





present this webinar about

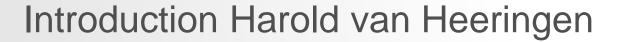
PRACTICAL APPLICATIONS OF ISBSG DATA

March 2023

Harold van Heeringen

Nesma board member ISBSG Board director IDC Metri Principal Consultant and Practice Lead







- Principal Consultant at IDC Metri and Global Practice Lead IT Intelligence services
- 25+ years experience in the IT industry
- Immediate Past President International Software Benchmarking Standards Group (ISBSG), Board member Nesma.
- Main expertise: fact-based Application Development and Maintenance & Support decision-making based on data, including:
 - Agile Team Performance Assessments
 - Agile Value Management
 - Software Cost Estimation
 - Output-based contracting (of agile teams)
 - Portfolio Quality and Risk Assessments
 - Software Sizing: Nesma, IFPUG and COSMIC FSM
 - Vendor bid support
 - Software Quality and Risk Assessments and improvements plans



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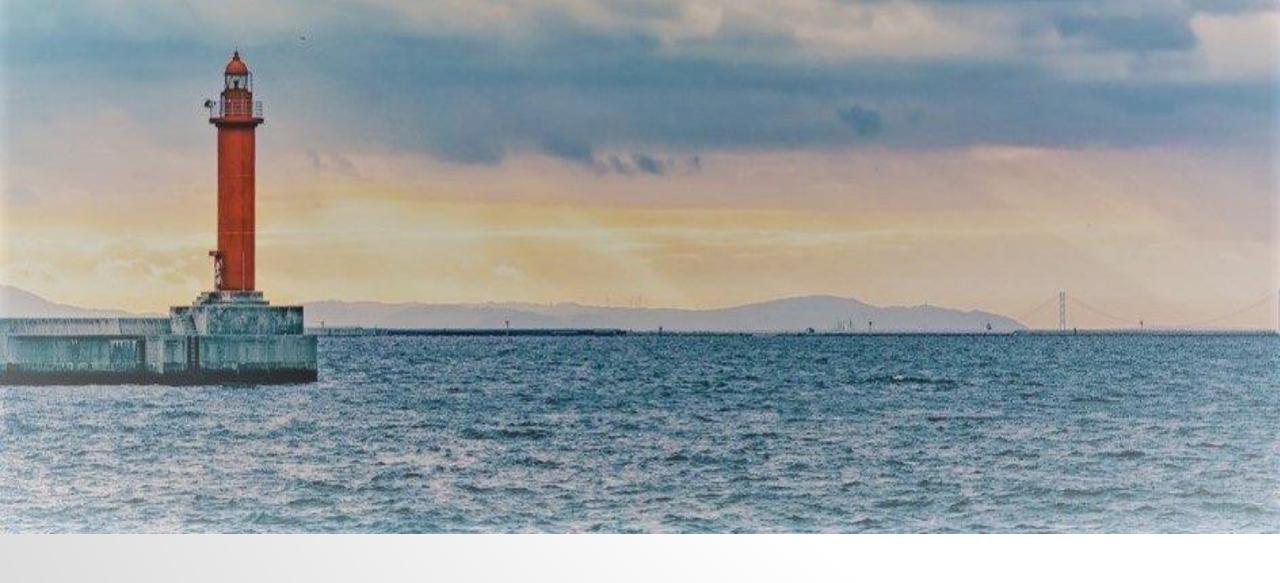
Topics for today

- A brief introduction of ISBSG and Nesma
- The importance of functional size measurement
- The ISBSG data how does it look like and what can we do with it?
- A few practical cases:
 - Agile Value Management
 - Software Cost Estimation
 - Output-based contracting
- To conclude and take aways









Brief introduction to ISBSG and Nesma

A BRIEF INTRODUCTION OF ISBSG AND NESMA



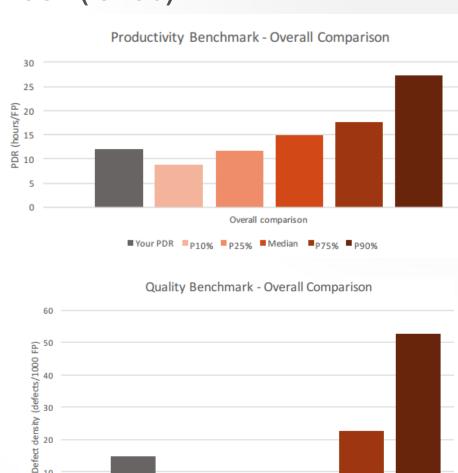


www.isbsg.org

www.nesma.org

INTERNATIONAL SOFTWARE BENCHMARKING STANDARDS GROUP (ISBSG)

- Mission: "To improve the management of IT resources by both business and government, through the provision and exploitation of public repositories of software engineering knowledge (data) that are standardized, verified, recent and representative of current technologies".
- Independent and not-for-profit organization based in Australia.
- Members are not-for-profit organizations, including Nesma.
- Grows and exploits two repositories of software data:
 - New development projects and enhancements (D&E) 11281 projects, releases and sprints.
 - Maintenance and support (M&S) > 1100 applications.
- Everybody can submit project data:
 - Questionnaires on the site, online or Excel data files
 - Anonymous
 - Free benchmark report in return
 - https://www.isbsg.org/submit-data/



■ You ■ P10% ■ P25% ■ Median ■ P75% ■ P90%

Nesma



Nesma is the starting point for **making software measurable** to make fact-based decisions on the business value of software, so software can be deployed successfully. Nesma connects organizations and individuals who are involved in making software measurable and is the center of knowledge in the field of **software measurements and cost engineering** for IT.

Nesma is: Not-for-profit, Independent, Objective, Organized and Managed by volunteers, Active and Progressive.

It's the Nesma mission to:

- Spread knowledge about *software measurement* and *software metrics*;
- Act as a *Body of Knowledge* for the industry regarding the use of software metrics in all business areas;
- Remain independent, objective and not-for-profit,
- Research the applicability of software metrics in all business areas;
- Connect relevant organizations in the industry that Nesma feels are expert in one of the areas where software measurement and metrics are important;
- Produce *relevant guidelines, reports and other information products* that are useful for the software industry;
- Produce a platform where people can discuss issues they experience with software measurement and metrics or where they can *exchange ideas and/or knowledge*.

Nesma governs one of the three main ISO standards for functional size measurement: **Nesma ISO24570:2018** (Available in Dutch, English and Chinese: physical and digital).

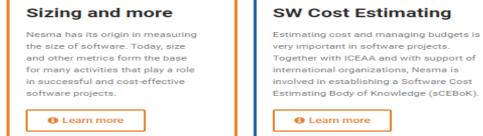


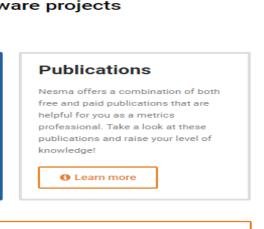
Nesma



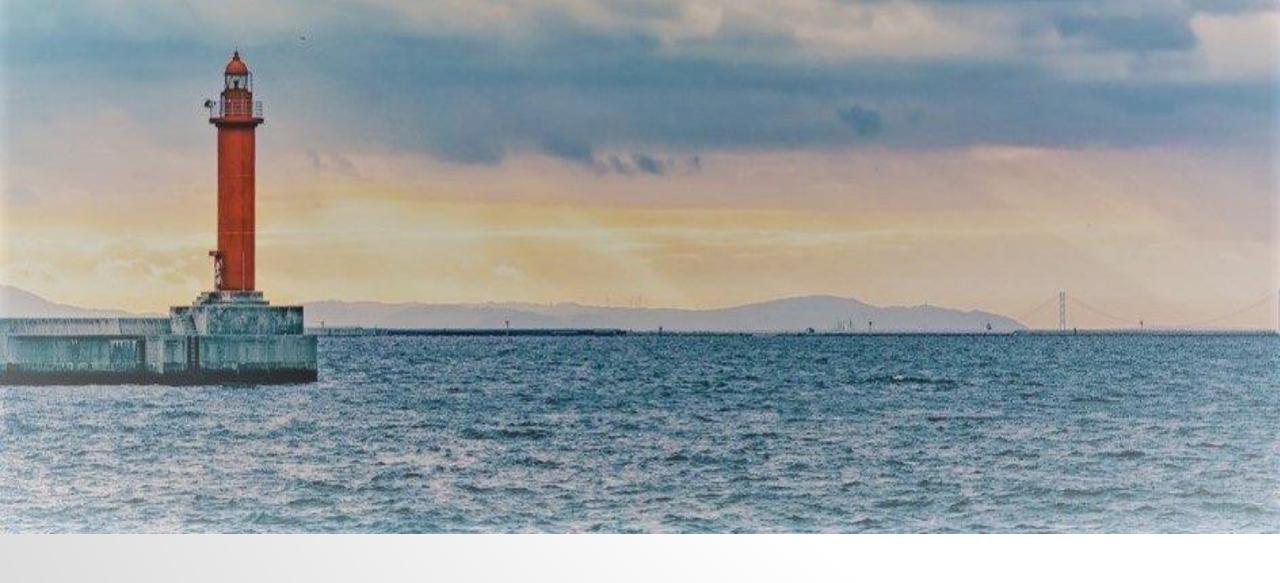


Your starting point for successful software projects





In the spotlight

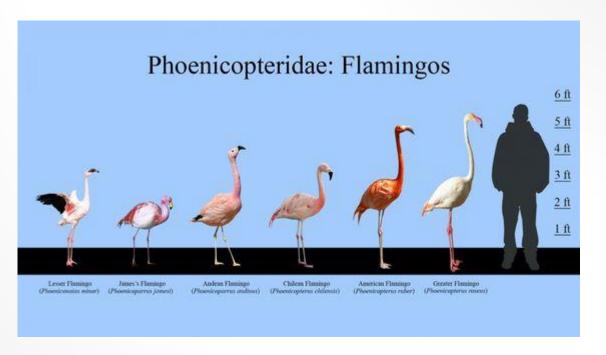


The importance of Functional Size Measurement ISO/IEC 14143









https://twitter.com/DrEliDavid/status/1631723331253674003

https://www.zoochat.com/community/media/flamingos-size-chart.404558/

Software is hard to measure?

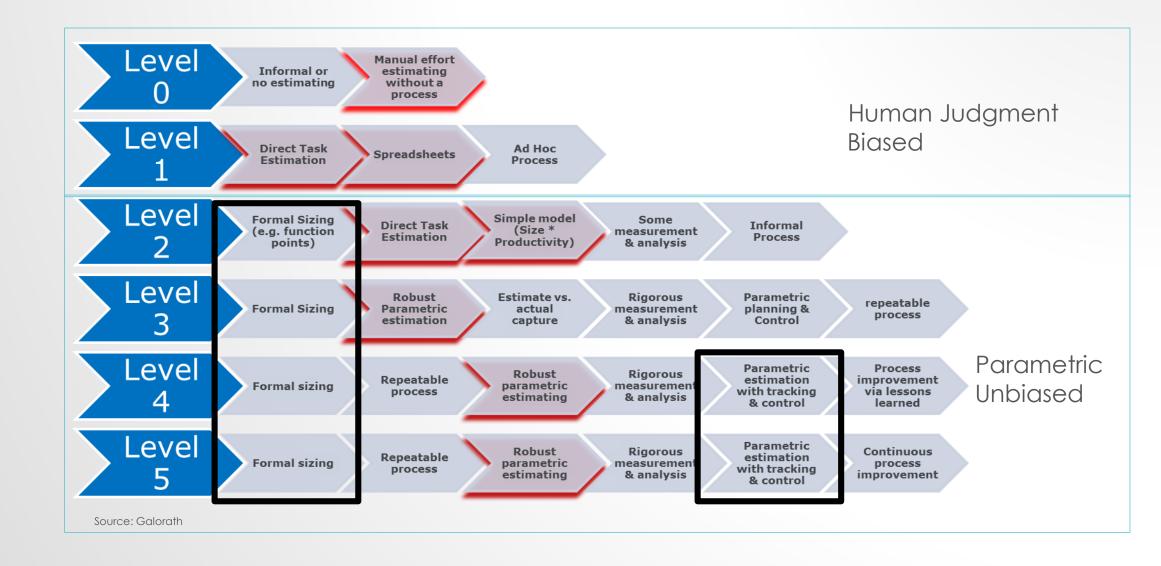






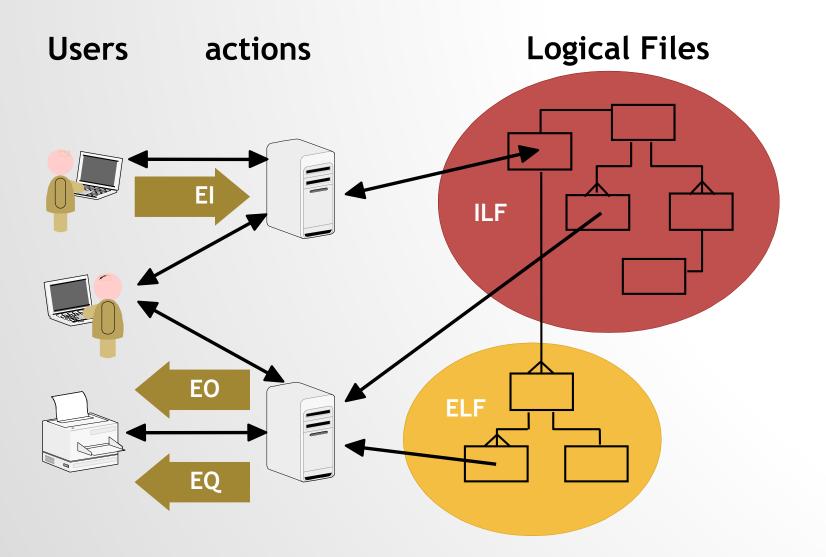
Software Cost Estimation

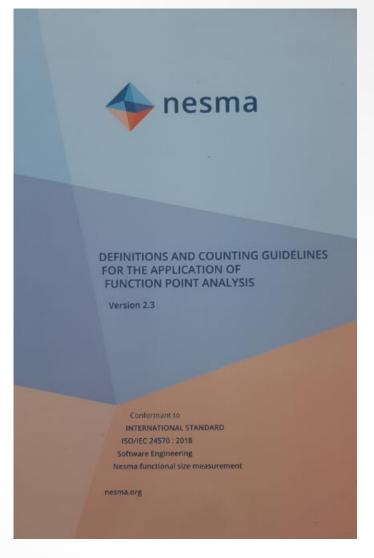






Functional Size Measurement (Nesma/IFPUG)







since 1997

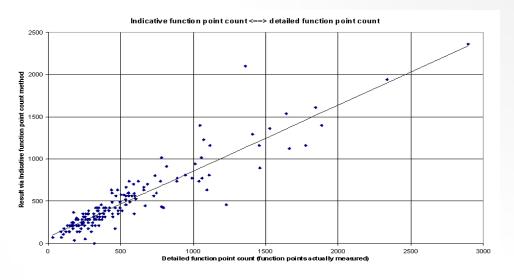
Nesma FP – detail/estimated/high-level

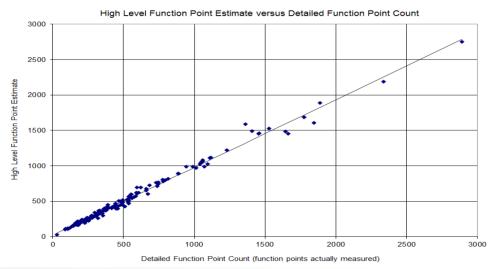
Indicative FPA

BFC-type	Conceptual Data model	Normalized Data model
ILF	35 FP	25 FP
ELF	15 FP	10 FP

Approximate / Estimated FPA

BFC-type	Simple	Average	Complex
ILF	7 FP	10 FP	15 FP
EIF	5 FP	7 FP	10 FP
EI	3 FP	4 FP	6 FP
EO	4 FP	5 FP	7 FP
EQ	3 FP	4 FP	6 FP



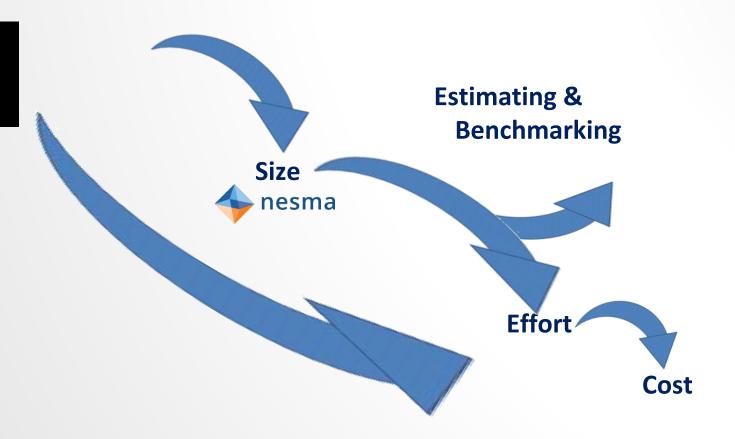






Sizing allows estimation and benchmarking

Application, Project,
Release or Sprint

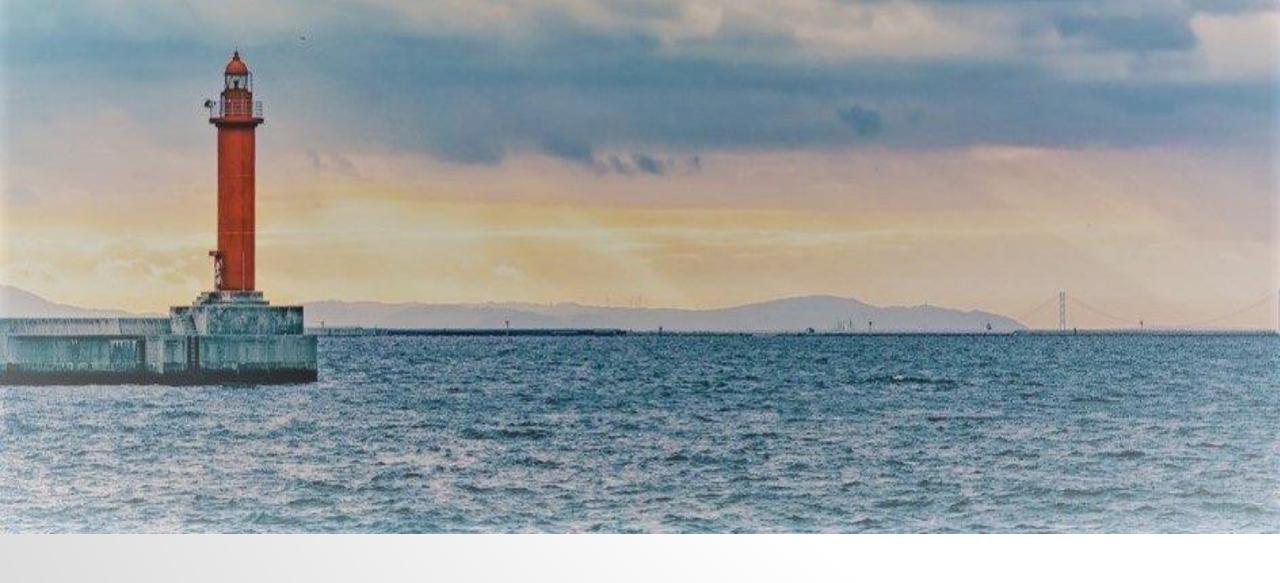


Metric	PDR (h/FP)
N	151
Min	2,1
P10	5,0
P20	6,1
P30	6,7
P40	7,2
Median	7,8
P60	8,7
P70	9,4
P80	11,2
P90	12,6
Max	76,6
Avg	10,6
	<u> </u>



1000 FP

6700 – 7800 – 9400 effort hours



The ISBSG data – how does it look like and what can we do with it?





ISBSG data to support making business decisions

serving the IT industry since 1997

D&E Corporate
Release

11281 rows, 251 columns

Release															
July 2022 V1		4													
	Rating	Rating	Software Age	Major Grouping	Major Grouping	Major Grouping	Major Grouping	Major Grouping	Major Grouping	Major Grouping	Major Grouping	Major Grouping	Sizing	Sizii	ic 7
ISBSG Project ID	Data Quality			Industry Sector	Organisation Type	Application Group	Application Type	Development		Language Type	Primary Programming	Count	Functional Size	Relative	€ Size
~	Rating	rating	Project	į v		V .	· ·	Type ▼	Platform	_	Language	Approach	▼		₹
10016		В		9 Construction		Business Application	Customer relationship management;	Enhancement			Oracle	NESMA		M2	
10051		Α			Telecommunications;	Business application		Enhancement		3GL	С	IFPUG 4+		8 M1	
10089		Α			Telecommunications;	Business application	Customer Relationship management;	Enhancement			Amdocs framework	IFPUG 4+	222		
10148		Α			Telecommunications;	Business Application	Customer relationship management;	Enhancement			Amdocs framework	IFPUG 4+	60		
10197		Α		0 Mining		Business Application	Multimedia;	Enhancement			Oracle	NESMA	1.778		
10206		Α			Telecommunications;	Business Application	HR Management;	Enhancement			ABAP 4	IFPUG 4+	111		
10297		Α			Telecommunications;	Business application	Other;	Enhancement			Unknown	IFPUG 4+	88		
10346		A			Telecommunications;	Business Application	Customer relationship management;	Enhancement			Amdocs framework	IFPUG 4+		5 S	
10366		A			Telecommunications;	Business application	Customer Management;	Enhancement			iOS	IFPUG 4+	68		
10401		A			Telecommunications;	Business Application	EAI/ESB;	Enhancement			.NET	IFPUG 4+	99		
10539		A			Telecommunications;	Business application	Integration;	Enhancement			Amdocs framework	IFPUG 4+	56		-
10586	-	A		0 Retail		Business application	Document management;	Enhancement			Java	Nesma	1224		
10631		A			Automotive;	Business Application	Unknown;	New Development			Java	COSMIC		3 M2	
10699		A			Telecommunications;	Business application	Customer Management;	Enhancement			Android	IFPUG 4+	138		
10743	_	A			Telecommunications;	Business Application	Other;	Enhancement			ABAP 4	IFPUG 4+	89		
10746	-	A			Telecommunications;	Business application	Other;	Enhancement			Unknown	IFPUG 4+	73		
10766		A			Telecommunications;	Business Application	Integration;	Enhancement			API Connect	IFPUG 4+	171		
10804		A			Automotive;	Business Application	·	New Development			Java	COSMIC	161		-
10840		A		9 Finance	I	Business Application	SAP ERP;	Enhancement			ABAP	NESMA	434		
10887		A			Telecommunications;	Business application	Integration;	Enhancement			Amdocs framework	IFPUG 4+		M1	
10926		A		0 Government		Business Application	Transaction Processing;	Enhancement			Oracle	NESMA	2.407		
10933		A		9 Services		Business application	Multimedia;	Enhancement			Outsystems	Nesma	1512		
10948	-	A		0 Government		Business application	Customer relationship management;	Enhancement			Oracle	Nesma	150		-
11145		Α			Telecommunications;	Business Application	Other: Service Order & Activation Manager				Java	IFPUG 4+		2 M2	
11165	-	Α		9 Agriculture, Forestry	_	Business Application	Business Analysis Tool;	Enhancement			Oracle	NESMA	1.139		
11171		Α			Telecommunications;	Business Application	Customer relationship management;	Enhancement			Amdocs framework	IFPUG 4+	58		-
11178	_	Α		1 Construction		Business application	Database Application;	Enhancement			Oracle	Nesma	168		-
11266		В		9 Finance		Business Application	Database System;	Enhancement			Java	NESMA		3 M2	!
11269		Α			Telecommunications;	Business application	Other: Integration;	Enhancement			Unknown	IFPUG 4+	70		-
11334		Α			Telecommunications;	Business Application	Other: Online, eSales;	Enhancement			html / jsp	IFPUG 4+	110		-
11349	-	Α			Telecommunications;	Business Application	Integration;	Enhancement			ProC	IFPUG 4+	65	-	
11390	-	Α			Telecommunications;	Business application	Other;	Enhancement			Unknown	IFPUG 4+	108		
11457		В		9 Utilities		Business Application	Report Generation;	Enhancement			Java	NESMA		7 M2	
11461		Α			Telecommunications;	Business application	Other;	Enhancement			Unknown	IFPUG 4+	56		
11502		Α		9 Finance		Business Application	Financial Transactions;	Enhancement		4GL	.Net	NESMA	2.703		
11513	3 B	Α	2020	0 Construction		Business Application	Financial Transactions;	Enhancement		4GL	.Net	NESMA	542	M2	
11614	∤ B	Α	2021	1 Communication	Telecommunications;	Business application	Integration;	Enhancement		4GL	Amdocs framework	IFPUG 4+	54	S	



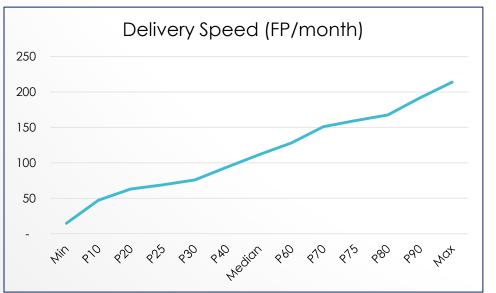




serving the IT industry since 1997

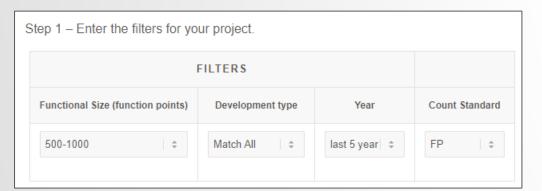
	Rating	Rating	Software Ac	Bae	Major Groupino	Major Grouping	Major Grouping	Major Grouping	Major Grouping	Major Grouping	Major Grouping	Major Grouping	Major Grouping	Major Grouping
ISBSG Project ID	Data Quality	ŲFΡ	Year of	Year	Industry	Organisation Type	Application Group	Application Type	Application Type Grouping	Development	Development	Language	Primary Programming	Count
	Rating	atin	Projec	Range	Sector	▼	~		▼ ▼	Type 🧊	Platform	Туре	Language	Approach
10048 B		Α	2018		Construction		Business Application	Financial Transactions;	Financial transaction process/accounting	Enhance			Java	NESMA
10335 B		В	2018	2016-2020			Business Application	Business Intelligence;	Business Application	Enhancement			Java	NESMA
10586 B	1	Α	2020	2016-2020	Retail		Business application	Document management;	Document Management	Enhancement		3GL	Java	Nesma
10638 B	1	В	2017	2016-2020	Manufacturing		Business Application	Document management;	Document Management	Enhancement		3GL	Java	NESMA
10784 B	1	В	2018	2016-2020	Mining		Business Application	Logistics;	Logistics Management	Enhancement		3GL	Java	NESMA
11058 B	1	В	2018	2016-2020	Manufacturing		Business Application	Business Intelligence;	Business Application	Enhancement		3GL	Java	NESMA
11266 B	ı	В	2019	2016-2020	Finance		Business Application	Database System;	Data Management	Enhancement		3GL	Java	NESMA
11457 B	1	В	2019	2016-2020	Utilities		Business Application	Report Generation;	Reporting	Enhancement		3GL	Java	NESMA
11542 B	1	В	2018	2016-2020	Manufacturing		Business Application	Logistics;	Logistics Management	Enhancement		3GL	Java	NESMA
12014 B	ı	Α	2019	2016-2020	Government		Business Application	Financial Transactions;	Financial transaction process/accounting	Enhancement		3GL	Java	NESMA
12083 B	1	В	2018	2016-2020	Wholesale		Business Application	Transaction Processing;	Transaction Processing	Enhancement		3GL	Java	NESMA
12414 B		Α	2020	2016-2020	Construction		Business application	Transaction Processing;	Transaction Processing	Enhancement			Java	Nesma
12661 B		A	2020	2016-2020			Business Application	Expert System;		Enhancement			Java	NESMA
12849 B	1	В	2017	2016-2020			Business Application	Customer relationship management;		Enhancement			Java	NESMA
12954 B	i	В	2019	2016-2020	Retail		Business Application	Document management;	Document Management	Enhancement			Java	NESMA
13056 B	1	В	2018	2016-2020	Utilities		Business Application	Business Intelligence;	Business Application	Enhancement		3GL	Java	NESMA
13121 B		В	2019	2016-2020	Manufacturing		Business Application	Computer aided design;	Computer aided design	Enhancement		3GL	Java	NESMA
13382 B	1	В	2017	2016-2020	Wholesale		Business Application	Business Analysis Tool;	Business Application	Enhancement		3GL	Java	NESMA
13451 B		Α	2019	2016-2020	Government		Business Application	Financial Transactions;	Financial transaction process/accounting	Enhancement			Java	NESMA
13703 B	1	В	2017	2016-2020	Government		Business Application	Computer aided design;	Computer aided design	Enhancement		3GL	Java	NESMA

Metric	Delivery Speed
N	283
Min	15
P10	47
P20	63
P25	69
P30	76
P40	94
Median	112
P60	128
P70	151
P75	160
P80	168
P90	192
Max	214
Avg	115



ISBSG Productivity Query Tool (PDQ)





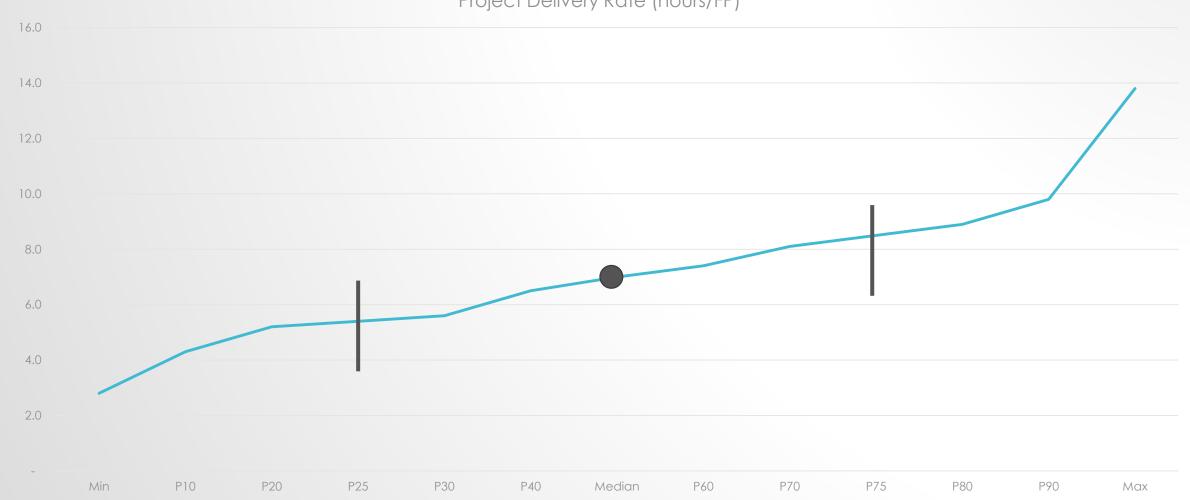
	Project Delivery Rate				Speed of Delivery				Defect Density			
Project Attributes	Matches	1st Quartile	Median	3rd Quartile	Matches	1st Quartile	Median	3rd Quartile	Matches	1st Quartile	Median	3rd Quartile
Primary Programming language	78	4.35	7.60	10.68	76	142.05	98.80	65.28	17	57.30	6.90	4.90
Organisation Type Government	38	6.53	9.60	14.53	37	78.70	49.50	38.90	23	38.00	16.70	10.25
Application Type												
Maximum Team Size												
Web Development												
Count Approach IFPUG 4+	483	4.00	7.70	15.80	415	137.58	87.75	56.33	76	39.33	14.90	5.18

Functional size (function points)	800	Estimate		
Estimates	Project Delivery Rate	Project Work Effort	Speed of Delivery	Project Duration
	Matched	8	Matched	8
Level 1 Dev Team	(hours per function point)	(Hours)	Function points per month	(months)
1st Quartile	3.58	2864.00	161.25	4.96
Median	7.50	6000.00	74.85	10.69
3rd Quartile	9.80	7840.00	58.80	13.61

Analyze the data distribution





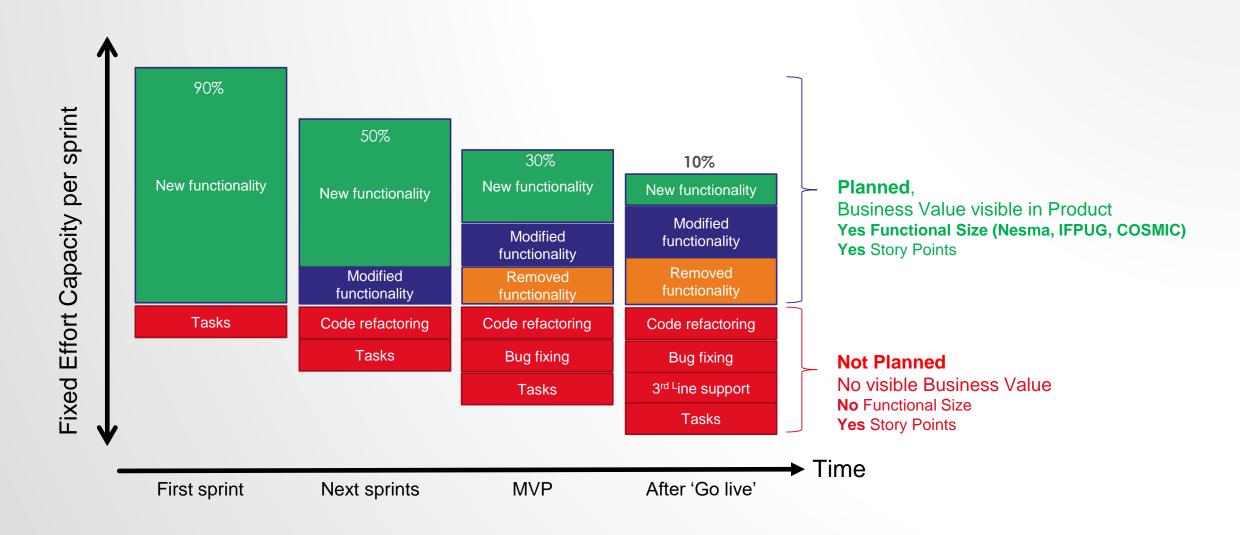




Practical case: Agile Value Management

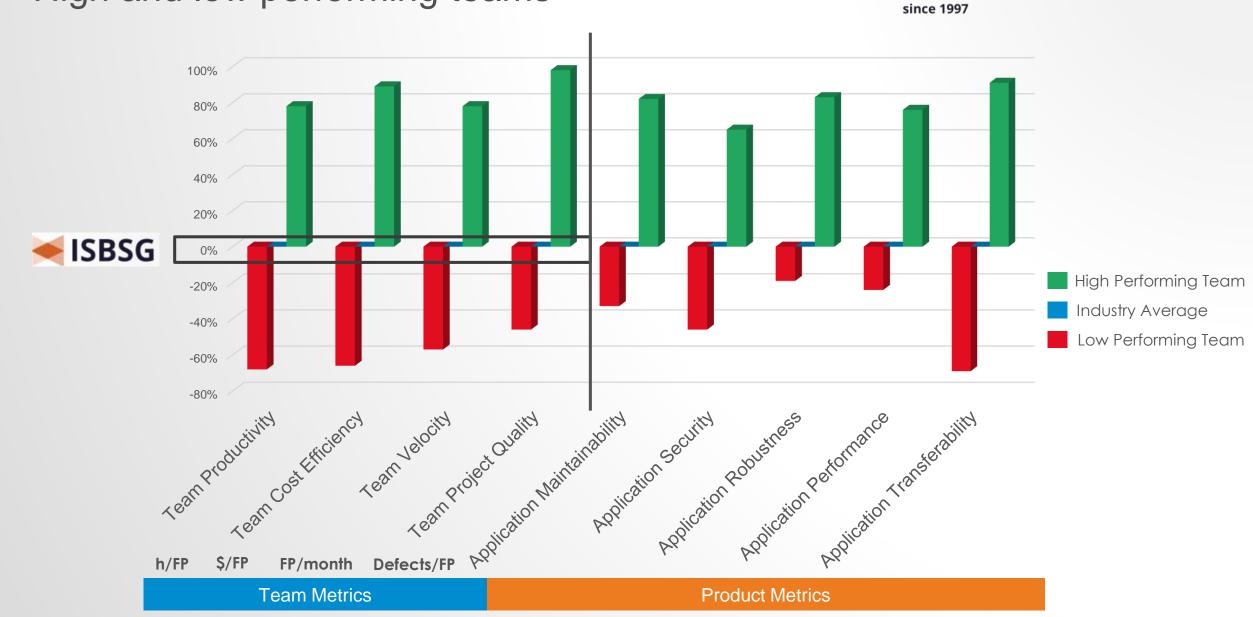
Managing Agile Value Creation





High and low performing teams

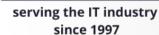




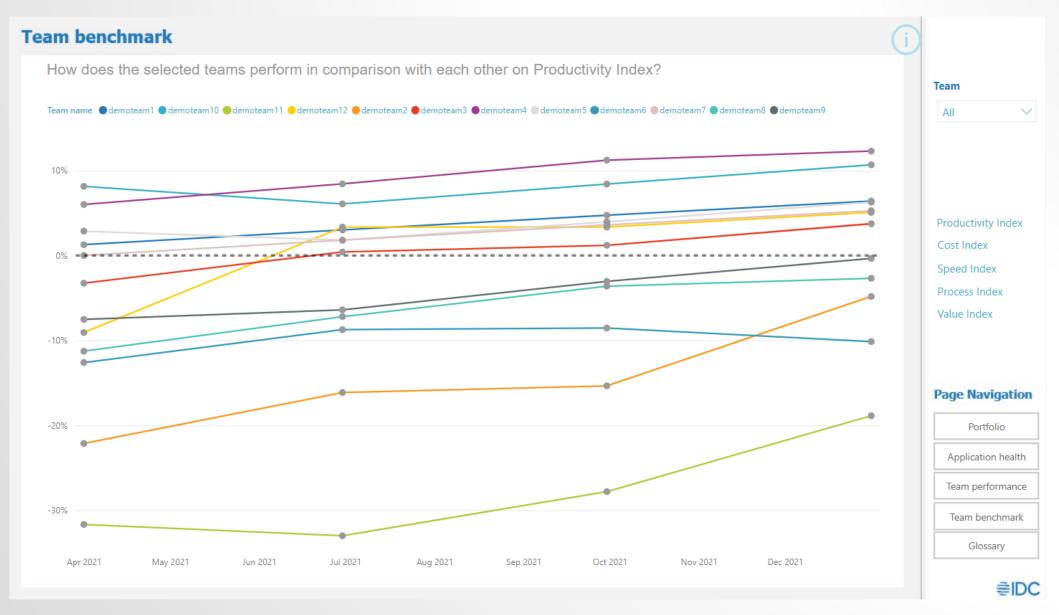




Understanding high and low performing teams

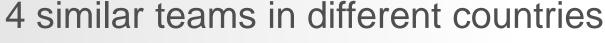


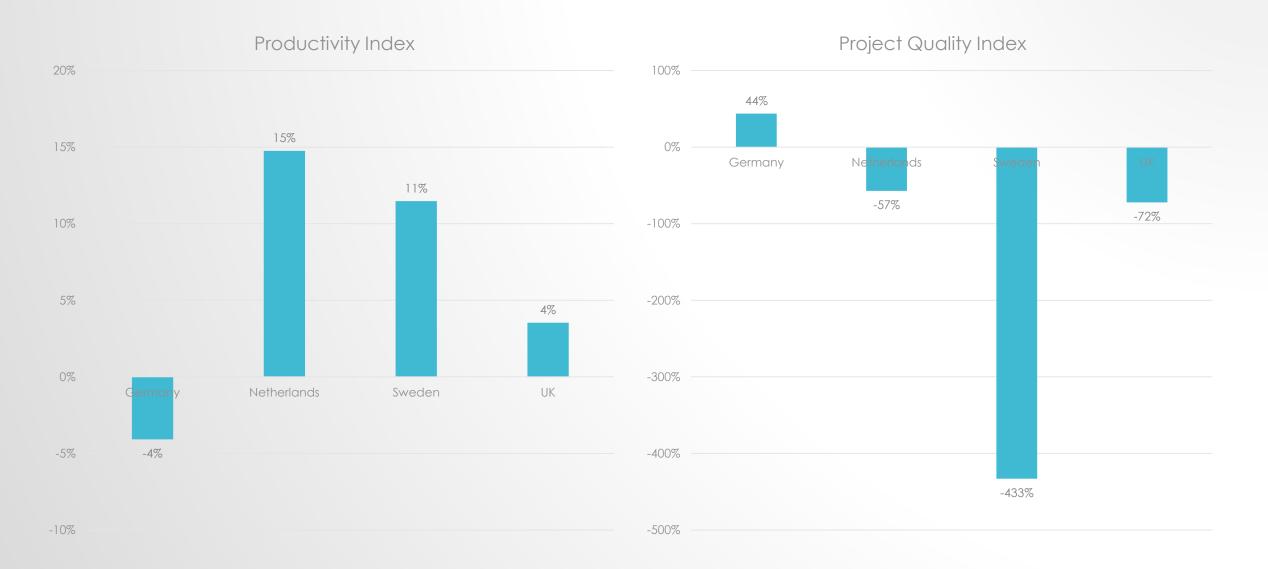
ISBSG















Team Performance





Practical case: Software Cost Estimation



Cost Estimation of a redevelopment project

- The current project administration application of a Construction company is over 15 years old and seen as 'un-maintainable'.
- A redevelopment project is starting: modern architecture, cloud-based, Microsoft .Net technology.
- High-level Design documentation is ready.
- An external supplier is hired to carry out the project.
- This supplier has made its 'expert judgment' estimation based on the number of expected sprints.
- IDC Metri asked to do an objective third-party cost estimation.

Way of working:

- 1. Determine the Nesma functional size (min, likely, max) based on High Level Design.
- 2. Determine the Project Delivery Rate and Delivery Speed (min, likely, max) using (ISBSG) data.
- Calculate the effort hours and duration.
- 4. Using the vendor rates per hour, and activity breakdown (ISBSG), the cost is calculated.





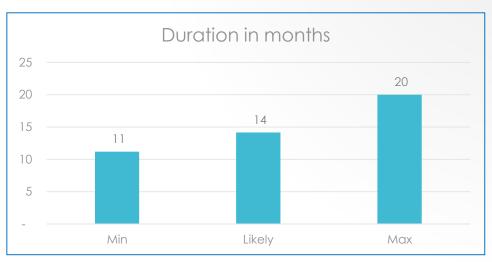
Cost Estimation of a redevelopment project



Nesma estimated FP: application size to redevelop

PDR (h/FP)	Min	Likely	Max
Front End (angular)	9,1	9,6	13,3
Back End (.Net)	6,1	7,8	11,3
	7,5	8,6	12,2

Delivery Speed	Likely
FP/month	140



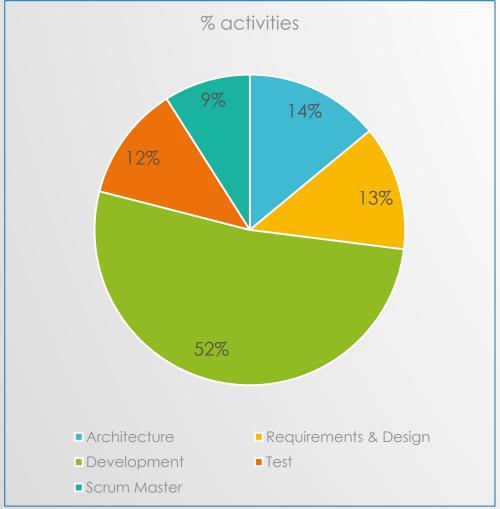
Estimated duration based on ISBSG Speed of Delivery



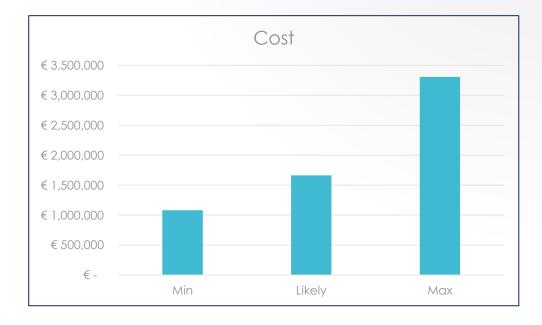
Estimated effort hours based on ISBSG PDR



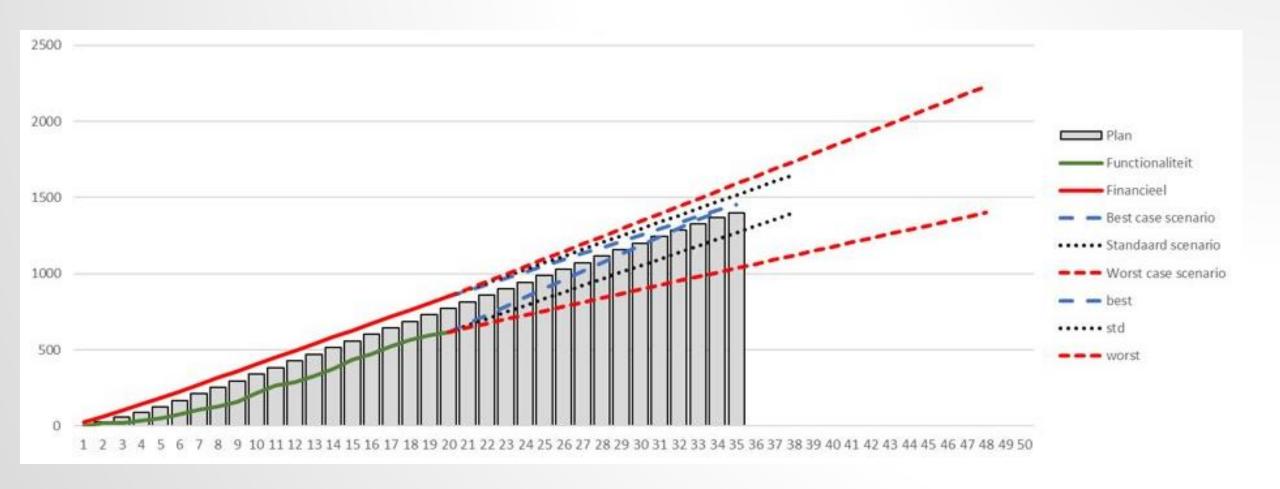
Cost Estimation of a redevelopment project



Function/Role	Rate	
UX/Visual Design	€	115
Solution Arch	€	125
Cloud/SW Arch	€	130
Backend dev	€	80
Frontend dev	€	80
Devops Eng	€	115
Tester	€	100
Scrum Master	€	95



MONITOR PROGRESS AND UPDATE ESTIMATE BASED ON DATA





Practical cases: Output-based contracting



Contracting Agile AD teams in the industry

The Industry: T&M contracts for AD functions and AD teams

- Rate cards / Blended rates These are input-based!
- No guarantee regarding productivity and quality!
- More effort hours spent = higher invoice!

Therefore, there is a trend towards output-based contracts.

However, in practice this is considered difficult, as you need a standardized unit of measurement to measure the output (value) produced.

→ Function Points

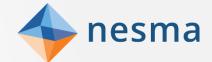
- Output-based contracts can be based on Price/FP.
- This benefits the supplier as higher productivity results in higher margin. And more functionality (changes) result in higher invoices.
- The customer also benefits, because of faster delivery and better quality (quality KPIs must be part of the contract).
- There are organizations in the industry that have very good experiences with this type of contracting. But how to determine a fair Price per function point?

	Onshore
Role	(Netherlands)
Project manager senior	€ 144,00
Project manager medior	€ 133,00
Project manager junior	€ 98,00
Developer senior	€ 122,00
Developer medior	€ 111,00
Developer junior	€ 100,00
Architect senior	€ 133,00
Architect medior	€ 116,00
Scrum Master senior	€ 139,00
Scrum Master medior	€ 116,00
Scrum Master junior	€ 100,00
Project Leader senior	€ 144,00
Project Leader medior	€ 133,00
Project Leader junior	€ 98,00
Solution Architect senior	€ 133,00
Solution Architect medior	€ 116,00
Solution Architect junior	€ 97,55
Solution Engineer senior	€ 98,00
Solution Engineer medior	€ 103,00
Solution Engineer junior	€ 103,00





since 1997



Determine the Price per FP

The Price per function point is calculated by:

- PDR (hours per FP).
- Blended rate (avg. hourly rate).

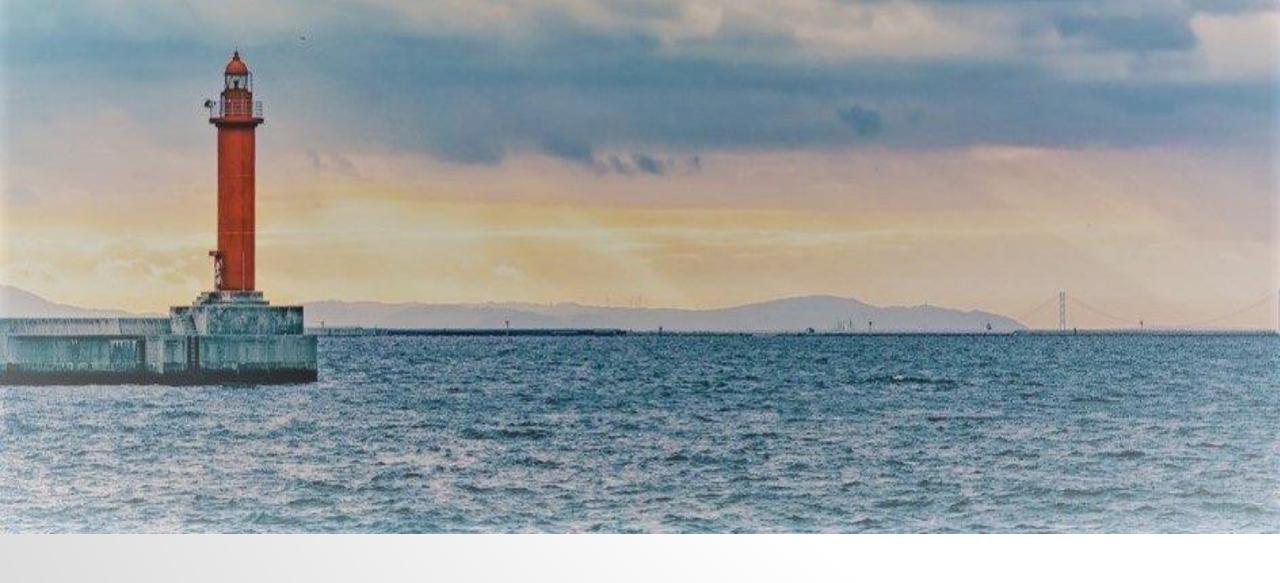
It's likely the price per FP varies per team, as for instance the programming language and team size have an impact on PDR.

ISBSG data can be used to determine the market average PDR that a supplier should be able to achieve.

Case: ISBSG is used to determine the PDR for an output-based Price/FP contract. In this case the PDR and the blended rate needed to be given both for low complexity, average complexity and high complexity changes. The blended rate was 100 EUR per hour.

The company used the table on the right:

Percentile	PDR (ISBSG)
P10	7,6
P25	12,2
Median	14,8
P75	19,9
P90	24,8



To conclude this presentation

The ISBSG board and Gold partners





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IFPUG (International Function Point Users

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serving the IT industry since 1997

ISBSG

nesma

website: www.spichina.org.cn





Helen Huang

China SPI (System and Software Process Improvement Association)

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Pekka Forselius

FISMA (Finnish Software Measurement Association)

website: www.fisma.fi



How to get the data?

Support ISBSG's aim in bringing certainty to software project planning

Achieve improved outcomes for your project with ISBSG data, reports or the productivity tool.

See an overview of ISBSG subscription choices.

Or first become member of **Nesma** and get large discounts on the data and access to all ISBSG Analysis reports

<u>nttps://nesma.org/members/registr</u> ation-form/

	Corporate Subscription \$7500 (AUD) for 1-9 users \$10000 (AUD) for 10+ users yearly	Data Subscription \$3000 (AUD) for 1 user yearly	Productivity Data Query Tool Subscription \$15 (AUD) monthly or \$150 (AUD) yearly	Report Pack \$250 (AUD)
Development & Enhancement project data - 12 month license	✓	✓		
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Project data updates	✓			
All ISBSG reports	✓			✓
A customized report on your chosen topic	✓			
12-month subscription to Productivity Data Query Tool	✓		✓	
	<u>Learn more</u>	Find out more	<u>Learn more</u>	<u>Find out more</u>



10 KEY TAKE AWAYS



- 1. **ISBSG** is an international not-for-profit organization that collects data of completed projects.
- 2. **Nesma** is an international not-for-profit organization that focusses on sizing (ISO standard) and software cost estimation.
- 3. Functional Size Measurement is a crucial first step in many fact-based decision-making activities: cost estimation, team performance measurement, benchmarking, etc. using size and data!
- 4. The ISBSG data is (mainly) based on functional size: Nesma/IFPUG/COSMIC FP.
- 5. The data is provided in **Excel sheets** (for Power users) or can be accessed via the online **Productivity Query Tool** (PDQ).
- There are objective (Agile) team metrics that can be compared to industry averages: Project Delivery Rate (hours/FP), Cost Efficiency (Cost/FP), Delivery Speed (FP/Month), Project Quality (Defects/1000FP).
- 7. Monitoring agile projects using functional size is important, as story point metrics are misleading.
- 8. Functional Size Measurement creates **reference points** which are used to monitor and are input for the recalibration of an estimate.
- 9. ISBSG data can be used to determine a realistic price per function point in case of output-based contracting.
- 10. If you wish to obtain the data, consider to become Nesma member (or another Gold partner member) to save on the price!

THANK YOU!



ISBSG: www.isbsg.org
Nesma: www.nesma.org

IDC METRI: https://www.idc.com/idcmetri



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