

Managing Uncertainty in Work and Velocity

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"Foresight is not about predicting the future, it's about minimizing surprise.",

Karl Schroeder

Introduction

Project managers must deal with both the uncertainty of work estimates and also uncertainty of team velocity. This whitepaper describes the general approach to manage these factors with an example of two teams working together to reach a goal. We expose the key choice teams must make:

Either update estimates for finished work, or accept velocity changes

Both of these can result in changes to the project forecast and we describe and calculate the implications in ways that can be communicated and actioned. We show below an example where slower velocity puts one team at high risk of delay, and updating estimates puts the other team at high risk. Either slower velocity puts TeamB at risk of 32 days delay, or the updated estimates put TeamA at risk of 26 days delay.

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