

6 PREDICTORS FOR RESOURCE DEMAND PLANNING SUCCESS

A real-world, practical guide to resource demand planning in the Digital Age

Topics Included in This Paper:

- Solid PPM in the digital age
- Achieving leadership via resource demand best practices
- Adaptive and predictive PM and resource demand
- Managing the portfolio “ecosystem”
- About Keyedin Solutions

SIX PREDICTORS OF RESOURCE DEMAND PLANNING SUCCESS

- PROJECT MIX
- RESOURCE MANAGEMENT
- PORTFOLIO MANAGEMENT
- FINANCIAL CONSTRAINTS
- VISIBILITY AND CONTROL
- COLLABORATION

Introduction

The advent of digitalization across a spectrum of complex industries, coupled with the transition to bi-modal (a mix of traditional and “agile”) IT practices, have caused unprecedented disruption to traditional resource demand planning models. How adept are your project portfolio teams and managers at facing this complex challenge? In this white paper series, we will examine the best practices that will help you “surf the new wave” of digital change while ensuring your resource capacity plans meet strategic goals *and* protect the bottom line. You can create solid processes for your PPMs and thrive by integrating these best practices.

Your Current Status

Every PMO “lands” somewhere along the continuum of project portfolio management maturity depending on the way it manages resources and how effectively it plans for resource demand. Keep in mind that whether you are talking about intra-departmental projects or managing resources across the entire spectrum of projects in your company’s portfolio, it’s crucial to effectively manage the tools, processes and resources currently in place, *plus their future states*.

The two main predictors of project success continue to be effective management of people and financial oversight. Using predictive policies can only dictate the way you manage these elements if they stem from enterprise-wide strategy and if you have complete visibility. In the digital age especially, you cannot afford to be hampered by short-sighted, resource-based and single-project-specific decisions.

Let’s look at the six predictors of resource demand planning success:

FURTHER READING

[EBOOK: WHY PPM AND PMOS FAIL](#)

Project Mix

In the good old days of project management, most projects were predictive, following traditional project management methodologies such as Prince2 and Six Sigma—or Waterfall for software development. However, digitization, bimodal IT and new technologies have all had a dramatic impact on an organization's project mix, driving a greater need for more agile project management. Understanding your ability to cope with both predictive and adaptive projects will help you assess your maturity and help you define the level of complexity needed from your resource demand planning processes. Also, depending on your PPM approach, you might consider integrating traditional and more agile project management solutions to provide a single, portfolio-level view of projects.

Resource Management

Research has shown that managing resources effectively can make or break your portfolio. More mature organizations develop internal resources more often. They delineate clear career paths for their high performing project managers to keep them invested in the company. Planning for your successors in these roles is important, too—to ensure continuity of change management programs and of your five-star processes.

Portfolio Management

PPM practices and processes are essential to effective resource demand planning. These include disciplines such as portfolio management, as well as program management. One of the most common activities included in this dimension is the establishment of a disciplined function - be it a project management office, program office or portfolio management office. To standardize resource demand planning, your PMO needs visibility and control. If you don't know where you are in real-time,

from both the top-down and the bottom-up, you can't see how your PM processes empower or block your ability to manage time, cost, resources, and financials.

Financial Constraints

FURTHER READING

[NAVIGATING THE RESOURCE CAPABILITY PLANNING MINEFIELD](#)

We talked about this earlier as one of the key predictors of PPM success. Chances are, your resource demand planning systems measure and track costs as it relates to business value across an array of projects. Having clear financial visibility along with an understanding of budget constraints is essential—especially when you are using adaptive PM methods and turning on a dime.

Those with expertise in this area account for both the cost of their resources across time, in real-time, plus planned expenditure. They use both digital, dynamic metrics and more classic portfolio metrics in tandem to retain the ultimate in cost control.

Visibility and Control

Technology is a great enabler to ensure that you possess accurate and visible ways to track projects. Your ability to control all of the other elements of PM hinges upon real-time knowledge shared with the right people in a secure and effective manner. Mature enterprise-wide resource-demand planning cannot only help you manage resources and your continuing resource capacity but also ensure you track all of the moving targets in your entire portfolio.

Collaboration

In this digital era, it becomes even more important for you to communicate and collaborate effectively. When you are working to create a team that will realize your portfolio goals, the biggest roadblocks include:

- Gaps between functional silos
- Poorly developed continuous improvement processes
- Poor visibility for redeployment of resources
- An immature or poorly led PMO

You must have an enterprise-wide capability to oversee project or portfolio statuses. As a strategic partner, efficient PMOs maintain nearly X-Ray vision in this arena, uncovering competing goals across the portfolio and using collaborative platforms to move and adjust. Adaptive projects in the marketing, IT, customer management and sales sphere particularly require taking these actions in time—at the speed you need to head off issues. You can safeguard your capability for innovation across the enterprise because collaborators don't run into "black boxes" in your portfolio.

Another relationship problem is the PMO organization's lack of clout. Many of these departments are in their infancy, with both their leaders and their executive-level overseers still figuring out how to make the function work in the real world. Once each PMO experiences some wins—and properly promotes these wins among all associates within an organization—the needle will move to a more trusting, collaborative relationship between the owners of the resources and the ones responsible for allotting them across the enterprise.

Resource Demand Planning on the Portfolio Level: Creating an Ecosystem

FURTHER READING

[EBOOK: RESOURCE DEMAND PLANNING IN A DIGITAL AGE - AN EFFECTIVE AND STEAMLINED APPROACH](#)

Resource demand planning on a portfolio level requires more visibility and control than the newbie possesses. If they're given the right tools, however, as well as the right processes and support, most can manage their portfolio resource demands effectively within a single point on the clock. The real winning PMOs use systems that support predictive analytics and feed into their continuous improvement measures over time. This creates an ecosystem that feeds on collaboration, visibility and the enhanced control that comes with a broad-based vision including every project in its view.

More to Learn

Thankfully, just like each project in your portfolio - your PPMs or PMOs retain the ability to grow and change into entities of great value. In this white paper, we talked about finding where you were in the process of managing your resources and creating a portfolio/project management organization that can not only adapt to changing demands but pre-emptively take charge of them. Using both adaptive and predictive project management to allocate your resources as strategically as possible requires guts. But there's lots of glory to be had at the end of the day!

The iterative nature of many projects requires enhanced collaborative capabilities; a command of change management dynamics; and the willingness to place solid (and possibly unpopular) processes in place.

In our next white paper, *Resource Demand Planning in the Real World*, we will examine which of these processes will empower you by examining the five crucial areas of PPM functionality. Until then, we've created a mini-dashboard to help you more clearly see where you have to change – and where you're well on your way to executing transformational PPM that ensures your company's long-term health—and its ability to move -- via a dynamic portfolio -- when innovation beckons.

| Six Key Areas for PPM Success | Rate yourself: 1-5 (1=Low, 5=High) |
|--------------------------------------|-------------------------------------------|
| Project Mix | |
| Resource Management | |
| Portfolio Management | |
| Financial Constraints | |
| Visibility | |
| Control | |
| Collaboration | |
| TOTAL | |

About KeyedIn® Solutions

KeyedIn Solutions is focused on helping organizations simplify processes, improve performance and drive results. The company's Cloud-based software systems not only offer greater flexibility, but effectively scale as business needs dictate and can be implemented quickly, delivering a measurable ROI months, or even years ahead of on-premise systems. And KeyedIn offers a true SaaS model, making its solutions affordable for every budget.

KeyedIn Projects, the company's project management suite, helps businesses and professional services organizations improve everything from project initiation to execution by managing programs based on top-line strategy and delivering profitable projects to the bottom line. KeyedIn Manufacturing is an ERP system that helps custom manufacturers work smarter so they can increase productivity and bring new products to market quickly, for a distinct competitive advantage. And when new solutions need to be developed quickly, KeyedIn clients turn to KeyedIn Konfigure, the company's rapid application development (RAD) platform for affordable applications designed just for them.

When businesses need results fast, they look to the Cloud – and turn to KeyedIn Solutions. You should too. Keep up with us at www.keyedin.com



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www.keyedin.com

Corporate Headquarters

5001 American Blvd West
Suite 1010
Minneapolis, MN 55437, USA
p +1 866 662 6820

EMEA Headquarters

Maple House
Woodland Park
West Yorkshire, BD19 6BW, UK
p +44 (0)1274 863300