

How to Sell Function Point Analysis to Your Manager

DCG Software Value

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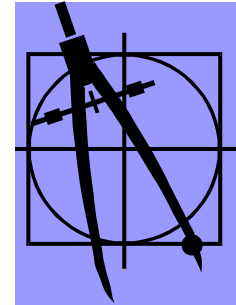
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Tip #1

Know What You Are Selling

Function Points Overview

Function Point Analysis is a **standardized** method for **measuring** the functionality **delivered to an end user.**



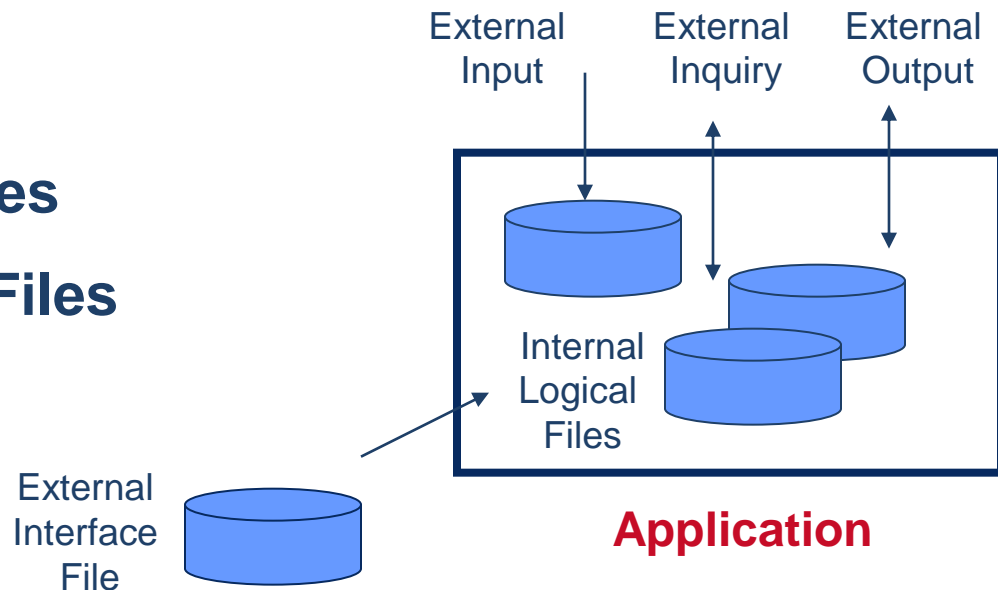
Benefits:

- Quantitative (Objective) Measure
- Industry Data as Basis for Comparison
- Expectations (Perceived Customer Value) Managed
- Software Process Improvement Requirements Satisfied

The Function Point Methodology

Five key components are identified based on logical user view

- External Inputs
- External Outputs
- External Inquiries
- Internal Logical Files
- External Interface Files



Size Does Matter

Finding –

Nine out of ten projects that fail have not been properly sized.

Consider –

When you build a house, you specify all the functions and features you want – these are your requirements.

The builder then generates an estimate based on the size (square footage) of your requirements.

Size is the key to effectively managing software projects.

Tip #2

Know Why it is Important

Why Sizing is Important

Sizing (Function Point Analysis) has many uses and benefits:

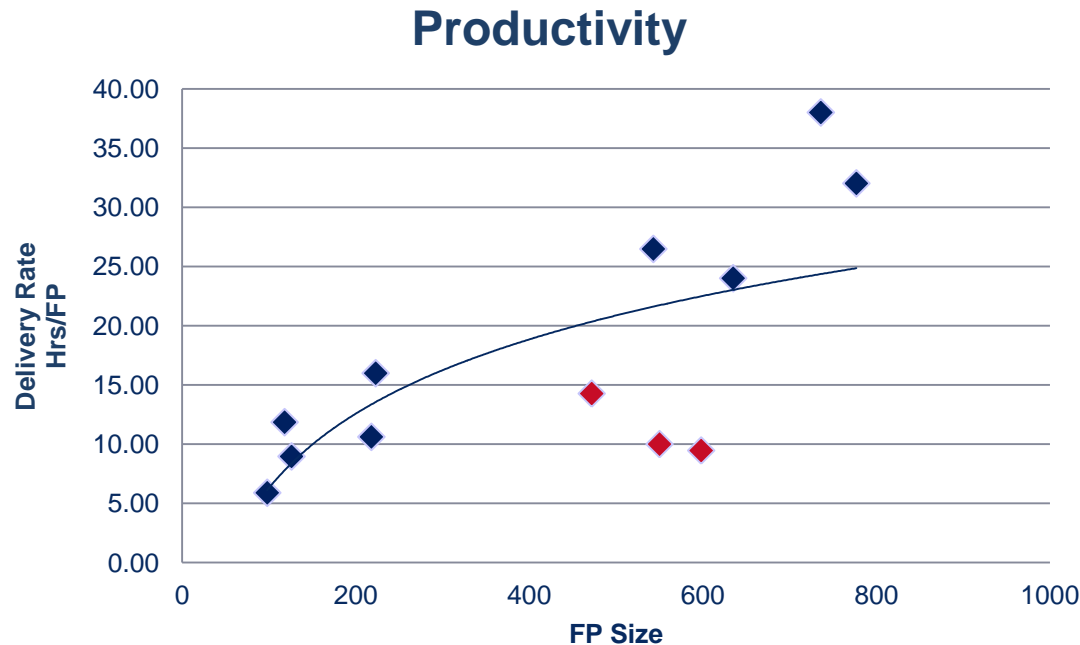
- A comparative measure of size among various software deliverables
- A key input parameter for estimating
- A normalizing factor
- A critical measure of software process effectiveness
- Ability to make comparisons to industry benchmarks
- Allows for the proper setting of end user expectations regarding the anticipated size of the software deliverable

Tip #3

Provide the Proper Context

A Comparative Measure

Size provides a common denominator for comparison.

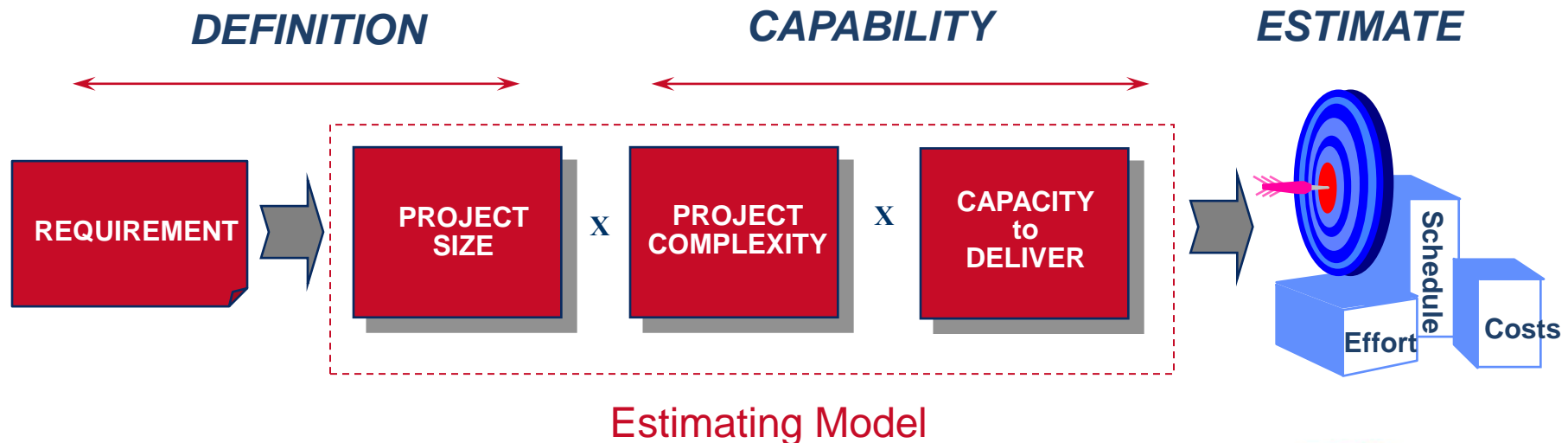


- Not all projects are equal
- Ability to identify and quantify top performing projects

A Key Input Parameter for Estimating

An effective estimating model needs to satisfy three basic questions:

- What is the size?
 - What is the complexity?
 - What is my capacity to deliver?



A Normalizing Factor

What does this data tell us?
What is missing?

Project	Cost (000's)	Quality (Defects Released)
PO Special	\$500	12
Vendor Mods	\$760	18
Pricing Adj.	\$ 80	5
Store Sys.	\$990	22

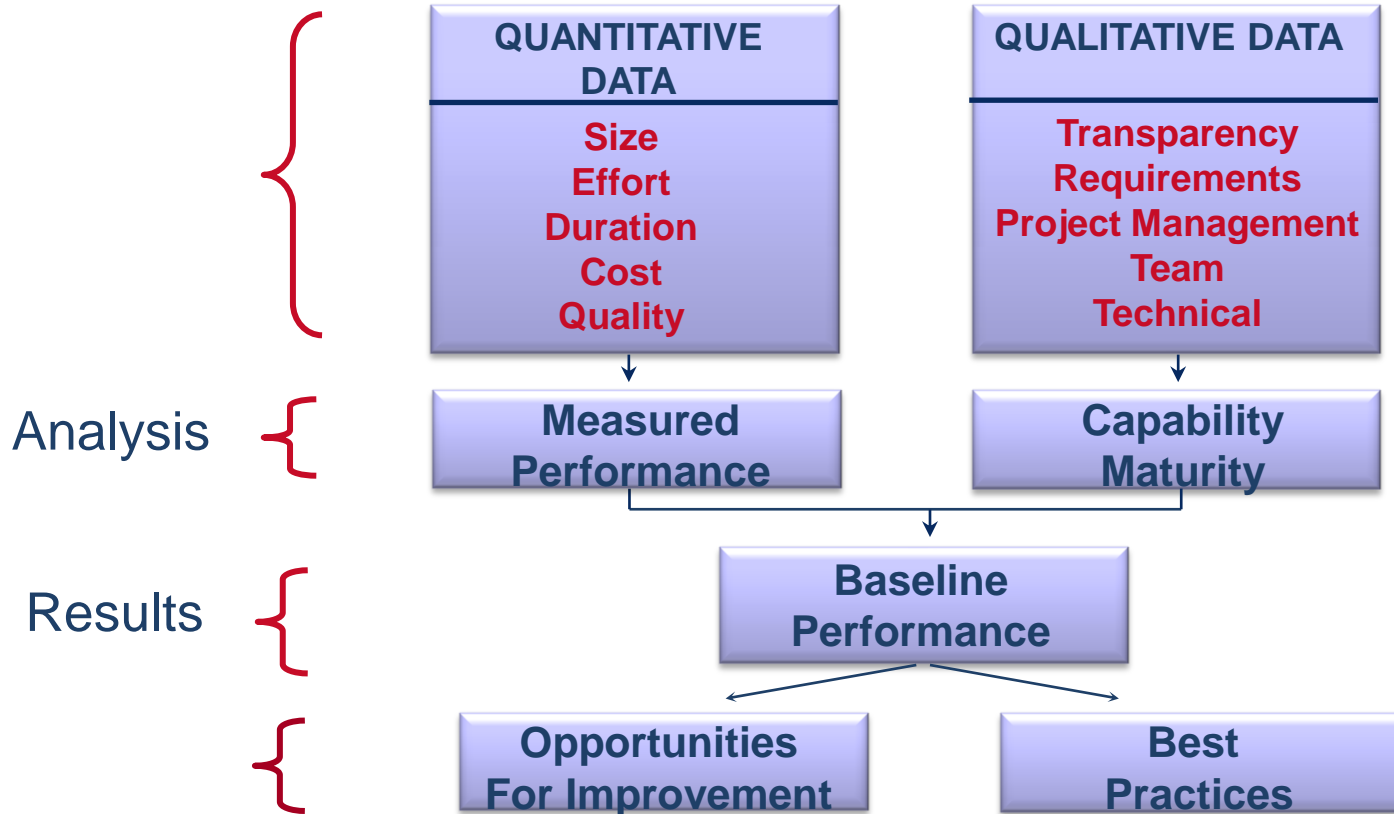
Tracking Performance with Size

Tracking performance with size tells the whole story.

Project	Size	Cost (000's)	Rate (Defects Released)	Quality	Density
PO Special	250	\$500	\$2,000	12	.048
Vendor Mods	765	\$760	\$ 993	18	.023
Pricing Adj.	100	\$ 80	\$ 800	5	.050
Store Sys.	1498	\$990	\$ 660	22	.014

Measuring Software Process Effectiveness

Size is the key variable



Industry Data Comparisons

Industry benchmark data provides useful data points.

PRODUCTIVITY			
FP/EM	Client	Industry Average	Industry Best Practices
Overall	3.2	11	38.7
New	3.2	11.2	40.1
Enhancement	3.3	10.8	37.3
Mainframe	4	10.7	37.3
Client/Server	3.1	11	38.9

QUALITY			
DEFECTS	Client	Industry Average	Industry Best Practices
Overall	73	32	13
New	88	43	17
Enhancement	64	29	9
Mainframe	97	31	12
Client/Server	54	22	15

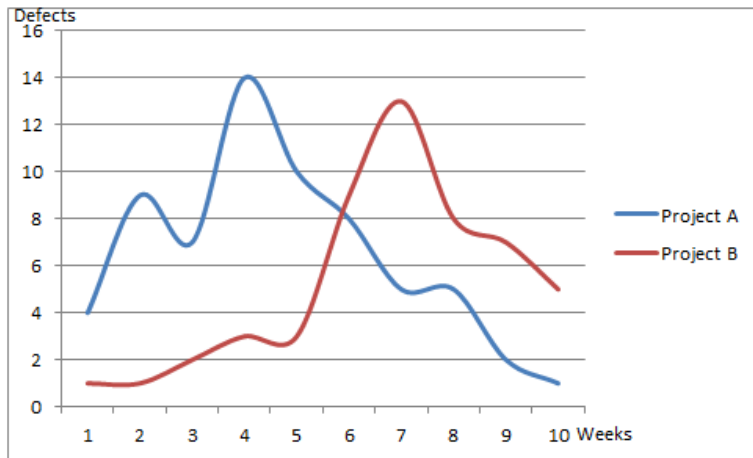
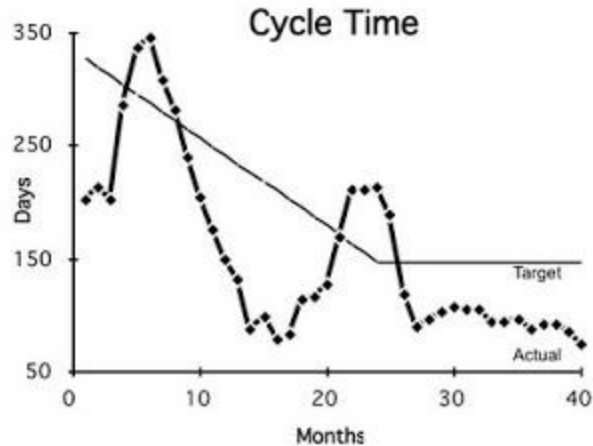
TIME TO MARKET			
Total Duration Months	Client	Industry Average	Industry Best Practices
Overall	26	22	12
New	32	29	14
Enhancement	22	16	10
Mainframe	28	24	17
Client/Server	26	29	20

STAFFING			
Average FTE's	Client	Industry Average	Industry Best Practices
Overall	10.4	3.8	2.1
New	9.1	3.7	2.0
Enhancement	12.3	4	2.2
Mainframe	6.4	3.8	2.2
Client/Server	11.2	3.8	2.1

Tip #4

Know Your Audience

What Is Important to Management?



The Organizational Challenge

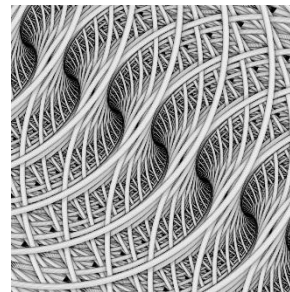
Customers Demand:

- On Time Delivery
- Better Quality
- Competitive Cost



Business Demands

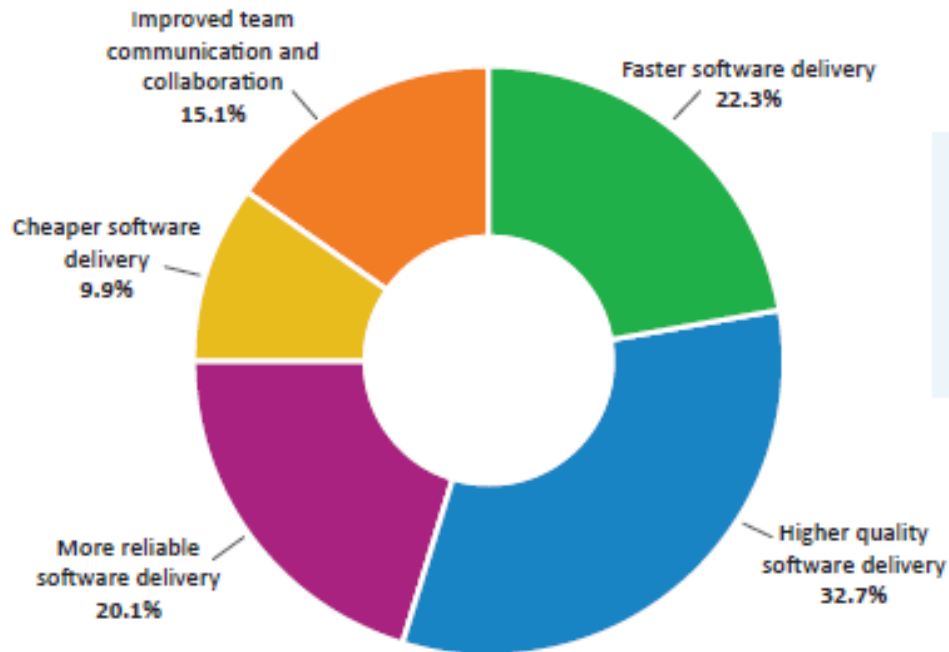
- Improved Performance
- Higher Quality
- Rapid Deployment



... while software complexity and functionality continually increases.

Understanding Your Business Priorities

What is your IT organization's top priority for 2014?



Key Findings:

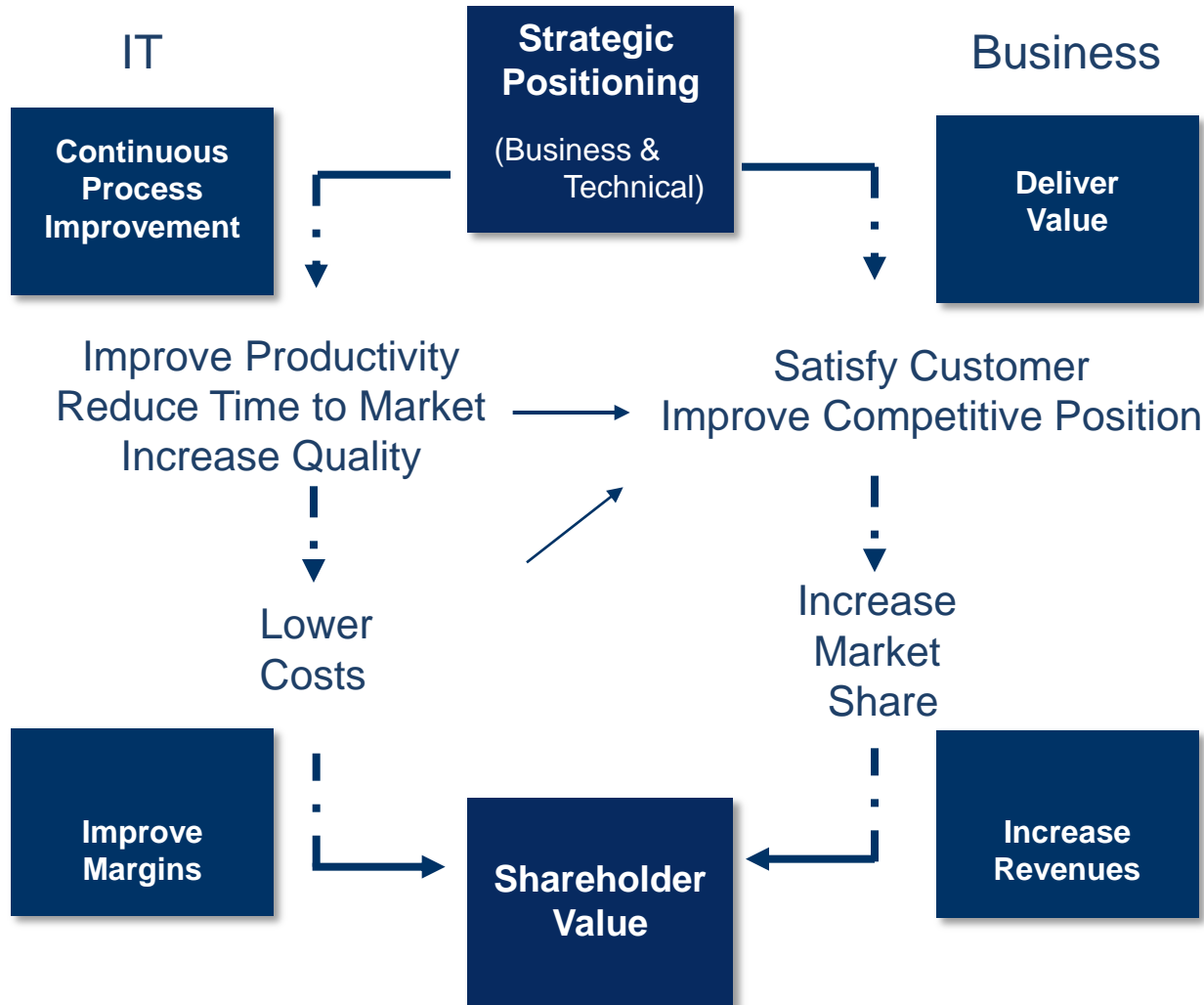
The majority feels that it's about the delivery of reliable quality applications quickly.

State of Software Delivery, Trends in the market now and in the future, XebialLabs, 2014

Tip #5

It is Always About the Business

IT Value Must Impact the Business ...



Summary

Consulting is about selling (a solution)!

Five tips -

1. Know what you are selling – be knowledgeable
2. Know why it (size) is important – the benefits
3. Provide the proper context – what fits the organization?
4. Know your audience – what's important?
5. It is always about the business – value!

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