Clarity by Rego

Project Resource Management

A Best Practices Guide

Effective resource management encompasses the use of tools and processes, as well as investing in personnel and the human element. It's vital for delivering successful and profitable projects. Get it right and costs will be controlled, objectives achieved, and deadlines met. Get it wrong and you run the risk of not just project timescales slipping but also margins and competitive advantages eroding.

The challenges faced after partial adoption of Agile practices, mobility of talent after COVID, and concerns of critical staff burnout have emphasized the importance of resource management best practices. While Agile has offered organizations a host of benefits, including the ability to attach ownership to scope, better prioritization of work, the integration of lessons learned through continuous work on products, and the ability to pivot quickly, organizations still struggle to commit all staff to dedicated, cross-functional teams.

Like the person who started a strict diet and exercise program at the beginning of the new year, many organizations have drastically shifted toward Agile practices. But like most of us, come February or March, they found that going all-out Agile in pursuit of an immediate transformation was not sustainable.

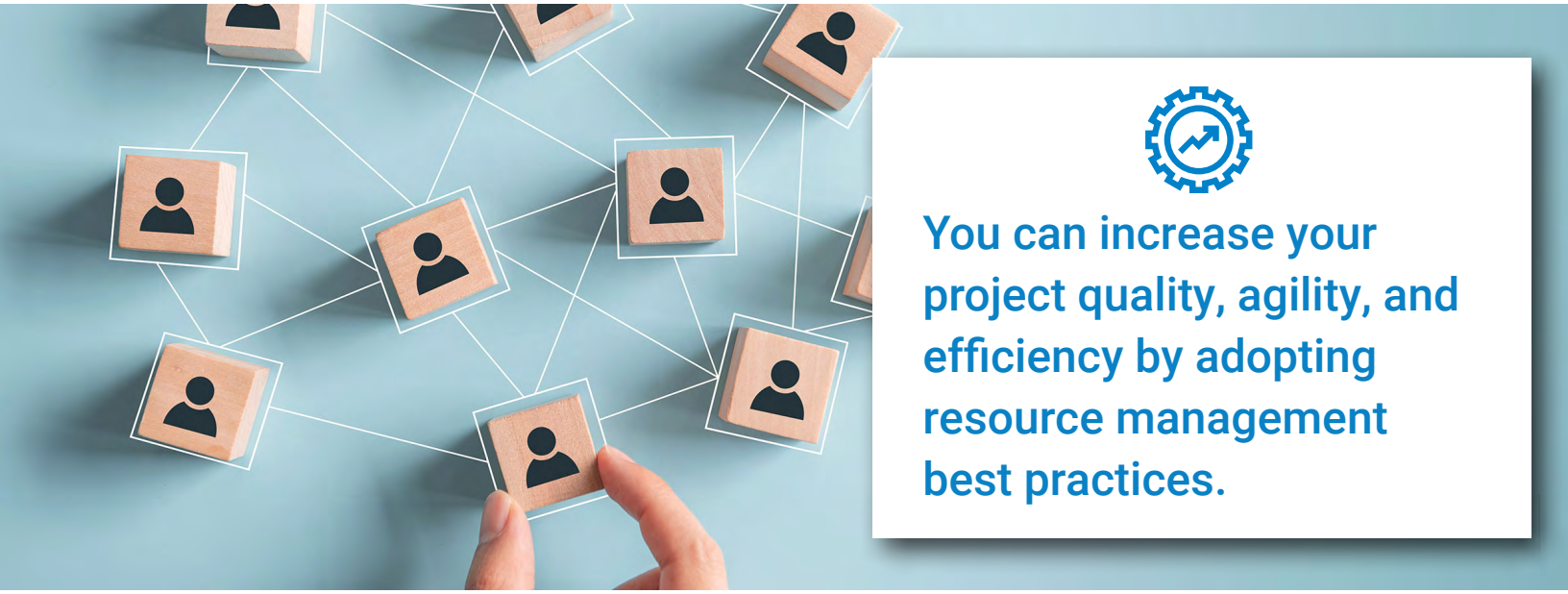
Agile methodologies assume that all resources will move to fully dedicated teams, but for most organizations, this is not a short- to medium-term goal. Because of skills-based gaps, there are still people working on multiple teams and initiatives. From a context-switching perspective, the need for oversight and a strong allocation model remains. No matter how talented your staff is, they cannot multitask on so many initiatives effectively. And even if you haven't embraced Agile, resource management is still a critical component of project success.

©2024 Clarity by Rego

Many project leaders grapple with a lack of visibility into who is working on what, when work is going to be done, as well as costs. These stakeholders need actionable insights they can use to make informed decisions. Leaders working through scaling up or transformation may feel they are flying blind without trustworthy data to support planning and evaluation of change. In this paper we will look at the four main aspects required of a good resource management approach along with best practices for each. Whether you are dipping your toes into resource management or you're well on your way to mastering it, these best practices will help you streamline and be more efficient.

Resource Management is Complex

Resource management is one of the more complex components of project management. Changes to projects, their scope, and the broader business landscape means that the availability of staff constantly fluctuates. As a result, project managers and resource managers are in constant contact, battling to balance demand with supply and to match skills to tasks.



You can increase your project quality, agility, and efficiency by adopting resource management best practices.

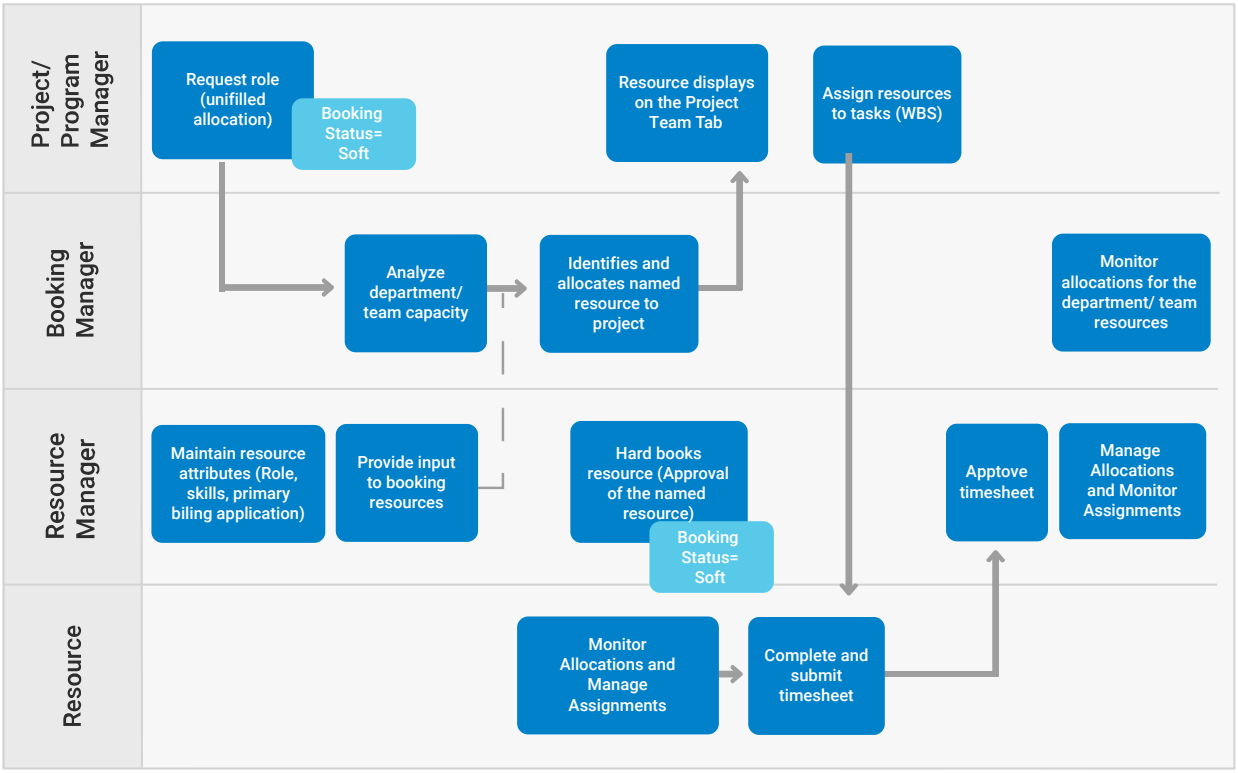
A project's success relies on having access to the right people with the right skills at the right time. With a range of different competencies and experience required at various phases in a project, people from many different teams and divisions are usually involved.

Keeping track of a constantly evolving ecosystem of project contributors and their associated skills and availability is no small feat. And it gets even harder when more people need to be involved. To secure the best talent for each role or task, project managers often collaborate with multiple resource managers using different systems to track their people. If the information is accurate and readily available in a shared system, collaboration is a lot easier. But if it is stored in a spreadsheet on a manager's personal hard drive, the ability to plan effectively will be hampered.

©2024 Clarity by Rego

Resource managers face their own challenges as demands for people often overlap. They too need access to accurate information and are reliant on project managers providing timely updates as assignments close or requirements evolve.

What do you do when project requirements shift or staff availability fluctuates? Maybe you find it hard to locate the talent your project demands, or maybe you need help planning around a bottleneck. Working with multiple resource managers, often across different tracking systems, happens often. The following image should give you an idea of the resource management process and how different roles interact over the course of a project:

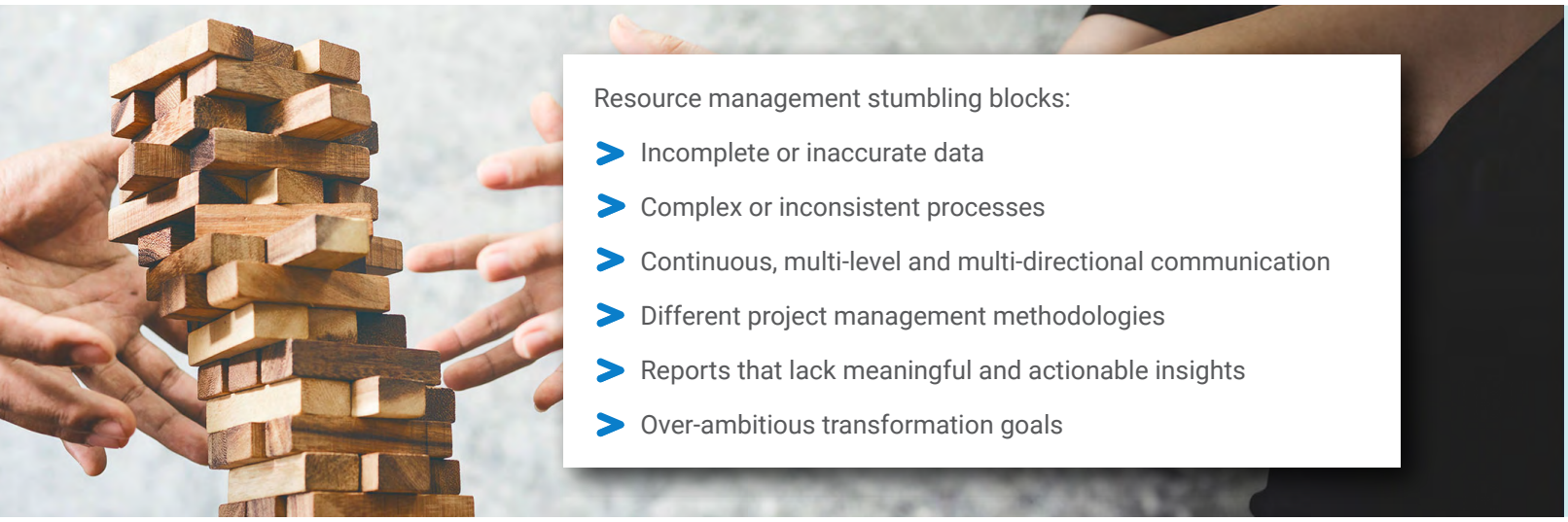


To establish an effective framework for resource management, we first need to ensure we have the right underlying processes and tools. When issues arise, it is often because there are gaps in the process. For example, roles and responsibilities have not been clearly defined or workflows haven't been mapped out.

The ability to obtain and maintain meaningful information influences nearly every resource management process. Whether you opt for dedicated project and portfolio (PPM) solutions, or a shared spreadsheet hosted in the cloud, a centralized data repository is essential for making informed decisions not just about resource allocation but also project execution. To facilitate these decisions, the chosen system must not only track availability and skill sets but also resource utilization per project. However, it's important not to become too granular too fast.

©2024 Clarity by Rego

Transforming your approach to resource management should be an evolution not a revolution. Aiming for perfection will prevent you from delivering an interim solution that can still add value. As your framework matures, resource management processes and datasets can be enriched to meet the needs of more users.



Resource management stumbling blocks:

- Incomplete or inaccurate data
- Complex or inconsistent processes
- Continuous, multi-level and multi-directional communication
- Different project management methodologies
- Reports that lack meaningful and actionable insights
- Over-ambitious transformation goals

The Four A's of Resource Management

Resource management is composed of four main parts, each with its own set of best practices. The four A's provide a great foundation for effective resource management and will help to increase employee productivity and project quality.

Availability - the hours per week or month a resource is available to work on a project.

Allocation – the percentage of project team member's time, converted into hours, that is allocated to a specific project or projects.

Assignment - the estimated number of hours allotted to each resource or role for a task.

Actuals – the time spent working on a task or project by a resource, based on approved timesheets.

Let's take a look at how these break down in more detail and best practices for each.

©2024 Clarity by Rego

Availability: Maximize Efficiency with Greater Visibility

If you don't have a crystal-clear idea of who is available to help at key junctures, you're putting your projects at risk. Lack of communication about schedules and commitments is one of the greatest threats to your team's success.

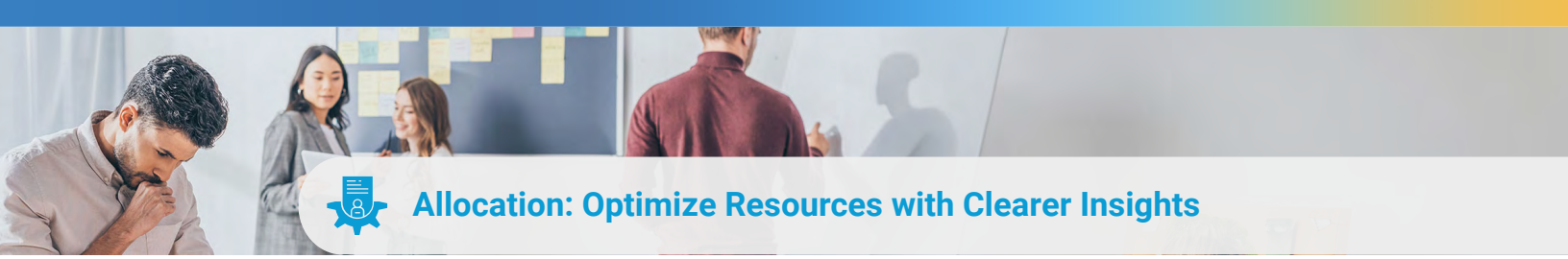
Resource availability fluctuates over the course of a project's lifecycle from week to week—for example, you might have 40 hours a week from Jim in accounting one week and only 20 hours of his time the week after. Dates of public holidays as well as personal commitments must also be maintained.

Insufficient visibility or communication around availability—or the lack of it—can be one of the biggest threats to both project execution and effective resource management.

Best Practices:

- Use a resource calendar (available in most PPM systems) to automate the process of updating availability and allocations. This will enable more informed discussions and streamline communication between project managers and resource managers.
- Add corporate events and public holidays to the base calendar. For multi-national organizations and projects, it is vital to capture public holiday dates and religious festivals for diverse cultures and countries. Using multiple calendars is most effective for highlighting holidays as well as varying work hours, such as a seven-hour working day in some countries compared with an eight-hour working day in others. What might seem like a small difference on the surface can have a measurable impact over time.
- Make sure capacity is aligned with roles and organization, but keep the dataset manageable. A maximum limit of 25 roles and four levels is a good place to start. Any more than this, and systems become too complex and bogged down.
- Role definitions should account for talent and skills. For instance, use "Developer" instead of "Java Developer" or "Oracle Developer" because team members may be skilled in many areas and could be allocated to multiple projects.
- Keep the date of hire, date of termination and contract end dates updated. This will help to ensure that resources are appropriately allocated throughout a project's lifecycle and are in line with a contractor's period of engagement.

©2024 Clarity by Rego



Allocation: Optimize Resources with Clearer Insights

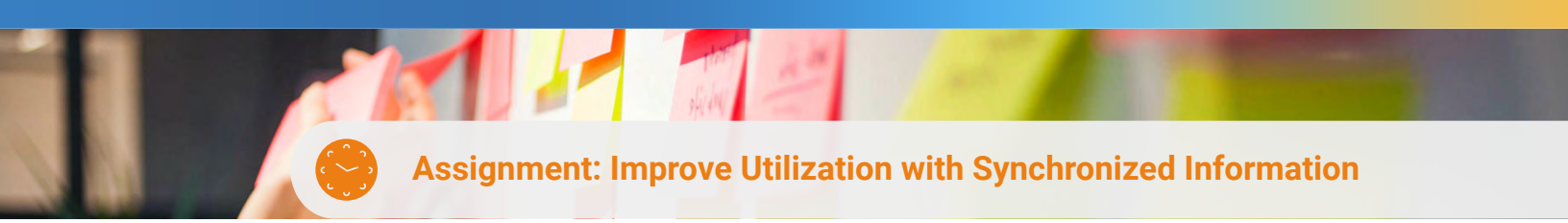
As with resource availability information, allocations should be accurate, succinct, and clearly stated. You don't want to end up with confusing records that contain unnecessary details that are hard to maintain.

For example, Sarah has 80 hours available over the next two weeks. Allocating 60 hours of her time to specific projects would be adequate, ensuring a good level of productivity while leaving 20 hours unallocated to allow flexibility or time for general tasks. We should define the best rate of allocation for our own organization based on financial factors, such as billing, and the administrative overhead for different roles.

Best Practices:

- Manage allocations by month and try to avoid setting default allocation or allocation segments of less than 10%, which can lead to staff getting bogged down in detail and data entry.
- Set expectations around accuracy and granularity of data according to timespan. For example, Joe should be 100% allocated for the next four weeks, but for the following four to eight weeks, this should drop to 90%, and be reduced to around 80% for the next eight to twelve weeks. This allows flexibility for future changes.
- To minimize risks and maximize productivity, established filters will help to highlight any capacity issues, such as under allocation at less than 80% or over allocation at 120%.
- If resources have different allocation levels, for example, some staff might have 50% availability for projects while others have 80% availability, then it is more effective to use hours or % of Availability as the work effort unit of measurement.
- Once a project is underway, be sure to compare allocation with the previous two months of actuals as this will reveal how accurate, or otherwise, allocation is and enable adjustments.
- Hold regular meetings to review and update allocations with staff. Not only because they are the people doing the job and understand what is involved and changing, but also because human interaction is an important element of resource management. Not everything can be system-driven.

©2024 Clarity by Rego

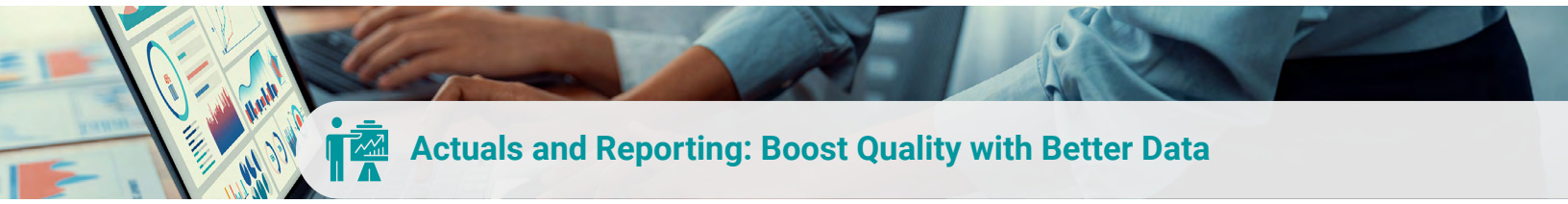


Assignment: Improve Utilization with Synchronized Information

Assigning tasks is vital to the project management process—no surprises there. It's important to think about the ways assignments and allocations can overlap, and to prioritize keeping them in sync.

Best Practices:

- Adhere to the "8-80" rule. Tasks and assignments shouldn't be less than 8 hours or more than 80 hours. This makes time entry more manageable and ensures there is neither too much nor too little detail on resource utilization.
- Maintain a record of task start dates and be aware of open-ended activities, so resource information stays accurate. For example, if a task start date is delayed but not adjusted in the resource management records, the ETC will be pushed further into the future.
- Include ETC in the project team detail view, so you can see where the ETC is shorter or longer than predicted and adjust future allocations accordingly.



Actuals and Reporting: Boost Quality with Better Data

Allocating time and assigning tasks helps to maximize resource value, but tracking how time is actually spent will allow you to tap into greater efficiency. Running actuals reports will give you the metrics and insights you need to improve the accuracy of allocations and assignments, as well as optimize project execution.

Best Practices:

- Extend reporting beyond standard views. While standard reporting is probably good enough for managing resources on a daily or weekly basis, more personalized, summary views and the ability to drill down for further detail will provide more actionable insights. This will help to reduce risk and pre-empt resource problems. For instance, comparing allocations against actuals over the last month will reveal discrepancies and lessons learned for future projects.
- Pie charts, bar charts, and other graphics go a long way to helping users visualize and act on data effectively. Use them whenever possible.
- Create personalized dashboards aligned to the different needs and roles of users in the organization. The more relevant the data, the more valuable it becomes.

©2024 Clarity by Rego

Notifications

The 4 As we just covered provide a great foundation for effective resource management, and implementing them is sure to increase employee productivity and improve the quality of your projects. To fully support them, you'll need to rethink how you handle notifications and data maintenance.

Notifications are a great way to keep team members updated about significant issues and required actions, but for them to be effective, it's important not to over-communicate. Otherwise, you lose impact.

Best Practices:

Recipients will probably tune out if you're constantly sending them notifications. Keep notifications limited to specific, necessary actions, like:

- Updating team members on their allocations with instructions to contact their manager in the event of an issue
- Notifying resource managers of exceptions, like over or under allocation
- Scheduling key reports to be delivered by an email to relevant stakeholders

Notifications and emails should contain a link to the PPM system for action to be taken and the system updated when required.

Emails can be an effective way to support automated notifications, but only if we follow them up; otherwise, they risk becoming meaningless.

Data Maintenance: Improve Insights with Accurate Information

Having a centralized repository for your data is essential if you wan
t to make informed decisions about your resource allocation and project execution. The tool that you pick to track resources needs to be capable of recording availability, skill sets, and resources needed per project.

It might be that you've found yourself frustrated and disorganized, staring at a messy spreadsheet—or trying to find important data stored on a single manager's hard drive. When data isn't centrally located or accessible to resource managers and project managers, it can derail critical progress and set projects back, causing you to lose time and productivity.

Information is only useful if it is up to date, so it's important to make it as easy as possible for people to maintain resource management records—both at an individual and organizational level.

©2024 Clarity by Rego

Best Practices:

- [x] Ensure you have solid processes in place for notifications and reporting. This helps remove unwanted "noise" and makes it easier for recipients to attend to required actions and keep information current.

- [x] Think about additional options for easy data updates. What could staff use when they aren't logged into your PPM system or how might they export data from another tool? You might consider ITD editors, integrations, custom Excel updates, or custom allocation uploads based on cyclical needs by role. Ask your team what they think and try out their suggestions.

- [x] Embrace 'gamification' for key metrics, such as timesheet submissions and under/over allocation to help motivate resource managers and project contributors to update their data.

Resource Management Implementation

If resource management is new to your organization, adopt a 'crawl, walk, run' approach. Start with the basics, then evolve and expand your resource management processes and solutions. Here are some examples of objectives we might want to set at each of these stages.

- **Crawl:** record the names of all project participants
- **Walk:** capture clear allocations and up- to-date information
- **Run:** compare actuals to allocations to improve future decision-making

Remember that it's important to keep realistic expectations. Aiming for perfection can prevent you from delivering an interim solution that still adds value. As your framework matures, you can bulk up resource management processes and data sets to scale for more users. This should be an evolution, not a revolution.

Too much focus on precision from the outset could overwhelm your team and take way too much time and energy. There's a point of diminishing returns. Resource management is all about taking the time to establish effective processes to ensure the best data quality for decision making. Assuming you've got the best possible data from the tool, what mechanisms, processes, roles, and responsibilities do you have in place to act on the information?

Resources are our most important assets. By combining best practice processes with a proven PPM solution, you can manage both resources and projects more effectively. Smarter resource management not only improves the accuracy of current and future allocations but also help to keep project costs, timelines, and objectives on track.

©2024 Clarity by Rego

As a result, you will be able to shorten delivery times for new customer and business initiatives and boost your competitive advantage and profitability.

Resource management is complex, but when you have a solid foundation, it doesn't have to be a struggle. Increase your project quality, agility, and efficiency by adopting resource management best practices.

Putting It All Together: A Week in The Life of a Resource Manager

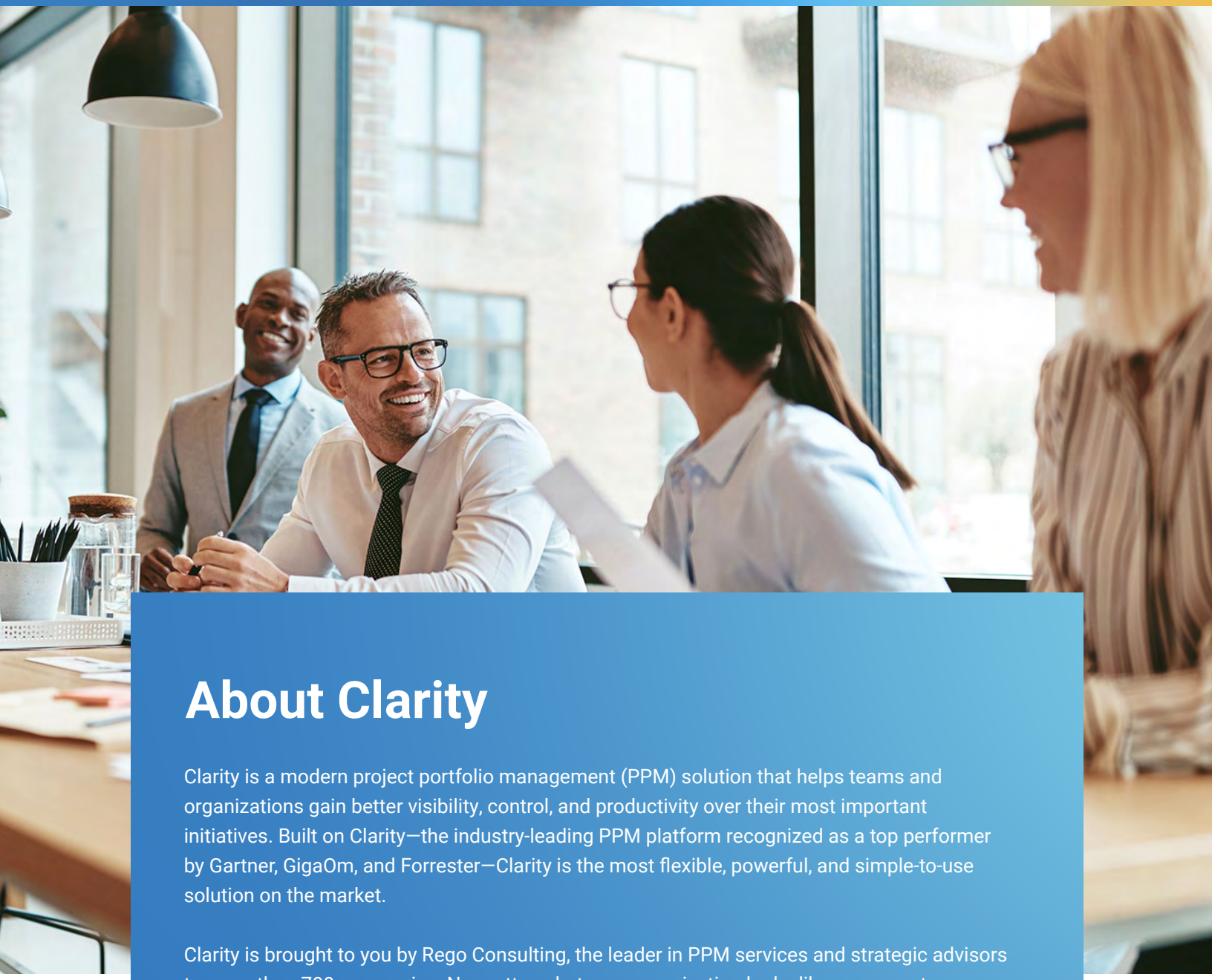
We've talked extensively about best practices for resource managers, but what does it look like in real-life, day-today? Here's a weekly checklist that covers the what and the why, so you can stay on top of resource management in your organization:

Weekly Checklist for Resource Managers

Weekly Task	Why?
Review and approve timesheets.	To ensure accuracy and compliance.
Review Unfilled Allocations for your team / department.	Replace requested roles with named resources.
Review "Workload" portlet for your resources to ensure appropriate utilization.	To ensure resource is appropriately utilized. Inaccurate forecast can impact organizational staffing.
Review resource allocations (project level assignments) for accuracy	To ensure forecast for each project is accurate. Inaccurate forecast can impact organizational staffing.
Review "All Assignments" to ensure resources are completing assignments on time	To ensure resource is completing tasks on time and within appropriate effort.
Distribute Task Assignment information to your Team using the Team Member Task Summary.	For people that may not have a CA PPM license, send out Task updates by extracting the portlet.

New Hire/Transfer Employee Task	Why?
Review resource properties for accuracy.	Review resource properties for accuracy.

©2024 Clarity by Rego



About Clarity

Clarity is a modern project portfolio management (PPM) solution that helps teams and organizations gain better visibility, control, and productivity over their most important initiatives. Built on Clarity—the industry-leading PPM platform recognized as a top performer by Gartner, GigaOm, and Forrester—Clarity is the most flexible, powerful, and simple-to-use solution on the market.

Clarity is brought to you by Rego Consulting, the leader in PPM services and strategic advisors to more than 700 companies. No matter what your organization looks like, our experts can customize Clarity to your needs and help you develop a deployment strategy to maximize value.

888.813.0444

regoconsulting.com

info@regoconsulting.com