An Examination of the Factors Influencing Software Development Effort

Zhizhong Jiang and Peter Naudé

Abstract—Effective evaluation of software development effort is an important aspect of successful project management. Based on a large database with 4106 projects ever developed, this study statistically examines the factors that influence development effort. The factors found to be significant for effort are project size, average number of developers that worked on the project, type of development, development language, development platform, and the use of rapid application development. Among these factors, project size is the most critical cost driver. Unsurprisingly, this study found that the use of CASE tools does not necessarily reduce development effort, which adds support to the claim that the use of tools is subtle. As many of the current estimation models are rarely or unsuccessfully used, this study proposes a parsimonious parametric model for the prediction of effort which is both simple and more accurate than previous models.

Keywords—Development effort, function points, team size, development language, CASE tool, rapid application development.

I. INTRODUCTION

IN recent years the dramatic improvements in hardware performance and vast increases in memory and storage capacity have precipitated more sophisticated computer-based systems. Software has become the key factor influencing the success of computer-based systems [1]. However, software is expensive to develop. While hardware costs have decreased considerably, now comprising less than a fifth of total system expenditure, the cost of software development remains consistently high [2]. In software development, the primary problem that has yet to be solved satisfactorily is making systems cost-effective and of higher quality.

Faced with increasingly high development costs, firms developing software tend to look for ways to decrease their development costs. Commercial software organizations also want to have the advantage of shortening software development life-cycles and achieving a faster time to market.

Reducing development effort is an important way to achieve this advantage.

While research has been focused on the accuracy and reliability of the estimation of software development effort, there are relatively few studies that statistically examine the factors influencing development effort. Instead, a large research stream has aimed at investigating the factors or methods that can improve software development productivity (e.g., [3-8]). Productivity is conceptualized as output produced per unit of input, and normally defined as project size divided by development effort. Clearly, unless the functional size of the project can be controlled, the increase of productivity does not necessarily reflect the reduction of development effort.

In the past many techniques have been developed to reduce software development effort. For instance, the promise of CASE (computer-aided software engineering) tools is to increase productivity and reduce the cost of software development [9], and all fourth-generation languages are designed to reduce programming efforts [10]. However, a majority of organizations reported that the use of CASE tools has not brought about any change in productivity [11]. Therefore, the practical usefulness of these techniques still needs to be investigated.

Furthermore, estimating the amount of effort required for developing a system is important for effective project management. Clearly, accurate estimates are essential since both the client and project management team must agree on the boundaries of cost, time and quality. A low estimate may either cause loss or compromise the quality of the software developed, resulting in partially functional or insufficiently tested software that requires subsequently high maintenance costs [12]. On the other hand, overestimates can result in noncompetitive contract bids as well as over allocation of development resources and personnel [13]. It is useful to regard software development as an economic production process [14].

The estimation of development effort has been widely researched in the past. The various techniques that have been used are expert judgment, algorithmic models and different machine learning techniques including artificial neural networks (e.g., [13, 15]), Bayesian network (e.g., [16]), fuzzy logic (e.g., [17]), and decision trees (e.g., [18]). Most estimation models in use or proposed in the literature are based on statistical techniques [19], particularly regression analysis.

Unfortunately whereas numerous models have been proposed, two-thirds of all major software projects substantially overrun their estimates [20]. In practice, many of the estimation models are used rarely or unsuccessfully [21, 22]. This is due to either the unreliability or else obscurity of

Zhizhong Jiang was with Department of Statistics, University of Oxford. He is now with University of Manchester, Booth Street West, Manchester, M15 6PB, UK (phone:+44 (0) 8708328131; fax: +44 (0) 1612756596; e-mail: Zhizhong.Jiang@postgrad.mbs.ac.uk).

Peter Naudé was with University of Bath. He is now with Manchester Business School, Booth Street West, Manchester, M15 6PB, UK (e-mail: pete.naude@mbs.ac.uk).

the proposed models. For example, although the explanatory power of the model developed by Albrecht and Gaffney [23] is relatively high (R^2=87.4%), the model is problematic with serious autocorrelation of the residuals [24]. With regard to the traditional COCOMO model, the main disadvantage is that the underlying concepts and ideas are not publicly defined and the users are provided with the model as a black box [25]. Consequently, estimating software development effort still remains to be a complex problem requiring considerable study.

Our research has two main objectives. First, we aim to identify the factors that significantly influence software development effort. This should enable project managers to choose the most appropriate development techniques to control the development costs. Second, as many of the current estimation models are used rarely or unsuccessfully, we attempt to develop a useful model for the prediction of effort with reasonably high accuracy. Therefore our research has both of theoretical and managerial significance.

This paper is organized as follows. Section II presents seven hypotheses and their theoretical justifications. To test the hypotheses, section III provides the details of the model development and validation. Discussions based on the model are given in section IV. Finally, section V presents the conclusions and limitations of this study.

II. RESEARCH HYPOTHESES

A large part of software cost comes from the development effort. Software development effort is the time taken to complete a software project. It is usually defined as the total man-hours or man-months taken to complete the project. This section focuses on the propositions of the hypotheses with regards to the potential factors that affect development effort.

A. Project Size

Project size is a major estimator in nearly all effort estimation models (e.g., COCOMO [19], ESTIMACS [26]). As Fenton [27] observed, most of the approaches for estimating development effort involve a prediction system in which the underlying model has the form $E = f(S)$, where E is the development effort and S is a measure of project size. The function f may involve other product attributes (e.g. complexity or required reliability) and process and resource attributes (e.g. programmer's experience).

Project size is such an important estimator of development effort that most effort estimation models consist of two phases [20, 28]. In the first phase, an estimate of the software size is made; and in the second, the effort of the project is predicted based on the estimated software size. Project size is normally measured with function points (FP) or lines of code (LOC). The main limitation of a LOC-based model is that it is usually difficulty to have accurate estimates of lines of code for the development [29]. On the other hand, while the measure of function points has been criticized relating to both its reliability [30] and usefulness of the complexity adjustments [31], it has been extensively used as part of overall estimation and planning techniques for software development [9, 32].

Clearly, large projects entail more working effort. Therefore, we propose the following hypothesis.

Hypothesis 1: Project size is positively related to software development effort.

B. Average Team Size

Average team size is the average number of people that worked on the project across all the development phases (e.g. software building, testing). Compared to the metric of maximum team size that has been examined by some researchers (e.g. [33, 34]), we consider it to be more appropriate to use the metric of average team size as an underlying estimator of development effort. Maximum team size is the maximum number of people that worked at any phase of the development. It is obvious that a project with large maximum team size does not necessarily lead to great development effort, provided that other development phases have small team sizes. Hence the effect of team size on development effort can be more appropriately examined with average team size.

Team size has been widely investigated as an influential factor for development productivity. Literature supports a negative relationship between team size and development productivity (e.g., [7, 8, 35-37]), where productivity is defined as project size divided by development effort. Therefore, the negative relationship indicates that team size and development effort are positively correlated when the project size is given. This leads to our second hypothesis.

Hypothesis 2: Average Team size is positively related to software development effort.

C. Development Language

Hitherto over a thousand different development languages have been designed by various groups and international committees [38]. Programming languages have evolved tremendously since the emergence of machine-level languages. Whereas past decades have seen the development of fifth-generation languages, in fact a majority of the software organizations are still broadly using third-generation languages (e.g. C++, Java) and fourth-generation languages (e.g. SQL). In practice, all fourth-generation languages are designed to reduce programming efforts, and they are more productive than third-generation languages [10]. Therefore, we have the following hypothesis.

Hypothesis 3: Development language contributes significantly to software development effort. Specifically, fourth-generation languages (4GL) are more useful for reducing development effort than third-generation languages (3GL).

D. CASE tool

Computer-aided software engineering (CASE) is the use of software tools to support the development and maintenance of software. With the understanding of how software can be

produced and evolved, CASE tools can be applied to support all aspects of the software development lifecycle. The promise of CASE is that it can increase development productivity and reduce development costs [9]. However, rather surprisingly, a majority of organizations reported that CASE has not brought about any change in productivity [11]. Yeh [39] noticed that "heavy investment in CASE technology has delivered disappointing results, primarily due to the fact that CASE tools tend to support the old way of developing software". Bruckhaus et al. [40] pointed out that the introduction of CASE tool does not necessarily improve productivity, and in certain situations it can actually decrease productivity as it increases effort on specific activities. Based on these arguments, we propose the following hypothesis.

Hypothesis 4: The use of CASE tools does not necessarily reduce development effort.

E. Rapid Application Development

Rapid application development (RAD) is a software development technique that focuses on building applications in a very short amount of time. According to Martin [41], the advocate of RAD, the key objective of RAD is the fast development of high-quality systems with low costs. One advantage of using RAD is that the short time between design and implementation often means the system is much closer to the needs which constantly evolve during the development process [42]. In contrast to the broad discussions of RAD in practitioner circles, there appears to be very little academic material assessing RAD [43]. Subramanian and Zarnich [42] found projects that used RAD achieved significantly higher productivity than those using traditional systems development method. This leads to the following hypothesis.

Hypothesis 5: The use of RAD can significantly reduce development effort.

F. Computer Platform

Computer platform has been considered an important cost driver in estimating software effort [44]. In most application software development, the target machine (e.g. mainframe, personal computer) often determines the platform characteristics in which programming needs to be accomplished [16]. Mainframe computers need to serve numerous users and process large amount of data quickly. Software development for mainframe computers requires considerable effort, while at the other extreme development for personal computers requires minimum effort. Compared to single platform development, multi-platform development needs much more effort involving repeated work on the building and testing of all the platforms. Midrange computers, designed to be hosts in multi-user environments, are of relatively smaller scale than mainframe computers. Past studies have found computer platform has a significant effect on software development effort (e.g., [16, 45]). Therefore, we make the following hypothesis.

Hypothesis 6: Computer platform has a significant effect on software development effort.

G. Development Type

Software can be developed either through new development or the maintenance (enhancement in particular) of existing software. While new development starts everything from scratch, software enhancement simply adds, changes, or deletes software functionality of legacy systems to adapt to new and evolving business requirements [46]. Software that frequently requires maintenance incurs substantial total costs, hence deserving new development. However, for software that only needs relatively simple improvement, it is more desirable to adopt enhancement rather than new development in order to lower development cost. Thus we have the following hypothesis.

Hypothesis 7: Software enhancement is generally preferable to new development so as to reduce development effort.

III. METHOD

The common difficulty in the study of software metrics is the lack of accessible and reliable large datasets. Many contemporary metrics repositories have limited use due to their obsolescence and ambiguity of documentation [47]. On the other hand, the data collected by individual researchers usually have small sample size which is insufficient to give robust results. Our research used the data repository maintained by the ISBSG (International Software Benchmarking Standards Group) which has been widely researched (e.g., [45, 48-51]). The manual accompanying with the data gives detailed descriptions of the project attributes. The data repository is regularly updated with substantial projects added every year. Therefore, the information provided by the data repository is up-to-date, making it ideal for the study of software metrics.

A. Sample

This study used the latest publication of ISBSG data repository Release 10. The dataset contains information on 4106 projects of which two thirds were developed between the years 2000 and 2007. The data kept on each project includes 107 metrics or descriptive pieces of information, including the project size, number of developers, organization type, programming language, man-hours worked on the project by phase, and major defects that made it to production.

B. Data Validation

The ISBSG data repository includes one parameter—Data Quality Rating, which indicates the reliability of the data reported. It has four grades A, B, C, and D. While the data with quality ratings A, B and C are assessed as being acceptable, little credibility can be given to any data with rating D. Therefore, we excluded 141 projects with quality rating D.

Since project size is recorded with function points, the homogeneity of standardized methodologies for measuring functional size is essential. Among several different count

approaches of function point, NESMA is considered to produce equivalent results with IFPUG [52]. In data Release 10, 3281 out of 4106 projects used IFPUG as the size count approach, and there are further 152 projects using NESMA. Thus, to give more reliable results, projects using size count approaches other than IFPUG and NESMA were excluded from the analysis.

Finally, projects with recording errors or unspecified information were removed. For instance, two projects were mistakenly recorded with Average Team Size 0.5 and 0.95 respectively. One project was recorded with development platform 'HH'.

After data cleaning there are 3322 projects remained. These data will be used to test the proposed hypotheses.

C. Regression Variables

Our study is based on statistical regression analysis, which is the most widely used approach for the estimation of software development effort. In ISBSG data repository, the parameter Summary Work Effort gives the total effort in hours spent on the project, and is used as the dependent variable in the analysis. We now briefly introduce the variables in the data repository which will be used as the predicators for the regression analysis.

1) Functional Size

It gives the size of the project which was measured in function points.

2) Average Team Size

It is the average number of people that worked on the project through the entire development process.

3) Language Type

It specifies the type of generation languages for the development, including 2GL, 3GL, 4GL, and ApG (Application Generator).

4) Development Type

It describes whether the software development was a new development, enhancement or re-development.

5) Development Platform

It defines the primary platform for the development. Each project was developed for one of the platforms as midrange, mainframe, multi-platform, or personal computer.

6) Development Techniques

These are the specific techniques used during the development (e.g., waterfall, prototyping, RAD).

7) CASE Tool Used

It indicates whether the project used any CASE (Computer-Aided Software Engineering) tool.

8) How Methodology Acquired

It describes how the development methodology was acquired. This could be traditional, purchased, developed in-house, or a combination of purchased and developed.

The significance of the above eight variables were statistically examined. Other variables were not considered due to their irrelevance to this study. It is important to point out that we did not take into account the factor Primary Programming Language, since particular programming language (e.g. Java, C++) belongs to one of the generation languages (e.g. 3GL, 4GL). To do this would have meant that redundancy is introduced into the model to be developed.

D. Variable Transformations

For the above variables, Summary Work Effort, Functional Size, and Average Team Size are the only three that were measured in ratio scales. Since the data for each of these three variables vary significantly, log-transformations were undertaken to stabilize the variation. After log transformations, the scatterplot of Summary Work Effort against Functional Size is given in Fig. 1, and the scatterplot of Summary Work Effort against Average Team Size is given in Fig .2. The two figures show that we can use a linear model to approximate their relationships.
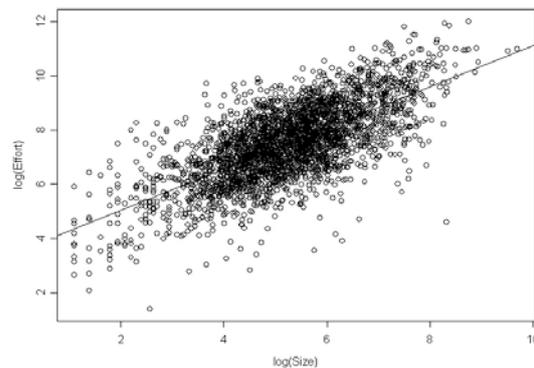

Fig. 1 Scatterplot to examine the relationship between Summary Work Effort and Functional Size after log-transformations.
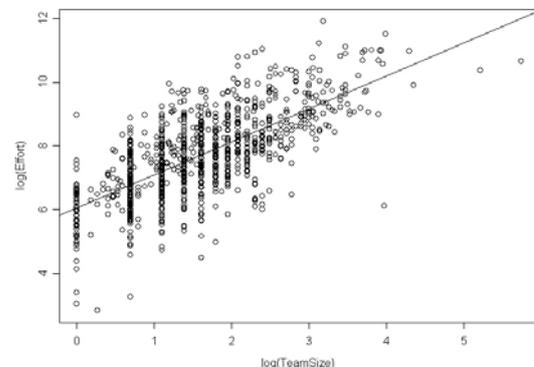

Fig. 2 Scatterplot to examine the relationship between Summary Work Effort and Average Team Size after log-transformations.

When considering the factor Development Techniques, there exist over 30 different techniques in the data repository, and 766 projects even used various combinations of these techniques. Our study only considered the ten key development techniques used, and put all the less common ones into one group labeled as 'Other'. The ten techniques are: Waterfall, Prototyping, Data Modelling, Process Modelling, JAD (Joint Application Development), Regression Testing, OO (Object Oriented Analysis & Design), Business Area Modelling, RAD (Rapid Application Development), and Event Modelling. We separated each of the ten main development techniques as one single binary variable with two levels indicating whether it was used or not (1 = used, 0 = not used).

The final question related to the data is that there exist substantial missing values. After data cleaning, the metrics with large amount of missing values are Average Team Size (2349), How Methodology Acquired (2068), Development Techniques (1891), CASE Tool Used (1899), Development Platform (853), and Language Type (447). This severe level of missingness results in a small valid sample size for the regression. Given the rule of thumb suggesting a minimum sample size of 50+8k (k is the number of predictors) for multiple regression analysis [53], a large sample size is required to efficiently assess the significance of each variable and the model. To solve this question, we added an indicator variable 'Missing', which indicates whether the use of development techniques was recorded for particular project (1= recorded, 0= missing). In this way, 1891 projects with development techniques unrecorded could be saved for the analysis. After this, the valid sample size is 574, which is sufficient to perform regression analysis for our study.

E. Regression Analysis

Table I below gives the summary of the variables used for the regression analysis. The variables Effort, Size and TeamSize are measured in ratio scales, while all others are measured in nominal scales. The twelve binary variables (from Waterfall downward) derive from the factor Development Techniques. Our purpose is to fit a model with Effort as the dependent variable and all the other variables as the predictors. Preliminary analysis indicated that multicollinearity within the data was not a problem.

The first step was to do the automatic model selection based on Akaike's information criterion (AIC). AIC is a measure of the goodness of fit of an estimated statistical model. Given the assumption of normally-distributed model errors, AIC is given as [54]:

$$AIC = n\log(RSS/n) + 2p$$

Here n is the number of observations, RSS is residual sum of squares, and p is the number of parameters to be estimated. Since increasing the number of parameters improves goodness of fit (small RSS), AIC includes a penalty that is a function of the number of estimated parameters. The preferred model is the one with the lowest AIC value. Based on this criterion,

Table II below gives the preferred model with the lowest AIC value.

As regression based on AIC tends to overestimate the number of parameters when the sample size is large [54], it is not appropriate to rely fully on the results produced by AIC. The use of AIC should be combined with other statistical criterion such as analysis of variance (ANOVA). Nevertheless, Table II gives some guide as to the possible factors significant to development effort, including project size, average team size, development language and so on.

TABLE I
SUMMARY OF THE VARIABLES FOR REGRESSION

Variable	Scale	Descriptions
Effort	Ratio	Summary Work Effort
Size	Ratio	Functional Size
TeamSize	Ratio	Average Team Size.
Language	Nominal	Language Type
DevType	Nominal	Development Type
Platform	Nominal	Development Platform
CASE	Nominal	CASE Tool Used
Methodology	Nominal	How Methodology Acquired
Waterfall	Nominal	1= Waterfall, 0 = Not
Data	Nominal	1 = Data Modelling, 0 = Not
Process	Nominal	1 = Process Modelling, 0 = Not
JAD	Nominal	1 = JAD, 0 = Not
Regression	Nominal	1 = Regression Testing, 0 = Not
Prototyping	Nominal	1 = Prototyping, 0 = Not
Business	Nominal	1 = Business Area Modelling, 0 = Not
RAD	Nominal	1 = Rapid Application Development 0 = Not
OO	Nominal	1 = Object Oriented Analysis & Design 0 = Not
Event	Nominal	1 = Event Modelling, 0 = Not
Other	Nominal	1 = uncommon development techniques 0 = Not
Missing	Nominal	1 = Missing, 0 = Not

TABLE II
REGRESSION RESULTS BASED ON AIC

Regression Terms	Df	Sum of Sq	AIC (if variable excluded)
log(Size)	1	140.6	-161.7
log(TeamSize)	1	134.4	-170.4
Language	3	22.2	-357.5
DevType	2	14.2	-371.1
Platform	3	13.8	-373.8
Other	1	1.9	-393.7
RAD	1	1.2	-395.1
Missing	1	1.1	-395.3
OO	1	1.0	-395.7

The lowest value of AIC is -395.7.

We further used the ANOVA approach (based on Type I Sums of Squares) to test the significance of the variables. Type I sums of squares measure the reduction in the residual sums of squares provided by each additional term in the model. It depends on the orders that the terms are specified the model. Therefore, the variables need to be logically added into the model in order. According to Table II, the exclusion of the variable Size results in the greatest increase of AIC value. Thus, the factor project size is most significant to development effort. Likewise, average team size is the second most important factor for development effort. AIC provides a good guide on the order of significance of the variables.

For Type I Sums of Squares, the significance of each variable is statistically assessed after the removal of the effect of the more important variables which were added first. Based on Table II, we can add the variable Size to the regression model first, then TeamSize, and then Language and so forth. All the variables in Table I were sequentially added to the model. Each time when the regression was performed, the most insignificant variable was removed. The model was then re-fitted with the remained variables. Continuing this process we obtained the model with the final sets of significant terms in Table III (significance level is based on p-value <0.05).

TABLE III
ANOVA BASED ON TYPE I SUMS OF SQUARES

Regression Terms	Df	Sum of Sq	F-Value	P-Value
log(Size)	1	497.8	1026.2	$< 10^{-15}$
log(TeamSize)	1	173.7	358.1	$< 10^{-15}$
Language	3	35.9	24.7	4.8×10^{-15}
Platform	3	16.3	11.2	3.8×10^{-7}
DevType	2	13.5	13.9	1.3×10^{-6}
RAD	1	2.7	5.5	0.019
Other	1	3.9	8.1	4.6×10^{-3}
Residuals	573	277.9		

The significance level is based on p-value <0.05.

TABLE IV
SUMMARY OF THE REGRESSION RESULTS

Regression Terms	Coefficients	Standard Error	p-value
Intercept	4.24	0.30	$< 10^{-15}$
log(Size)	0.56	0.03	$< 10^{-15}$
log(TeamSize)	0.68	0.04	$< 10^{-15}$
Language3GL	-0.40	0.27	0.136
Language4GL	-0.85	0.27	0.002
LanguageApG	-0.71	0.29	0.014
PlatformMidrange	-0.12	0.08	0.116
PlatformMulti	-0.15	0.17	0.379
PlatformPC	-0.46	0.08	3.3×10^{-8}
DevTypeNew	0.29	0.07	1.6×10^{-5}
DevTypeRe	0.56	0.15	$2.4 \times 10^{-}$

4

RAD	-0.23	0.11	0.027
Other	-0.27	0.09	0.005

NB: the default language type is 2GL, default platform is Mainframe, and the default development type is Enhancement.

Comparing Table III with Table II, we can see that the two methods produced similar significant factors for development effort, although the model based on AIC statistics overestimated additional two variables (OO and Missing) as significant. Considering that AIC tends to overestimate the number of parameters when the sample size is large, we accept the second parsimonious model as most appropriate for our study.

According to Table IV, the model is fitted as (the variable 'Other' is not useful and not included):

$$\log(\text{Effort})$$
$$= 4.24 + 0.56 \times \log(\text{Size}) + 0.68 \times \log(\text{TeamSize})$$
$$+ \alpha_i \Phi(\text{Language}_i) + \beta_j \Phi(\text{Platform}_j) + \gamma_k \Phi(\text{DevType}_k)$$
$$- 0.23 \times \Phi(\text{RAD})$$

$$i = 1, 2, 3, 4; \ j = 1, 2, 3, 4; \ k = 1, 2, 3$$

Here the function Φ is the indicator function with binary values of 1 or 0 (a value of 1 means the relevant development technique in the parentheses is used, otherwise the value is 0). The default development techniques used are: 2GL for development language ($\alpha_1 = 0$), Mainframe for development platform ($\beta_1 = 0$), and Enhancement for development type ($\gamma_1 = 0$). The coefficients α_i, β_j, and γ_k can be obtained from Table IV. The fitted model can be used to estimate the effort required for the development.

F. Model Validation

The explanatory power of the fitted model is high at $R^2 = 72.8\%$, indicating 72.8% of the variance in the dependent variable can be explained by this model.
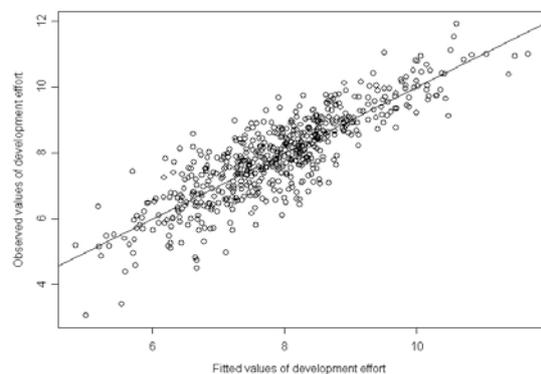

Fig. 3 Scatterplot of observed values against fitted values.

The standard error of the residuals is 0.696 on 573 degrees of freedom. Given that the model was fitted with a large sample size, we can conclude that the accuracy of the model is reasonably high. Fig. 3 below shows that the fitted values and observed values conform well to each other.

Furthermore, in linear model it is assumed that the residuals are normally distributed with zero mean and homogeneity of variance [55]. Equal scatter of residual points about the horizontal axis indicates the residuals have homogeneity of variance [56]. Fig. 4 below gives the diagnostic plot of the residuals against the fitted values. The points evenly scatter along the horizontal axis without obvious patterns. Therefore, the assumption of homogenous variance is validated.
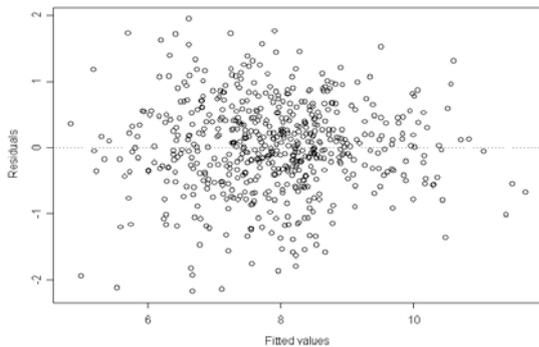

Fig. 4 Diagnostic plot of the residuals against the fitted values.

Finally, the assumption of normality of the residuals was checked. Fig. 5 shows that the residuals are normally distributed with mean zero. Therefore, the normal assumption is not violated.
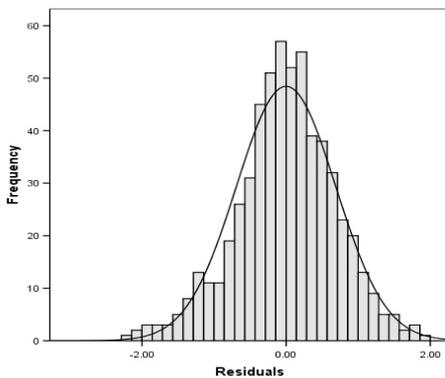

Fig. 5 Histogram of the residuals to check the normal assumption.

IV. DISCUSSIONS

A. Results of the Hypotheses

As shown in Table III, the final sets of factors that are significant to software development effort based on the normal significance level p-value <5%, are project size, average team size, language type, computer platform, development type, and Rapid Application Development. The extremely large F-value for project size indicates that it is the most significant factor for effort. Average team size is the second most significant factor.

The regression coefficient of effort on project size after their log-transformations is 0.56, as shown in Table IV. Thus hypothesis 1 is supported. Project size is positively related to the amount of effort spent on the development. This is consistent with the results of most of the effort estimation models where project size is always an important component. Therefore, project size is the intrinsic driver of software development cost. Given the tremendous significance of project size to development effort, the accuracy of its estimation remains to be a key question.

The regression coefficient of effort on average team size after their log-transformations is 0.68. Hence hypothesis 2, that an increase in average team size will lead to the rise of development effort, is supported. This negative effect reveals that effective project management is not successful for software organizations. In contrast, some software organizations are still prepared to increase development team size although they are aware of the expected increase in development cost. They reason that more developers can shorten the development life-cycle, giving the advantage of faster delivery to the organization or user. However, Blackburn et al. [7] found that except for the stage of determining customer's requirement, faster developing firms tend to have smaller teams. Hence, raising the number of developers does not necessarily shrink development time. This raises the second question of how to decide the proper team size to efficiently complete the development within the boundary of time and cost. Effective project planning and management is more desirable for software development rather than the excessive use of manpower.

Development language significantly affects development effort. This can be seen from the regression coefficients of 3GL (-0.40) and 4GL (-0.85). These values are relative to the value (0) for 2GL which is the default development language. Accordingly, 4GL is more capable of reducing development efforts than 3GL. Therefore hypothesis 3 is supported. This is in accordance with the rule that theoretically all fourth-generation languages are designed to reduce programming efforts. While Fifth-generation languages are still in their infancy, third-generation and fourth-generation languages prevail in current software development practice.

CASE tools have generated much interest among practitioners as a potential means to facilitate software development. However, the fitted model shows that the use of CASE tool is not a significant factor which supports hypothesis 4. As other researchers have found, the expected productivity gains of using CASE tools are subtle [5, 57], or weakened by a lack of sufficient training and experience, developer resistance, and increased design and testing time [40, 58-60]. The introduction of the CASE tool can in some situations decrease the productivity as it increases effort on specific activities [40]. Heavy investment in CASE technology has delivered disappointing results [39]. The survey performed by Flynn et al. [11] revealed that a majority of organizations reported the use of CASE tools had not brought about a

change in productivity. Therefore, software practitioners should avoid the misuse of tools and rethink about their practical usefulness.

The use of Rapid Application Development (RAD) is significant for development effort. This supports hypothesis 5. In particular, the regression coefficient for RAD is -0.23, which means that controlling all other factors, the use of RAD can reduce log(Effort) by 0.23. While there are few studies on the effect of RAD, Subramanian and Zarnich [42] found that projects using RAD method achieved significantly higher productivity than those using traditional development method. Rapid Application Development is particularly useful for projects where the scope is small or work can be broken down into manageable segments. Segmenting the development permits a better estimate of the necessary effort, thus reducing the risk of underestimating effort [61].

Our study found that computer platform significantly influences development effort, thus supporting hypothesis 6. This finding is consistent with past studies (e.g. [16, 45]) that computer platform has a significant effect on software development effort. The model further shows that controlling all other factors, the development effort for personal computer is lowest (coefficient -0.46), while the effort for midrange computer (coefficient -0.12) or multi-platform (coefficient -0.15) is moderately high. These are in comparison to the default computer platform mainframe (coefficient 0) which requires the largest development effort. Intuitively, the development for mainframe computers needs huge effort which has immense processing power to provide a computing resource that can be shared by an entire company. Midrange computers are designed on a relatively smaller scale than mainframe computers, and the development for multi-platform involves repeated work on the building and testing of all the platforms, thus making it more effort-consuming than the development for single platform. Therefore, the regression results for the factor computer platform are reasonable.

Finally, our results support hypothesis 7. Compared to the default development type of software enhancement, new development increases the value of log(Effort) by 0.29. Thus, for particular development, software enhancement is more preferable than new development for the sake of reducing effort. Surprisingly, the regression coefficient for re-development is 0.56, which is much larger than that of new development and enhancement. That is, other things being equal, software re-development results in more effort than new development and enhancement.

B. Discussions on the Model

As mentioned earlier, one of the objectives of this study is to develop a model with simplicity and reasonable accuracy. The model was developed with multiple linear regression which follows the traditional method of effort estimation. The parametric model can be easily used to predict the effort necessary for the development. For instance, suppose one particular project is a new development for mainframe platform, with functional size 1000 and average team size 10, using fourth-generation language and the technique of rapid application development. Then the effort can be estimated as:

$$\log(\text{Effort}) = 4.24 + 0.56 \times \log(1000) + 0.68 \times \log(10)$$
$$- 0.85 + 0 + 0.29 - 0.23 = 8.884$$

$$\text{Effort} = 7216$$

Hence a total of 7216 man-hours are estimated for the development.

Furthermore, the model was developed on a basis of large sample size. The explanatory power of the model is very high with $R^2 = 72.8\%$. Compared to other models built in the literature, our model has both reliability and high accuracy.

Finally, for linear regression it is assumed that the residuals are normally distributed with zero mean and homogeneity of variance. Our model was examined with diagnostic plot, which justified the use of linear regression.

V. CONCLUSION AND LIMITATIONS

Our research proposed the hypotheses regarding the factors that potentially influence software development effort. All of the hypotheses were supported. The factors significant to software development effort are project size, average number of developers that worked on the development, type of development, development language, development platform, and the use of rapid application development. Among these factors, project size is the most critical cost driver. Unsurprisingly, this study found the use of CASE tools does not necessarily reduce development effort, which adds support for the claim that the use of tools is complex.

As many of the current estimation models are used rarely or unsuccessfully, we developed a simple statistical model for the prediction of effort with reasonably high accuracy. The validity of the model was tested with diagnostic plots, which justified the use of linear regression for our study.

Nevertheless, our study still has two limitations. First, whereas it is conceivable that different programming languages have varied effects on effort, we did not account for these consequences. Instead, we used the broad scope of generation languages as one factor significant to effort. Considering that the database we used for this study comprises various types of programming languages, it is difficult and impractical to consider the effect of every programming language.

Second, while there are ten main development techniques (e.g. waterfall, prototyping) in the database, their interactions were not considered. The reason is that except for waterfall which was always used alone, the other nine techniques were arbitrarily combined among the projects in the database. Hence it is difficult to take into account such a great number of joint uses of different techniques. This limitation gives us motivation to continue this research in our future work.

REFERENCES

[1] R. S. Pressman, *Software Engineering : A Practitioner's Approach*. London: McGraw-Hill, 2005.

[2] J. C. Vliet, *Software Engineering : Principles and Practice*. Chichester: Wiley, 1993.

[3] N. R. Howes, "Managing software development projects for maximum productivity," *IEEE Transactions on Software Engineering*, vol. SE10, pp. 27-35, 1984.

[4] R. E. Loesh, "Improving productivity through standard design templates," *Data Processing*, vol. 27, pp. 57-59, 1985.

[5] D. N. Card, F. E. McGarry, and G. T. Page, "Evaluating software engineering technologies," *IEEE Transactions on Software Engineering*, vol. SE-13, pp. 845-851, 1987.

[6] G. R. Finnie, G. E. Wittig, and D. Petkov, "Prioritizing software development productivity factors using the analytic hierarchy process," *Journal of Systems and Software*, vol. 22, pp. 129-139, 1993.

[7] J. D. Blackburn, G. D. Scudder, and L. N. V. Wassenhove, "Improving speed and productivity of software development: a global survey of software developers," *IEEE Transactions on Software Engineering*, vol. 22, pp. 875-885, 1996.

[8] K. Maxwell, L. V. Wassenhove, and S. Dutta, "Software development productivity of European space, military and industrial applications," *IEEE Transactions on Software Engineering*, vol. 22, pp. 706-718, 1996.

[9] A. W. Brown, D. J. Carney, E. J. Morris, D. B. Smith, and P. F. Zarrella, *Principles of CASE Tool Integration*. New York: Oxford University Press, 1994.

[10] R. Klepper and D. Bock, "Third and fourth generation language productivity differences," *Communications of the ACM*, vol. 38, pp. 69-79, 1995.

[11] D. Flynn, J. Vagner, and O. D. Vecchio, "Is CASE technology improving quality and productivity in software development?," *Logistics Information Management*, vol. 8, pp. 8-23, 1995.

[12] A. Lee, C. H. Cheng, and J. Balakrishnan, "Software development cost estimation: Integrating neural network with cluster analysis," *Information & Management*, vol. 34, pp. 1-9, 1998.

[13] K. Srinivasan and D. Fisher, "Machine learning approaches to estimating software development effort," *IEEE Transactions on Software Engineering*, vol. 21, pp. 126-137, 1995.

[14] R. D. Banker, H. Chang, and C. F. Kemerer, "Evidence on economies of scale in software development," *Information and Software Technology*, vol. 36, pp. 275-282, 1994.

[15] A. R. Venkatachalam, "Software cost estimation using artificial neural networks," presented at 1993 International Joint Conference on Neural Networks, Nagoya, Japan, 1993.

[16] G. H. Subramanian, P. C. Pendharkar, and M. Wallace, "An empirical study of the effect of complexity, platform, and program type on software development effort of business applications," *Empirical Software Engineering*, vol. 11, pp. 541-553, 2006.

[17] S. Kumar, B. A. Krishna, and P. S. Satsangi, "Fuzzy systems and neural networks in software engineering project management," *Journal of Applied Intelligence*, vol. 4, pp. 31-52, 1994.

[18] R. W. Selby and A. A. Porter, "Learning from examples: generation and evaluation of decision trees for software resource analysis," *IEEE Transactions on Software Engineering*, vol. 14, pp. 1743-1757, 1988.

[19] B. W. Boehm, T. E. Gray, and T. Seewaldt, "Prototyping vs. specifying: A multi-project experiment," presented at 7th International Conference on Software Engineering, Orlando, 1984.

[20] K. Maxwell, L. Van Wassenhove, and S. Dutta, "Performance Evaluation of General and Company Specific Models in Software Development Effort Estimation," *Management Science*, vol. 45, pp. 787-803, 1999.

[21] M. van Genuchten and H. Koolen, "On the use of software cost models," *Information & Management*, vol. 21, pp. 37-44, 1991.

[22] T. K. Abdel-Hamid, "Adapting, correcting, and perfecting software estimates: Amaintenance metaphor " in *Computer*, vol. 26, 1993, pp. 20-29

[23] A. J. Albrecht and J. E. G. Gaffney, "Software function, source lines of code, and development effort prediction: A software science validation," *IEEE Transactions on Software Engineering*, vol. SE-9, pp. 639-648, 1983.

[24] J. E. Matson, B. E. Barrett, and J. M. Mellichamp, "Software development cost estimation using function points," *IEEE Transactions on Software Engineering*, vol. 20, pp. 275-286, 1994.

[25] F. J. Heemstra, "Software cost estimation," *Information and Software Technology*, vol. 34, pp. 627-639, 1992.

[26] H. A. Rubin, "Macroestimation of software development parameters: the ESTIMACS systems.," in *SOFTAIR Conference on Software Development Tools, Techniques, and Alternatives,*. New York: IEEE Press, 1983, pp. 109-118.

[27] N. Fenton, "Software measurement: A necessary scientific basis," *IEEE Transactions on Software Engineering*, vol. 20, pp. 199-206, 1994.

[28] N. D. Singpurwalla, *Statistical Methods in Software Engineering: Reliability and Risk*. London: Springer, 1999.

[29] A. Heiat and N. Heiat, "A model for estimating efforts required for developing small-scale business applications," *Journal of Systems and Software*, vol. 39, pp. 7-14, 1997.

[30] C. F. Kemerer, "Reliability of function points measurement: a field experiment," *Communications of the ACM*, vol. 36, pp. 85-97, 1993.

[31] C. R. Symons, "Function point analysis: difficulties and improvements," *IEEE Transactions on Software Engineering*, vol. 14, pp. 2-11, 1988.

[32] C. F. Kemerer and B. S. Porter, "Improving the reliability of function point measurement: an empirical study," *IEEE Transactions on Software Engineering*, vol. 18, pp. 1011-1024, 1992.

[33] F. Walkerden and R. Jeffery, "An empirical study of analogy-based software effort estimation," *Empirical Software Engineering*, vol. 4, pp. 135-158, 1999.

[34] B. A. Kitchenham, R. T. Hughes, and S. G. Linkman, "Modeling software measurement data," *IEEE Transactions on Software Engineering*, vol. 27, pp. 788-804, 2001.

[35] S. D. Conte, H. E. Dunsmore, and Y. E. Shen, *Software Engineering Metrics and Models*. Redwood City, CA: Benjamin-Cummings Publishing, 1986.

[36] F. Louis, "Team size and productivity in systems development," *Information Systems Management*, vol. 8, pp. 27-35, 1991.

[37] E. Mendes and B. Kitchenham, "Web Productivity Measurement and Benchmarking," in *Web Engineering*, E. Mendes and N. Mosley, Eds. Berlin: Springer, 2006, pp. 75-106.

[38] L. B. Wilson and R. G. Clark, *Comparative Programming Languages*. Wokingham: Addison-Wesley, 1988.

[39] R. T. Yeh, "Notes on concurrent engineering," *IEEE Transactions on Knowledge and Data Engineering*, vol. 4, pp. 407-414, 1992.

[40] T. Bruckhaus, N. H. Madhavii, I. Janssen, and J. Henshaw, "The impact of tools on software productivity," *IEEE Software*, vol. 13, pp. 29-38, 1996.

[41] J. Martin, *Rapid Application Development*. New York: Macmillan, 1991.

[42] G. H. Subramanian and G. E. Zarnich, "An examination of some software development effort and productivity determinants in ICASE tool projects," *Journal of Management Information Systems*, vol. 12, pp. 143-160, 1996.

[43] P. Beynon-Davies, C. Carne, H. Mackay, and D. Tudhope, "Rapid application development (RAD): An empirical review," *European Journal of Information Systems*, vol. 8, pp. 211-223, 1999.

[44] B. Boehm, C. Abts, and S. Chulani, "Software development cost estimation approaches–A survey," *Annals of Software Engineering*, vol. 10, pp. 177-205, 2000.

[45] Q. Liu and R. C. Mintram, "Preliminary data analysis methods in software estimation," *Software Quality Journal*, vol. 13, pp. 91-115, 2005.

[46] C. F. Kemerer and S. Slaughter, "Determinants of software maintenance profiles: An empirical investigation," *Journal of Software Maintenance*, vol. 9, pp. 235-251, 1997.

[47] W. Harrison, "A flexible method for maintaining software metrics data: a universal metrics repository," *Journal of Systems and Software*, vol. 72, pp. 225-234, 2004.

[48] C. J. Lokan, "An empirical analysis of function point adjustment factors," *Information and Software Technology*, vol. 42, pp. 649-660, 2000.

[49] R. Jeffery, M. Ruhe, and I. Wieczorek, "A comparative study of two software development cost modeling techniques using multi-organizational and company-specific data," *Information and Software Technology*, vol. 42, pp. 1009-1016, 2000.

[50] J. J. Cuadrado-Gallego, M. Sicilia, M. Garre, and D. Rodríguez, "An empirical study of process-related attributes in segmented software cost-estimation relationships," *Journal of Systems and Software*, vol. 79, pp. 353-361, 2006.

[51] J. Moses, M. Farrow, N. Parrington, and P. Smith, "A productivity benchmarking case study using Bayesian credible intervals," *Software Quality Journal*, vol. 14, pp. 37-52, 2006.

[52] NESMA, *NESMA FPA Counting Practices Manual 2.0*: Nesma Association, 1996.

[53] S. A. Green, "How many subjects does it take to do a multiple regression analysis?," *Multivariate Behavioral Research*, vol. 26, pp. 499-510, 1991.

[54] W. N. Venables and B. D. Ripley, *Modern applied statistics with S.* New York: Springer, 2002.

[55] A. C. Rencher, *Linear Models in Statistics*. New York: John Wiley & Sons, 2000.

[56] W. J. Krzanowski, *An Introduction to Statistical Modelling*. London: Arnold, 1998.

[57] R. E. Yellen, "Systems analysts performance using CASE versus manual methods," presented at Proceedings of the Twenty-Third Annual Hawaii International Conference on System Sciences, Kailua-Kona, Hawaii, 1990.

[58] R. J. Norman, G. F. Corbitt, M. C. Butler, and D. D. McElroy, "CASE technology transfer: A case study of unsuccessful change," *Journal of Systems Management*, vol. 40, pp. 33-37, 1989.

[59] W. J. Orlikowski, "CASE Tools and the IS workplace: Some findings form empirical research," presented at Proceedings of the ACM SIGCPR Conference on Management of Information Systems Personnel, College park, Maryland, 1988.

[60] I. Vessey, S. L. Jarvenpaa, and N. Tractinsky, "Evaluation of vendor products: CASE tools as methodology companions," *Communications of the ACM*, vol. 35, pp. 90-105, 1992.

[61] D. Hough, "Rapid delivery: An evolutionary approach for application development," *IBM Systems Journal*, vol. 32, pp. 397-419, 1993.