



GUIDE

Best practises in project resource planning



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Introduction

This guide focuses on how to improve productivity by resource optimisation in project organisations. The approach is on a practical level, addressing the best practices and tips on project resourcing.

With the help of this guide you can evaluate your project resourcing related challenges and learn how choosing the right kind of project resource management tools can make a big difference to your bottom line. This guide will also give ideas on how to make better business decisions in your organisation.

7 reasons for resource optimisation



Lead with knowledge



Increase productivity



Anticipate changes



Make better, strategic decisions



Up-to-date information



Access data easily



Increase profitability



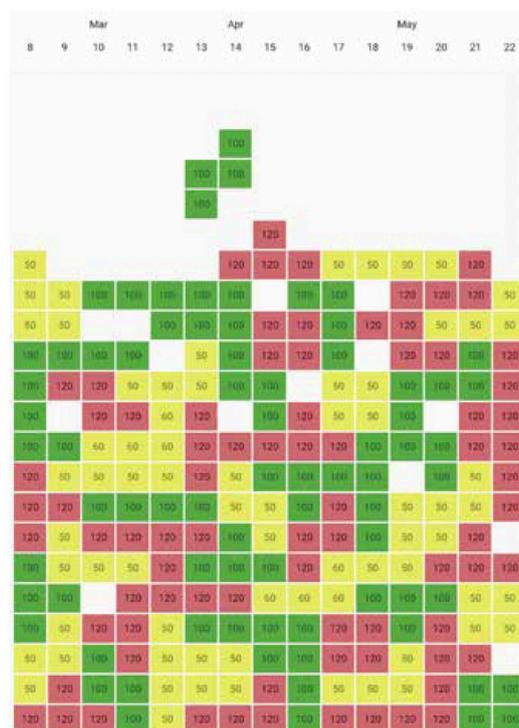
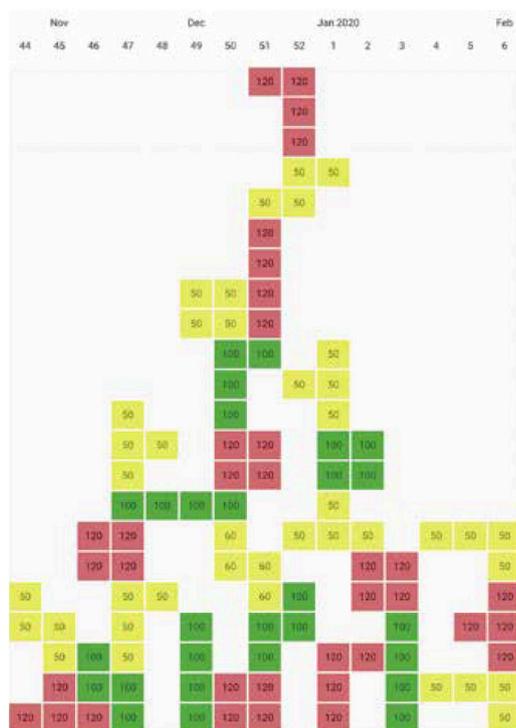
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Resource planning is a lot like Tetris

Resource planning can resemble the Tetris in many ways. New projects are starting, old ones finishing, new employees joining and some leaving for new challenges. Tetris blocks – meaning people and projects – keep on falling faster and faster. The new blocks won't fit with the existing ones if you don't have enough time to spot the perfect spaces for new blocks. As a result the Tetris board of your resource planning will have empty spaces – and you are not using your personnel's work hours in an optimal way.

You can change the rules of the game. When your organisation uses proper tools and processes, you will begin to see the falling blocks early enough when there is still enough time to react. You can base your decisions on facts and see how to fit each new block to an optimal spot.

As you can see, the Tetris board becomes much more compact. This represents your organisation with a perfect plan for each resourcing situation.



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Common resource management pitfalls

In general, project managers have excellent skills and practices in project management. Problems in resource management are often related to lack of planning or the way of sharing information. The organisation can lack a valid resourcing plan, or the existing plan is spread across the organisation. This is a big issue: the project business is all about people.

A project team without the right kind of competence or not having enough project members limits your success. Even the best processes and practices require a valid resourcing plan.

In a project organisation, project managers typically make their own project resourcing plans and team managers keep track of their teams. Unfortunately, this is not enough.

The management level doesn't necessarily have an overview of the situation, even though they make the most important decisions: whether to start recruiting or downsizing, or if there is a need to subcontract. Without correct resourcing information these choices won't be accurate, or they will be done too late.

Focusing on the overall resourcing situation is not enough, because there can be severe imbalances inside the organisation. One department may be desperately overloaded, and another has nothing to do. This is why you need to be able to drill down to the detailed resourcing situation of individual departments, locations and so on.

The solution is a centralised database for resource information which enables all organisation levels to see and update projects' resourcing plans. What is crucial, is that the top level management has valid information to support decisions affecting the business. Management should also be able to forecast potential over- and underload situations. For example, when there is less project work than expected in the coming months, effort can be directed to other activities. When there is time to react, the adjustments can be more discreet and unpleasant options, such as downsizing, can be avoided entirely

One centralised source information database



Top level management

Has valid information to make decision on time



Project managers

Can see and update the project resourcing plan



Team managers

Can maintain their workers' situation

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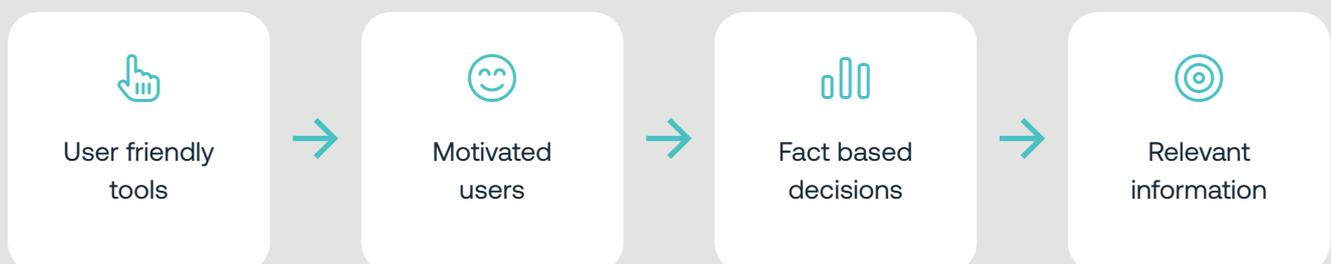
Renewing a project resourcing process is not an IT-project, it is a business project

There are many horror stories of never-ending IT projects. These projects can last for months or even years and still fail. One common misconception related to IT projects is that the organisation's needs are unique and that it is impossible to use existing tools as they are. The great majority is able to use pre-existing tools and create their own toolbox to suit their needs. This also means these organisations can avoid timeconsuming implementations and can start receiving benefits of the new software immediately.

No tool is useful if employees refuse to work with it. This is especially important with resource management tools. If tools are excessively complicated to use, employees simply stop using them. To prevent frustration which leads to neglected upkeep, make sure that you choose tools that are approachable and fast to learn (hint: if you need to refer to the manual frequently during use, you most likely have issues with usability).

When usability suffers, information cannot be relied on anymore. Further along this prevents from you making essential business decisions. This issue is a particularly significant factor when resource management is in question. Without the entire organisation taking use of the resource management tool the big picture in the organisation is lost.

Tools that are easy to take up, motivate and commit employees to frequent use. When tools are user friendly, there are no obstacles to updating information regularly and keeping it relevant. Your aim is to rely on to your information; therefore, choose tools that are pleasant to use because it naturally leads to a better usage rate.





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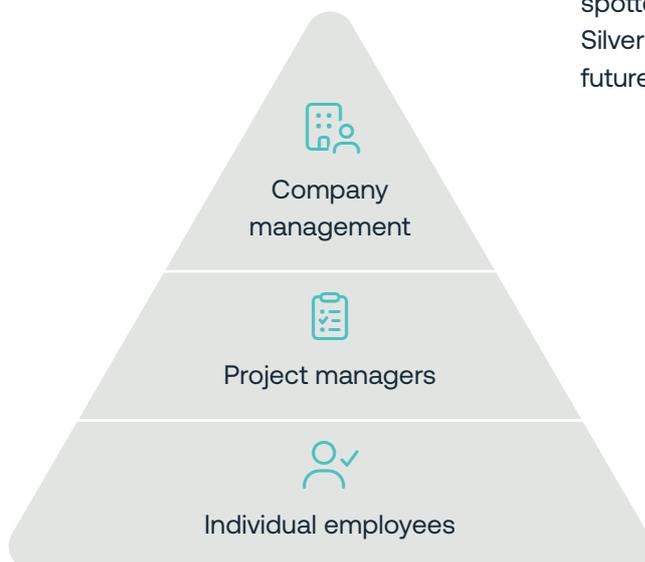
Leading projects with knowledge

Leading with knowledge may seem complicated at first sight, but it can be approached from a very practical angle. Your organisation produces information constantly. The challenge is how to collect it and start using the data for your advantage.

The key is to have all information in one place, updated and in a format that is easy to interpret. Knowledge can be utilised for example on three levels: the management, project managers and individual employees.

Silverbucket's overviews tell the management level what the total order backlog looks like and conclusions can be made accordingly. When orders are at a high level, managers can recruit or hire subcontractors on time, and when orders are at low level, personnel resources can be directed to other functions, such as sales or development projects.

The project managers will have a better grasp of their projects. Individual employees can see what they are working on, not only currently but also in the future. Any conflicts or disruptions can be spotted quickly and taken care of as they appear. Silverbucket's reports on hours spent, budgeting and future reservations will help you achieve this.





Keep information in one place



Have a complete overview of past and future development



Notice employees under/overloads in time and make necessary adjustments



Strategic decision making based on accurate information



Find available project members fast and let experts focus on their work



Create an open and transparent organisation

Leading with knowledge relates to human resource management: when resourcing information is stored in one location and kept up-to-date, everyone is aware of who is working on which project and with what workload. Clarity in schedules and work tasks leads to better focus and improves well-being at work. A single database makes it easier for project managers to find the best possible team members, while specialists can focus on their work and fully utilise their expertise without disruptions.

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How to optimise project resourcing

What makes resource planning so important? In the end, resource planning is about money. In a project organisation most of the costs are personnel-related, such as salaries. Utilising work hours inefficiently only due only to non-optimal processes or resourcing tools is simply bad business. With an optimal resourcing plan, you can save costs or even achieve more results with the same number of people.

Unsuitable processes or incompatible resourcing tools can lead to inefficiency. Find out if your resourcing is optimal and by asking yourself the following questions:



Are you able to see the big picture of how your resources are used?



Are you able to anticipate conflicts and solve them quickly before they escalate to bigger issues?



Can you find the right people for the right jobs at the right time?



Is your organisation transparent and open?





Resource optimisation in numbers:

1% improvement in resource allocation in a 100 person organization



= **10 000 €** increase in your bottom line



Calculate the effect of resource optimisation in your organisation:

Number of people: _____

Current invoicing rate: _____ %

Average invoicing hourly price: _____ €/h

Improved invoicing rate: _____ %

Increased profit = _____

In an organisation of 100 people, by improving invoicing of project workers by just one percent, profitability can improve as much as 10,000 euros per month. Imagine what this could mean in your organisation!

This is an example of only a single percentage increase. Organisations with an average maturity level in their resourcing process should be able to increase their profitability even more.

This example is valid for companies that invoice their workhours. However, the same logic works in organisations which run development projects.



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Why use Silverbucket for project resourcing?

What makes the Silverbucket tool unique is the complete overview where management can see what has happened within the organisation in the past and where the organisation is heading. Silverbucket users can increase their profitability as well as decrease expenses, which translates to more profit. With Silverbucket, optimising your resources is easy and exploring resourcing plans on project, team and individual levels is effortless. Resourcing-related issues can be noticed and fixed on time.

Users of Silverbucket have their information always in real time and presentable. There is no need to spend time making presentations or manual reports: with visualised information, making decisions is fast.

Silverbucket is a cloud service for resource management in project organisations. The founders each have over 15 years of experience in project management and have tackled many resourcing related problems that most project managers still deal with today; specifically, tools that are complicated and time-consuming to use and not designed with resource management in focus.

Silverbucket was founded to fix these issues and make the lives of project managers easier. Today Silverbucket has improved productivity more than a hundred project organisations from different industries such as engineering, IT and consulting. The Silverbucket tool is continuously developed further in close co-operation with our clients.



Three reasons for choosing Silverbucket



1. Efficient resource planning

The efficient use of resources means a better invoicing rate. And less overbooking reduces stress levels and sick leaves.



2. Learn from the past, predict the future

To make your next project more profitable than the previous one, you need visibility and clear resource planning tools. Silverbucket has clear, no-frills views for the future of your project.



3. Get up and running

Unlike heavy software packages, Silverbucket is easy to deploy. Once it's up and running, you will wonder why you waited this long.

Interested in learning more?

Contact

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For more information or visit our website

www.silverbucket.com

Start your free 30-day trial

www.silverbucket.com/start-free-trial