Agile Practices Help Sheet

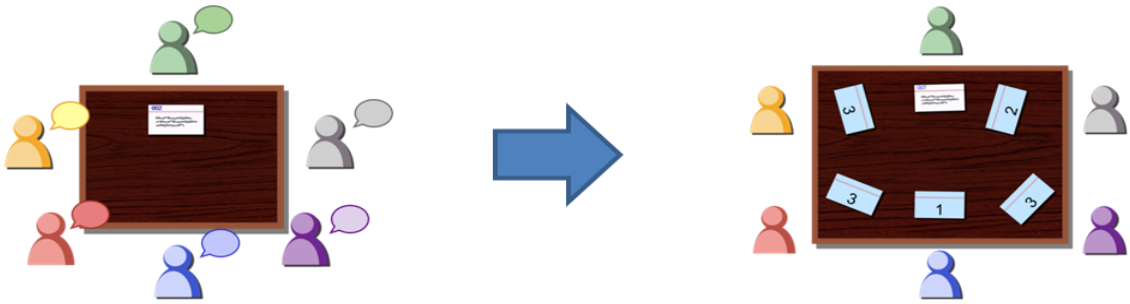
Relative Estimation Using Planning Poker

Planning Poker is an Agile practice that harnesses the "wisdom of the crowd".

The goal of planning poker is not to derive an exact and accurate estimate that would stand all future scrutiny, but rather, to obtain a group estimate in a fast, cost effective and collaborative way!

How it works:

- Each player has a set of cards with numbers representing a set of valid estimates.
- Story points are not units of time. The are used to represent size of work only, not the duration and are consistent and relative.
- Commonly the Fibonacci sequence is used to represent the low range of possible estimates (including zero): **0, 1, 2, 3, 5, 8, 13**, 20, 40, 100?
- The reason for using this range is to reflect that as the size of task increases so does the inherent uncertainty. It should also convey the message that this is not an exact science. The bigger the values, the larger the gaps and uncertainty.
- The facilitator or moderator reads out the first story. (Ideally, this would be the product owner but anyone can play this role).
- The product owner answers any questions relating to the story.
- Each estimator privately selects a card representing the relative size of the story in relation to the rest of the stories.
- Once all of the estimators have made a selection, all cards are simultaneously turned over on the table.
- The outliers (highest and lowest estimators) each take turns explaining the reasoning for why they each thought the estimate is either high or low.
- After a discussion the team re-estimates and the facilitator notes down any assumptions that have been agreed upon.
- After a couple of rounds the estimates will either converge or the team will reach an agreement based on the majority or estimate average, and the estimate will be written down on the story card.



Why it works:

- Planning Poker brings together multiple expert opinions.
- Lively dialogue has been found to improve accuracy of estimates, especially on items with large amount of uncertainty.
- Being asked to justify estimates result in estimates that better compensate for missing information. (This is especially important for user stories which are often left intentionally vague/negotiable).
- Averaging individual estimates leads to better results as do group discussion of estimates.

REFERENCES:

- **http://renaissancesoftware.net/papers/44-planing-poker.html**
- **http://en.wikipedia.org/wiki/Planning_poker**
- **http://www.planningpoker.com**