

Resource Management?

“I’ve got Excel and half a day a week thank you very much. What do I need to know?”

Presented by David Dunning,
Director, Corporate Project Solutions

Your Speaker Today

David Dunning

- Professional Services Director at CPS
- Over 15 years experience in implementing portfolio, programme and project management ecosystems.
- Member of the Institute of Business Consulting, APM Portfolio SIG and a Certified Management Consultant.
- Real world P3M experience across multiple industries.



CPS Is....

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Agenda



- Definition – what do I mean by that?



- Why is life not simple?



- The Answers



- How on earth....



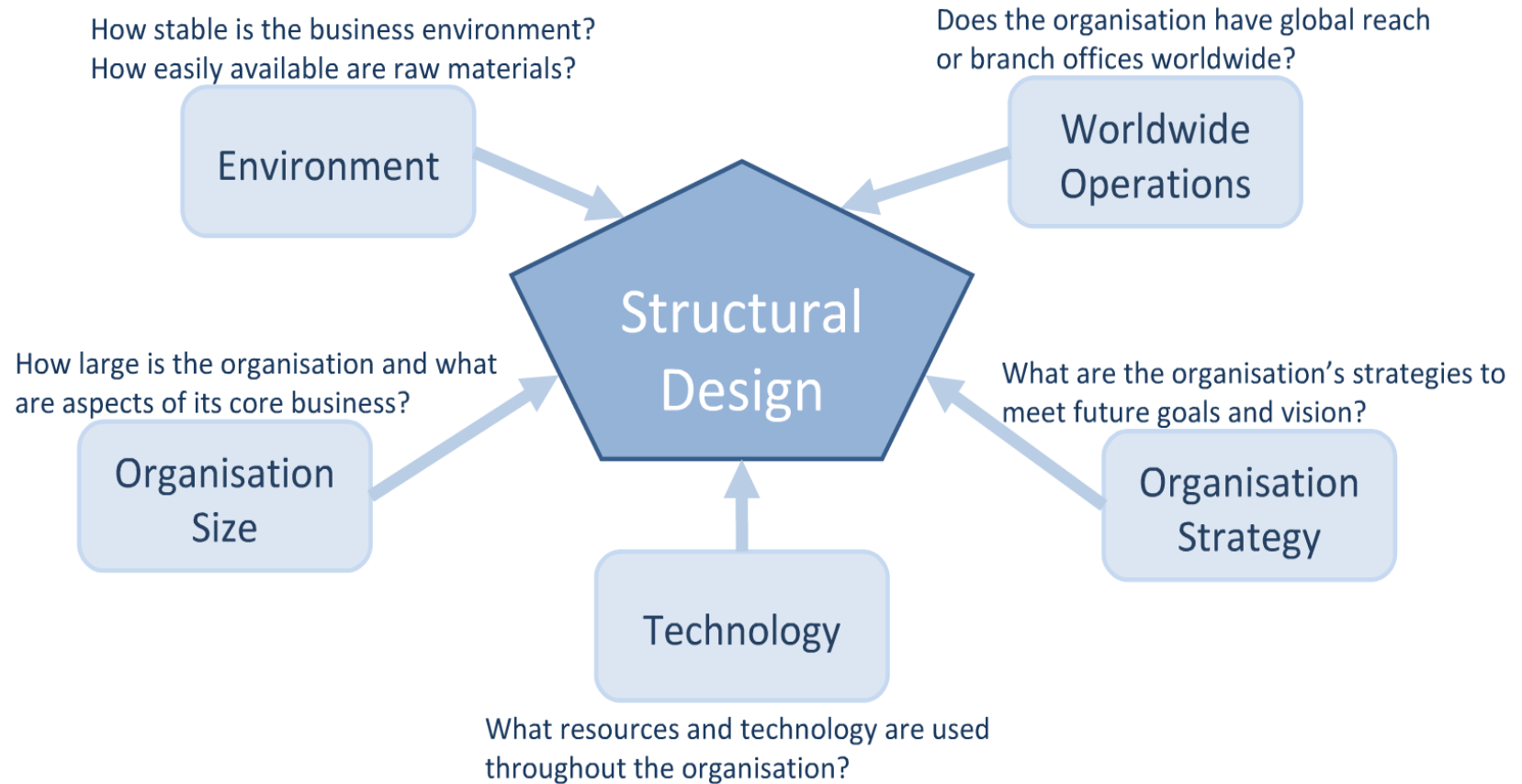
- Conclusions

What is Resource Management?

“In organizational studies, resource management is the efficient and effective deployment for an organization's resources when they are needed”

http://en.wikipedia.org/wiki/Resource_management

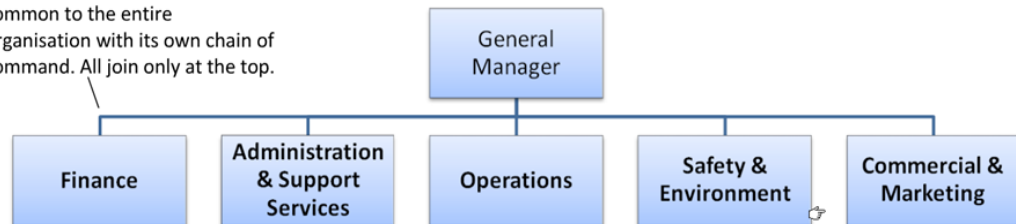
Organisational Context – not a local issue



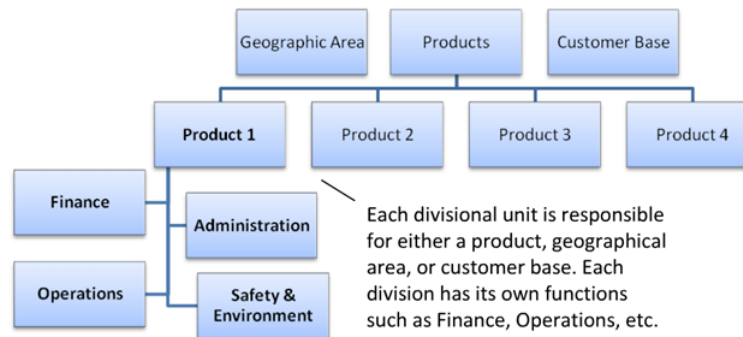
Definition

Organisational Context

Each department is a function common to the entire organisation with its own chain of command. All join only at the top.

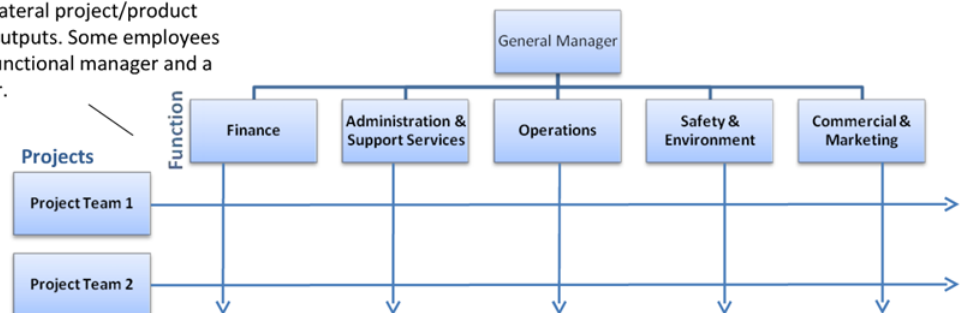


- Line
- Product
- Matrix



Each divisional unit is responsible for either a product, geographical area, or customer base. Each division has its own functions such as Finance, Operations, etc.

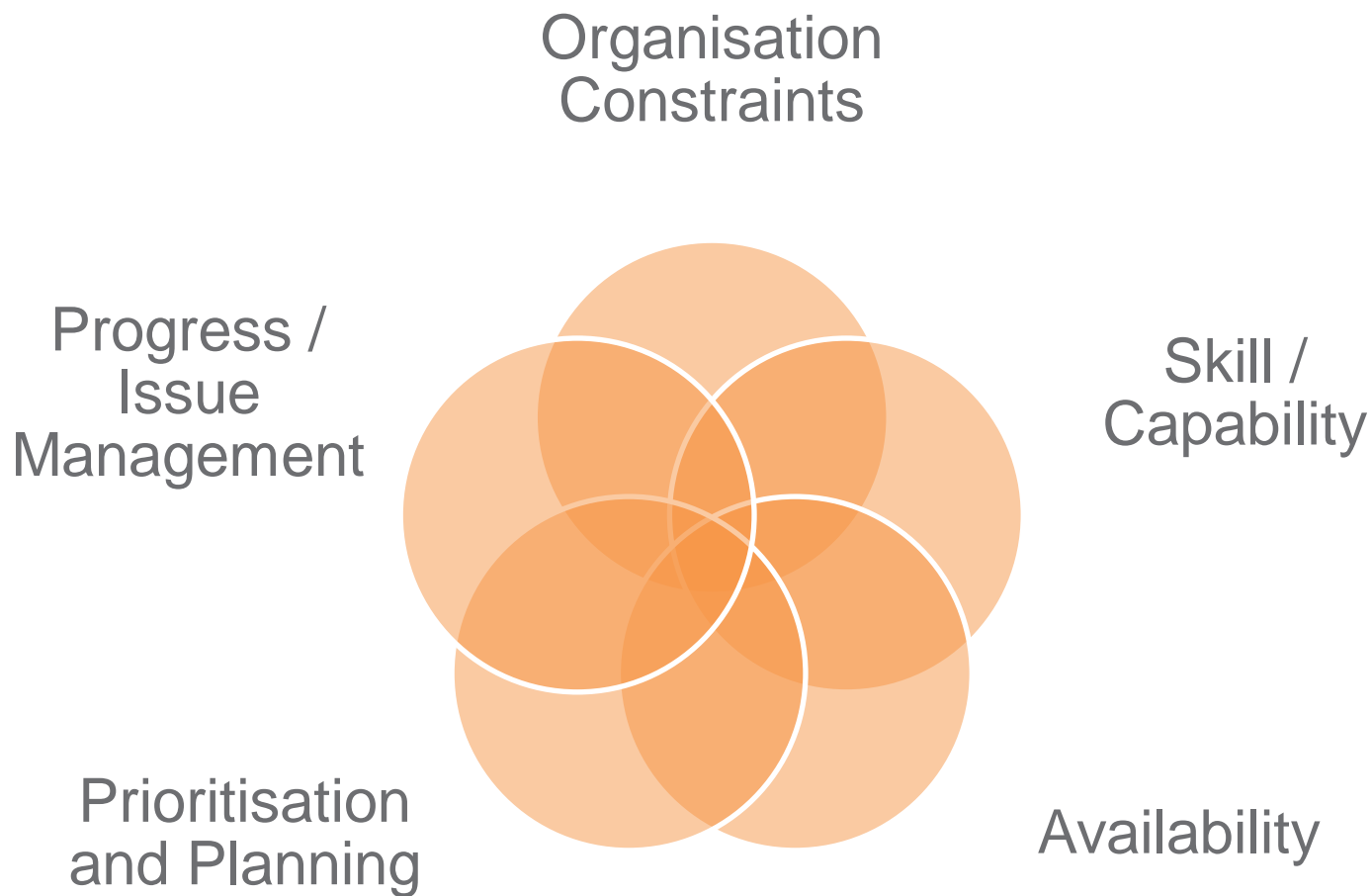
Functional departments focus on specialized resources while lateral project/product teams focus on outputs. Some employees will report to a functional manager and a product manager.



Definition

Mubeena (2010) Organisation Design and Structure [online]
 Available at: <http://www.slideshare.net/mubeena/org-design>
 [Accessed 14 April 2010]

Operational Issues



Challenges

Operational Issues

- Skill pool management
 - What competencies do we have?
 - Who has them?
 - What do we need...
 - ...now – to deal with current work
 - soon – to carry out the ‘pipeline’
 - eventually – to realise the ‘vision’
- ...and how do we fill the gaps?

Operational Issues

- Availability management
 - Availability is limited
 - Holidays / absence
 - Training / Professional Development
 - Organisation operation (admin)

“We never have enough resource when we’re asked for it at short notice”

***- either carry extra capacity, or plan better
...so plan better!!!***

Prioritisation

- Every organisation faces choices – you either make good / bad choices with the resources you have or can afford
- How to prioritise - Strategic Objectives, Business Case, Benefits Management?
- Big projects, medium projects, small projects?
 - May want to do all the big projects
 - ...but may get better value from a mix of various sizes which use resources more effectively?
- Low priority <> No priority?

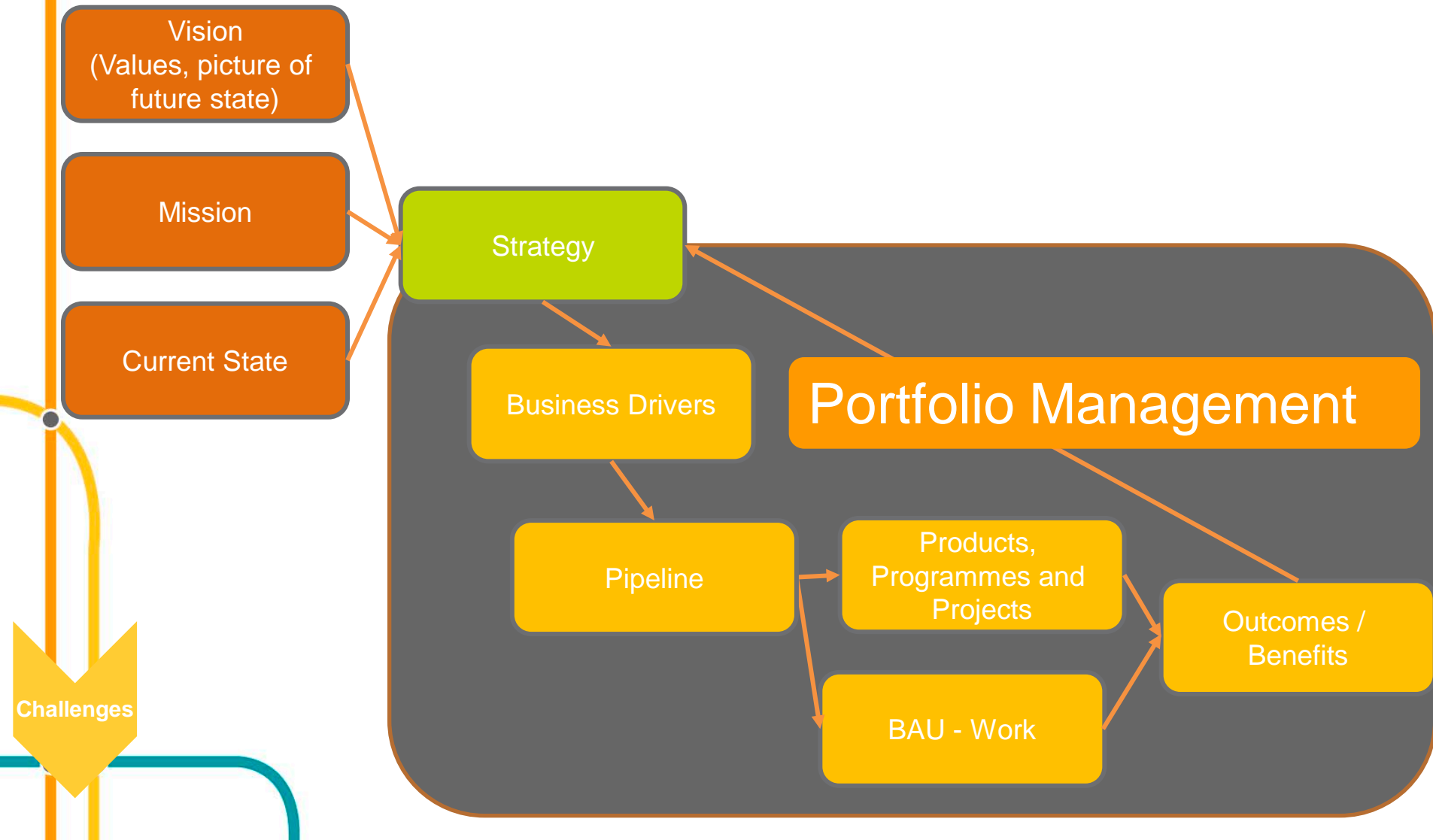
The Bigger Picture

- PRINCE2® – Delivering projects - OUTPUTS
- MSP® – Delivering programmes – OUTCOMES
- P3O® – Support structure to ensure Definition and Delivery of the portfolio
- MoP™ – Selecting the ‘Right’ projects and programmes aligned to strategy

Portfolio Management (PfM)

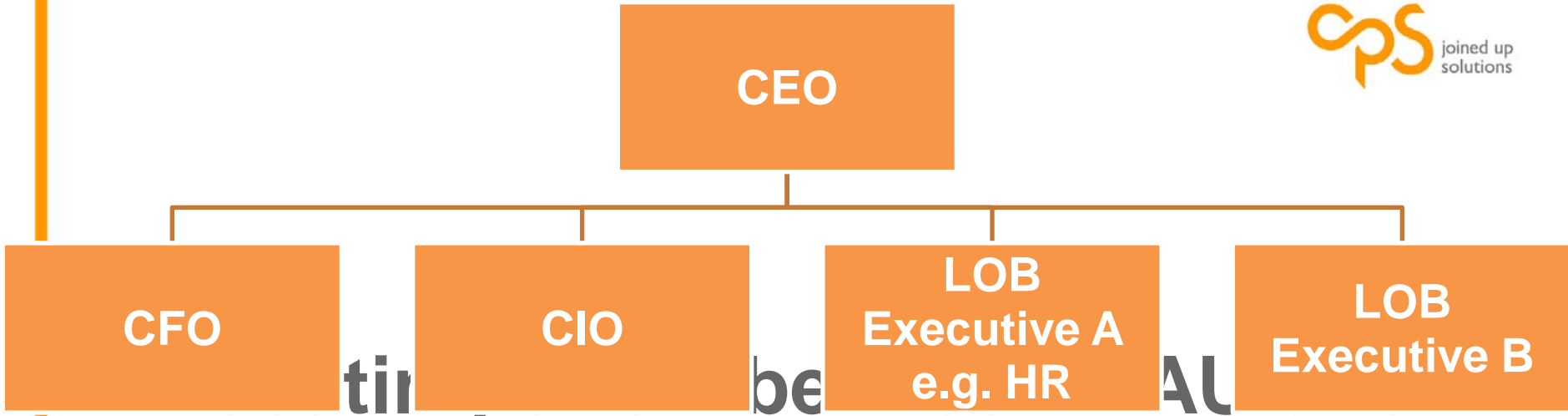
- “A portfolio is the investment in the changes required to meet strategic objectives “ - P3O®
- Portfolio Management - Coordinated strategic processes and decisions to balance organisational change and business as usual

Where does PfM fit?



Problems if not done well

- Wasted resource - Not killing projects which have lost viability
- Slippage and overrun. Operational disruption?
- Imbalance of projects and BAU - Wasted management effort on 'politicking', as there is no clarity of direction
- Excessive resource issue resolution time
- No learning, estimating does not improve
- De - motivated people, recruitment / retention issues?



Change

Example: LOB "A" - HR

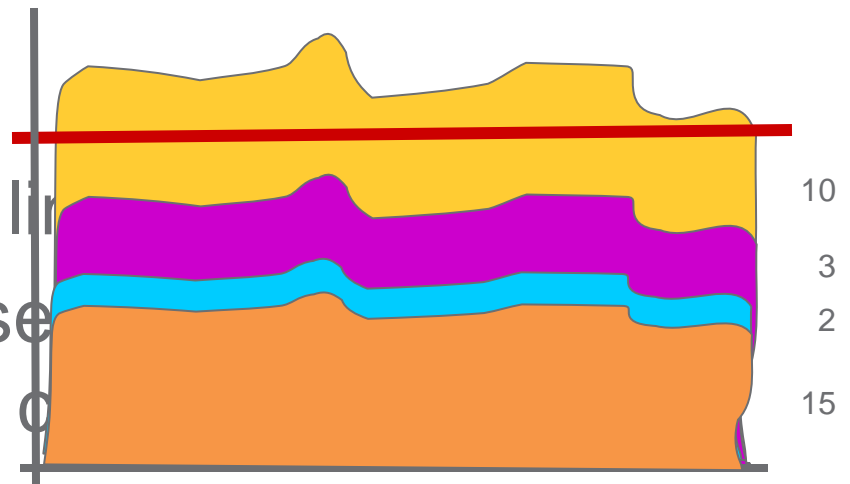
Needs 15 people to carry out HR duties

Corporate Direction - Is tasked with expanding capacity (3 people) and implementing processes from new legislation (2 people)

Has internal 5 projects which need 10

Holidays, training, absence

How do we prioritise?



What is required to fulfil line

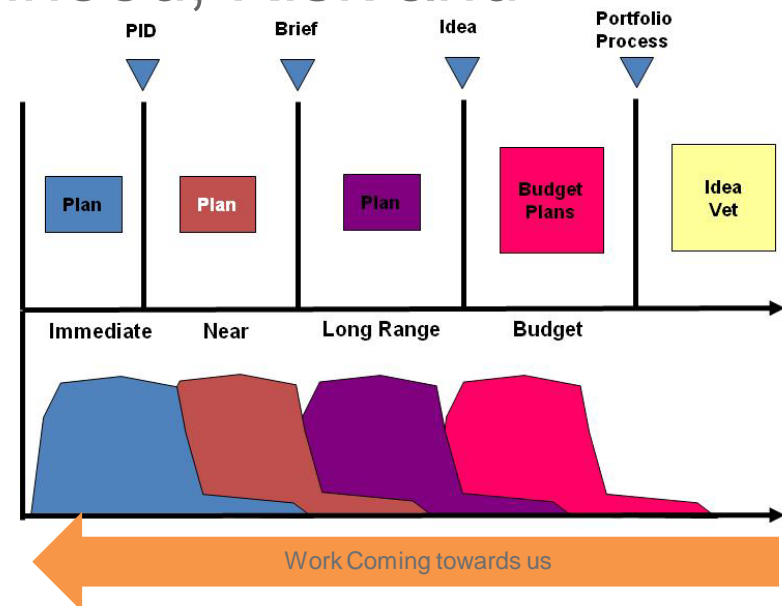
How we prioritise

Challenges

Cut services, say no to the Corporate workload, do less internal projects, or abolish holiday?

Pipeline Management

- If no formal “Portfolio management” – Do we at least have a ‘front door’?
- Is there a process? Plan Headcount, then generic, then people?
- Effort estimation and likelihood, Risk and contingency?
- Decision support?

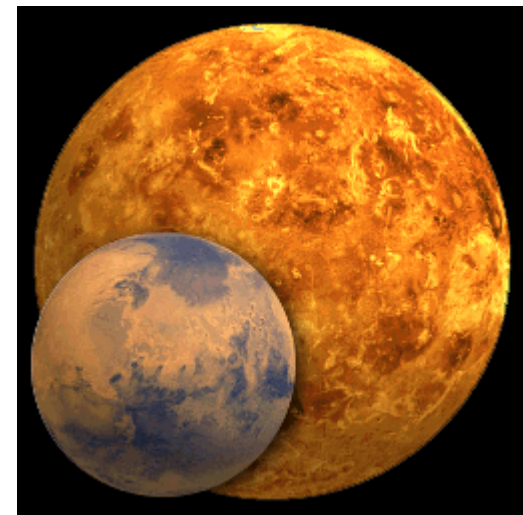


Progressing

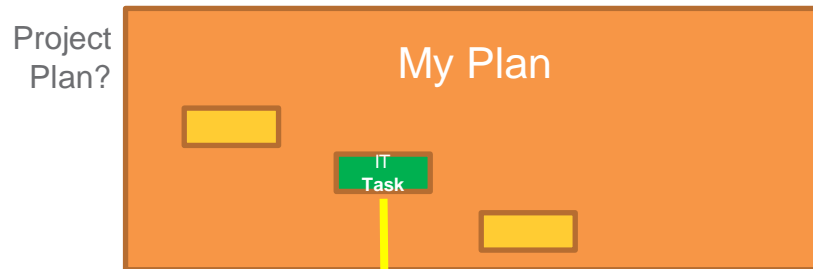
- Do we formally progress achievement and remaining work?
 - Oh dear, I've created an overload?
 - Cross Project Dependency issue?
- Time accounting – is it accurate / are people spending the right time on the right things?
- Agile Issue handling?
 - Adverse event
 - Change request

So why not just let us all use spread-sheets and our wits?

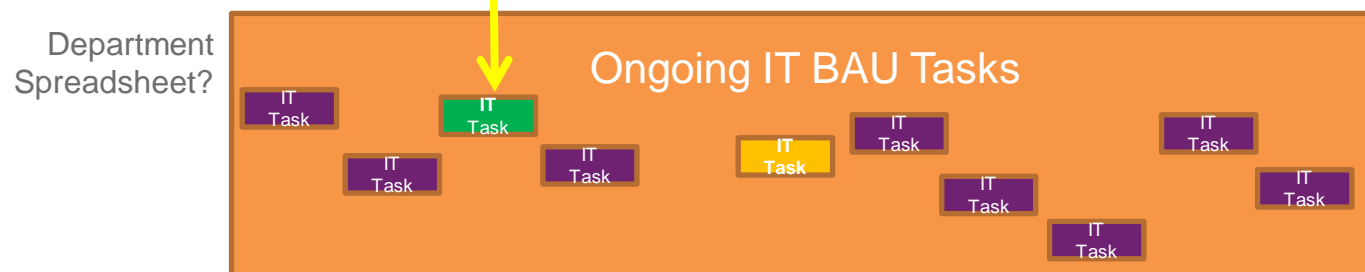
- Because projects are **UNSTABLE** - i.e.
 - full of risk / uncertainty, and
 - dependencies (internal / external)
- To allocate resources and work effectively – we need **STABILITY!**



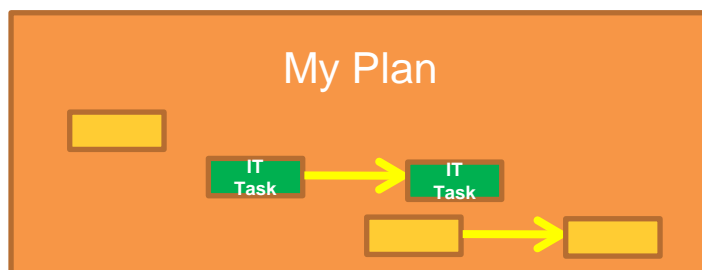
A “Request / Supply” example



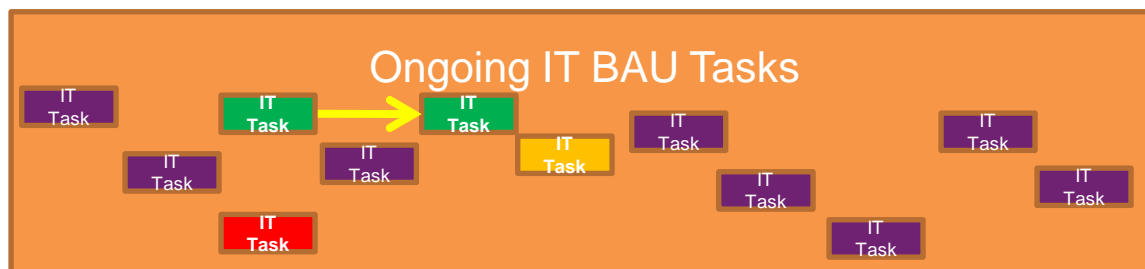
Project and line manager schedule in a task



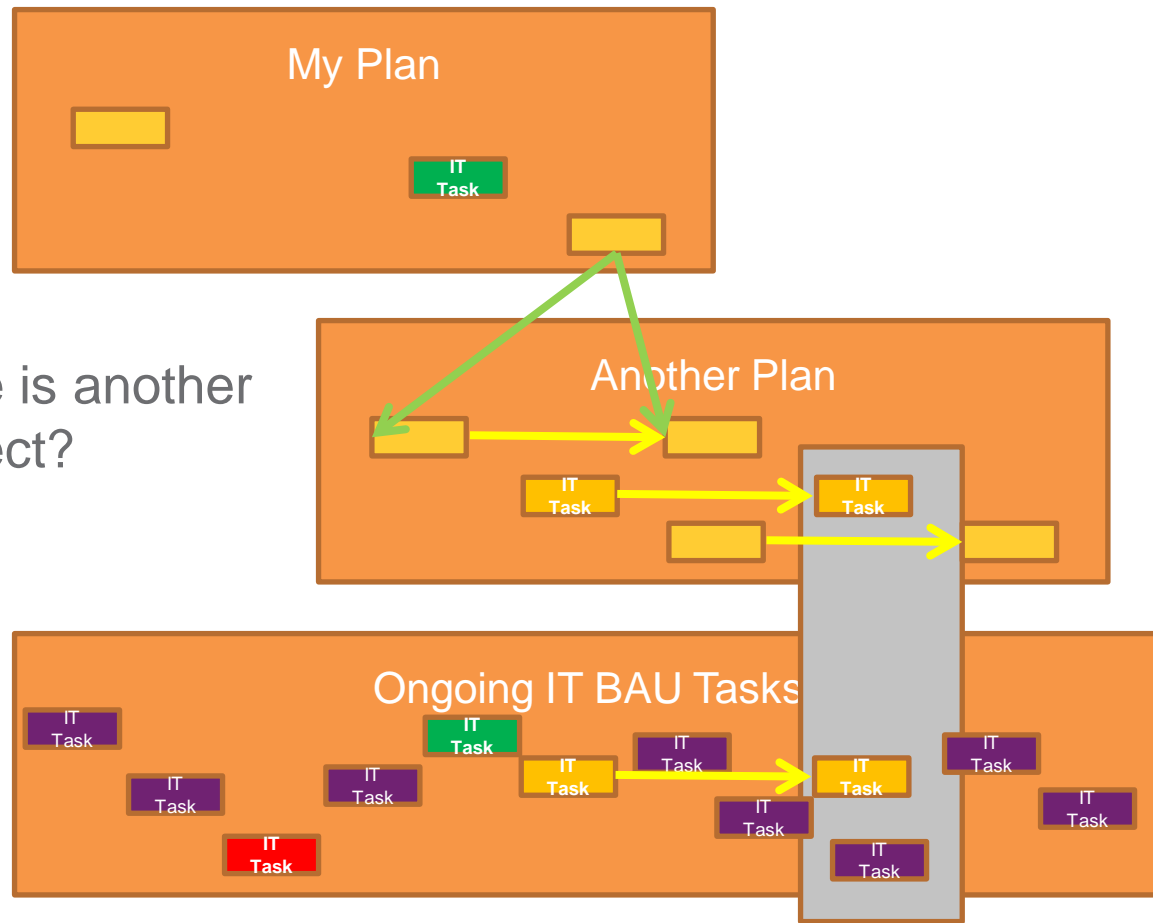
Something comes up....



Project and line manager have to communicate.
OK in this simple scenario



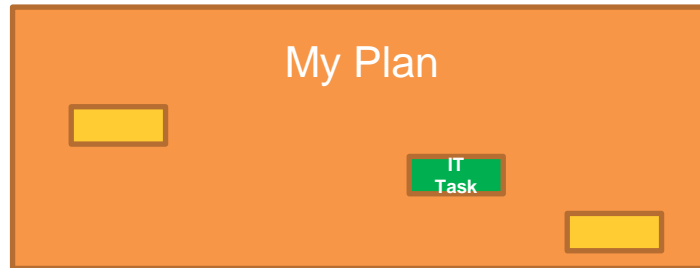
Knock on effects....



What if there is another Project?

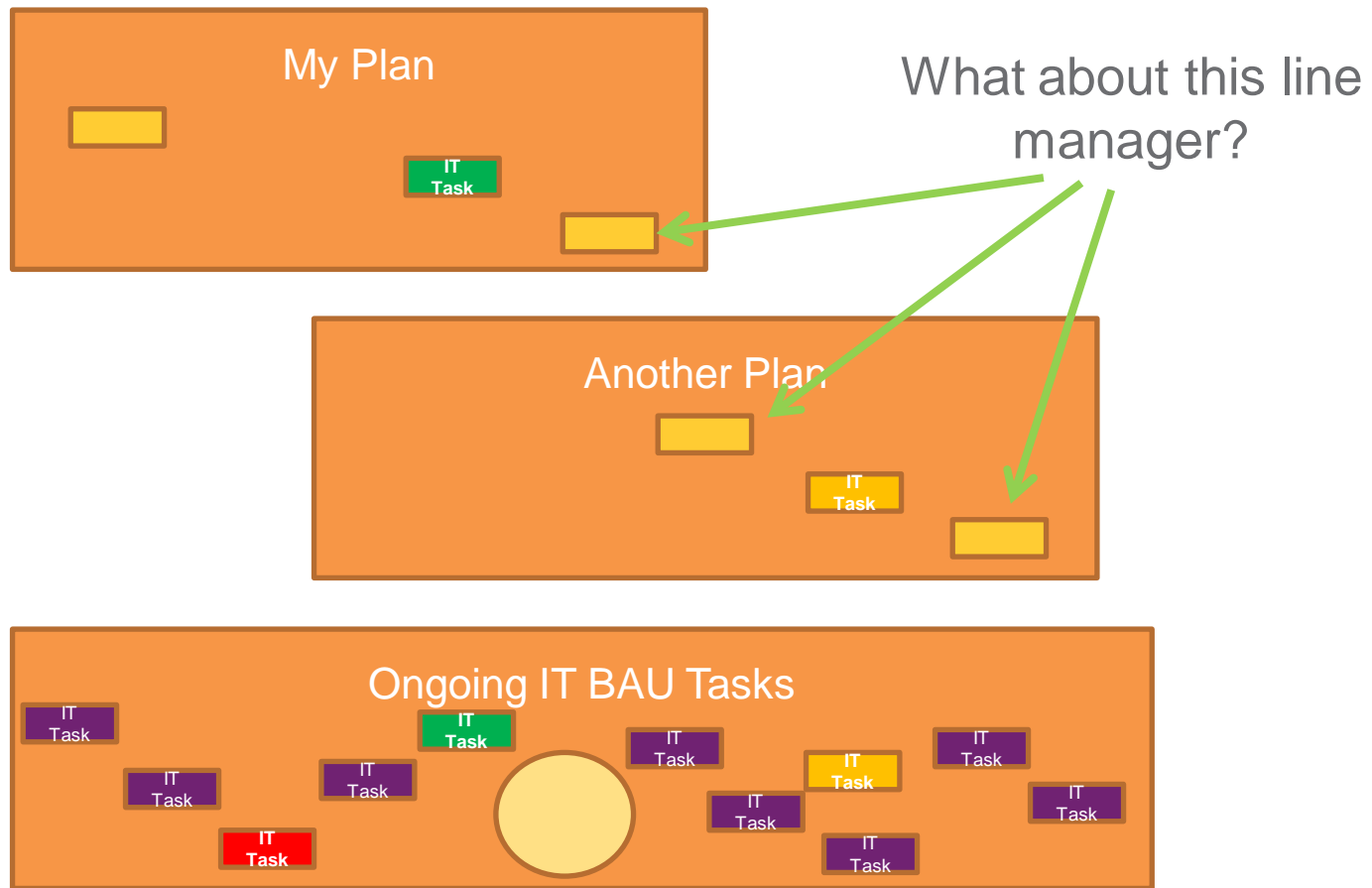
This comes back around to the Line Manager?

Utilisation issues...



Too late to use this
availability hole?

Iceberg...



What about this line manager?

Challenges

Conclusion

So – this is not simple.

We have to deal with...

The structure is right
Our pipeline is clear
and prioritised!
Are we operating
correctly

Competency map.
Availability.
Skill transformation is
happening.
We are planning.
Priorities Balanced.
Actuals there.



My plan is in a
pipeline.
Correctly structured.
Resource Allocated.
Control Cycles
operating and
supported

My role is clear.
I am developing.
Absences booked.
I can do this work.
I am recording time.

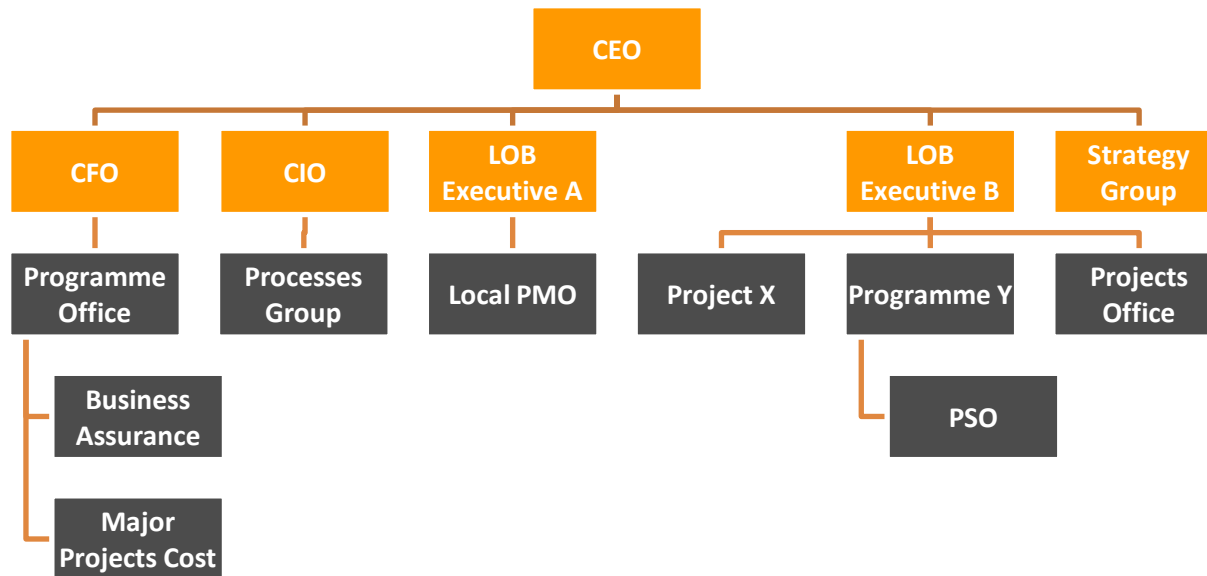
Answers

The Answers?



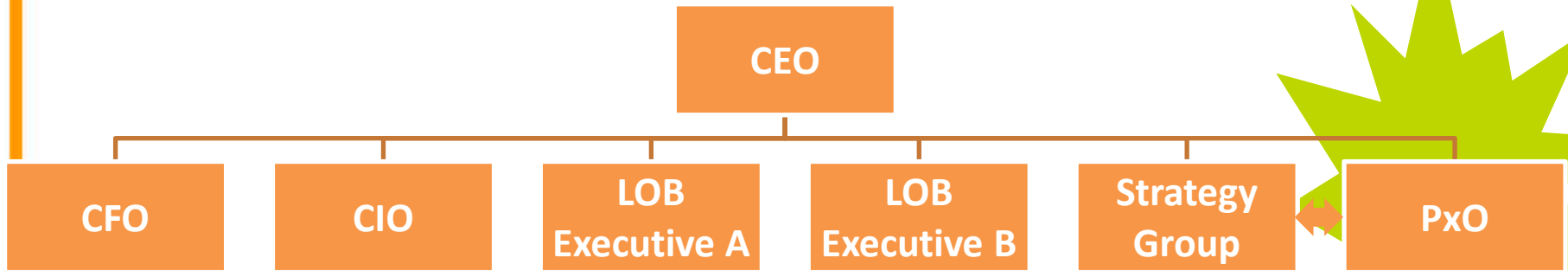
Answers

Current Organisation Components?

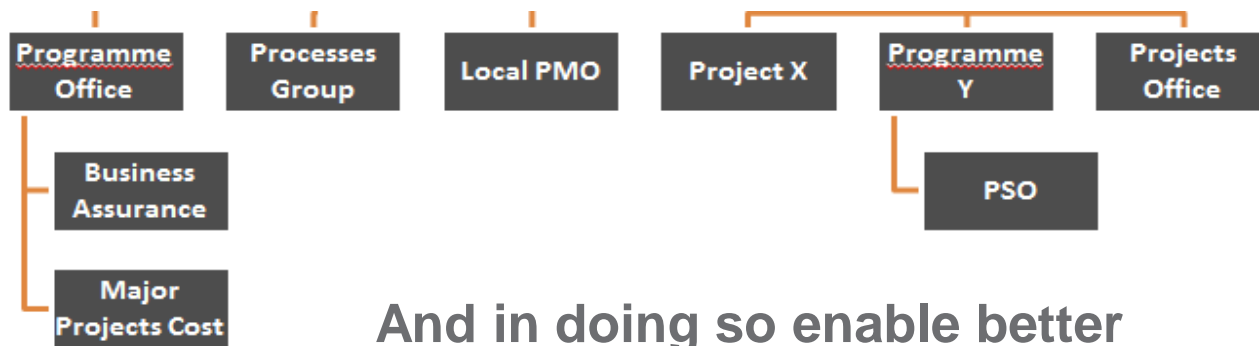


Where does resource management fit in? What has this got to do with a PMO?

What if we could start from scratch?



Can we rationalise this structure?



And in doing so enable better portfolio resource management support?

PM / Line / PMO Responsibility

“Project Manager”

- Project Planning
- Allocation need
- Balance Discussion
- Project Reporting
- Use tools and process
- Compliance

“PxO”

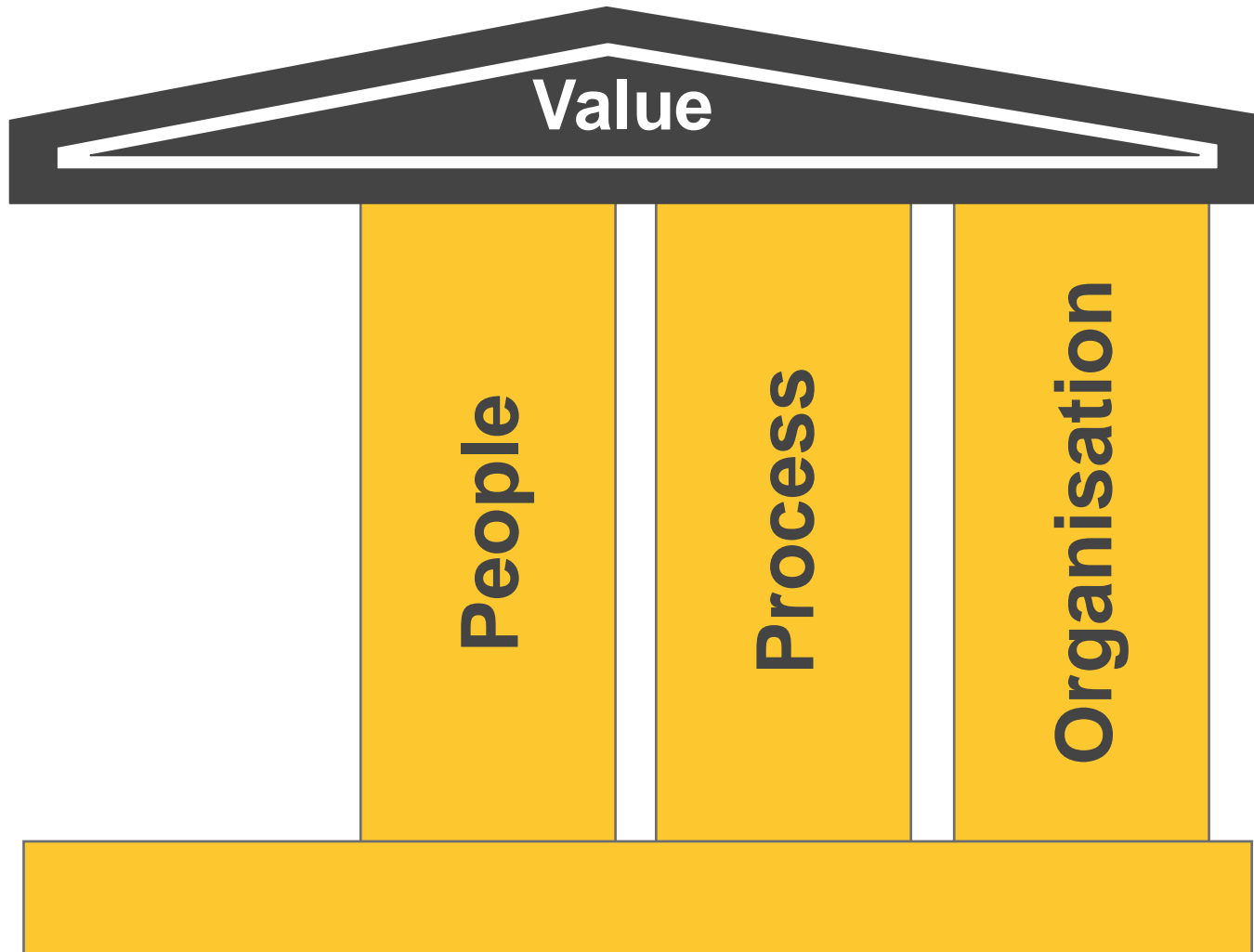
- Pipeline visible
- Prioritisation
- Planning support
- Allocation assistance
- Balance Discussion
- Macro Reporting
- Define tools and process
- Assurance

“Line”

- Fwd Service Level
- Budgeting
- Planning
- Allocation
- Balance Discussion
- Local Reporting
- Use tools and process
- Compliance

Governance?

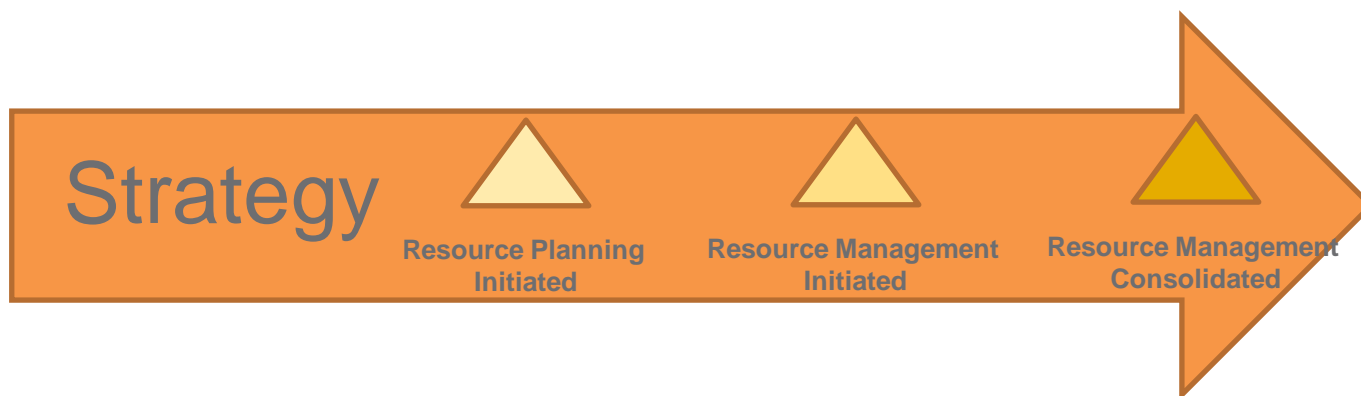
The Answers?



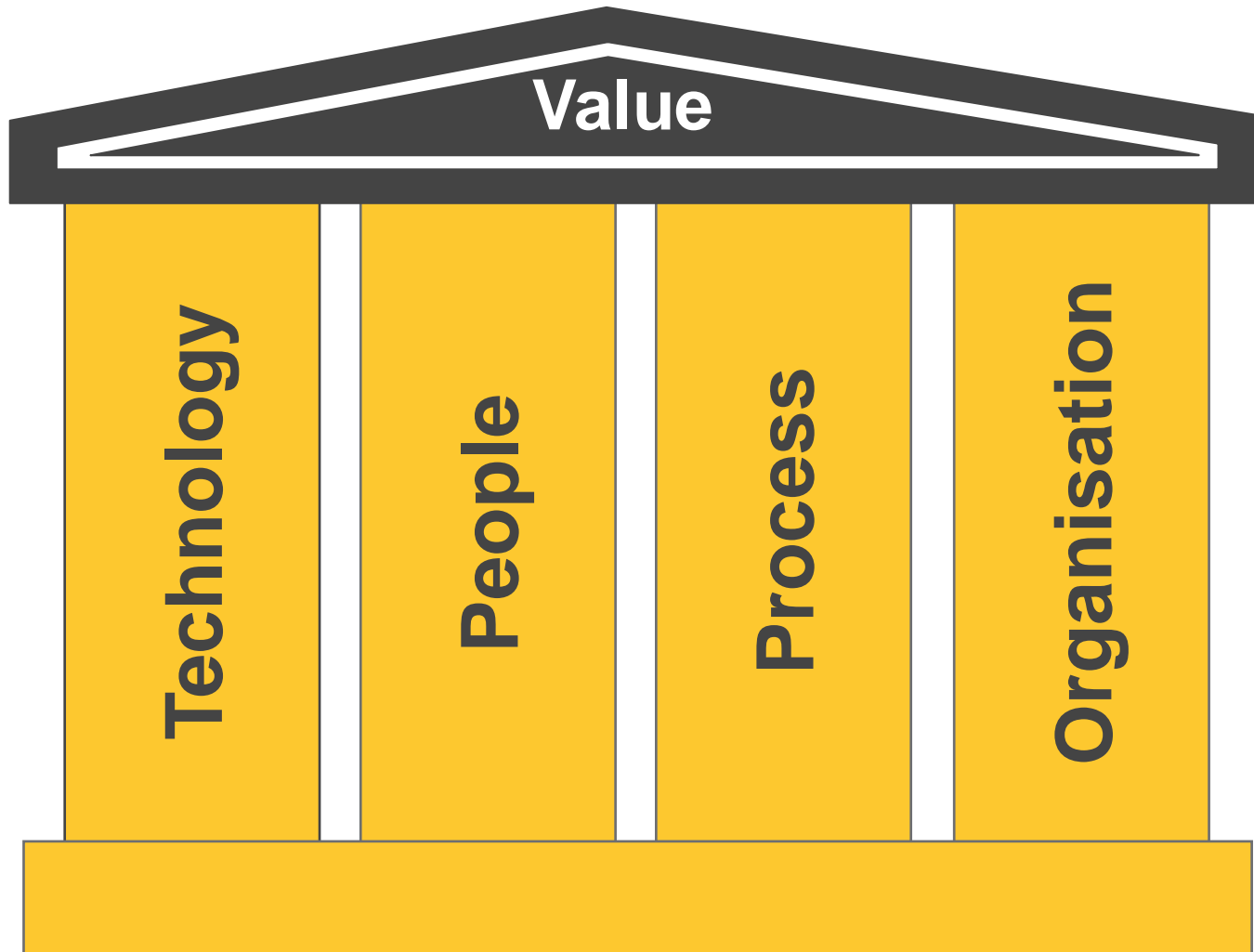
Answers

Re-definitions

- **Resource Planning** – creating a model of resource demand, maintaining it, reporting off it. **More bottom up.**
- **Resource Management** – using the model of resource demand in the context of emerging requirements, priority, progress and capability in order to carry out planned work. **More top down.**



The Answers?



Answers

Example Technology

Enterprise Project Management



IT WON'T DO THE JOB FOR YOU

Microsoft®
Project 2010

...but it can make your job easier

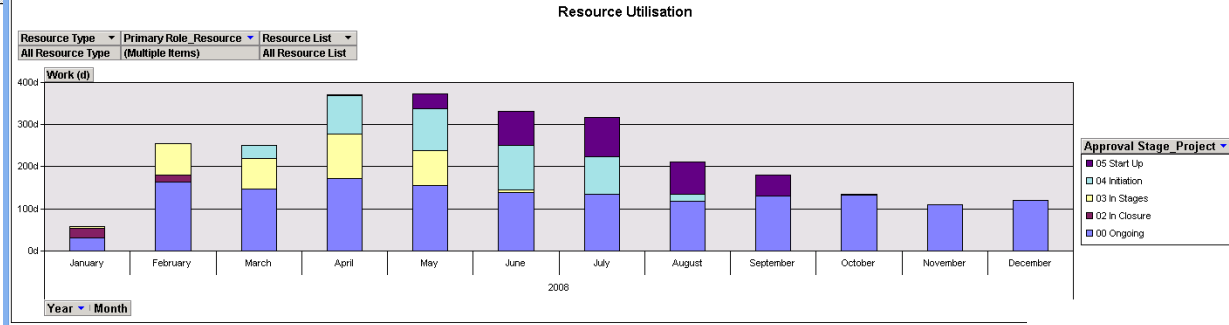
EPM Solutions

The screenshot shows the EPM software interface. On the left, a project list is displayed with columns for Project Number, Project Name, PM Status, PM Status Explanation, RAG Schedule (c), and RAG Cost (c). The projects listed include Admin (Plant Maintenance 2007), BAU (Internal Development Support, Technical Support BAU, Pre Project Support Plan), Programme (CPS Progra, CPS 2009 E), and Project (Recruitment, Portable S, CPS EPM In, Marine Sat, 2132 Hoov, Boat Show, Air Fare, Implement, Satellite Pr, Consumer, Auto Satelli, CBT Imple, Production).

On the right, a Gantt chart displays project timelines across quarters from Qtr 3, 2007 to Qtr 3, 2009. Blue bars represent project durations, with some bars extending across multiple quarters.

The Data Analysis window shows a table with columns for Year, Month, and Work (d) for different approval stages: 00 Ongoing, 02 In Closure, 03 In Stages, 04 Initiation, and 05 Start Up. The data is presented for the year 2008, with rows for each month from January to November.

Year	Month	00 Ongoing	02 In Closure	03 In Stages	04 Initiation	05 Start Up
2008	January	31d	22d	4d		
2008	February	164d	17d	75d	0d	
2008	March	148d		72d	31d	
2008	April	171d		106d	91d	3d
2008	May	156d		93d	99d	34d
2008	June	139d		6d	105d	81d
2008	July	136d		0d	89d	92d
2008	August	118d			16d	78d
2008	September	130d				50d
2008	October	133d				2d
2008	November	110d				



Answers

First Step?

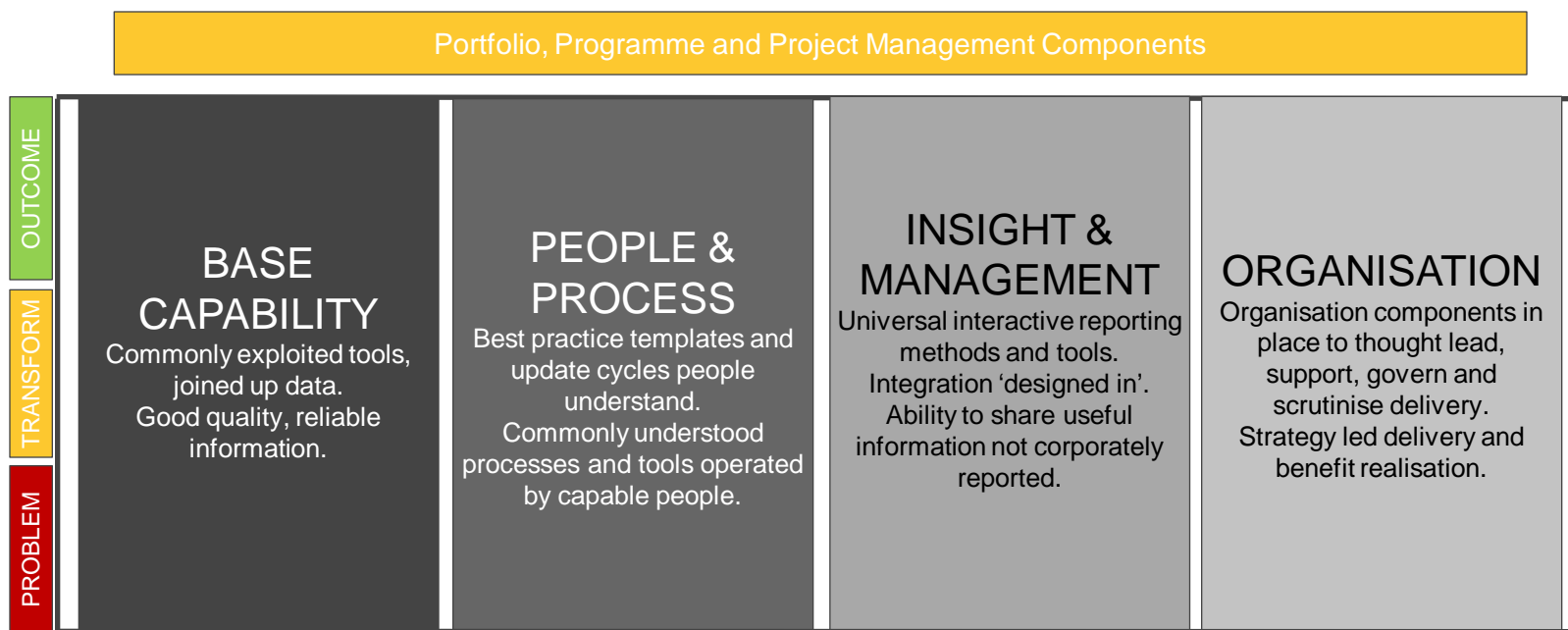


- What is the problem?
 - Health check?
 - Internal perception gathering?
 - ‘Best practice’ assimilation/learning?
 - Gap analysis?
- Quick Win
 - Vision
 - Enablers for change
-



HOW?

What do I need - Holistic View



- This is typically an improvement programme – *enable, improve, change*

HOW?

Crude Roadmap

	BASE CAPABILITY	PEOPLE & PROCESS	INSIGHT & MANAGEMENT	ORGANISATION
CHANGE	<ul style="list-style-type: none"> • Tools joined up with other tools • Data integrity • IT strategy alignment 	<ul style="list-style-type: none"> • Interpretation not a gamble • Processes relied upon by the business • People capability not an issue 	<ul style="list-style-type: none"> • Flexible Insight to spot issues • Meaningful analysis on reliable information from reliable process • Supporting key business processes 	<ul style="list-style-type: none"> • Scrutiny and oversight of the portfolio • Strategy drives delivery and delivery informs strategy • Future resource needs from strategy
IMPROVE	<ul style="list-style-type: none"> • Tools aggregate information easily • People use tools & follow basic usage model • Accuracy and reliability 	<ul style="list-style-type: none"> • Common Information • Processes joined up and operated • People capable of following processes 	<ul style="list-style-type: none"> • Common data schemes in different systems • Common reports extended to integrated information • Aggregated information for further collaboration 	<ul style="list-style-type: none"> • Support and governance in place • Exec level use of information for decision making • Skill development / acquisition
ENABLE	<ul style="list-style-type: none"> • Common planning & collaboration tools • People have base tool capability • Data Accuracy 	<ul style="list-style-type: none"> • The right management information • Common procedures • Enough of the right people 	<ul style="list-style-type: none"> • Common reports defined • Information sources understood and manually worked together • Common ways of collaborating around information 	<ul style="list-style-type: none"> • Standard tools & processes owned • Initial link between strategy & delivery visible • Capability hiring approach

HOW?

Resource Planning



Resource Planning
Initiated

Skill Pool creation, clean up

Availability creation, clean up

Prioritisation Model

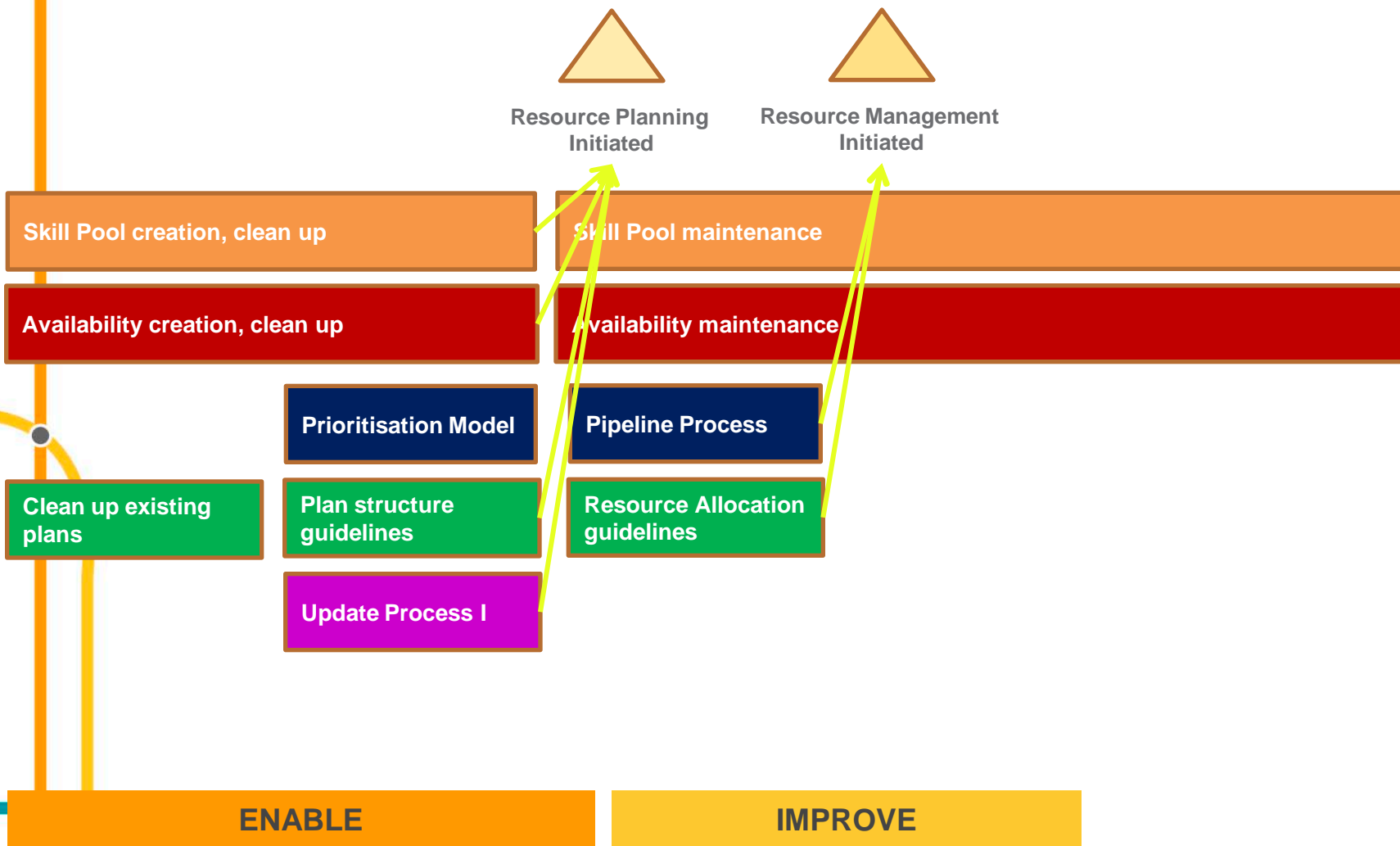
Clean up existing
plans

Plan structure
guidelines

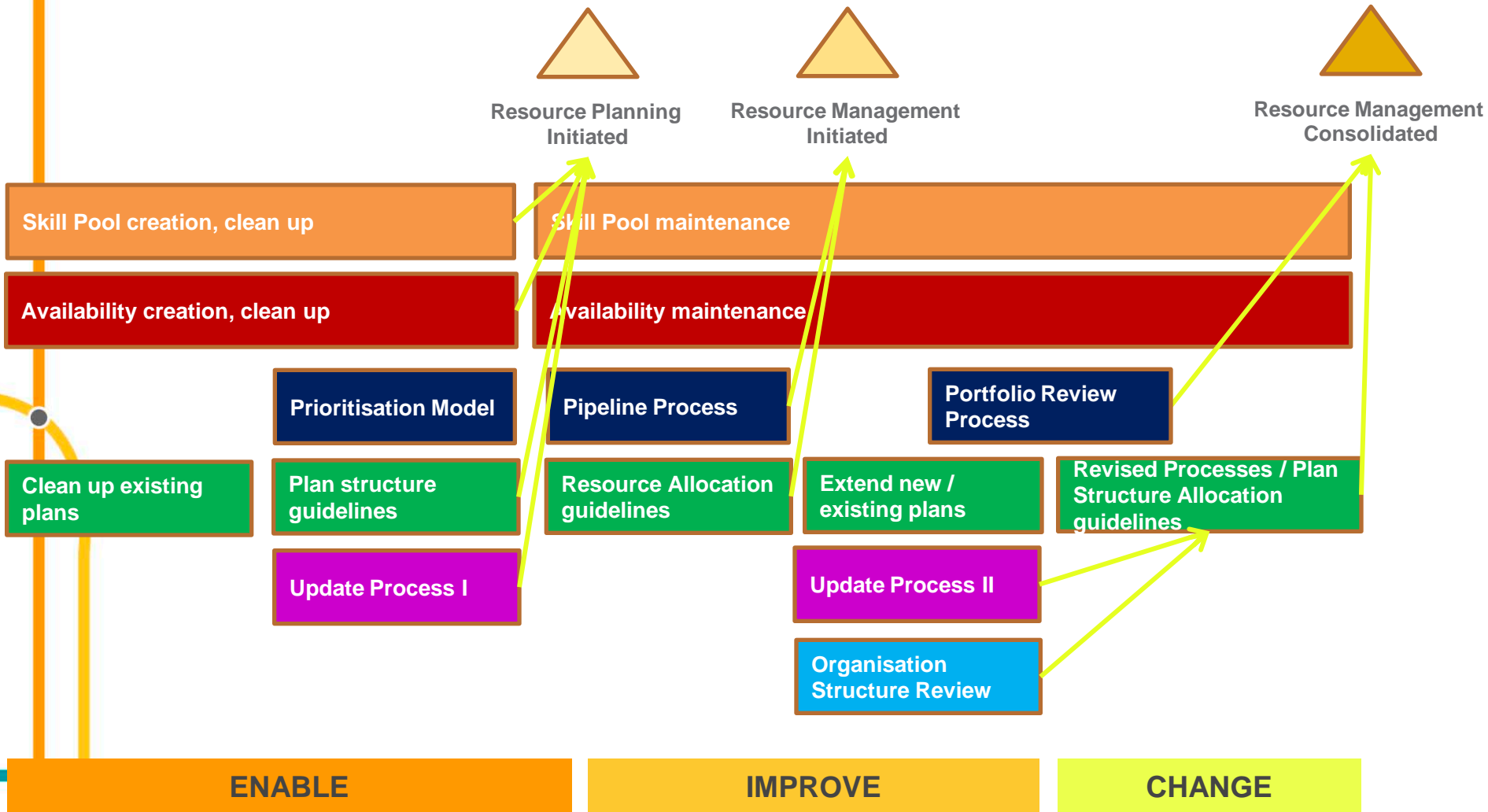
Update Process I

ENABLE

Resource Management I



Resource Management II



Conclusions

- Organisation Structure is a limiting/enabling factor
- Pipeline management will define how effective any other measures to manage resource will be
- Prioritisation does not have to be a fight
- BAU and Projects need balancing
- Planning ideally needs common consistent tools on a database
- Allocation process needs managing
- Capabilities, Support roles and Controls need to be sorted
- Implementation is a change programme – simple first step to the richest process
- Engage the right stakeholders at the right levels
- ***Treat symptoms – but deal with the underlying problem too***



END

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The Blog

A P3O @? What's wrong with my Project Support Office?

Posted by David Dunning on 16 February, 2012 - 11:50

The issue is – organisations don't always manage their portfolio using recognised portfolio management processes or roles. A PMO is often 'delivery' focused and not always a high level corporate body. There is often a gap between strategy and the delivery of change. Could a traditional PMO step up to fill that gap?

I think the answer is 'yes – but...' (brace yourself for sweeping generalisations)

Portfolio management is maturing as a discipline which organisations need to adopt TOP DOWN, while PMO services have often evolved, and PMOs often arise all over a business, in a typically DOTTOH UP fashion.

PMOs can be pulled together and rationalised, then extended to support Portfolio Management – but Portfolio Offices cannot however, be just 'plugged' on top of a dysfunctional P3M ecology and be expected to produce portfolio management out of a hat. A considered change programme, not a meandering evolution, is the answer, and EPM tools are an essential component of the prioritisation, delivery and governance 'solution' if you want to keep what hair you have left.

Has anyone experience of throwing a few sixes and getting quick and dirty to work? Please can you let me know your ideal lottery numbers?

I've just done a [web cast discussion](#) on this subject, and had quite a number of people sign on for the session.

Tweet: [input]

Posted in [Portfolio Management](#)

David Dunning
David Dunning is a member of the Portfolio Management SIG and has provided presentations around the subject of Portfolio Management for Thames Valley and South West / Wales APM Chapters.

Latest blog posts

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Lastminute.com case study - getting the right people doing the right things in the right way

15/02/2012

Launched in October 1998, lastminute.com has grown from a dotcom dream into one of the most well-known global travel brands. As the company expanded, through growth and acquisition, its technology infrastructure and project delivery systems became increasingly complex and diverse as different processes and technologies were integrated into the lastminute.com enterprise. Terry Dewhurst was appointed as Director of Transformation, and initiated and led the transformation programme. He has produced a case study of this programme which can be read on this page.

[Read more](#)

Portfolio SIG releases first newsletter

05/12/2011

The December 2011 newsletter covers highlights of activities during the SIG's first year, shares the goals for the future and launches an important new survey. The newsletter can be downloaded from this page.

[Read more](#)

AGM and Strategy to delivery presentation

24/05/2011

The AGM of the Portfolio Management SIG was held on Wednesday 22nd June 2011 before a presentation by David Dunning entitled Strategy to delivery. David's presentation looked to answer the question of where strategy comes from, how might we envision the connection of strategy through to delivery of change / business as usual items, to the confirmation that strategy is being fulfilled. Assuming we have planted a seed, how might we make this grow?"

[Read more](#)

What is portfolio management? Well, the APM definition is,

"Portfolio management is the selection and management of all of an organisation's projects, programmes and related business-as-usual activities taking into account resource constraints. A portfolio is a group of projects and programmes carried out under the sponsorship of an organisation."

In summary, portfolio management seeks to ensure that organisations:

1. Invest in the 'right' projects and programmes in the context of their strategic objectives and subject to the constraints of risk and affordability.
2. Manage their project and programmes 'right' – at a collective level, by effective management of limited resources, dependencies and the organisation's capacity to absorb change.
3. Realise the full benefits from their investment in projects and programmes
4. Capture lessons learned and use them to inform the development of more efficient and effective management of their portfolios.

For further information on the SIG please [click here](#)

[Contact the Portfolio Management SIG](#)

<http://www.apm.org.uk/group/portfolio-management-sig>

Thank you for listening!

David.Dunning@CPS.co.uk

07767 803540

<http://uk.linkedin.com/in/davidjdunning>

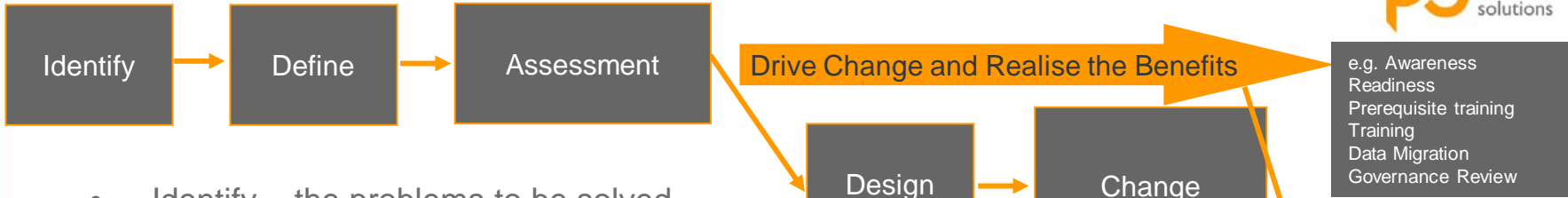
Please talk to me if you would like support in bringing this to your business.

Technical and Business Solutions to the “Above”!



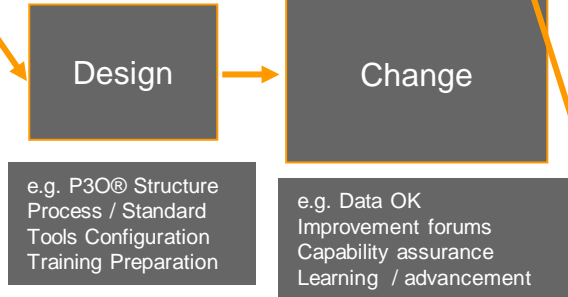
Backup Slides

ENABLE

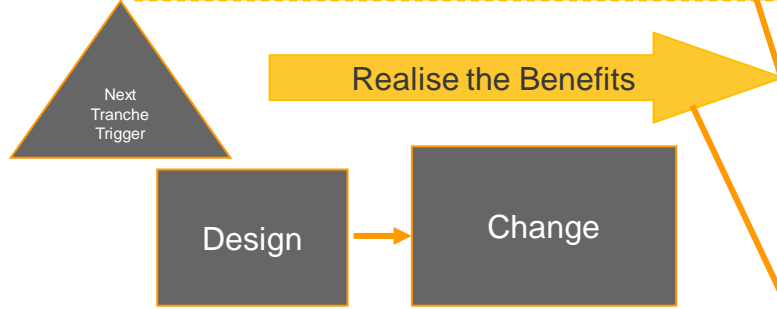


- Identify – the problems to be solved
- Define – the solution and the roadmap
- Assess – what the implication is
- Phase 1 Vision = ENABLE

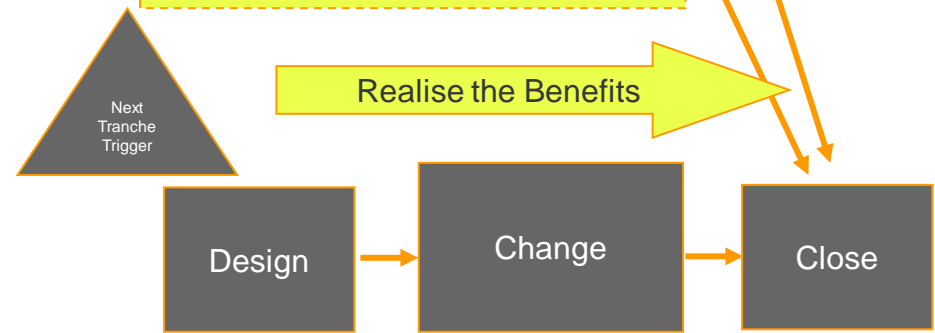
- Assessment
 - Organisation / capability mapping
- Design
 - Initial P3O® Service Level / staffing
 - MoP, MSP®, PRINCE2® - Processes / Standards
 - EPM Tools / Reports
 - Data Migration
- Change



IMPROVE



CHANGE



- Phase 2 Vision = IMPROVE – build upon the capability enabled.
- Phase 3 Vision = CHANGE – deliver benefits beyond what is possible with improvement alone.

Structure Type	Description
Functional	Top-down, specialized departments reporting through separate chains of command, joined only at the top
Divisional	Each unit or division dedicated to one product, geographic area, common technology, or customer base
Matrix	Combination of functional and self-contained units, lateral teams imposed on functional departments
Process-Based	Process Owners drive team-based strategic execution with customer oriented goals in mission-based processes
Network	Separate units either internal or external to the company, each unit specializes in a business task or function held together by ad hoc arrangements

Key Players

Is the structure right?
What is our pipeline?
Prioritisation?
Are we operating correctly?

Competencies mapped?
Skill transformation?
Are we planning?
Priority Balance?
Actuals?

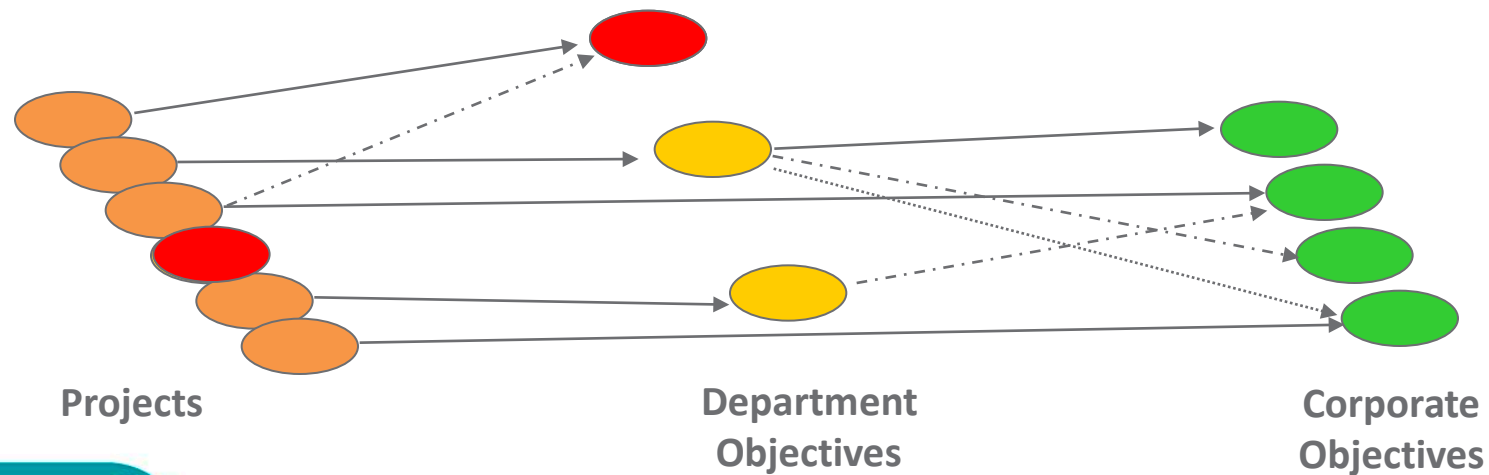


Am I in a pipeline?
Plan structure?
Resource Allocation?
Control Cycles operating?

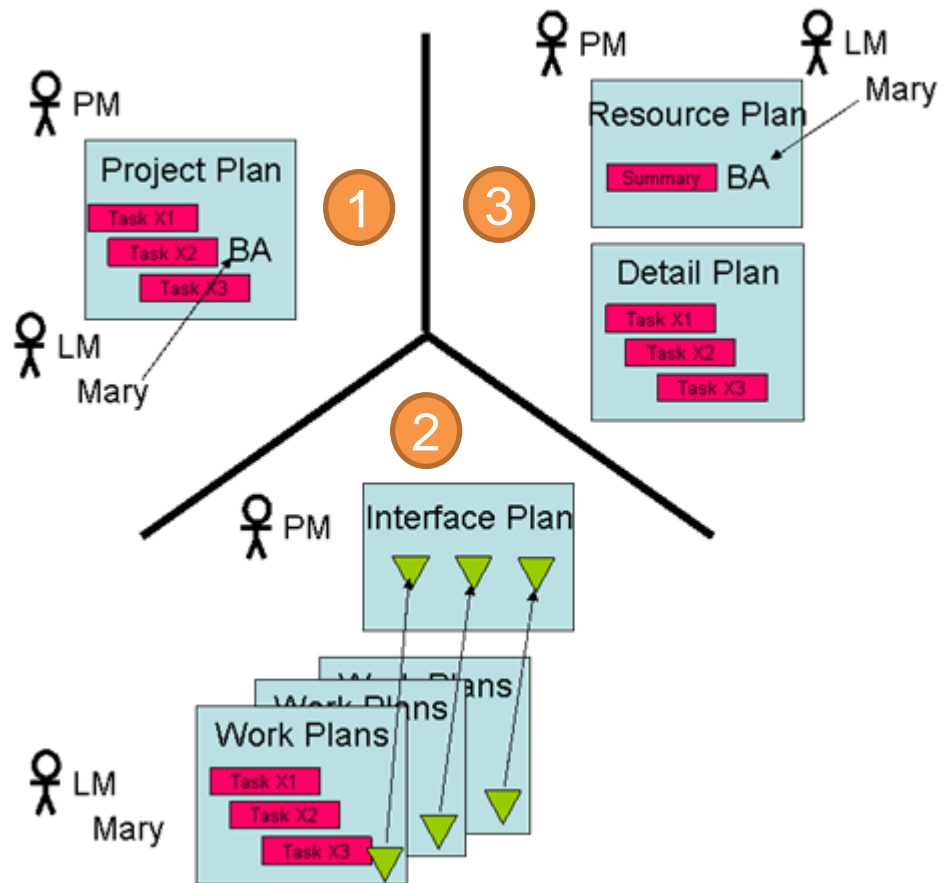
Is my role clear?
Am I developing?
Absence booking?
Can I do this work?
Am I recording time?

Strategic Objectives vs Local Objectives

In larger organisations – we can't map projects to Corporate Objectives
Top down / bottom up?



Plan and Plan Structure

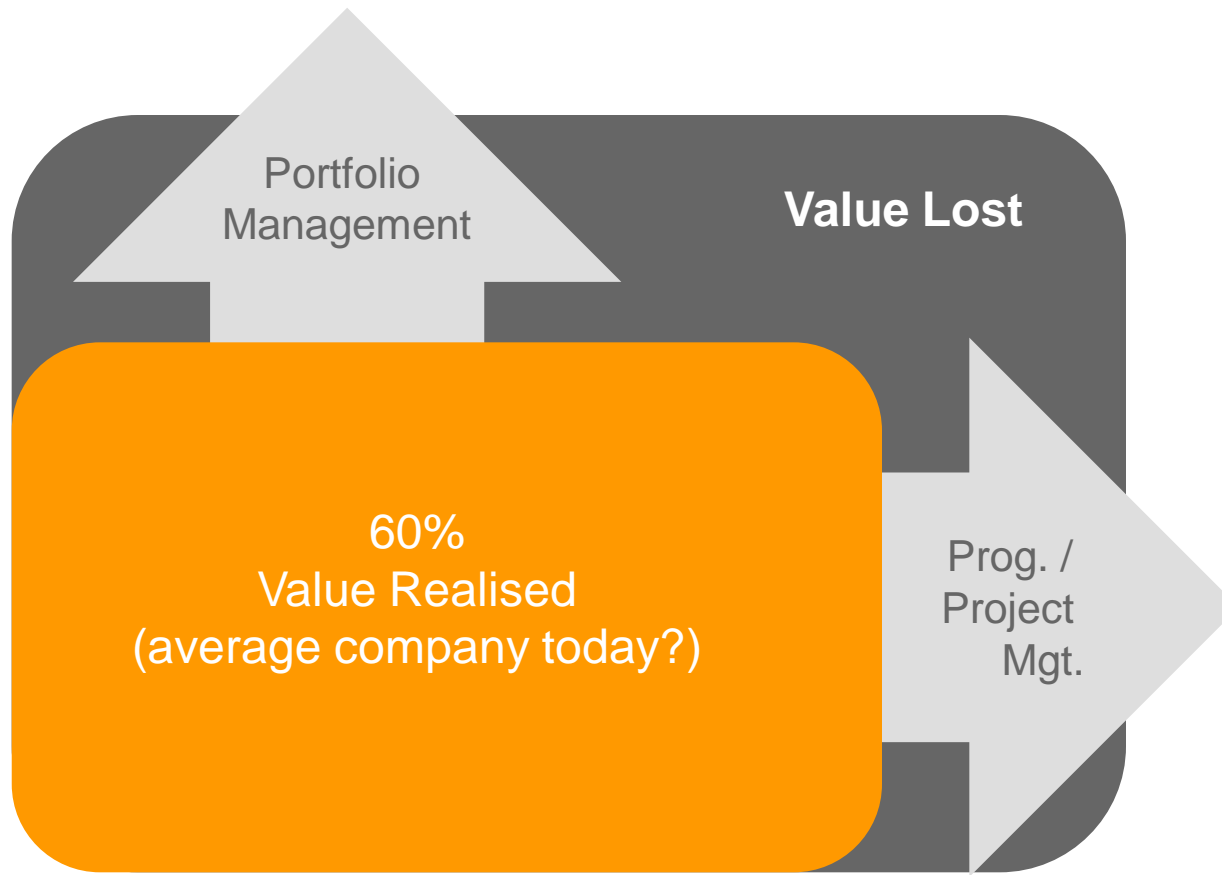


- Assuming plans...
(But we love Excel...)
- Estimating – are we any good?
- Stages / Gates / Cross Project dependencies?

Portfolio Management enables organisations to identify and select the investments that will maximise business value – RIGHT THINGS



Ability to Identify Business Value Potential



Programme and Project Management enables organizations to successfully deliver the selected business value opportunities - THINGS RIGHT

Ability to Deliver and Realise Business Benefits

“It is shocking that some organisations continue to waste effort and resources by delivering the wrong projects and programmes”

So what work do we have, what do we call it, and can we plan or not?

- Programmes and Projects
- Work packages – within projects (perhaps), but maybe these assignments need to be defined, prioritised, done, accepted and closed – mini projects perhaps?
- Workstreams – groups of people delivering a function or a service level, e.g.
 - HR service, IT support desk, Payroll...

Which of these workstreams do we need allocate resource / costs to, and which should be included in budgeting / prioritisation processes?

What to do to get going..

Establish 'Organisational Will' at the right level

Devise a problem statement – to gain stakeholder engagement

Appoint a Senior Responsible Owner – a business person to front the change

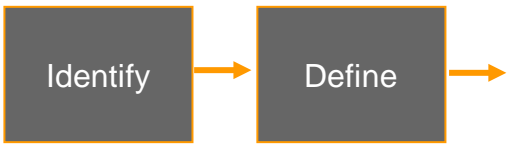
Appoint a capable Programme Manager – to deliver effectively

Map out the vision for how the objectives can be met – keeping short and long term needs visible

Set the capability / benefit expectations – so that success can be measured

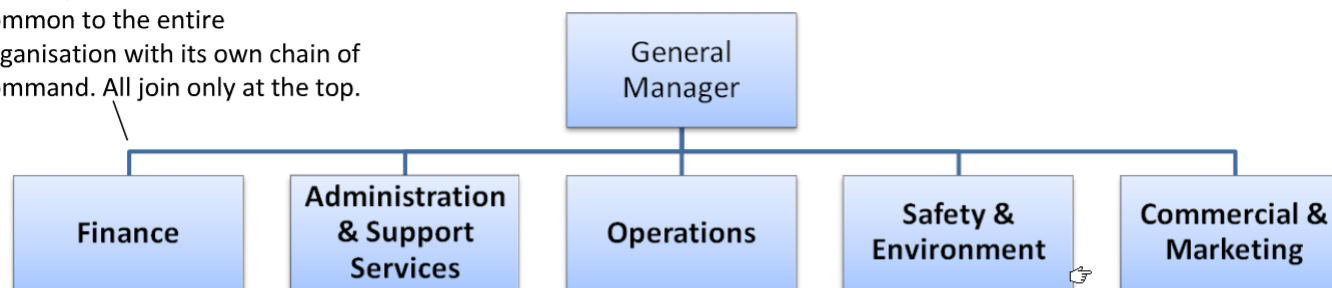
Assess the current state of strategy management and 'P3 organisation' provision – to make change provision feasible

Prepare Benefit Profiles, a Business Case, Programme Brief, Programme Preparation Plan and Vision statement



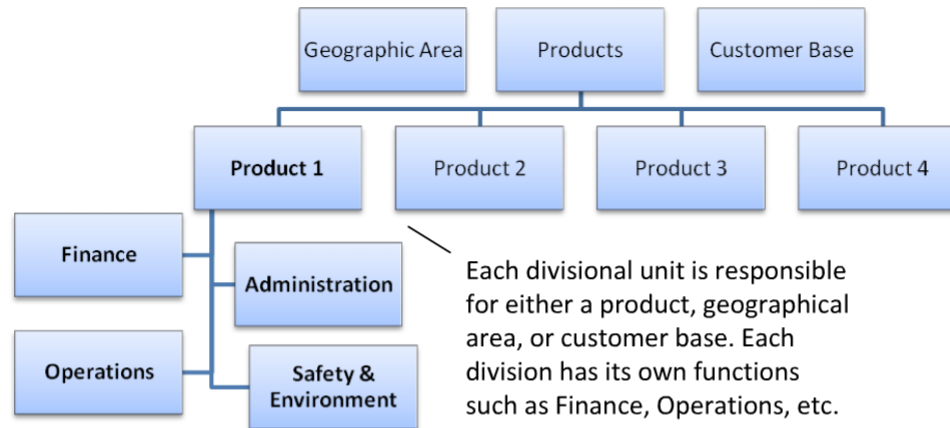
Organisational Context – Functional Structure

Each department is a function common to the entire organisation with its own chain of command. All join only at the top.



Advantages	Disadvantages	Works Best When..
<ol style="list-style-type: none"> 1. Reinforces specialized skills and resources 2. Reduces duplication of scarce resources 3. Facilitates communication within department 	<ol style="list-style-type: none"> 1. Short-term focus on routine tasks 2. Business perspectives are narrow 3. Communication with other departments is reduced 	<ol style="list-style-type: none"> 1. Business environment is stable and predictable 2. Organisation is small to medium in size 3. Quality is maintained through routine tasks

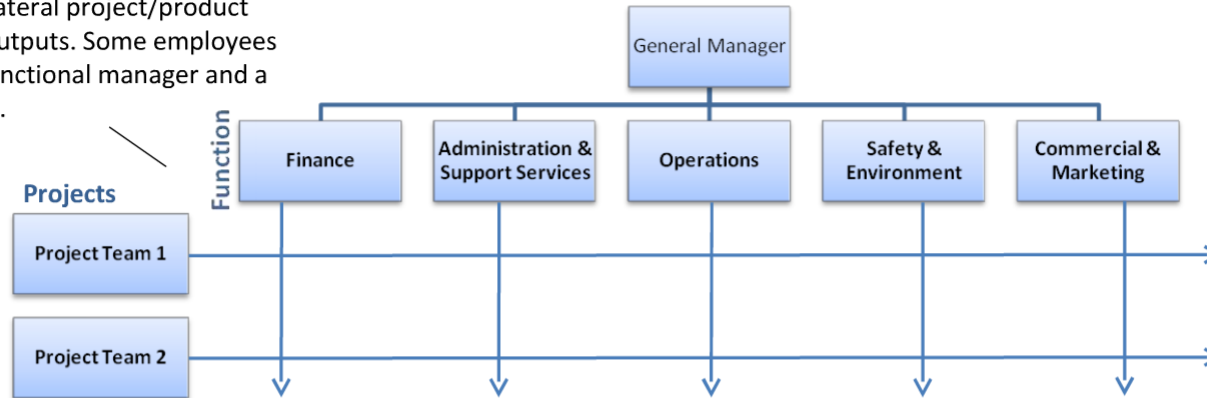
Organisational Context – Divisional Structure



Advantages	Disadvantages	Works Best When..
1. Key interdependencies and resources within the division are coordinated toward an overall outcome	1. There is heavy duplication of resources, skills, and expertise as each division has its own functions	1. The organisation is very large in size 2. Business environment is dynamic and always in flux 3. Multiple products and customer types exist

Organisational Context – Matrix Structure

Functional departments focus on specialized resources while lateral project/product teams focus on outputs. Some employees will report to a functional manager and a product manager.



Advantages	Disadvantages	Works Best When..
<ol style="list-style-type: none"> 1. Interdependencies between functional departments are managed well 2. Skill diversification and training across functions is easier 	<ol style="list-style-type: none"> 1. Difficult to manage and control coordination 2. Employees may face unclear roles and inconsistent job demands 	<ol style="list-style-type: none"> 1. The organisation is very large 2. Business environment is uncertain and unpredictable 3. High level of technological interdependency across functions exists 4. The goal is product specialization and innovation