



## YOUR BEST PROJECT GUESSTIMATE??

When tallying up project risks that have caused sleepless nights, "we didn't think it would take that long" has got to be near the top of the list. Inaccurate estimates are a perpetual risk list item. This is a humorous take on the pitfalls of measuring ourselves, providing estimating rules learned the hard way.

Estimates are not concrete or absolute or exact. If they were any of these things, they wouldn't be called estimates. Unfortunately, those who use estimates may also misuse them, so aids to getting better estimates and watchfulness for bad influences are a good idea.

There are many ways to estimate things. Some people making estimates are good at estimating some things; and if you are lucky, the things they are good at estimating are the project-related issues in their domain or area of expertise. Some estimates are based on historical data, sometimes using discrete data. Many times, the estimates are intuitive. Many times, the estimates are made with incorrect or, more likely, incomplete data. Many times, estimates are made under pressure to perform or to meet the (optimistic) expectations of management or others. Many times, estimates are made under time duress. Many times, estimates are made with some or all of these potential problems.

We make estimates because we can't get perfect data to predicting cost and time for a project. If we try to acquire perfect, correct information, we hit a diminishing return phenomenon: it becomes more and more time consuming to get better and better information. Usually, costs and time constraints dictate that we do as well as we can, and we move forward with incomplete data and some degree of guessing. The project schedule inevitably contains some amount of incorrect data—sometimes a considerable amount.

The following are not specific to any project type or area of expertise—however, the ideas should be useful to you regardless.

- Everything takes longer than you think (sometimes a lot longer).
- Thinking about everything takes longer than you think.
- Project Managing and leading a project team is a FULL TIME job, and then some.
- Schedules are (almost) always wrong.
- If you under-estimated an early task when you developed the schedule, you probably under-estimated middle and later tasks. Revisit the later phases of the schedule as early as possible when you discover early phase schedule (estimate) errors.
- Business types (upper management) really do use your estimates for planning—for example, head count, money, customer deliverables, shipping dates, ordering materials, scheduling manufacturing lines, advertising timing, etc. Be able to express your level of confidence on various estimates when you provide them to others.
- Initially, a good schedule estimate is 80% confidence for near term deliverables, 60-80% for long-term deliverables. Revisit the schedule and revise your estimates after the Initiation Phase (Kickoff) and again after the Design Phase to improve on these early confidence levels.

- Don't let yourself be bullied into committing to something you cannot achieve.
- Don't bully someone else into committing to something they cannot achieve.
- Notify the "Need To Know" people AS SOON AS POSSIBLE if there is a significant problem or potential challenge in meeting the schedule. Remember that there was a certain degree of optimism in the schedule originally. Note: It's an art to not overdo this.
  - Let team members know that you, the project manager, expect early notification of schedule problems as a courtesy. You decide on the severity or risk of the problem and its impact to the schedule, what actions to take, and what contingencies are appropriate.
  - Most people's estimating skills improve with experience; some don't.
  - Learn your own estimating flaws and compensate for them. Then learn the flaws in your new estimations and compensate for them. Repeat continuously while in a project manager position.
  - Learn others' estimating flaws and learn to compensate for them. Mentor them on improving their flaws and then compensate for their improvements. Repeat continuously while they are on your project team.
  - In some environments, some people are hedging their estimates, some people are expecting them to hedge the estimates, and some people are doing neither. It's an interesting problem to get all of them to stop this behavior and give honest, best-effort estimates. Dealing with this variability while you are working to get your team members to be more honest with you can be a challenge. It is part of the "people aspects" of the project management job—like it or not, we have to deal with these real world effects on the projects we manage.
  - Be wary of anyone who wants 100% confidence in an estimate. 90% confidence is an exceptional human achievement for any complex task, even with extremely good data.
  - Look up the word "estimate" in the dictionary. You may find it useful in a meeting.