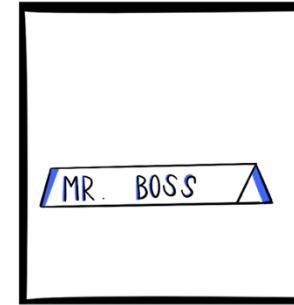
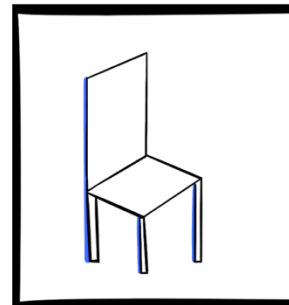
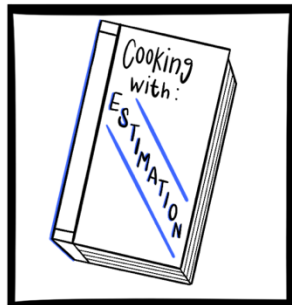
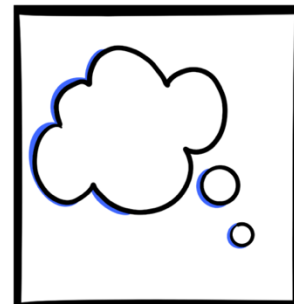
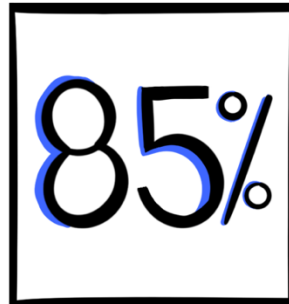
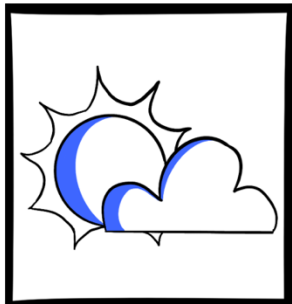
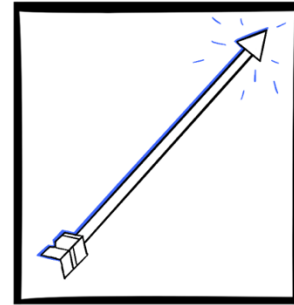
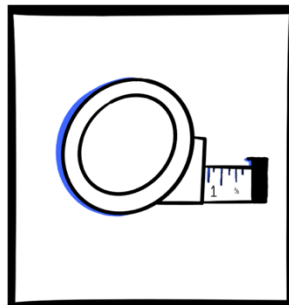
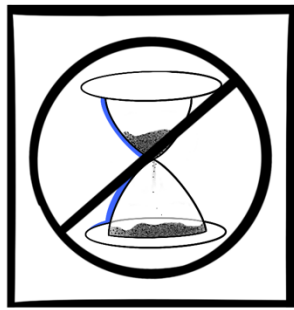


the art of Agile  
ESTIMATING & FORECASTING

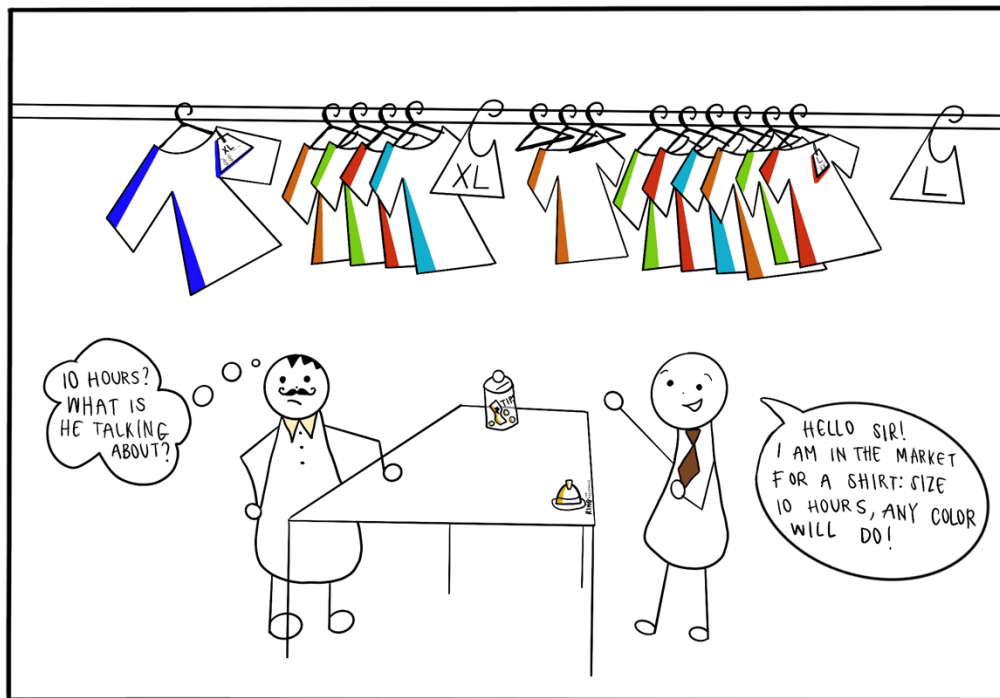


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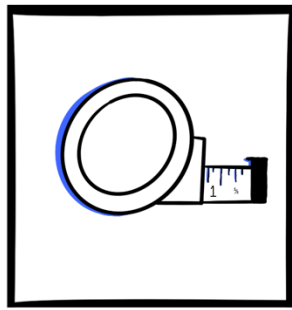


## Why You Should Never Estimate Using Time

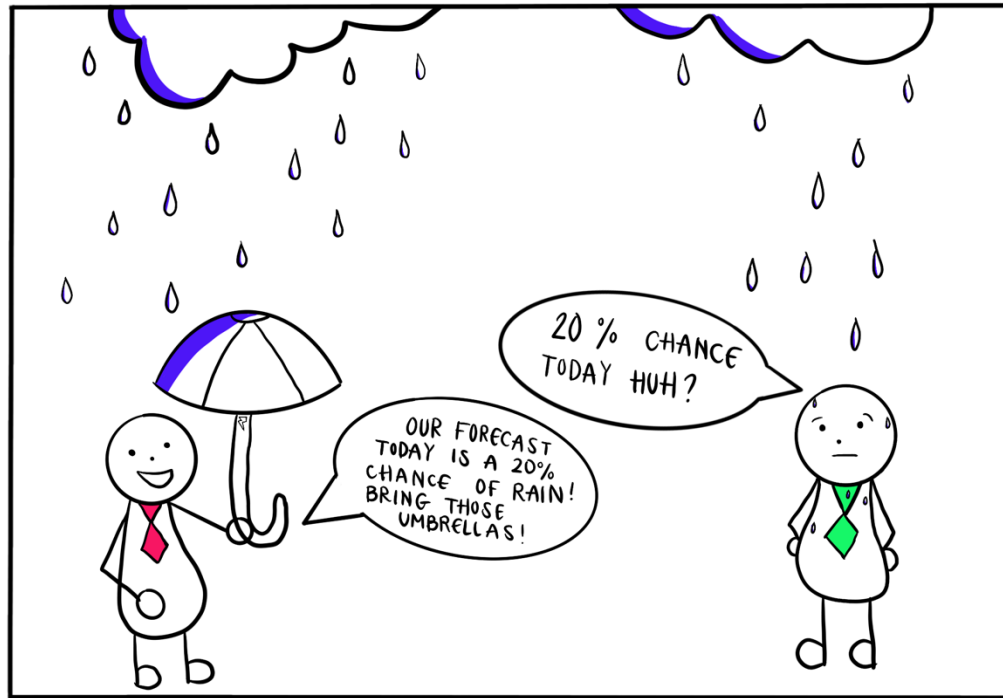
Time based estimates have two things in common. They are both time based and they are both wrong! Asking different people with varying levels of experience and different tools to get the job done to agree on a time based estimate is flawed! Studies show that time based estimates are consistently 17% Accurate! When teams and organizations abandon time based estimates and focus on the size of the item or the job they will find success in estimation and forecasting.



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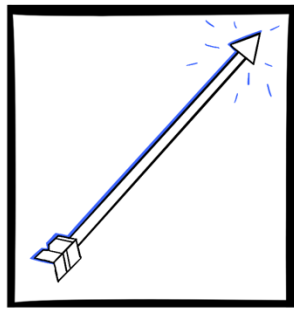


## Who Is Responsible For Sizing/Forecasting

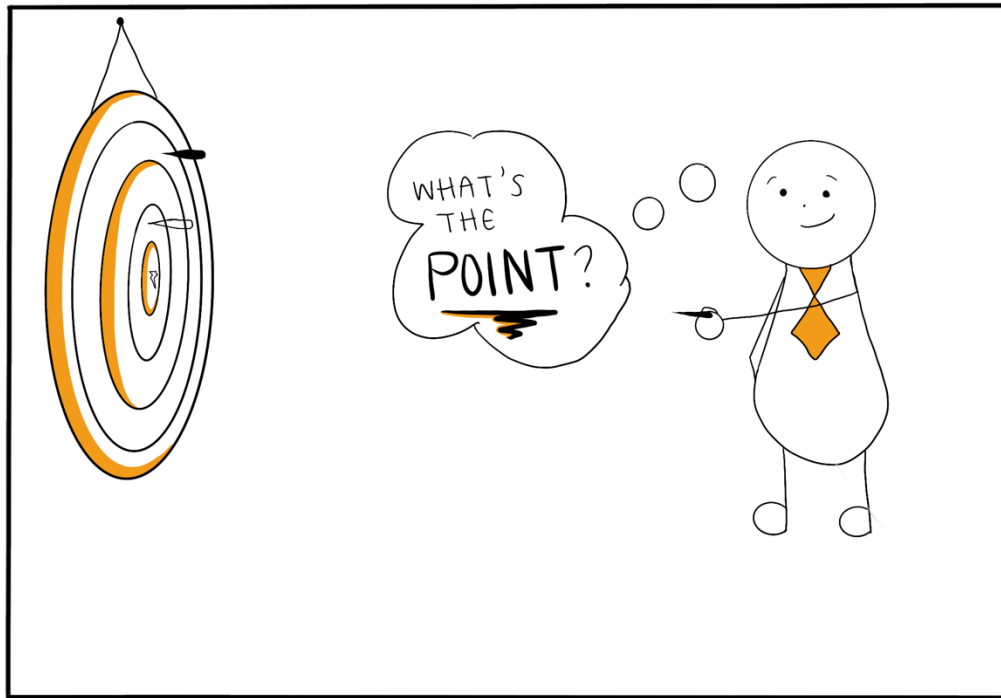


Initial sizing of backlog items should be conducted by the Product Owner with the assistance of the Technical Analyst. This will allow for later comparison between what the Product Owner initially thought and what the team feels the size of the item is. This estimate will be resolved at Rapid Release Planning where the team will present their size estimate. The estimate will be further validated in product backlog refinement.

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## What Is A Story Point & Why Is It Useful To You



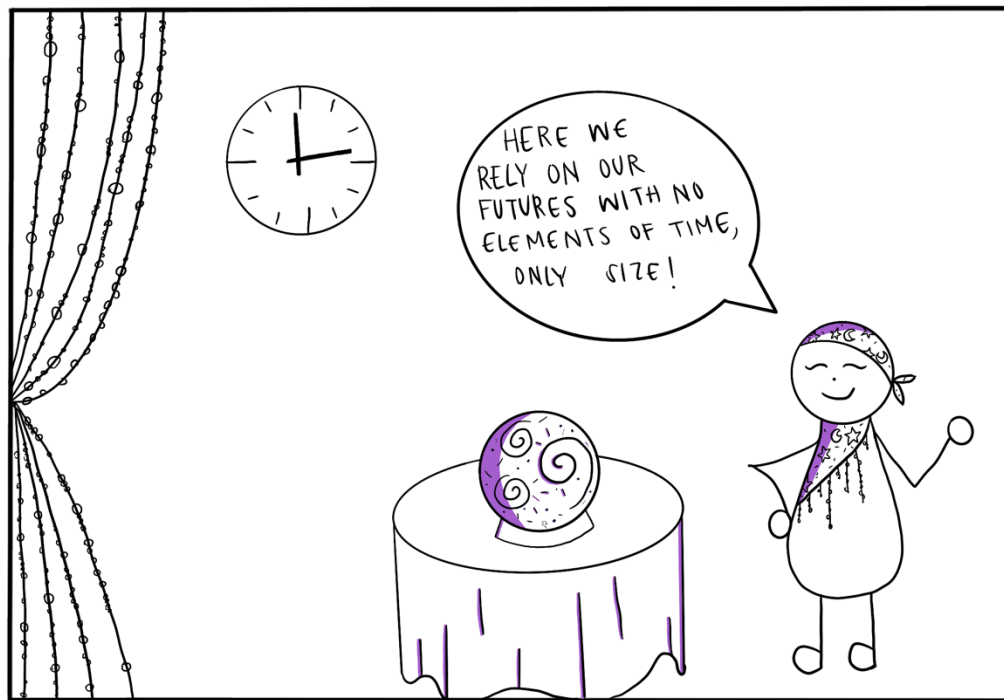
For years many have continued to try to associate a story point with time, cost, or the number of people to get the job done. These associations have made story points confusing and have led to organizations trying to tie a point back to a specific metric. The truth is although many associate a number with points, that number is nothing more than a size. This is useful so that as an organization you can achieve a baseline and become predictable.

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## How Can We Forecast Without Using Time

If we consider story points as ONLY a size and allow teams to establish a baseline for small together, we can leverage past sprint performance of teams or past similar projects to determine a team velocity. We can then leverage velocity to predict the amount of work that can be completed over time. This should never be reverse engineered to try to lock down a time estimate associated with points.

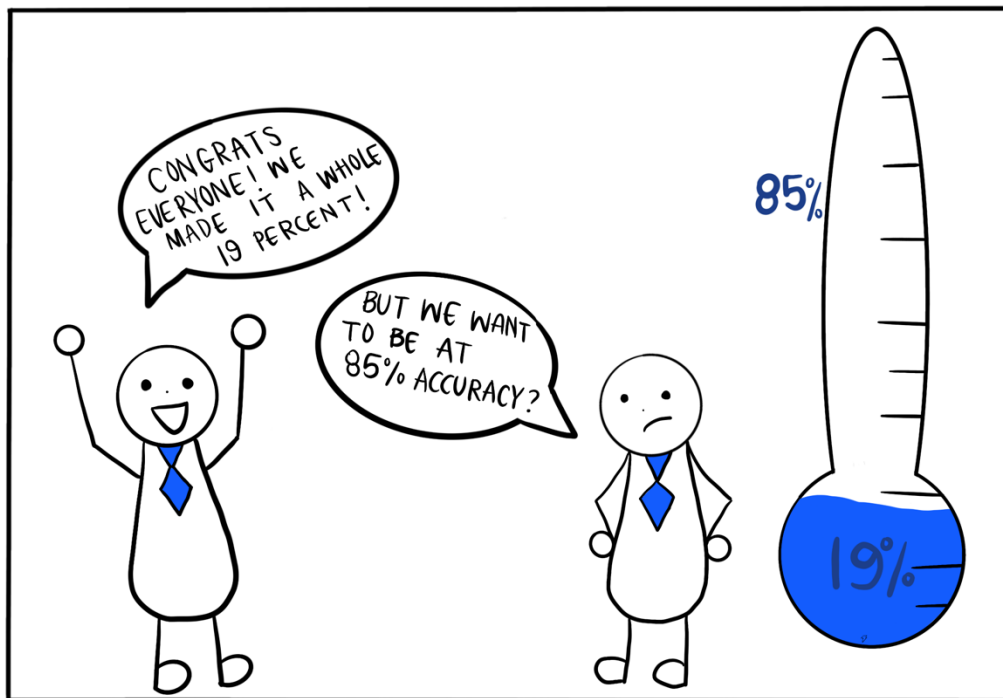


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85%

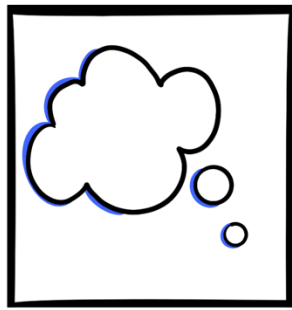
## Can You Achieve 85% Estimation Accuracy

There are prerequisites to achieving 85% accuracy. 1) Items need to be well written and small in size. 2) The PO needs to lean on analysts to provide assistance and clarity when creating BLI's.

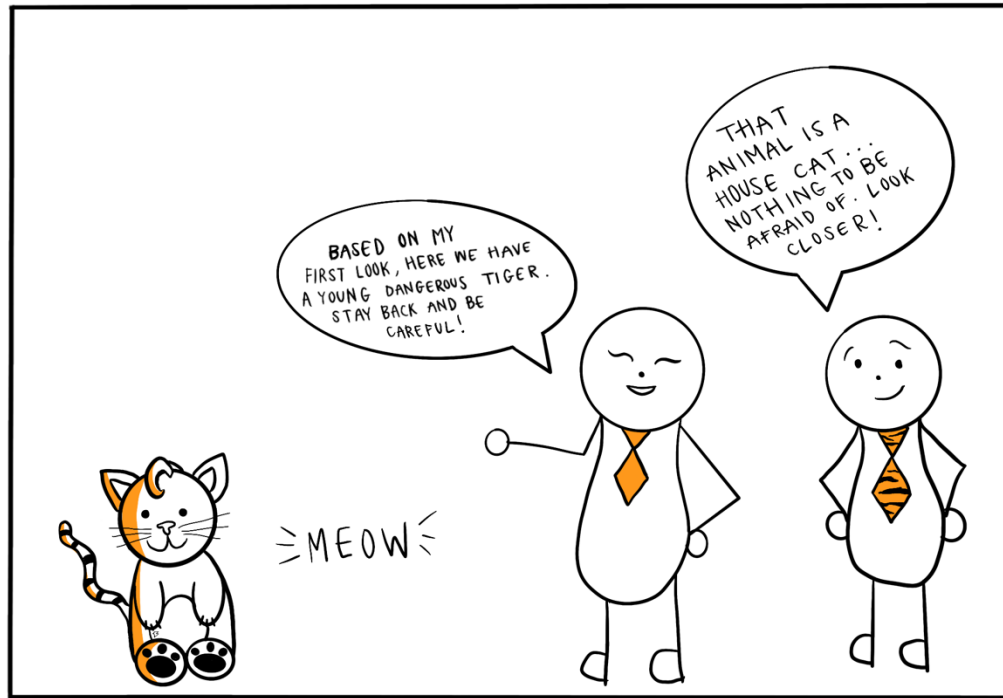


3) Teams need to have Rapid Release Planning to benchmark a small and have multiple chances to validate estimates together. 4) Weekly backlog refinement must take place. 5) Time can NEVER be used to estimate work.

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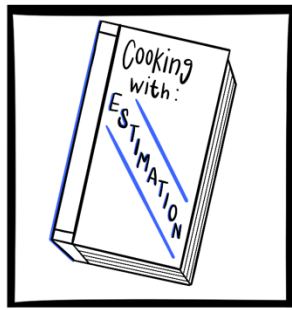


## What Are Initial Estimates And Do They Matter

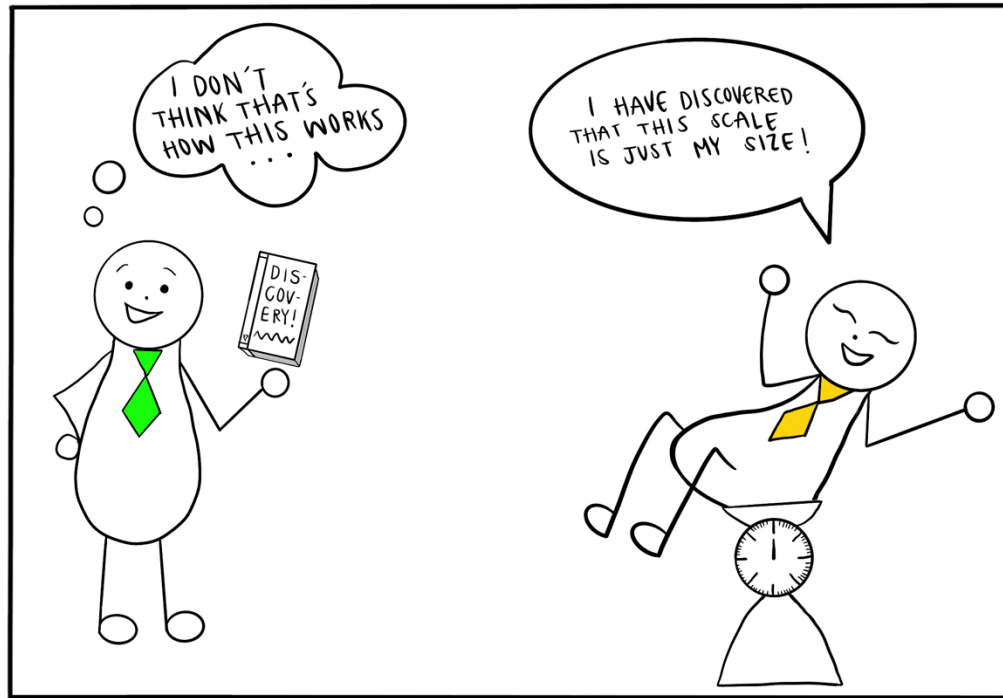


Initial estimates are critical to estimation and forecasting accuracy. The initial estimate has existed for as long as I have been doing Agile! This estimate should be placed by the PO after consulting with the TA. The purpose of the estimate is to gain clarity from the PO perspective of the size/scope of the work that will later be executed by the team. The initial estimate helps resolve issues between the team understanding and the PO ask.

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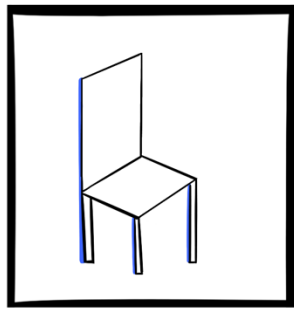


## Should We Resize Work As We Make Discovery



up until the work enters a working sprint, it is perfectly fine to resize and or adjust story estimates. Once work is in motion, the estimate should remain locked. This is to afford greater predictability to leadership and helps the teams have a greater understanding of the importance for accurate sizing. Frequent resizing causes great confusion and breaks all models of predictability. This also causes separation from the benchmark revealed at RRP and leads to estimation deviation at the team level.

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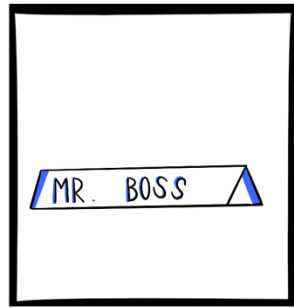
## When Does The Estimate Stand

The estimate has 3 points where it can be considered a standing estimate.



1) At the backlog item creation workshop, the PO estimate stands when the item is clarified with the TA. 2) The Team estimate stands at the Rapid Release Planning meeting after discussion with the PO. 3) The team estimate is FINAL at the conclusion of Sprint Planning. This affords multiple opportunities to get the estimate right and lock it in.

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## How Do I Explain This To Leadership



Try using examples that show just how ineffective time based estimates can be. I often compare a professional painting crew and a shoe size as a reference. Leadership needs to have the utmost confidence in our sizing estimates as this is what they will be using to forecast upcoming work. Once leadership understands that size is a more accurate prediction than time, they can relax and focus on outcome instead of output.

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