INNOTAS™

Your Resources Are Falling Through The Cracks:

A smarter approach to resource forecasting, management, and accountability.

Whitepaper Contents

Introduction

Resources are an organization's most valuable asset. After all, they get the work done! It's critical that your resources are focused on the right work at the right time to deliver the highest value for the organization – and effectively managing resource capacity is probably one of your biggest challenges. In fact, over 60% of organizations do not have enough resources to manage project demand. How often do you have enough resources to do *everything* the organization asks for?

For sustained competitiveness, it is imperative to take a hard look at your resources – from forecasting and optimization to cost savings and alignment to the business. Additionally, when done correctly, resource management will drive increased accountability throughout your organization and improve credibility with your key stakeholders.

In a typical organization, a **5% efficiency increase for 150 resources results in approximately $858,000 or 15,600 hours of annual savings.** Freeing up time or dollars opens up opportunities to redeploy team members, accelerate project delivery, reduce workload and stress, or take on an extra project that increases impact to the bottom line. This can only happen if you have the proper resource management tools.

Strategic Benefits of Enterprise Resource Management:

- Ensure resources are working on the right things, at the right time
- Increase confidence and accuracy of forecasted schedules
- Measure actual cost and ROI contribution

To ensure your resources do not fall through the cracks, you must manage resources from start to finish and meet the desired needs of every role in the organization – from the executive team and the PMO down to the project manager and individual team member.

A true enterprise resource management solution will have a foundation based on three fundamental stages:

- **Planning** – Prioritize and forecast your resources for maximum benefit and value
- **Execution & Change** – Manage resource execution and increase responsiveness to resource plan and priority changes
- **Tracking & Measurement** – Quantify the actual expense of delivering business solutions to ensure ROI of your deployed resources

While important in their own right, each stage caters to different roles within your organization. The executive team will be more focused on resource planning, team members will place higher importance on ease-of-use for tracking their tasks and time. Similarly, the PMO should be centered on bringing all three stages together across the entire portfolio to manage resources through the lifecycle.

The Stages of Enterprise Resource Management

Executive / CEO / CIO
VP of IT

Planning

PMO
Resource Manager

Tracking & Measurement

Team Member

Execution & Change

Program / Project Manager

Planning

Every organization has a planning cycle, whether it is annual, quarterly, or continuous. The challenge with planning resources is prioritization and scheduling to ensure they are working on the right things at the right time. Without a good solution, this requires manual calculations backed up by spreadsheets, numerous meetings, and tedious analysis to make sure all your resources will be deployed on the most impactful projects and initiatives. The resource scheduling process requires you taking into account the requested demand, available capacity, and competency – either by role or skill – across your pool of resources. Portfolio-level resource planning is the most critical principle of enterprise resource management because it directs resources down the correct path so they stayed aligned with the business goals *before* they start executing.

Best Practice

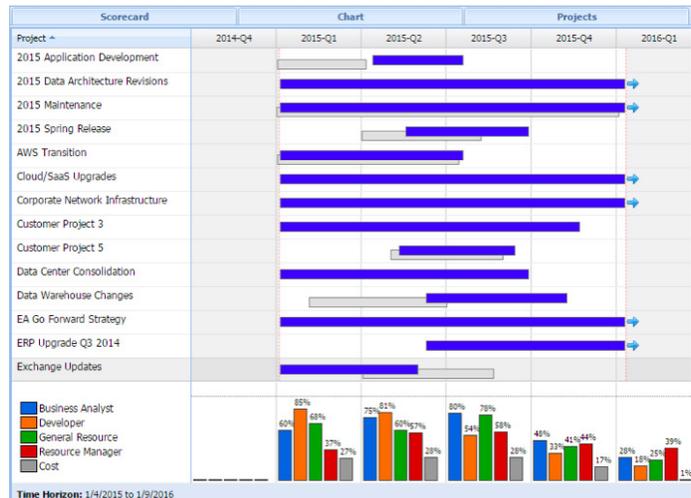A resource planning solution should have the following capabilities:

- Predictive analytics for optimization

- Dashboards for capacity and demand

- Visibility of resources across entire portfolio

A best practices approach to resource planning should utilize predictive analytics and algorithms to schedule work based on your corporate or organizational strategy – helping you deploy your resources for maximum benefit and value. You need a solution that recommends how to use your resource capacity to deliver the highest business value given their constraints; this significantly cuts down manual and labor intensive analysis to decide where your resources should be deployed. Furthermore, you will develop a more predictable outcome of your resource efficiency and usage, while increasing plan accuracy by reducing human error in your calculations.

This stage of resource management should also help you identify and forecast resource gaps to achieving your business goals, enabling you to proactively communicate budget and hiring needs to ensure successful delivery of approved or upcoming projects.

While successful resource planning requires contributions from all levels in the organization, your executives (CIO, CEO, IT Management) and PMO are the primary stakeholders. Ultimately, your organization will hold them accountable to prioritize, deploy, and forecast resources – ensuring governance and preventing resources from falling through the cracks. As a result, in the planning stage you should strive to achieve the following desired outcomes:

Predictive analytics recommend which projects your resources should be allocated to by maximizing business value around capacity constraints

- Establish a project portfolio roadmap aligned to corporate goals

- Maximize resources based on capacity constraints

- Improve business stakeholder relationships and credibility

- Increase business agility and ability to deliver

What is resource optimization?

Ensuring the right resources are fully utilized on the right work, resulting in maximum business value or impact.

Execution & Change

Resource planning will determine how and where your resources should be assigned, but now you need to decide who you are going to allocate to successfully staff and deliver the plan. The focus should now shift from portfolio-level resource management to project-centric resource management around individual resources. Depending on the size and maturity of your organization, a member from the PMO or a project manager may have the authority to assign resources to their projects or be required make staffing requests to the appropriate resource manager. Either way, the resource governance structure from the planning stage must stay intact for the organization to continue resource optimization. By requesting resources and requiring approvals, the organization will further instill governance by maintaining productivity, balancing workloads to keep resources from being over or under-worked, and matching skillset of resources to the requested work.

Best Practice

To effectively manage resource execution & change, provide resource and project managers with the following tools:

- Request workflows for instilling resource governance

- Workbench for standardizing resource approvals and allocations

- What-If scenario planners to adjust resources when things change

The role of the resource manager is critical in this stage and your organization should provide the necessary tools to facilitate the scheduling and allocation of resources. Providing a centralized resource workbench to review, approve, and schedule resources best positions your organization for on-time and on-budget execution. Having a standardized resource request workflow for project managers and resource managers should also be a strong consideration to help enhance communication, collaboration, and drive accountability.

However, the story does not end here. Even though you are fully staffed, no plan – business project or military campaign - survives first contact with "the enemy." Changes due to market shifts, competitive actions, and other priority adjustments require your organization to be agile and responsive with your resources. Like a Navy SEAL team, you must complete your objective

in the face of change. Confidently handling all this change, while keeping you in control, requires project managers to adjust the plan (or re-plan), run what-if scenarios, assess impact or risk, and communicate how the team will absorb the changes to successfully deliver the project or initiative. This may entail re-allocating resources, requesting additional resources, or moving timelines to set the correct expectations to the stakeholders.
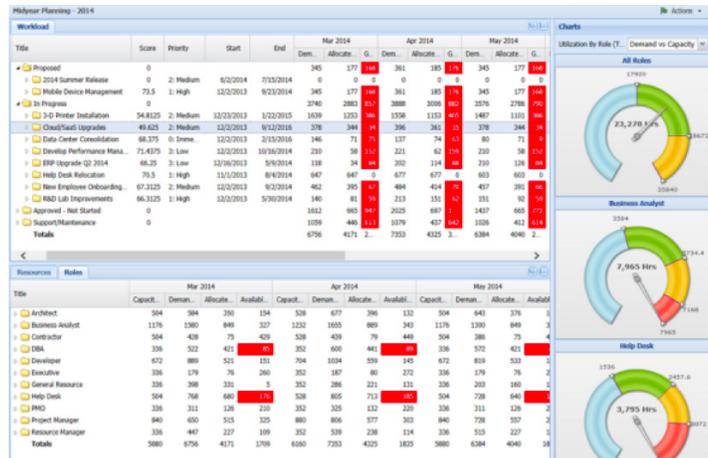
What-if scenario planning enables organizations to absorb and adjust to changes in the plan

Ultimately, the execution stage of resource management is all about successful delivery of the plan – whether the plan has changed or not – and your organization should focus on the following desired outcomes:
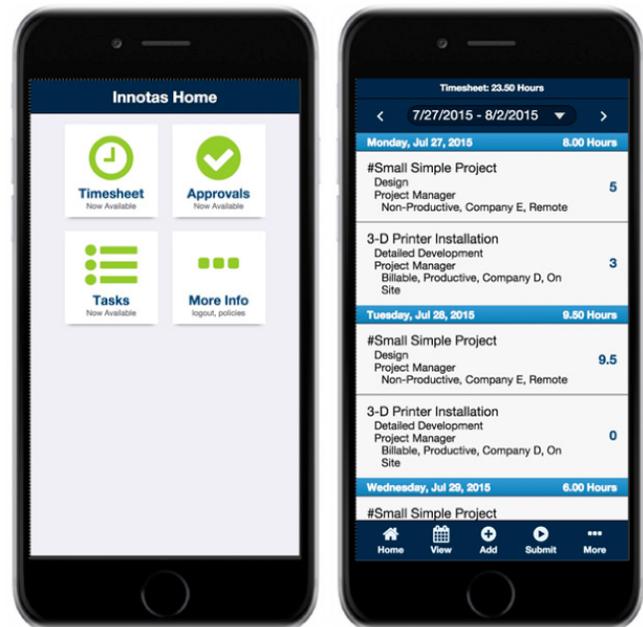
- Successful staffing & delivery of planned and approved portfolio
- Governance and standardization for requesting, approving, and scheduling resources
- Ability to adapt or be responsive to changing market and customer needs
- Real-time insights into gaps for headcount and hiring plans
- Setting realistic goals and a high confidence for achieving them

Tracking & Measurement

Resource planning, execution, and the ability to absorb change provides assurance that your resources will be allocated to generate the maximum benefit for the organization. Having the ability to track and measure your resources through project execution is critical to ensure they continue down the correct path to deliver return on investment (ROI).

However, how do you ensure that your project portfolio has an acceptable ROI without a handle on both benefit *and* cost? You can't. Tracking the actual resources effort and expense of delivering business solutions is a no-brainer – it impacts several business functions, namely project delivery, financial management, and operational excellence – and it completes the final stage of enterprise resource management. By collecting actual time spent by your resources, you enable your organization to identify problem areas, increase accuracy of future budget estimates, and provide real-time data into resource capacity calculations. Not to mention your finance team will benefit by understanding how much labor costs can be capitalized and which departments need to be charged back or billed.

Mobile timesheet applications facilitate collection of actuals from team members

For all the benefits of tracking and measuring actuals to materialize, you must make it easy for the organization to get accurate data. Look for tools and solutions that support time users and provide a mobile application for users to track and log time – simply and efficiently. These might seem small, but can make a

big difference for gathering accurate data. Your ability to track and manage resource usage on approved projects enables you to demonstrate your contribution to the organization's success. Focus on the following outcomes to complete the enterprise resource management lifecycle:

- Accountability for completion of project-level tasks
- Proactively communicate and justify additional resource requests for projects
- Ability to adapt to sudden changes in resource availability
- Simplified recording and reporting of time spent on projects and tasks

Conclusion

Enterprise resource management goes beyond simply project or team-level tracking of resources – it encompasses all stages of the lifecycle from planning to execution to tracking the actuals across the entire project portfolio. The right set of tools or solutions will enable each role in the organization, from executive management to individual team members, to contribute to your organization's desired outcomes and adapt to change. Don't let your resources fall through the cracks – adopt a smarter approach to resource forecasting, management, and accountability.

Want To Learn More? Check Out These Assets:

Video:
Resource Management Solutions

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Data Sheet:
Innotas Resource Management

📄 **Read Data Sheet ▶**

Webinar:
Making the PMO a Value Center

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About Innotas

Innotas, the leading provider of Cloud Portfolio Management solutions, delivers a seamless way to manage projects, resources and applications across the enterprise. Innotas solves the challenge of visibility and tracking the portfolio of IT and Product Development projects. The solution aligns effort and budgets to meet company goals, while enabling prioritization and agility for planning resource capacity. The result is a standardization of work execution across silos of project management teams. Innotas' solutions include Project Portfolio Management (PPM), Application Portfolio Management (APM), Predictive Portfolio Analysis (PPA), Resource Management, Agile Portfolio Management, and the Innotas Integration Platform. Innotas is rated as a "Leader" in the Gartner Magic Quadrant for Cloud-Based Project and Portfolio Management Services and a "Visionary" in the Gartner Magic Quadrant for Integrated IT Portfolio Analysis. Founded in 2006, Innotas is headquartered in San Francisco and has hundreds of customers nationwide, across healthcare, government, education and other industries. For more information, visit www.innotas.com or call 866-692-7362.

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