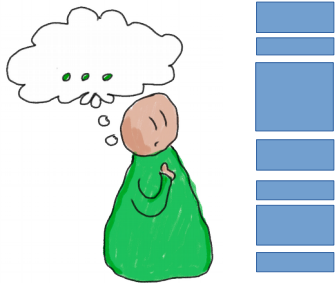


FORECASTING

Forecasting is the ability to guess more or less correctly about the future. No matter how good you become at it: as long as there is unforeseen variation in the contributing factors, the forecasts will never be 100 % correct. Low predictability is part of the nature for complex work.

Time Estimation:

Guess time needed for each item.



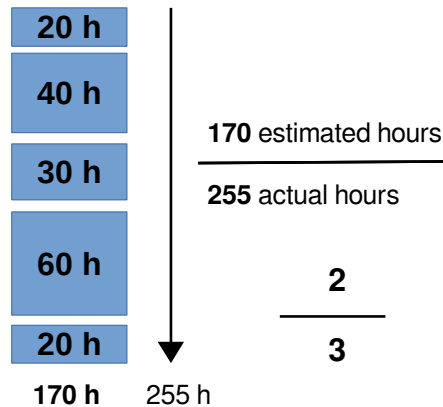
Problems:

- Underestimating difficulty
- Doesn't consider how different items affect each other.
- Underestimating effect of random disrupting events
- Complex work behaves in unforeseeable ways
- Time is not a liquid resource
- Considering time is hard

$$\text{Forecast} = \frac{\text{Estimated items within available hours}}{\text{available hours}}$$

Focus Factor:

$$\frac{\text{Estimated Time}}{\text{Actual Time}} = \text{Focus Factor}$$



- The factor varies over time
- Is not really about focus
- Measures effect of external forces
- Removes the need for re-estimating

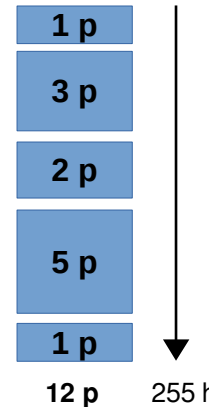
$$\text{Forecast} = \frac{\text{Estimated items within available hours}}{\text{available hours}} \times \text{Focus Factor}$$

Relative Size Estimation:

Compare items, assign values:

Points: 1, 2, 3, 5, 8, 13, 20, 40, 100...

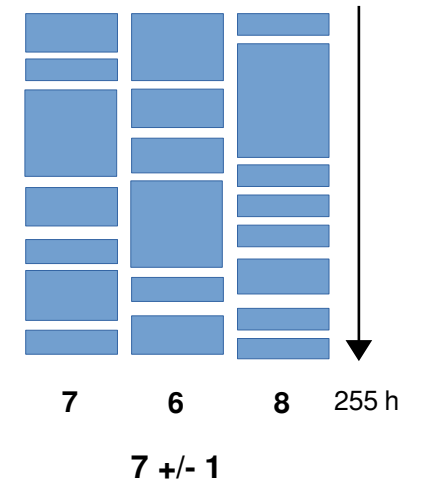
T-shirts: S / M / L / XL



Forecast = Items with a combined size that is equal or less than what you completed last period. Or less than your average.

No Estimates:

Just count the number of items. There will be variation. Count that too.



Use this if estimates are inaccurate or if just counting is accurate enough over time.

Forecast = Average number of items plus/minus some number