In the last segment, we talked about some items that influence our estimates, and they seemed like good, common sense. But, we also know that common sense isn’t all that common. There are certain estimating mistakes we all seem to fall into – even though common sense may warn us to avoid them. Let’s take a look at a few of them…

And here’s a list of a few common estimating mistakes that project managers can easily fall into. Let’s start with the “hallway estimate”. Maybe it’s because of their authority – or maybe it’s because they catch you off guard – but whenever a high-level executive or manager catches you in the hallway or elevator and asks for an estimate, you might answer with some optimistic guess that you’ll regret the moment it leaves your mouth. So how do we handle that situation? What are some alternatives? Eric Verzuh has identified some possible responses to those hallway requests for estimates, and some things we can practice.

We can start by responding to the executive with something along the lines of: “There are a lot of factors that will impact the work required” (list a few) and then say “I just wouldn’t want to mislead you by offering a guess on that.”

Another suggestion that Verzuh offers is to get a sheet of paper and start writing details of what the executive wants. At the same time you’re writing his/her comments down, start asking questions that’ll need to be answered. If the exec can’t be specific about details of what they want – and can’t answer your questions – it’ll help them realize there are too many unknowns for you to make a responsible estimate.

I like those suggestions, and I can think of a few cases where those would’ve come in handy in my career – so practice your responses with the suggestions I’ve listed, and try them out the next time you’re asked for the estimate in the hallway or elevator.

And the next bullet here sounds like absolute common sense to avoid, right?? But how many of us have actually done this? I can confess that I have, and I’ll say that good project managers rarely make this mistake more than once. Either they learn, or they develop a horrible reputation for making lousy estimates. Simply stated – without complete specifications, it isn’t clear what the project will be producing, so there’s absolutely no basis for an accurate estimate – so avoid that temptation at all cost!

And as far as the last bullet…if you’re a subcontractor – or bidding on project work – keep in mind that bids and estimates aren’t the same thing. An estimate is a projection of how long the task or project will take or cost, while a bid is the information that a subcontractor is going to provide to the customer – which includes profit margins. Keep that in mind when you’re asked for those estimates.

As you can see, being aware of these common mistakes – and practicing our responses and reactions – can help us avoid those common missteps, and do a better job with our estimating.