Proposal for a Cost Estimating Industry Consortium

We all know that project managers should use formal estimating methodologies such as COCOMO II; and the companies should adopt estimating policies, procedures, and tools; and all organizations should collect and maintain repositories of relevant metric data. So over and over why do we all find that the typical company is doing none of these things. The most common estimating tool remains an excel spreadsheet, populated with numbers derived from the most common estimating methodology, best guesses. In general, people simply fail to grasp what can be done, and are confused about the entire concept of formal, parametric based estimating. Part of this confusion is inherent in the need to grasp new concepts, but part of the confusion and uncertainty can be laid at our doorsteps. The industry is characterized by a hodgepodge of vendors, all with proprietary algorithms, interfaces, metric databases, and so on. In the end, we all run into the common problem that a confused buyer does . . . nothing.

Marotz proposes that the industry (both vendors and academia) band together to define common interfaces and data formats for estimating tools. In an ideal world, a customer should be able to buy multiple estimating tools and seamlessly compare the results from different vendors. Customers should be able to build metric information that is then used by whatever estimating tools they choose to purchase. In addition, all estimating vendors should encourage customers to share sanitized metric data with a national metric database, and should design their tools to facilitate this process.

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Group Discussion Questions

- What are some of the major advantages and disadvantages of defining an industry standard format for interchange of cost estimating data?
- What are some of the barriers to successfully implementing this concept?
- Who should be involved in this effort?
- What are the next steps?