SER 415 - Project Estimates

You may have questions about the estimates for the first project milestone. For effort (scope) and schedule, you can just use your imagination about how much work it will be and how long it will take. You can determine a few high level tasks or components, determine the estimates for those, then add them together for a final estimate. I'm not looking for anything more complicated than a few lines items added together.

For cost/revenue, you can use the following as an example, but keep in mind two things. First, it is just an example and yours may have an entirely different cost/revenue model. Second, yours need not be even this complicated, it could be somewhat simpler.

The following estimates are generic examples. Your estimates should be more specific to your system/product.

Sample Effort Estimate

1a. User Interface – 3 months, 2 developers

1b. Middleware – 3 months, 2 developers

2a. Data Model – 2 months, 2 developers

2b. Hosting and Virtualization – 2 months, 2 developers

3. Production Integration and Acceptance Testing – 3 months, 4 developers

Sample Schedule Estimate

1a. User Interface – Jan/Feb/Mar

1b. Middleware – Jan/Feb/Mar

2a. Data Model – Apr/May

2b. Hosting and Virtualization – Apr/May

3. Production Integration and Acceptance Testing – Jun/Jul/Aug

Sample Budget Estimate

INITIAL COST

Tools/Licenses/Support: 4 developers * 1K = 4K

Hardware/Equipment: 4 desktops * 2K/machine + 2 servers * 5K/machine = 18K

Facility Rental and Utilities: 2K/month * 8 months = 16K

Salaries and Benefits (4 developers * 10K/month * 8 months): 320K

Total: 358K

ONGOING COSTS

Tools/Licenses/Support: 2K/year

Cloud Hosting: 10K/year

Facility Rental and Utilities: 12K/year

Salaries and Benefits (2 half-time maintainers * 10K/month * 12 months): 120K/year

Total Annual Costs: 144K/year

Total Lifetime Cost (initial cost + annual cost * 5): 720K + 320K = 1040K

ANNUAL REVENUE

Subscriptions (5K * 60/year): 300K/year

Customization/Consulting: 50K/year

Total Annual Revenue: 350K/year

Total Lifetime Revenue (annual revenue * 5): 1750K

Assuming 5 year lifetime