

# AGILE ESTIMATION

Agile estimation is the process for estimating the effort required to complete a prioritized task in the product backlog. This effort is usually measured with respect to the time it will take to complete that task, which, in turn, leads to accurate sprint planning.

## Why Run Agile Estimations?

Agile estimations are essential for:

- Making teams accountable for deliverables
- Inducing discipline across the Agile team
- Predicting the approximate time it will take to finish a project
- Enabling better sprint management
- Improving team productivity

## Why do Teams Estimate in Agile?

Overestimating and underestimating are both common for Agile development teams which leads to varying development and launch times. Though the process is complicated, considering Agile estimation in the initial stages can assist with accurate user story estimations and helps the team stick to the timely deliverables. Some of the to-the-point benefits of Agile Estimation techniques include:

### 1. Improved Decision-Making

With accurate, agile estimation, the development team will be able to conduct effective backlog grooming sessions, which will further help in precise sprint planning. When they make informed decisions and plan well, their user story delivery time will improve.

## **2. Better Coordination**

Let's say that the estimated effort for user story A is two weeks. On the other hand, the estimation effort for user story B is four weeks. Now, suppose both the user stories depend on each other and are connected. In that case, the team needs to prioritize work so that both user stories get completed simultaneously, thus leading to better coordination among teams.

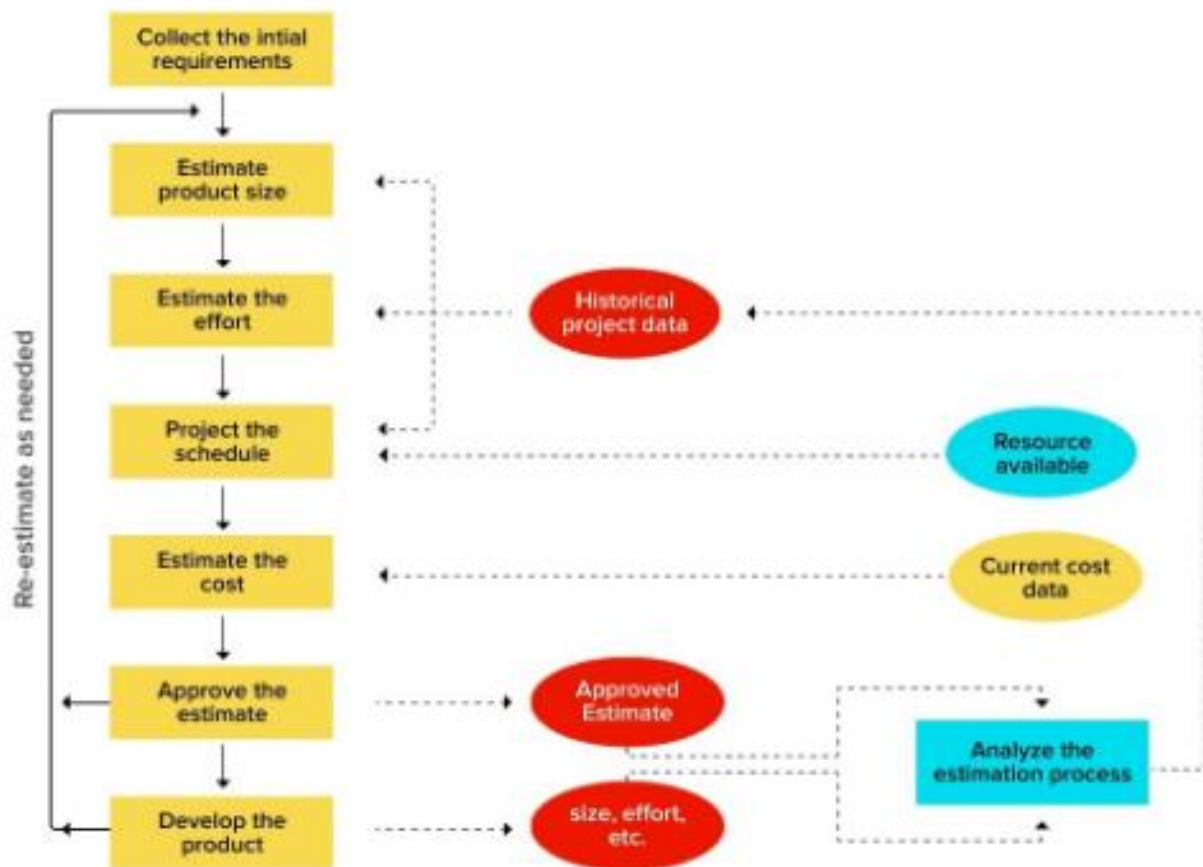
## **3. Better Risk Management**

Software projects often suffer from exceeding budgets and timelines. To lessen this risk, Agile project estimation is an ideal solution. Agile product estimation helps estimate story points and stick to budgets, estimates, and the project's scope. The more accurate the estimates, the better the chances of on-time, quality delivery.

## **Stages of Agile Estimation: The Short Discovery Phase**

When a project starts, the horizon is limited. Thus, it is wise to implement a short product discovery phase to tide over this problem. The discovery phase establishes the essential tenet of Agile methodology, which consists of breaking down the requirements into small batch sizes.

## The Basic Project Estimation Process



This is an exercise that typically takes two to four weeks, depending upon the project's complexity.

The in-detail process includes:

### 1. Conduct Stakeholder Interviews

The Business Analyst (BA) assigned to the discovery team revisits any existing documentation shared initially and extracts the gaps and queries. The BA then conducts regular workshops with the stakeholders to discuss the gaps and clarify doubts in the system workflow.

Based on these workshops, the BA comes up with the business and functional requirements:

- Business Requirements Document (BRD): defines the end-goal of the project
- Functional Requirements Document (FRD): defines the features required to achieve the end-goal

These workshops can be conducted over a call with the client or when they visit the premises to have one-on-one sessions.

## **2. Define High-Level Product Backlog**

The next step of Agile Estimation involves the BA and the Technical Architect. They frame an initial outcome that the stakeholders are looking for with a feasible solution or product.

A high-level product backlog is defined in terms of epics and story titles, which describe the bare bones of the application. They then validate if the backlog addresses the scope of the project for the client.

## **3. Understand the Client and its Potential Customers**

Depending upon the complexity of the problem that the application is intended to solve, a UX design anchor is taken on board along with the BA for the discovery phase. The UX analyst's prime deliverable is to understand not just the client but also their potential customers.

The UX analyst works on personas of the possible user group who might use the application, the ecosystem in which the personas will be using it, and the touchpoints of the user personas within the system. The deliverables here would be ecosystem maps, personas, user journeys, and storyboards.

## **4. Prioritize Requirements**

The discovery team becomes involved in the agile cost estimation project and works on the high-level backlog after it has been validated by the stakeholder.

The analysis is employed with the prioritization method to decide which requirements to complete first, which ones can come later, and which ones to exclude. The backlog items are divided on the basis of the MoSCoW method, which segments features based on must-haves, should-haves, could-haves & won't-haves.

## **5. Prepare the Minimum Viable Product (MVP) Backlog**

Based on the prioritization activity, the BA assembles the requirements as 'must-haves' to the backlog and sections them as the requirements for the MVP Development.

The MVP backlog might also contain a few items from the 'should have' list, ensuring that the product is sufficiently competitive in the market.

## **6. Estimate the Project Cost and Timeline**

The discovery team estimates the MVP backlog to define the estimated cost and timeline for the first release. This is followed by build, rinse, and repeat until they arrive at an estimate that fits the business needs. This also allows flexibility to load and off-load features as product development starts.