IMPROVING RESOURCE CAPACITY THROUGH TIMESHEET MANAGEMENT

Generate project resource capacity without hiring by using best timesheet business practices

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Learning points

The three things participants will take away from this session:

- ❑ Attendees will learn specific techniques that enable them to increase their project resource capacity

- ❑ Attendees will be given actual examples of organizations that have applied task tracking techniques to non-project work to great advantage

- ❑ Attendees will discover examples of how non-project and project work can be combined into common reporting and analysis.

Introduction

- ☐ Founder of HMS Software; publishers of TimeControl, a project-based timesheet system

- ☐ Over 28 years experience in project and timesheet systems

- ☐ Author of the EPMGuidance.com blog

- ☐ Teaches Advanced Project Management at McGill University

- ☐ Writing has appeared in:

  - ☐ Fortune Magazine, American Management Association's Project Management handbook, PMI's PMNetwork, Microsoft's TechNet, Computing Canada, and PM Times magazines.

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Introduction

1984 HMS Software founded. First project: automating the project office at Philips Information Systems and creating a project timesheet

1994 HMS releases TimeControl 1.0

1995 TimeControl published with links to Microsoft Project

1997 HMS becomes a Primavera Technology Alliance Partner

1997 HMS releases TimeControl 3.0 as a client/server product

1999 HMS releases first web timesheet interface for TimeControl

2001 HMS releases TimeControl 4.0, a full web-based version

2005 HMS becomes a Microsoft Gold Certified Partner

2007 HMS releases TimeControl Industrial 4.7

2010 HMS becomes Oracle Gold Partner

2010 HMS releases TimeControl 6.0

2011 HMS releases TimeControl Mobile

2012 HMS releases TimeControlOnline – Hosted TimeControl in the Cloud

Project Resource Time Constraint

Project Constraints
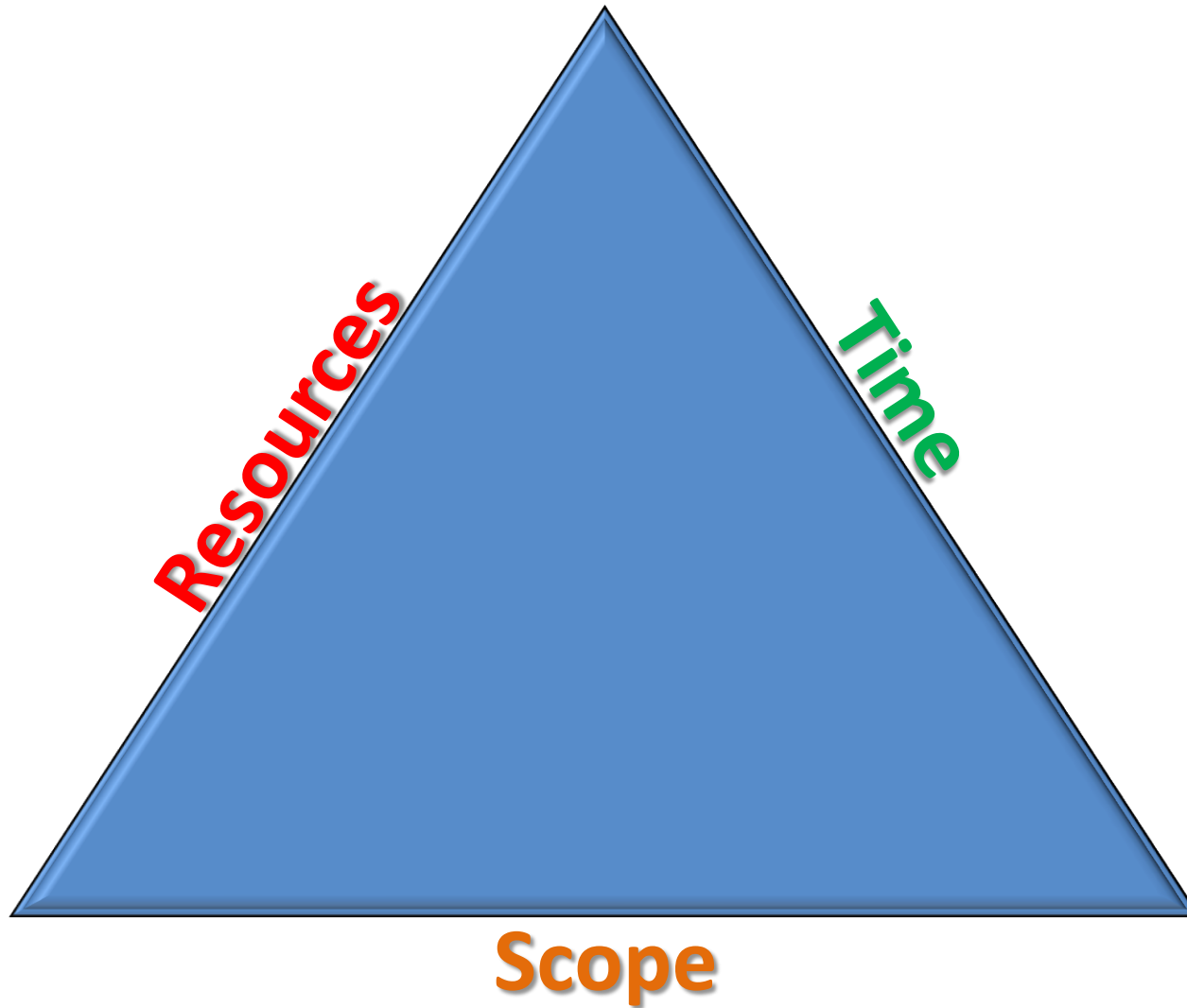
Solving capacity challenges

❑ Add capacity hiring/contracting
(In a challenging economy this is unacceptable)

❑ Reduce the amount of work
(When competition is tough, you must add work. Reducing work is unacceptable)

❑ Do the work slower
(In a global economy, working slower is unacceptable)

The Resource Challenge

No one has an abundance of resources

…nor should they

"Project Management is doing a defined scope with insufficient resources"
– Ken Mattingly, NASA

Project Management is working

❑ In the last 30 years project management has advanced as a discipline and it makes a difference

❑ Projects are managed more effectively

❑ Staff are allocated more effectively

❑ The right projects are often prioritized more effectively

So problem solved… yes?

❑ Unfortunately… no

❑ Resource Capacity Planning remains one of the most significant organizational issues and this is regardless of the status of the economy

❑ When the economy is challenged, staffing is reduced

❑ When the economy is booming, skilled resources are scarce

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- ❑ Projects are managed more effectively
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- ❑ The right projects are often prioritized more effectively

- ❑ Yet…Resource Capacity Planning remains one of the most significant organizational issues and this is regardless of the status of the economy

REAL WORLD EXAMPLES

Example 1: Inter-office transport

Inter Office Transport, 16%

All other effort, 84%
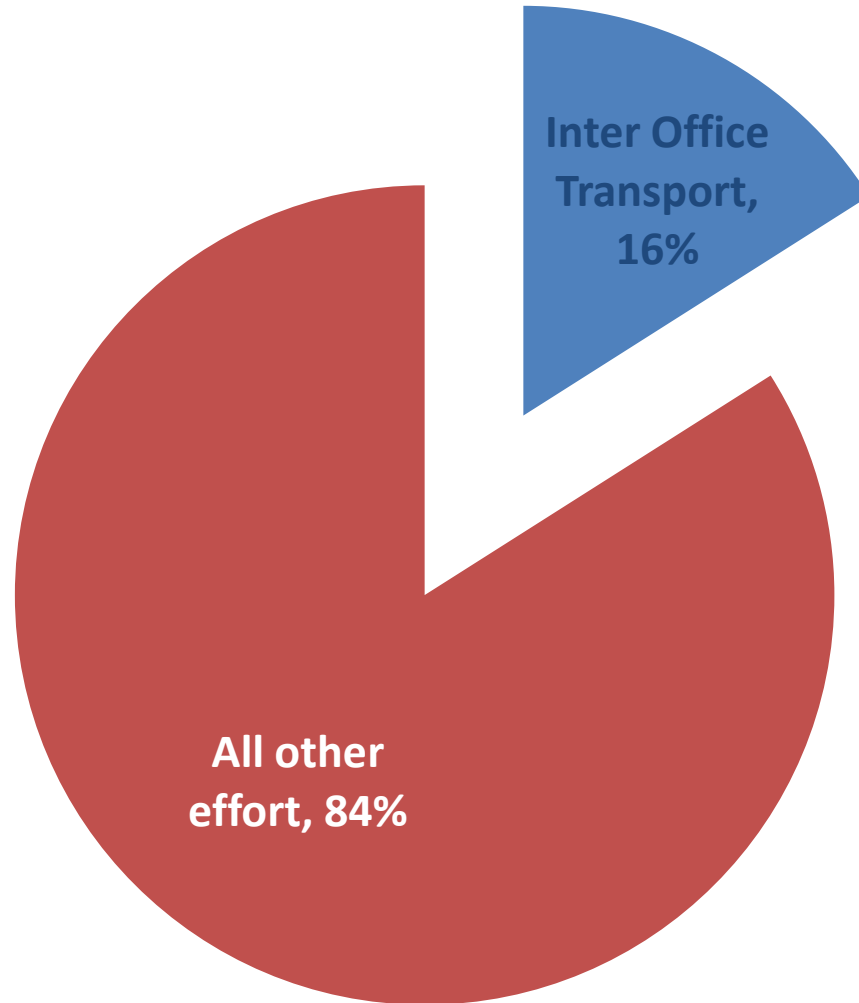
Management decisions

1. "Starting immediately all project personnel will be co-located to the maximum extent possible"

2. "If many project team members must travel to a meeting with one executive then that executive will travel **_not_** the entire team"
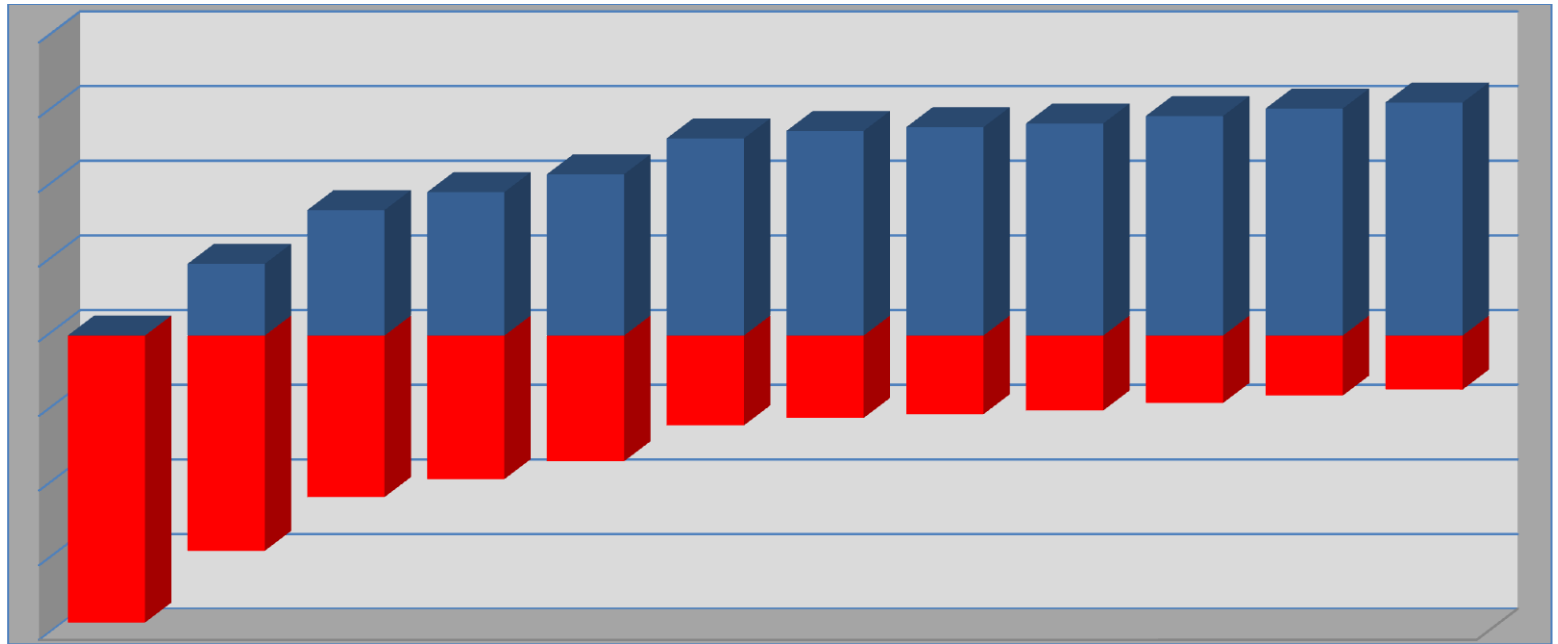
Charge breakdown example

Results of less inter-office travel

Total savings: for 1 year: $4,471,667
Or the equivalent of hiring 156 people!

M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
-$640,000	-$480,000	-$360,000	-$320,000	-$280,000	-$200,000	-$183,333	-$175,000	-$167,667	-$150,000	-$133,333	-$120,000
0	$160,000	$280,000	$320,000	$360,000	$440,000	$456,667	$465,000	$473,333	$490,000	$506,667	$520,000

Example 2: Reduce bureaucracy

❑ In a 6000 person staff, 1/3 of the workers were sub-contractors

❑ Approving timesheet invoices took 8 weeks and included:
  - ❑ Reconciling sub-contractor timesheet information with internal timekeeping records which arrived in numerous formats
  - ❑ Adjusting sub-contractor invoices to match reconciled timesheet information
  - ❑ This took key project personnel, supervisors and finance personnel

Management decisions

❑ Deploy a single timesheet (in this case TimeControl) and have <u>all</u> workers use it including both internal and external staff

❑ Approve time each week and give the sub-contractor companies access to the timesheet data of their own staff
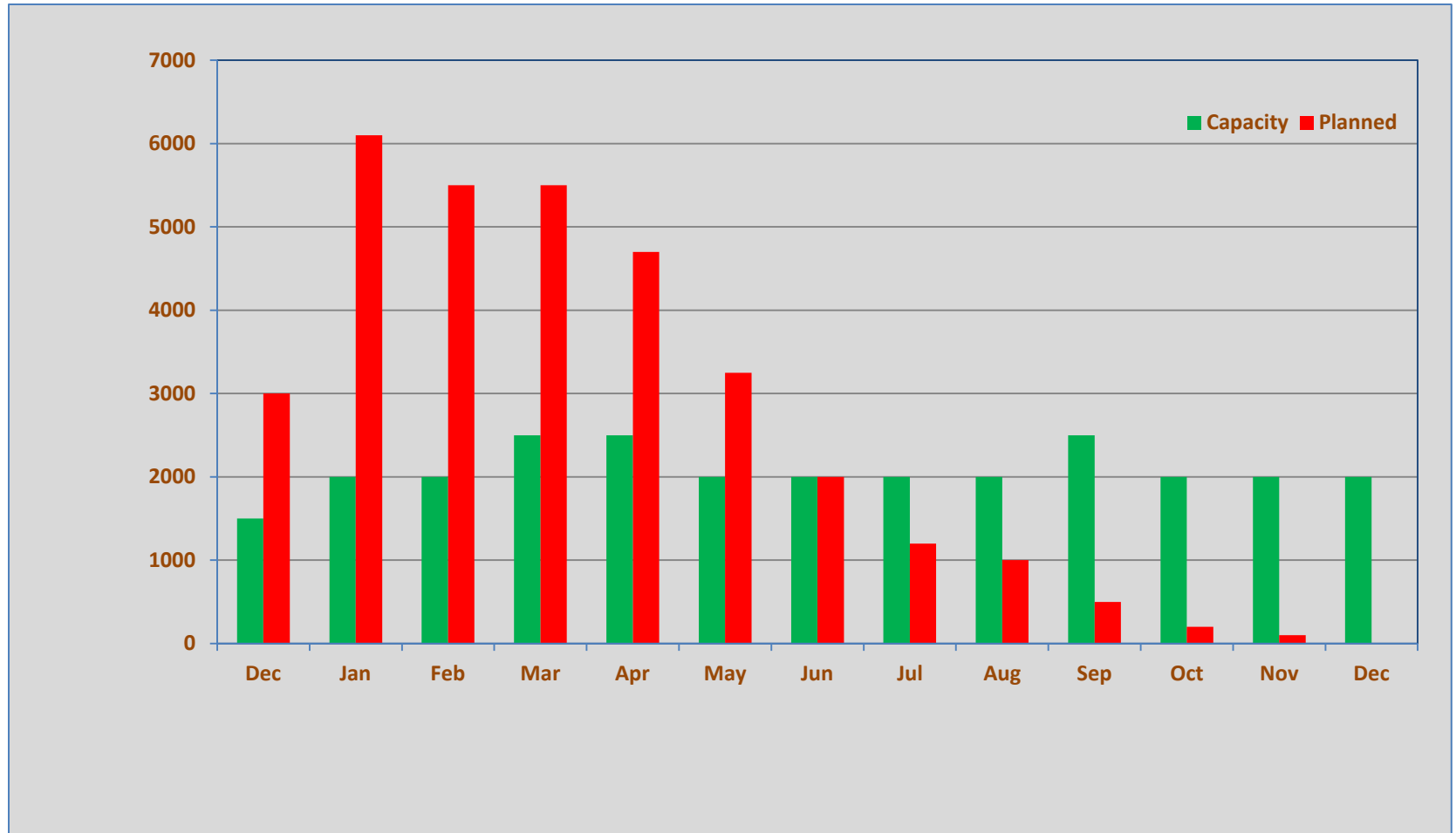
Results of one timesheet

- ❑ Sub-contractor invoice approvals reduced to less than 5 days

- ❑ Company therefore negotiated an early payment discount of 2% and saved over $2.4 million or the equivalent of hiring over 60 people

- ❑ Company saved 1200 hours per week in more efficient invoice and timesheet approvals or the equivalent of hiring more than 30 additional people
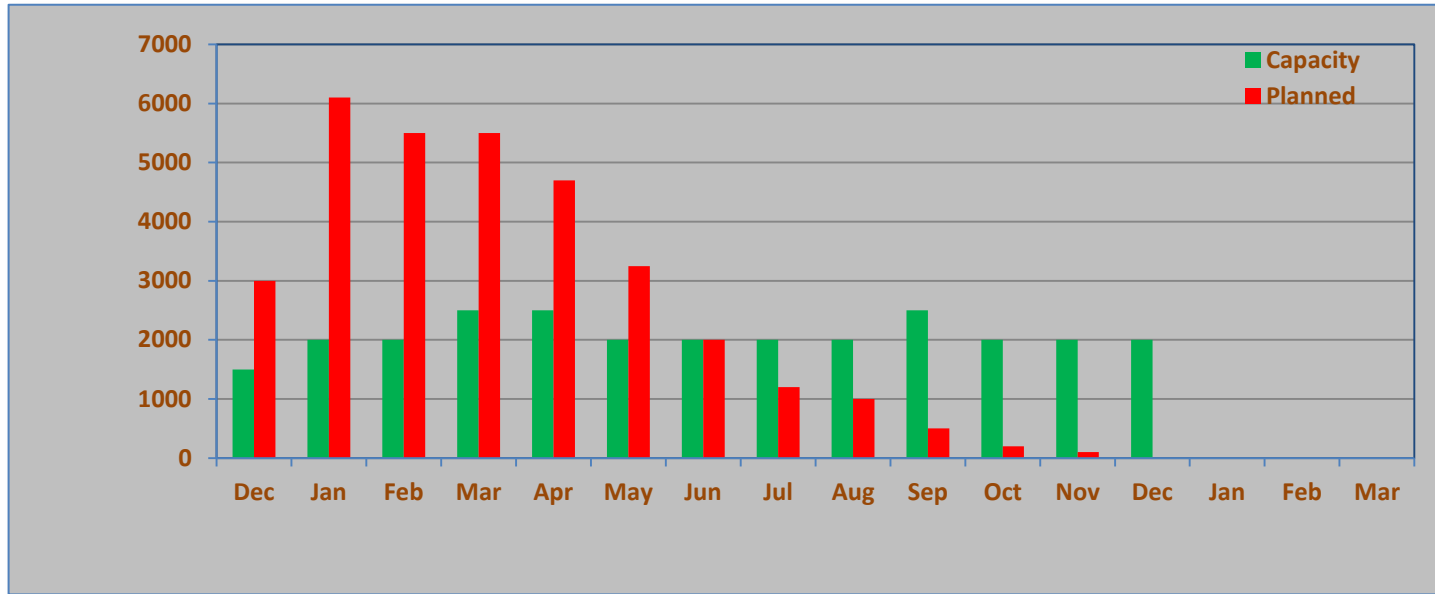
Example 3: Excessive Maintenance

❑ A US university did an assessment of its portfolio of IT projects

❑ It determined that its current and projected projects for the coming year were the equivalent of approximately two years of resource capacity
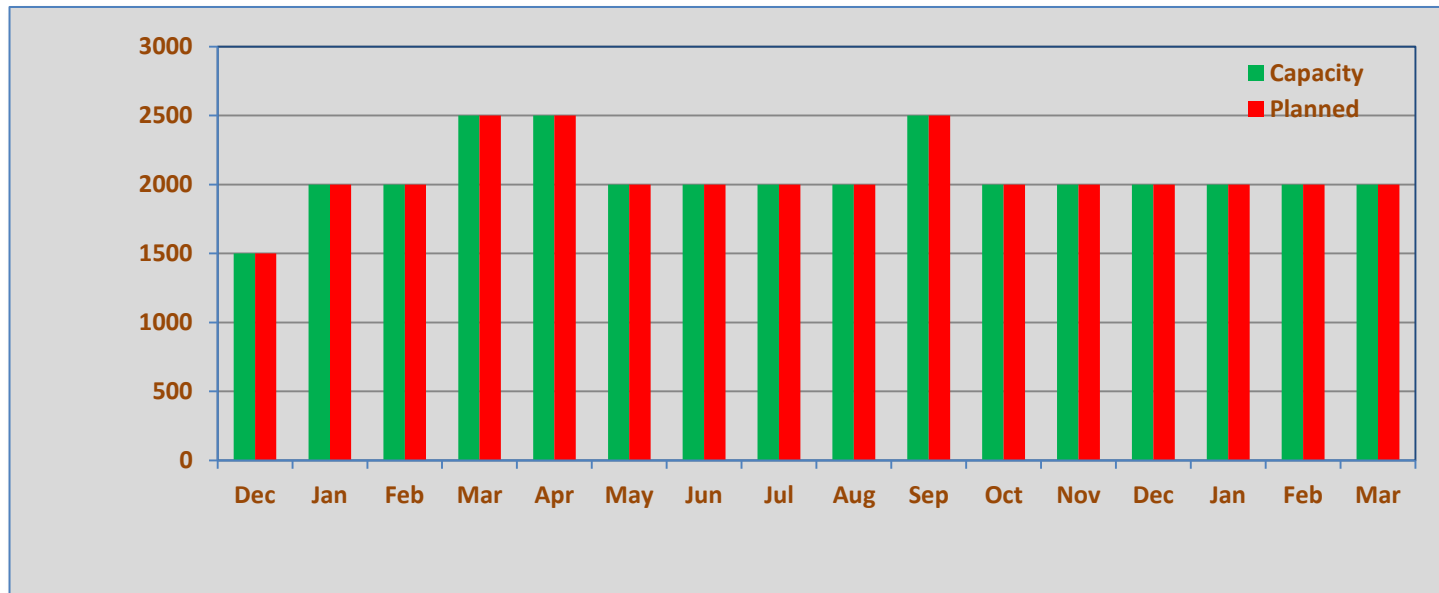
Example 3: Excessive Maintenance

Unleveled

Leveled

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Maintenance dominated

18%
Projects

28%
Admin

Maintenance
54%

- Admin
- Maintenance
- Projects

Maintenance details

- Database support
- Server refreshes
- Miscellaneous
- Email support
- Legacy systems support

25%
35%
14%
11%
15%
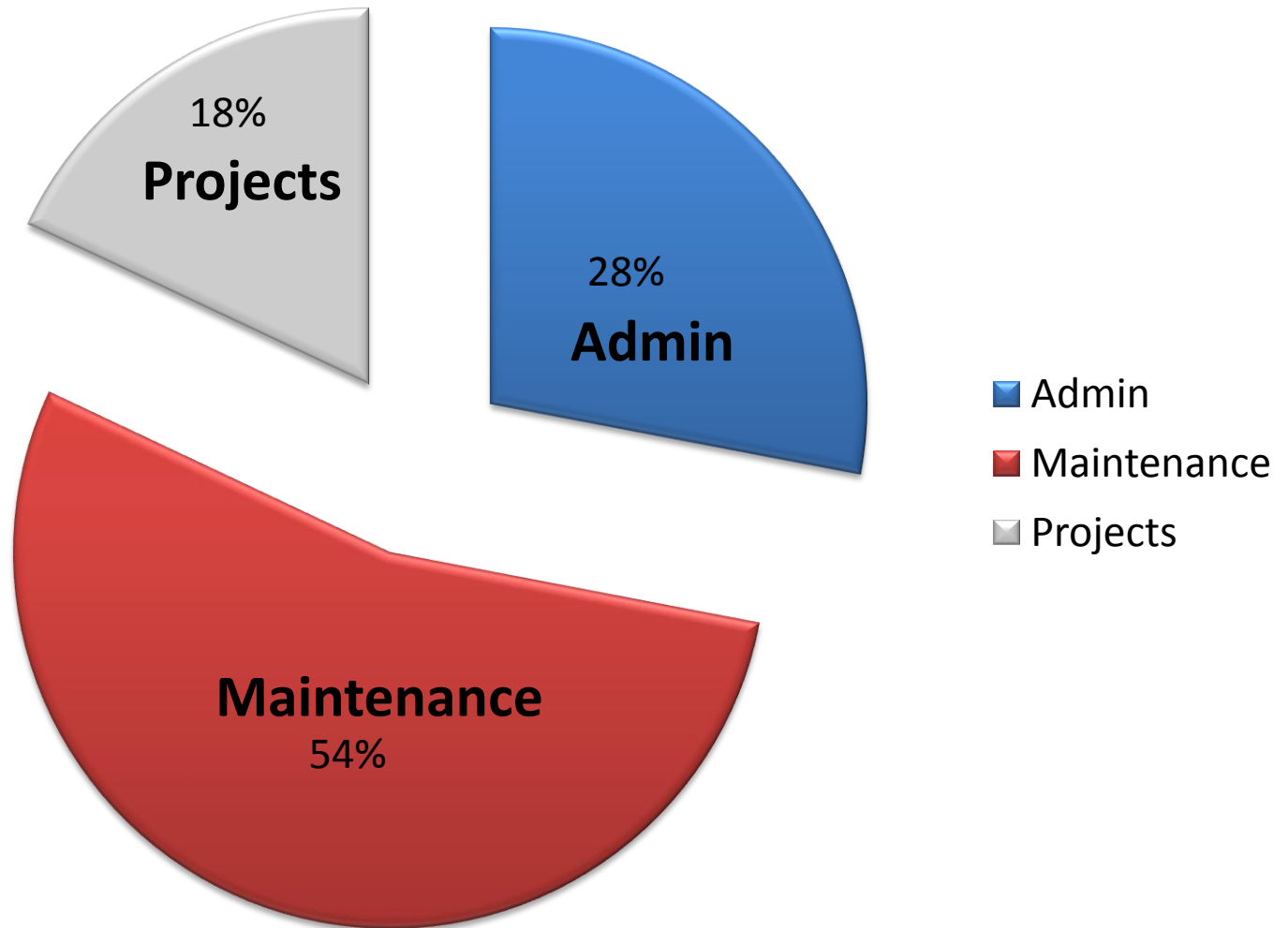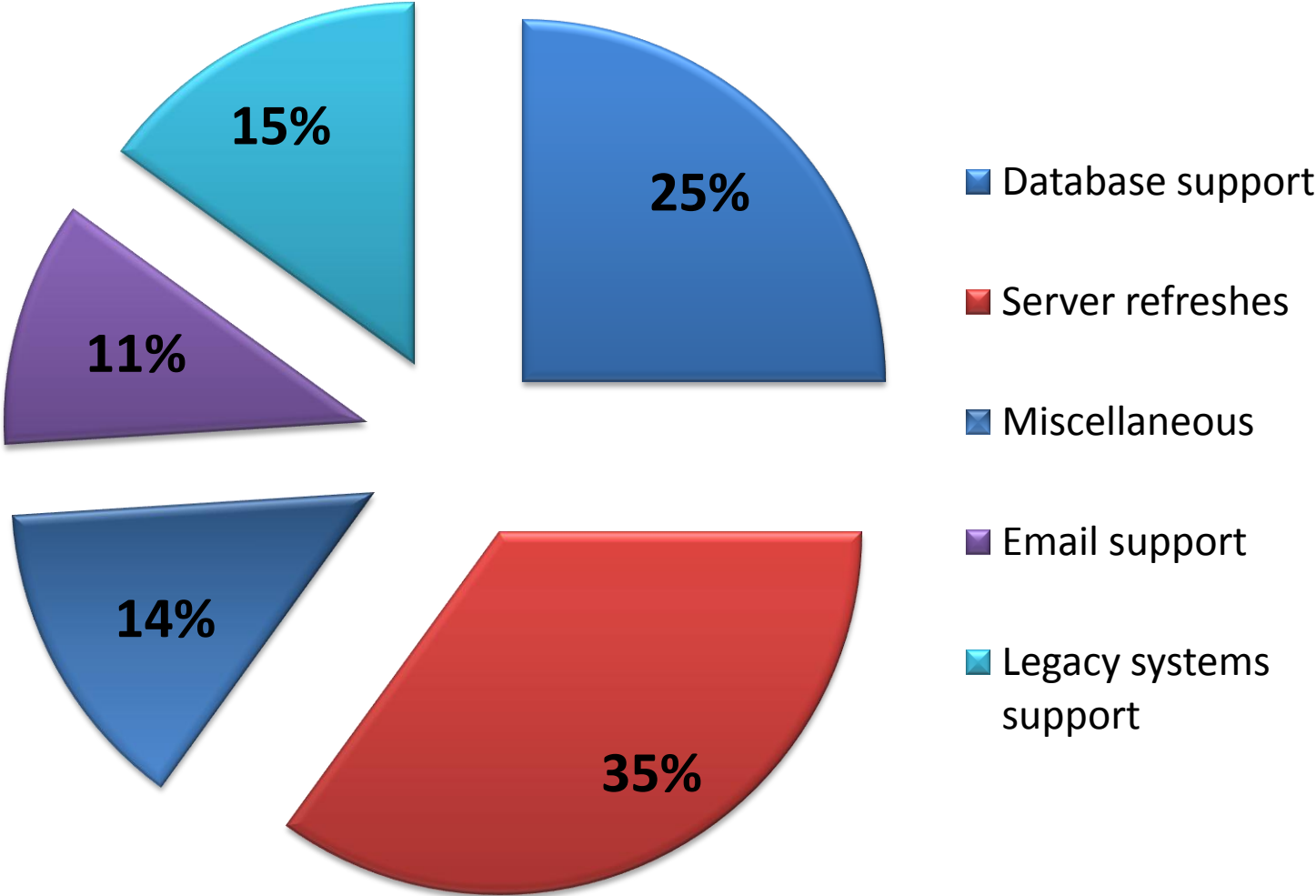
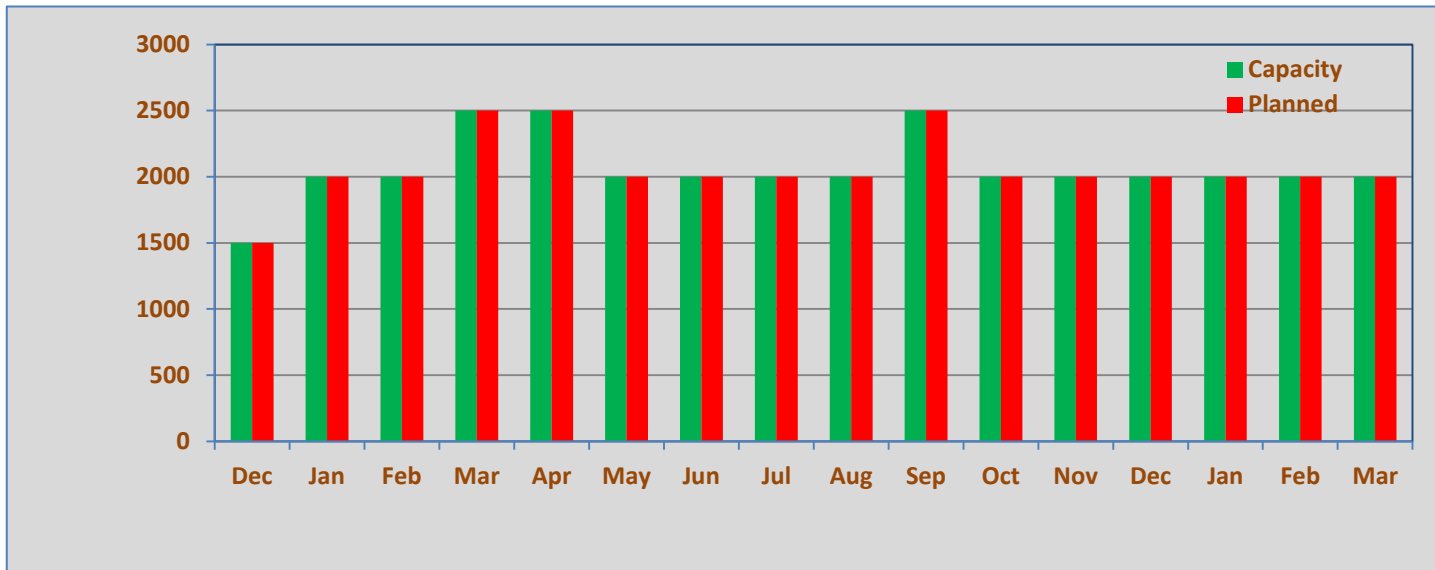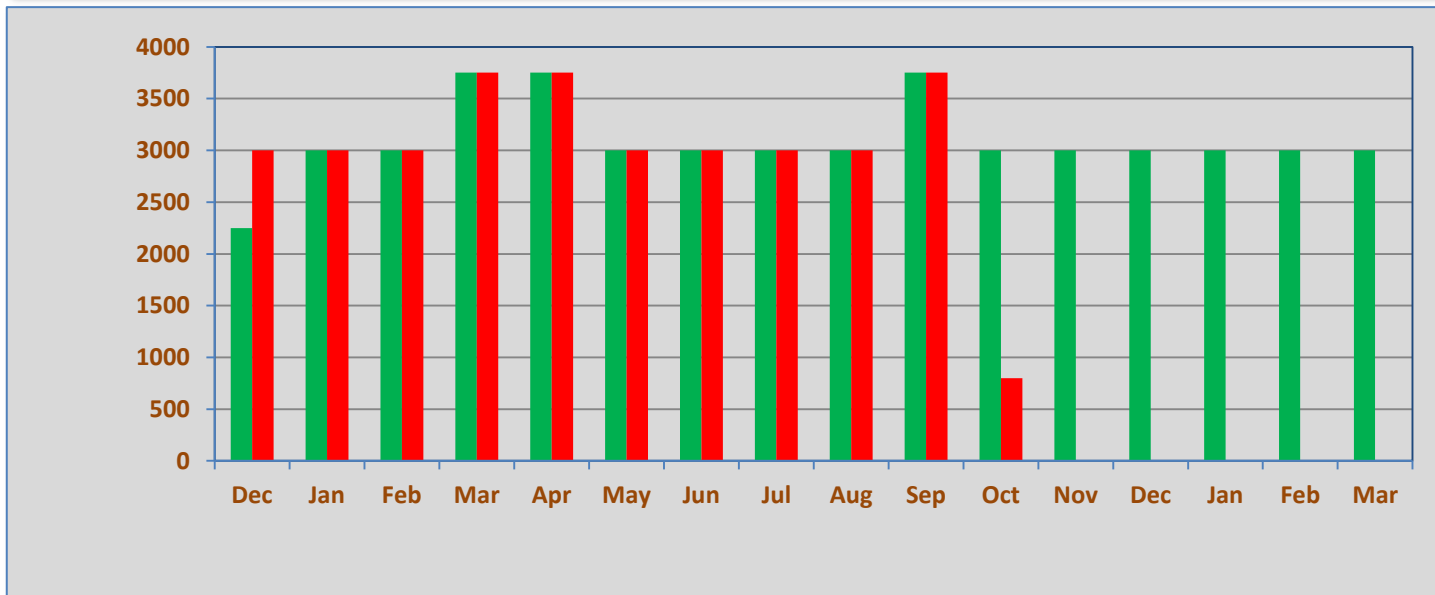# Management Decisions

❑ Reduce supported databases to 3

❑ Outsource email for free to EDU (over 15,000 email addresses)

❑ Reduce legacy applications

❑ Use Portfolio prioritization to gateway new projects

❑ Results: increase of project resource by over 50%!

Before new capacity

After new capacity

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Example 4: Data-mine the timesheet

❑ Objective: Which projects had the least staff turnover and what information in the timesheet could be correlated

❑ Change: An increase in internal training resulted in higher employee satisfaction lower staff turnover and an increase in the productivity of staff who were more experienced and did not need to spend time training new staff.

❑ Result: An increase in over 10% of resource capacity

Other places to "create" time

❑ Portfolio Selection through stage gating to work only on the best projects

❑ Cancelling bad projects

❑ Data mining timesheets for non-productive bureaucracy e.g.:

  ❑ Reporting that serves on purpose

  ❑ Excessive meetings that are not effective

Cancelling bad projects

☐ Objective: What has projects end up in management review?

☐ Discovery: Projects which would ultimately fail were identified early and more latitude was available to cancel them.

☐ Result: Staff were able to move onto more successful projects and an increase in resource capacity of over 10% was realized

Stage Gate Project Review
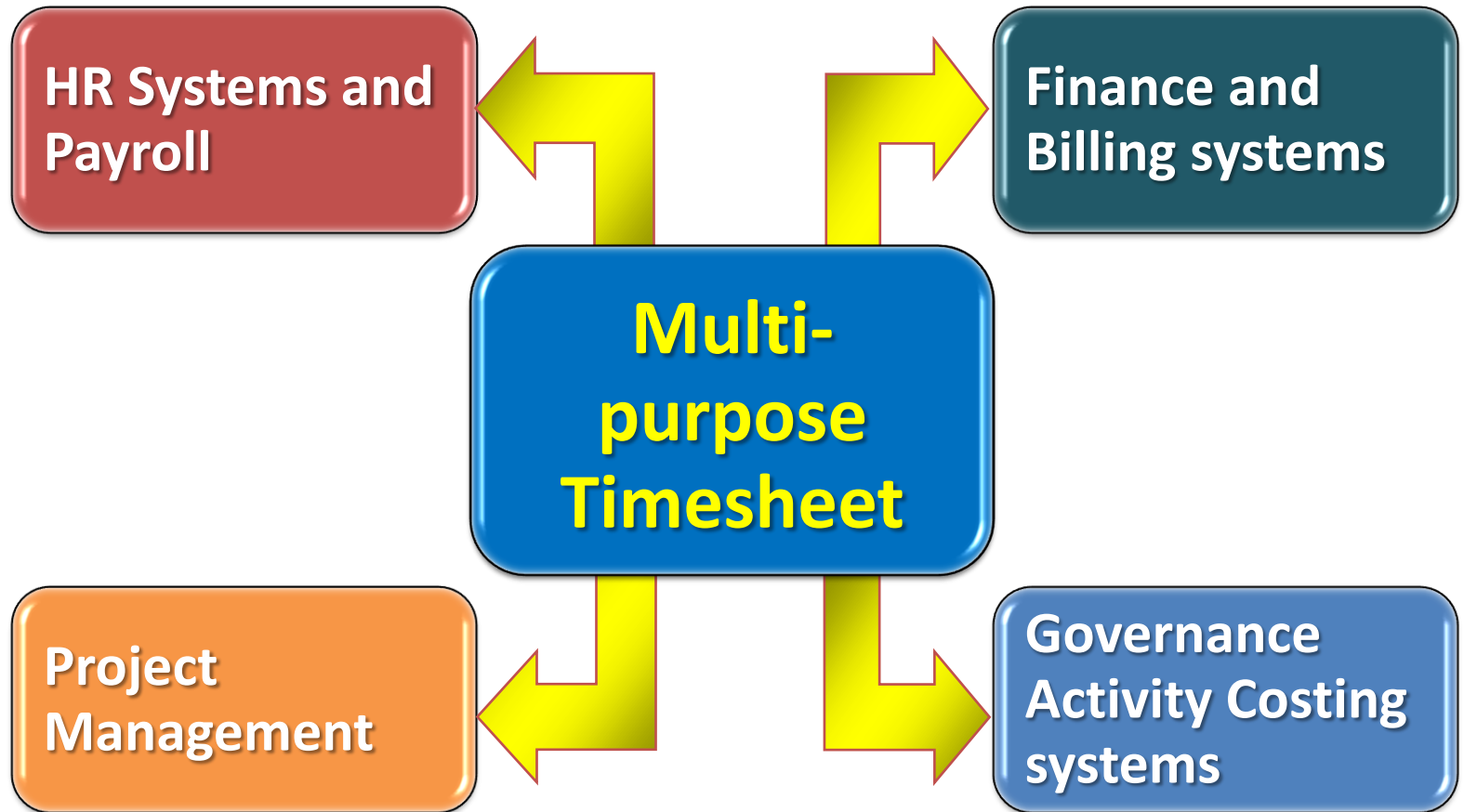

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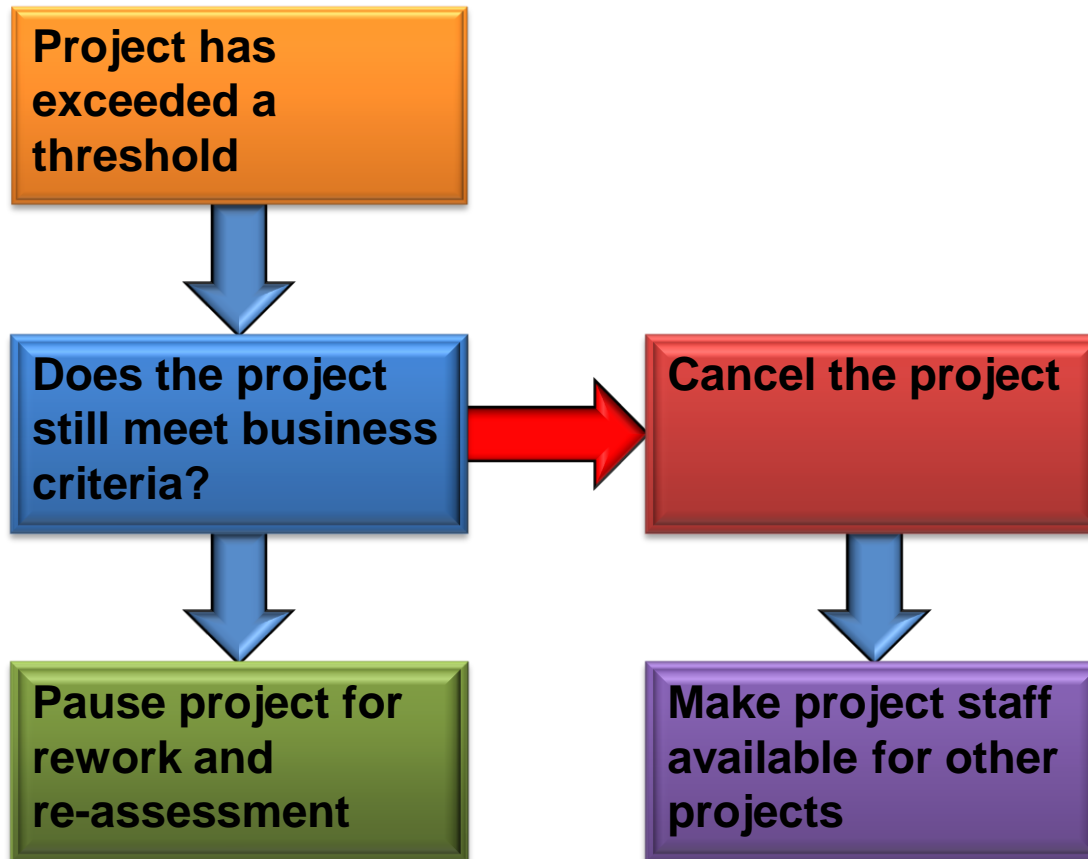
CREATING A SOLUTION
IN YOUR ENVIRONMENT

Creating a solution...

❑Key to finding time outside of the existing project resource availability is to deploy a single timesheet to be used for **both** project **and** non-project work.

❑The timesheet must be able to fulfill the needs of multiple aspects of the organization...

Multi-purpose timesheet

HR Systems and Payroll

Finance and Billing systems

Multi-purpose Timesheet

Project Management

Governance Activity Costing systems

Timesheet elements

What do we need to deploy in a single timesheet?

- ❑ Browser interface
- ❑ Financial controls for payroll
- ❑ Links to the ERP
- ❑ Links to Project Scheduling
- ❑ Flexible multi-level resource definition

- ❑ Multi-browser/multi-device
- ❑ Mobile interface
- ❑ Coding for tasks at both the finance/organization level and the project level

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CREATING A SOLUTION
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Conclusions

❑There is often resource capacity that can be capitalized on internally
❑Start by using a single timesheet for both project and non-project work
❑Look for:
  ❑Big slices of time then drill down for detail
  ❑Excessive bureaucracy
❑Also consider
  ❑Stage gating to catch failing projects
  ❑Portfolio selection of the best projects

Creating time from none Checklist

1. Create a report of non-project time in our timesheet
2. Conduct a survey of what uncategorized time is being used for
3. Add the most significant of these categories to the timesheet
4. Review in 4 weeks and summarize total time lost in non-project time that could be saved

For more information

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TimeControl: www.timecontrol.com