

Invitation - Benchmarking Study

Introduction

For many years the lack of readily available benchmark data blinded software managers to the real economics of software. Many (process) improvement initiatives resulted in satisfying standards/models instead of tangibly improving measured capability. Now that data on thousands of projects is available to the software industry, it is becoming possible to make solid business decisions about software development practices and their results in terms of productivity and quality. Benchmarking is a technique that makes use of external comparisons to better evaluate current performance and identify possible actions for the future. As such, it is an important instrument to drive improvement efforts.

Best practice KPI set

Based on research and case studies, the Software Benchmarking Organization has developed a set of KPIs that represent current best practice in the software industry. In this set, the following categories are distinguished:

- **Project performance:** How predictable is the performance of projects?
- **Process efficiency:** How efficient is the development process?
- **Product scope:** How large and stable is the scope of the planned effort?
- **Product quality:** What is the quality of the resulting outcome/product?

This set can be used to assess an organization's software capability and allows at the same for benchmarking against industry values (average, best-in-class).

Study

From January 2010 on, the Software Benchmarking Organization plans to conduct a series of benchmarking studies in the financial software industry with the following objectives:

- Assess performance of banks and insurance companies in the European software industry;
- Benchmark results with other study participants and industry values (average, best-in-class).

Each participating company should make available its data for 1-3 projects. The data will be analyzed and the results benchmarked against industry values (average, best-in-class). The study will include an on-line visit with a detailed report as outcome. This will give very valuable information to management and at the same time serve as a solid basis for deriving underpinned (process) improvement efforts. The overall (anonymized) results will be presented in Q3.2010 to all study participants. Optionally, results will be published at conferences and/or in refereed journals as well.

Further information

In case you are interested to participate in this study, contact Dr. Hans Sassenburg:

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Reference: Dr. Ton Tinus, Senior Development Director (Philips Healthcare, BU CV):

"The benchmarking study executed in April 2009 was very useful and has brought many new insights. In addition, benchmarking the results with industry values was a useful exercise. The introduced best practice KPI set is considered very powerful and we have adopted the entire set to monitor projects and improvements."