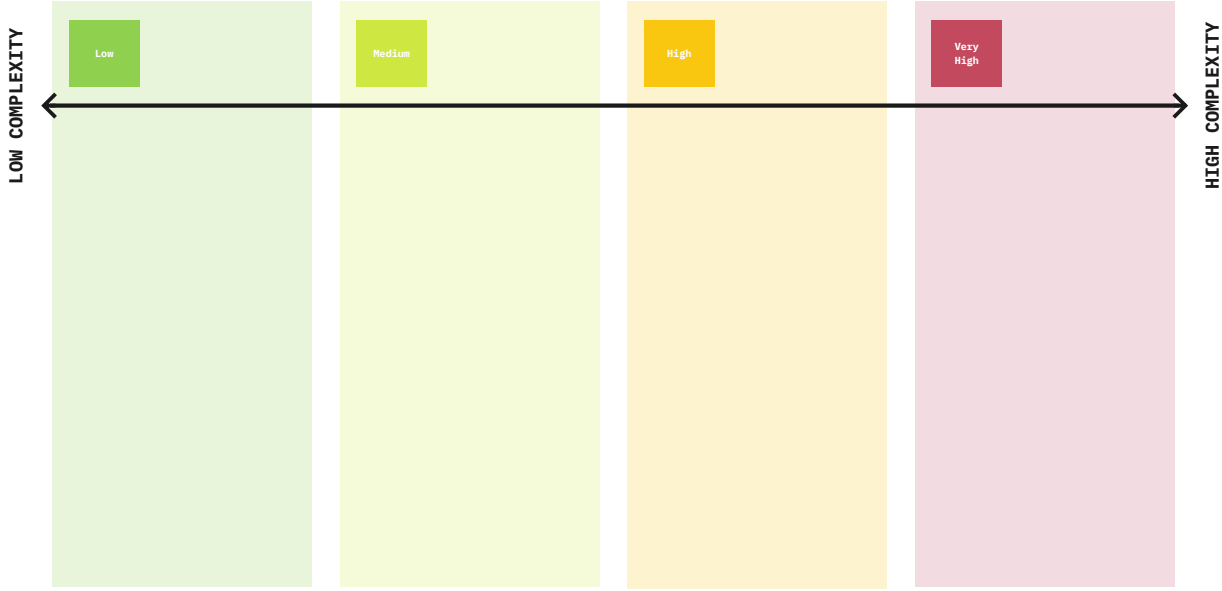
Magic Estimation

The IAAME is a tool for high-level estimating of backlog items based on
a) expected complexity of the backlog items and
b) comparison with known, realized reference backlog items.

complexity area
Each area represents a range of complexity, ordered from low to high. Estimated backlog items are placed in these areas.

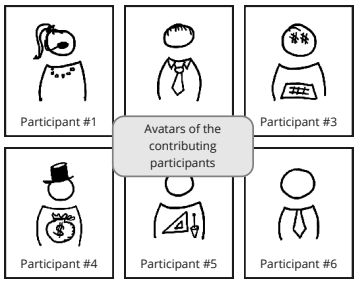
reference backlog items
Each area is classified with a realized backlog item well-known to the estimation team.

relative complexity
The estimate is made by comparing the expected complexity of the backlog item with the reference backlog items.



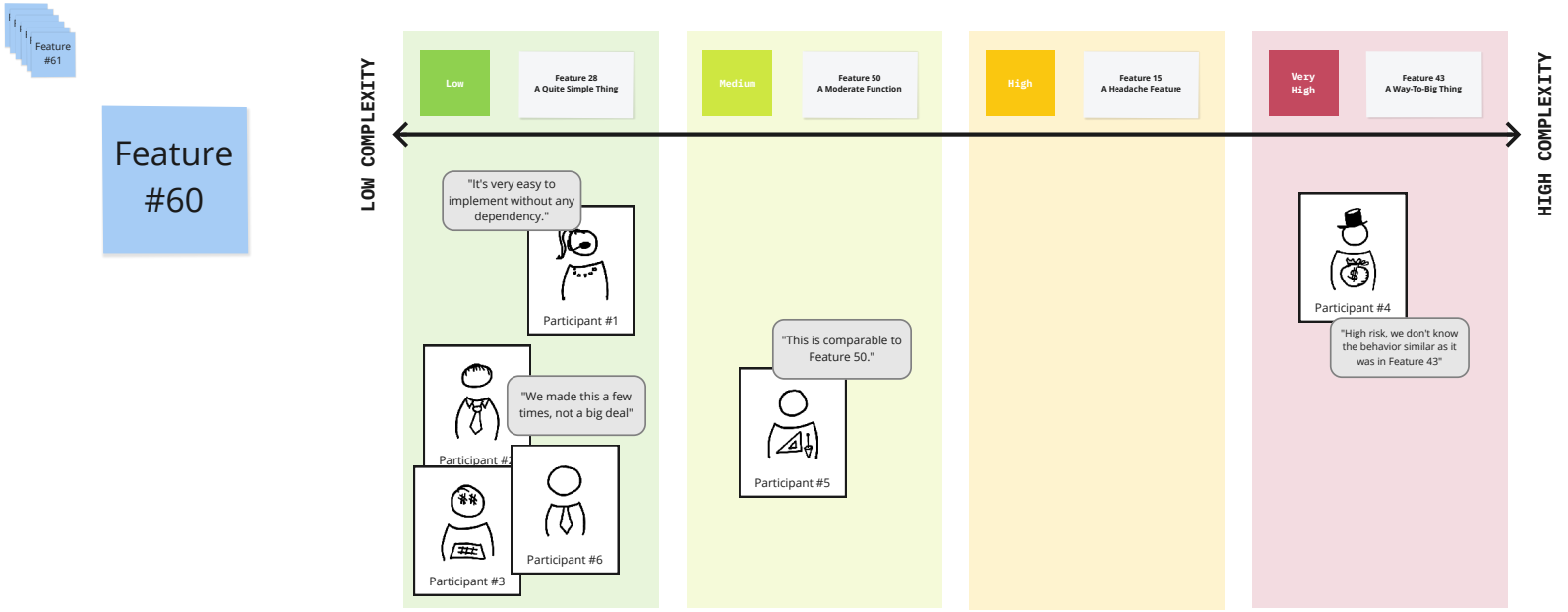
Preparation

1) [Moderator] Prepare the board by
   a) defining one reference backlog item for each area,
   b) identifying the backlog items to be estimated,
   c) prepare and place all backlog items beside the board,
   d) prepare and place an avatar of each participant besides the board.



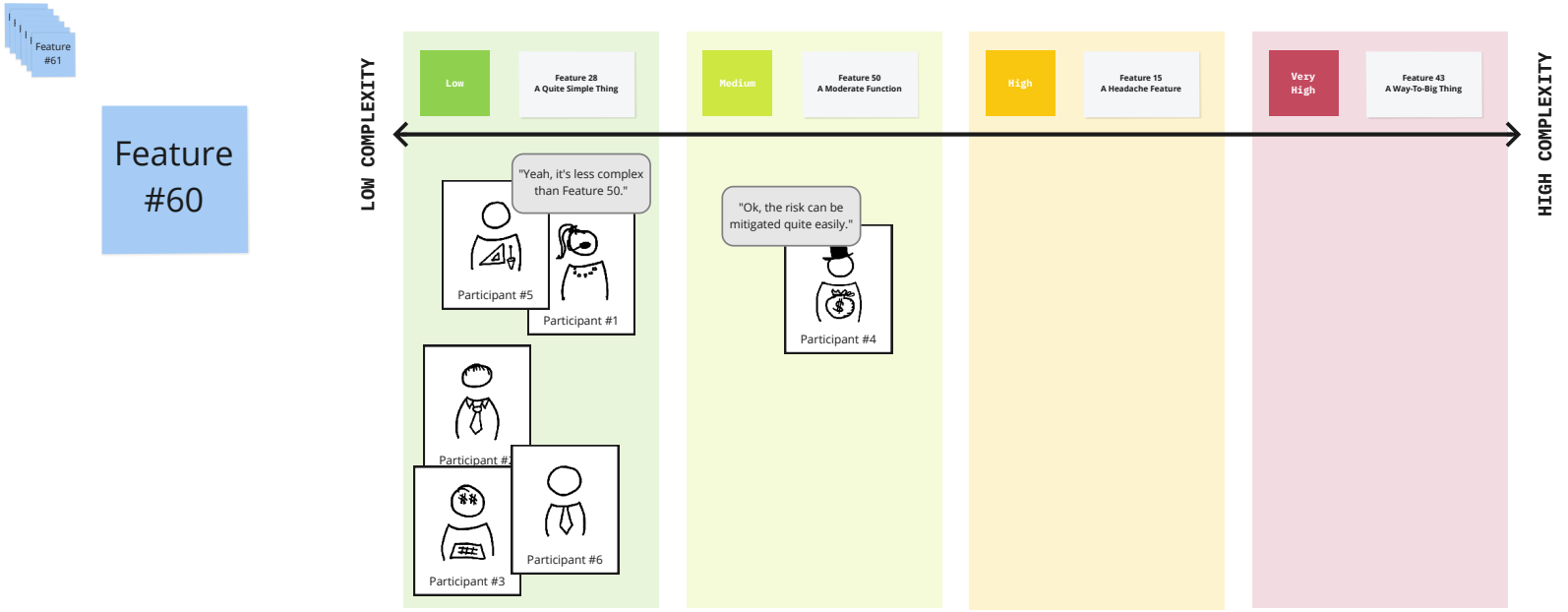
Evaluate the first/next item

2) [Moderator] Take the first/next backlog item and present/recap the goal of the item in a few words. Alternatively, the item owner/expert can summarize (!) it.
3) Each participant moves his/her avatar to the area where he/she would place the item according to his/her understanding of
   a) the business value provided by this item and
   b) the expected effort to complete this item.



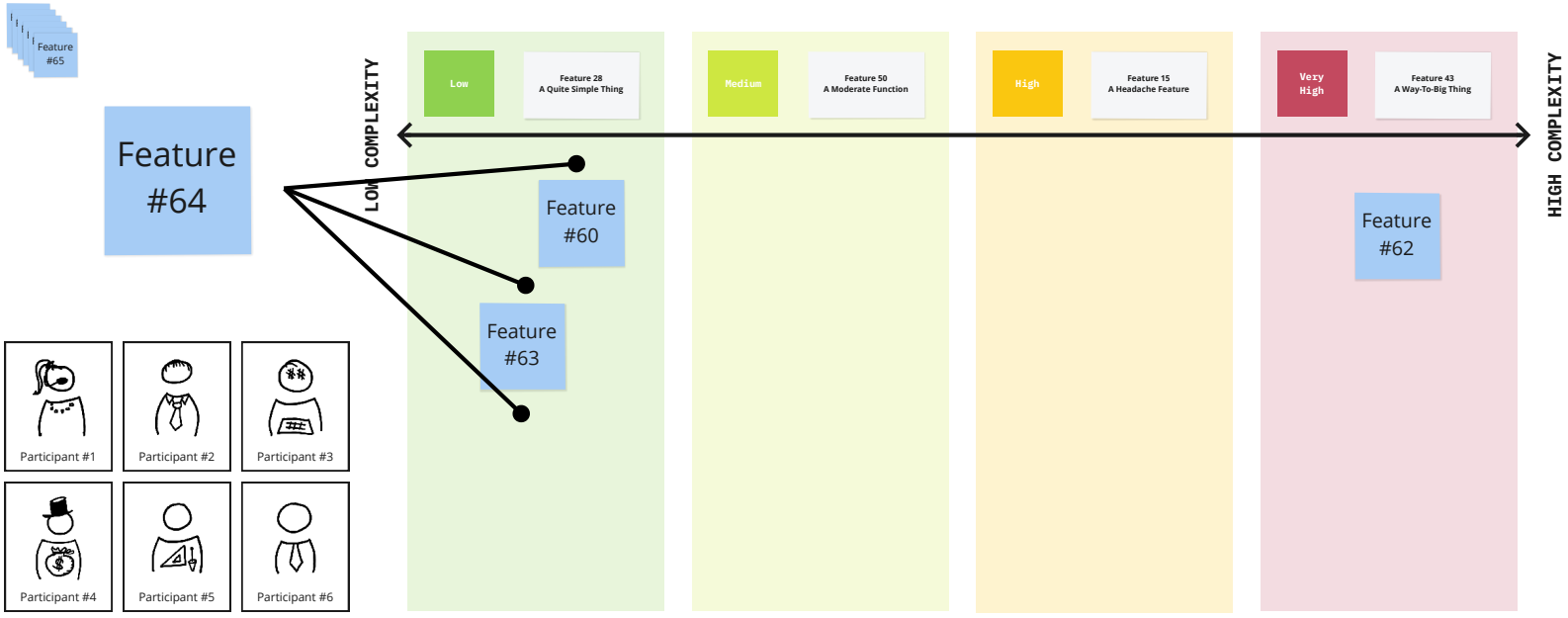
Align participants

4) [Moderator] Identify the area with the most votes and the participants with the greatest deviation from the majority.
5) [Moderator] Let those participants explain, why they chose another area.
6) [Moderator] (optional) Let the backlog item owner/expert explain unclear topics of the item.
7) (optional) All participants are allowed to move their avatar to another area in case the new information provided new insights.



Find area-relative Complexity

8) [Moderator] Identify the area with the most final votes.
9) All participants remove their avatars and place them beside the board again.
10) [Moderator] In case there are already backlog items in the area, ask the participants if the new backlog item is more or less complex than the existing ones.
11) [Moderator] Align all backlog items in this area according to their relative complexity into the available slots.



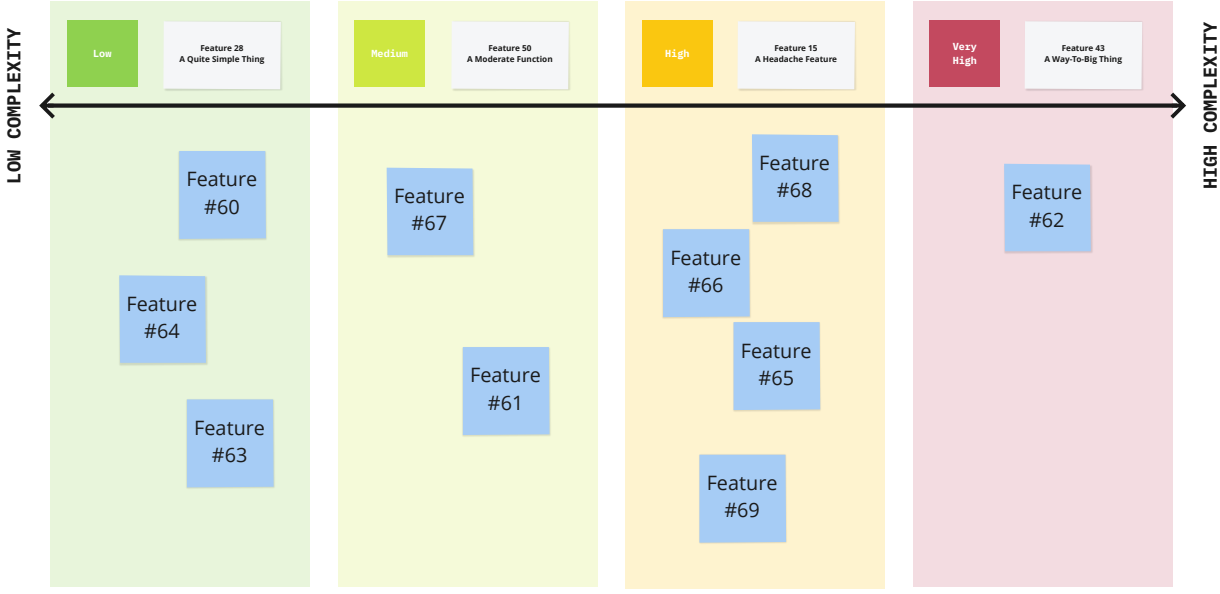
Socialization Scope

12) [Moderator] At the end of the estimation process, prepare the next steps:
   a) Calculate the backlog item size based on the known size of the reference items of the respective area
   b) Update the backlog
   c) Based on backlog priority, calculated/estimated size, and team capacity, identify the socialization scope for the next PI

Benefits
The estimation is not about absolute Story Points or Effort.

Participants are a lot better at comparing items, therefore the backlog items are estimated on the expected complexity compared to the reference backlog items.

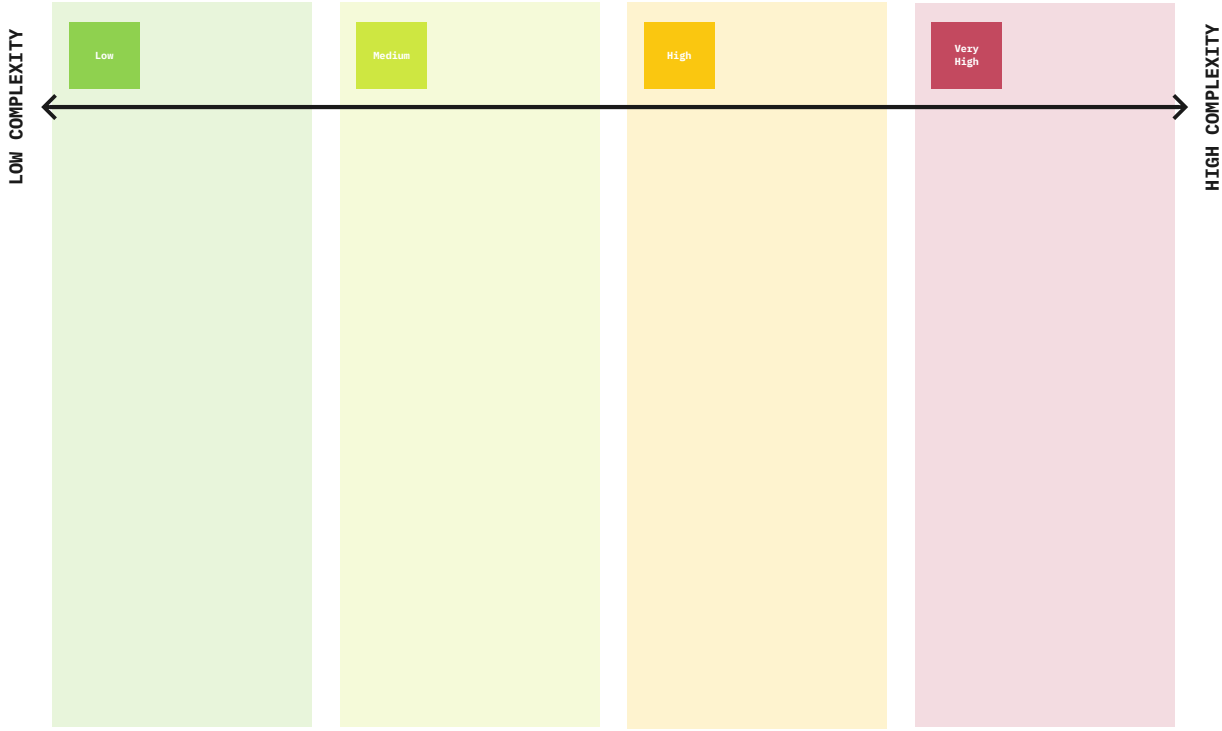
The transformation into Story Points, effort, or duration is then made in the background.



Magic Estimation - Template

items
to be
estimated

park
your avatar
here



Magic Estimation - Example

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