

# Effort+Cost Estimation: Very simplified method

## Simplified developer-driven Effort estimation method

**Acronyms:** **pw**= person week; **pm**= person month; **w**= week; **m**= month

**effort**= the effort required for a person employed all month/week long (day: 8 hours, week: 7 days, month: 30 days)

**Schedule time** = actual time needed to complete the work, based on working days only (including holidays etc)

UR	Estimated No of Developers can work concurrently on UR	Estimated Effort (average/developers)	Total Effort (for <u>One</u> Developer)
UR1	2	2 pw	= 2 * 2 = 4pw
UR2	1	3 pw	= 3 * 1 = 3pw
UR3	3	2 pw	= 2 * 3 = 6pw
UR4 ...	4	1 pw	= 1 * 4 = 4pw
Total effort/avg	$(2+1+3+4)/4=2.5$ dev on avg needed	8 pw	17 pw
Schedule time 30%		$8 * 1.30=11$ w ( <b>min time</b> to complete)	$17 * 1.30=22$ w ( <b>max time</b> to complete)
Cost		Avg salary/w= \$250	$250 * 22$ w = \$5500
Profit margin (min=10%; max=30%)		<b>Min cost</b> → <b>Max cost</b> →	$5500 * 1.10= 6050$ $5500 * 1.30= 7150$