



The Economics of SPE Panel

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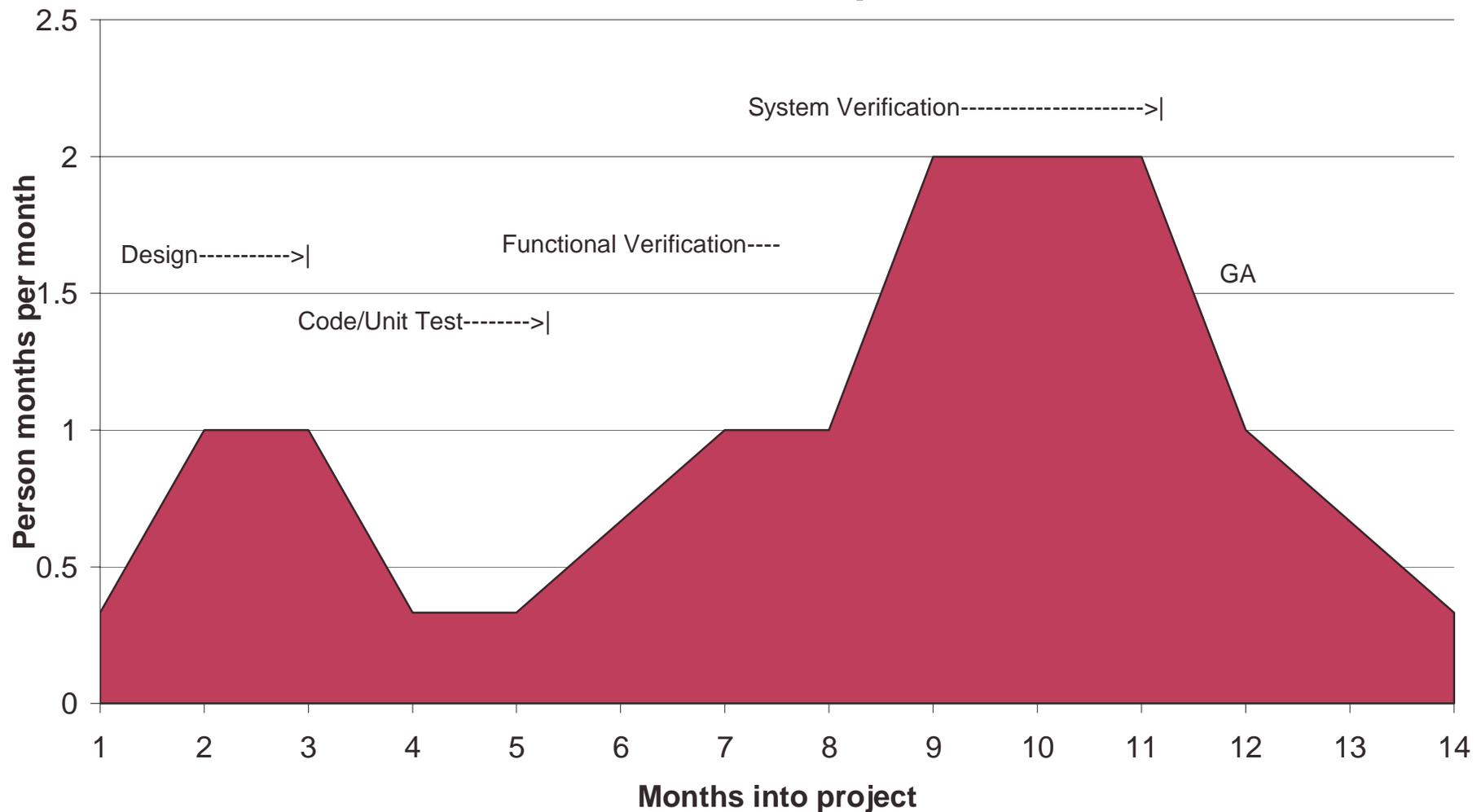
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“Who needs performance?” project

- * Ignored performance in design & development
 - ◆ Failed to nail down fundamental performance requirements
 - “working set” requirements or footprint
 - ◆ Different product architecture required to meet requirement
- * Cost of SPE
 - ◆ 2 person months?
- * Cost of failure
 - ◆ Code rewrite
 - ◆ Delayed revenue for several months

Cost of SPE for large software project

Preferred performance staffing for 12-month project 40 developers



Cost of SPE vs. Cost of Failure

- * SPE cost – 14 PMs (for this example)
- * Failure cost?
 - ◆ Project cancellation?
 - 40 developers * 12 PMs = 480 PMs
 - ◆ Loss of revenue?
- * As long as cost of achievement (prevention plus appraisal) is less than cost of failure, SPE effort can be justified