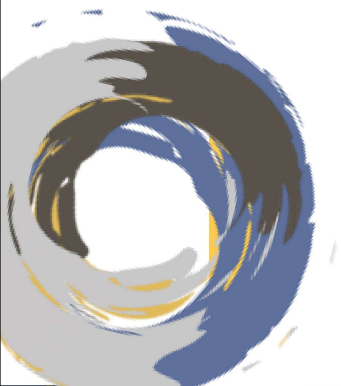


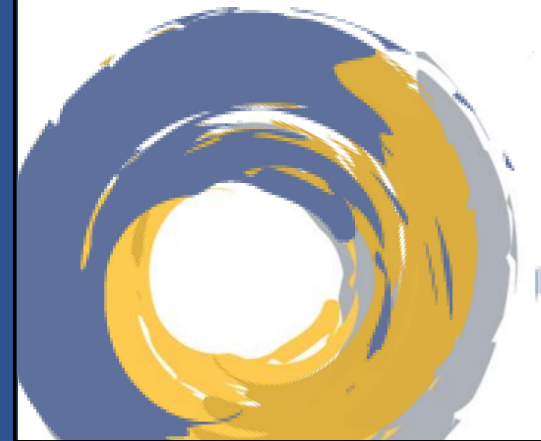
ESTIMATING WORK



- Explore the science of estimation
- Understand imprecise estimation
- Learn how estimates drive delivery plans



Humans are terrible at estimating



ESTIMATE Definition

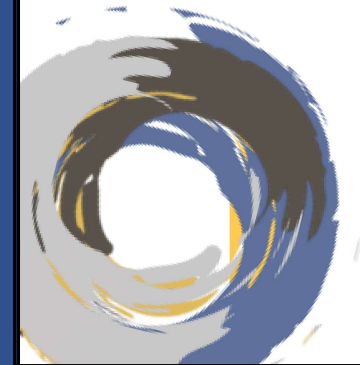
transitive verb

1a: to judge tentatively or approximately the value, worth, or significance of

b: to determine roughly the size, extent, or nature of

c: to produce a statement of the approximate cost of

What theme do you see?



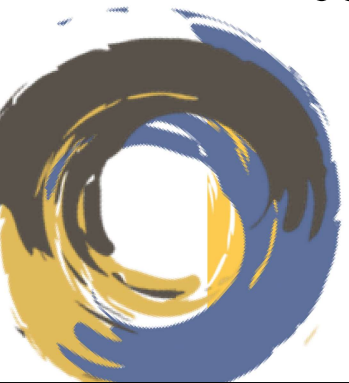


The Overconfidence Effect

- The less we know about a situation, the more confident we are in our prediction
- This is caused by our inability to account for that which we don't know
- We make more assumptions, which are based on singularity and intuition

Imprecise Estimation Methods

- **Multi-Factor Estimation:** Distributes the margin of error across all factors
- **Abstract Scalar Estimation:** Work Items are assigned an arbitrary value, not tied to time, money, or people
- **Collective Estimation:** Rapidly gathers information and combats individual cognitive bias



Benefits of Imprecise Estimation

Reduce Uncertainty

- Smaller work is better understood because its easier to thoroughly think through delivery and identify questions
- Revisit Potential work as more information is gathered

Reduce Cognitive Biases

- Using collective estimation leverages the Wisdom of the Crowd
- Remove singularity by referencing historical Velocity and other metrics

Reduce Risk

- Limit interdependent tasks
- Avoid sudden and dramatic “risk curve tipping point” events

