems.

Bimodal is the practice of managing two separate but coherent styles of work: one focused on predictability and the other on exploration. *Mode 1* is predictable, improving and renovating in more well-understood areas. *Mode 2* is exploratory, experimenting to solve new problems. Bimodal is the practice of managing two separate but coherent styles of work — one focused on predictability and the other on exploration. *Mode 1* is predictable, improving and renovating in more well-understood areas. *Mode 2* is exploratory, experimenting to solve new problems. Bimodal is the practice of managing two separate but coherent styles of work — one focused on predictability and the other on exploration. *Mode 1* is predictable, improving and renovating in more well-understood areas. *Mode 2* is exploratory, experimenting to solve new problems.

How to Size and Estimate Applications in a Bimodal World

Published: 10 March 2017

ID: G00308855

Analyst(s): Mike Gilpin , Matthew Hotle

Summary

In many firms, the work of sizing and estimating software delivery is a dysfunctional game. Application leaders can avoid this dysfunction by adopting better sizing and estimating practices. As enterprise agile becomes more common, firms must employ different practices for different styles of work.

Table Of Contents

Analysis

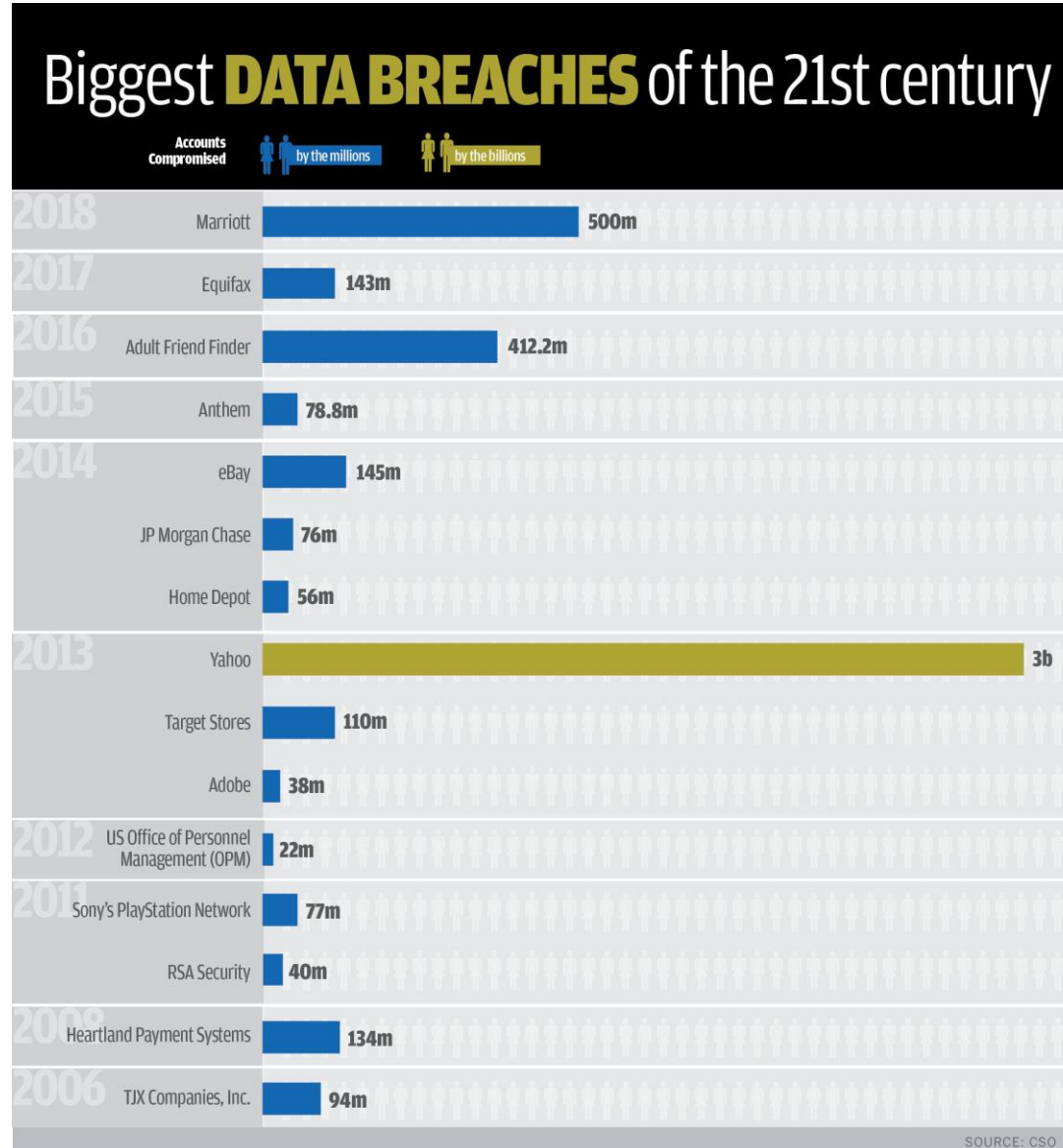
- Playing the Estimating Game
 - Myth 1. The Initial Estimate Is the "Right" Estimate
 - Myth 2. We Can Negotiate Estimates
 - Myth 3. Estimates From Inaccurate Data Will Prove Accurate
- How You Should Play the Estimating Game
 - Functional Estimates
 - Task or Deliverable-Based Estimating
 - Experience-Based Estimating
 - Source Lines of Code (SLOC)-Based Estimating
- How to Excel at the Estimating Game
 - 1. Use Multiple Techniques to Size or Estimate the Work
 - 2. Estimate Several Times During the Project, or Product Life Cycle
 - 3. Use the Delivery Team to Size the Work Whenever Possible

Data

Privacy

GDPR

= \$\$\$



expectations.

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A goldfish is shown in mid-air, jumping from a smaller fishbowl on the left into a larger fishbowl on the right. The background is a blue sky with white clouds. The text is overlaid on the scene.

Business value added
Stakeholder ROI
DevOps
Digital transformation
Different but same
as I'm used to
Agile

Agile embraces early failure...



Martin Aziz

Director, Projects & Agile Practices CoE at...
5d

In his Lean Kanban India webinar [Patrick Steyaert](#) talks about Business Agility being beyond practices. On feedback loops: Most agile adoptions miss the "learning gap" [#kanban](#) [#agile](#) [#systemsthinking](#)

COMPREHENSIVE CHANGE



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Closing paragraph of 1995 Standish Group Chaos Report:

There is one final aspect to be considered in any degree of project failure. All success is rooted in either luck or failure. If you begin with luck, you learn nothing but arrogance.

However, if you begin with failure and learn to evaluate it, you also learn to succeed. Failure begets knowledge. Out of knowledge you gain wisdom, and it is with wisdom that you can become truly successful.

New topics...

DNA Company Tampered With Results, Former Employees Say

Seventeen people who used to work for Origin say its test kits sometimes failed to work as advertised and were often contaminated or otherwise inaccurate.

By Kristen V Brown

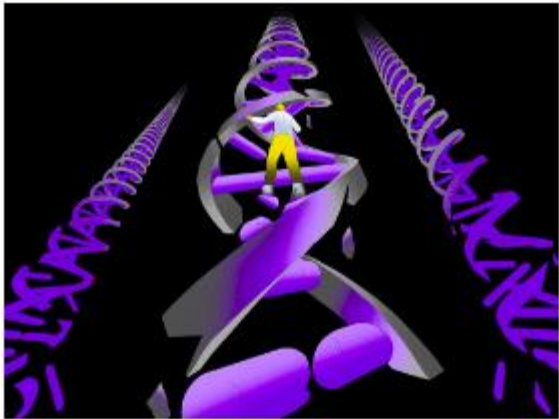


ILLUSTRATION: WENKAI MAO FOR BLOOMBERG BUSINESSWEEK

SHARE THIS About three years ago, [Origin Inc.](#), a small genetic

Home > General > Key Words

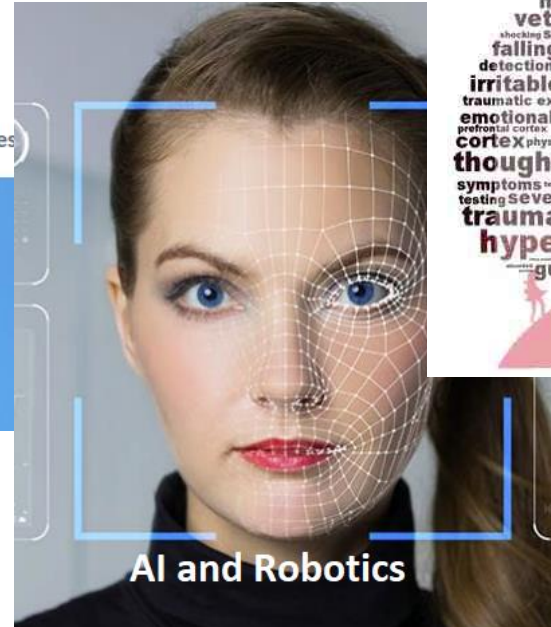
GET EMAIL ALERTS

Alibaba's Jack Ma calls the '996' — China's 72-hour workweek — a 'huge blessing'

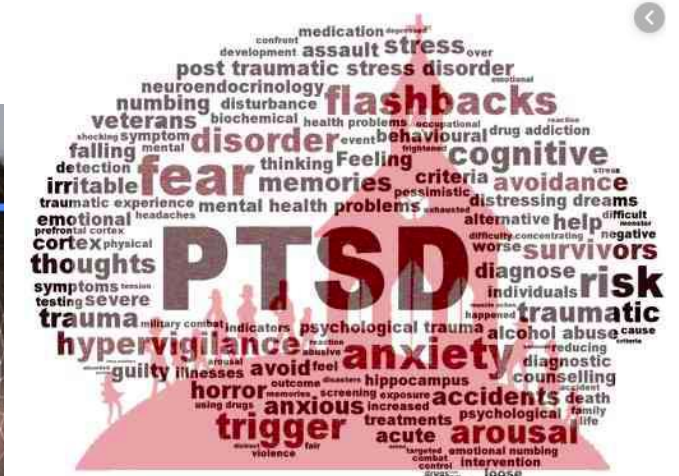
Published: Apr 15, 2019 1:22 p.m. ET



The extreme overtime culture at many Chinese tech companies



AI and Robotics



Software Cost Estimating Iceberg

46

Known Knowns (KK)

Known Unknowns (KU)

Unknown Unknowns

*Good estimates build on KK +
KU + patterns + history*

The Cone Of Uncertainty

