

Stop Extra Hiring and Save Costs: How the Right Software Prevents Resource Management Mistakes & Unleashes Your People's Potential



If you're thinking of the need to hire extra resources, you probably want either to grow your business and undertake more orders, or you're struggling to deliver your active projects on time and within budget because your available resources can't cope with their load.

What if we say that a resource management solution can help you address both challenges without the need to hire extra people? ***It contributes to more efficient utilization of resources and lets you deliver the necessary scope of work without spending money on extra people.***



Let's consider the most common mistakes of project and resource managers that ruin resource efficiency and may give an erroneous impression that the company lacks resources and neither can deliver active projects on time and within budget nor cope with the increased scope of work as a result of undertaking extra projects.

Resource Management Mistakes and Ways to Correct Them with Multi-Project Resource Management Software



Ignoring Bad Multitasking

If resources have multiple tasks but don't have an idea which of them are more significant, they will more likely to suffer from bad multitasking. This is often facilitated by office politics, when colleagues or management put pressure on the resources, asking them to do certain tasks which they consider to be more urgent or more important. As a result of multitasking, people become overloaded, stressed, and make mistakes. This, in turn, leads to reduced productivity, missed due dates, and cost overruns.



Solution

The software solution calculates task priorities taking all dependencies between projects into account. As a result, each team member has their own list of tasks, which shows the sequence of assignments to be completed. This eliminates multitasking and makes resources maximum productive. They stay focused on one task at a time, which is the most important part of project work for the moment.



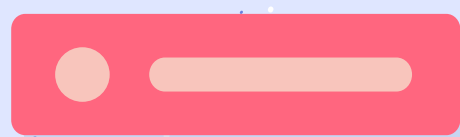
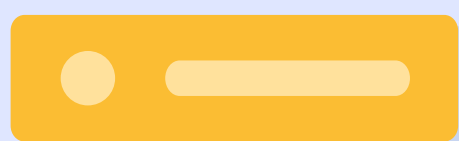
Overloading Resources

Overload occurs when tasks are given to resources without considering their capacity. This usually happens when a company runs multiple projects with a great number of resources, and a project or resource manager can't process all the resource-related data manually or if the tools they're using don't have the necessary functionality. If a manager has no idea of resources' capacity and availability, he/she can't give them an adequate scope of work: employees will constantly be overloaded.



Solution

A resource management solution warns about the possibility of a bottleneck beforehand – if too many tasks are assigned to a resource, and he/she can't cope with the scope of work in terms of his/her capacity and availability. This makes it possible to balance resources' workload, which is a prerequisite of improved productivity.





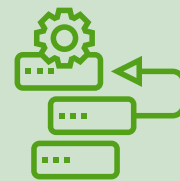
The effect of a bottleneck on your project environment is devastating:

- 1 An overloaded resource group becomes more and more overwhelmed and stressed.
- 2 The successor resource group gets less work than planned and becomes idle.
- 3 The flow of projects slows down.
- 4 People's productivity and the quality of their work significantly reduce because of multitasking and stress.
- 5 When the project float (buffer time) is gone, the successor resource groups get less time to finish their work.
- 6 The successor resource group becomes a bottleneck over time, too.
- 7 Project due dates are missed.
- 8 The cost of projects increases.
Profitability of the whole company goes down.



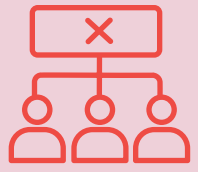
Making Resources Idle or Unawareness of Idleness

As stated above, the idleness of one resource or resource group is a result of the overload of another resource or resource group. Idleness can be even more dangerous because it's more difficult to detect than overload. An idle employee won't ever tell management that he/she has nothing to do. Moreover, it's almost impossible to identify it manually, without a resource management solution.



Solution

A resource management solution prevents resources from being idle by detecting, eliminating, and preventing bottlenecks. As a result, project workflow becomes smooth, and everyone in a project team is busy with their part of the project work, having an optimal workload.



Inappropriate Competence Management

In a complex multi-project environment with a lot of variables, it's challenging to keep track of all resource-related data. At the same time, competence management is an essential part of resource management as it improves resource utilization, increases productivity, and helps achieve better outcomes. In contrast, improper competence management results in decreased efficiency, stress, and worse quality of work.



Solution

A resource management solution keeps all competence-related information about tasks and resources and helps you assign the right people to the right tasks. As a result, experienced resources with profound knowledge work on complex tasks, which keeps them motivated and makes them feel valued; less experienced employees are busy with more easy assignments that don't overwhelm them and keep them motivated as well.



One more way a resource management solution improves competence management and saves your cost is its ability to detect resources who require upskilling. A resource management solution that supports AI-driven virtual assistance can let management know that someone from the group needs to boost their skills.



Hiring Instead of Training

Very often, management makes a decision to hire extra resources if they see that they lack resources to deliver the required scope of work. As a result, cost overruns and missed due dates become sometimes inevitable because hiring is expensive, and it always takes pretty much time for a new employee to become efficient and deliver the required output.



Solution

Instead of hiring extra people, it's more reasonable to train available resources from other groups and assign them to the tasks that are required to be completed. A resource management solution can find available resources who can be trained and reassigned to the tasks that are needed to be finished and there's nobody to cope with them from the initially assigned resource group. This helps bridge demand and supply and staff multiple projects without the need to hire extra resources.



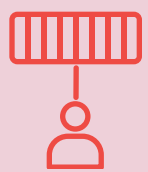
Improper Management of Globally Distributed Resources

Remote teams who are distributed geographically and unsynchronized in time are a reality of today. People are hired regardless of their location based on what really matters: knowledge, skills, and experience. Different time zones and geographical distribution complicate resource management. As a result, the productivity of project resources can be significantly decreased because of the absence of a “single source of truth” for everyone and collaboration opportunities.



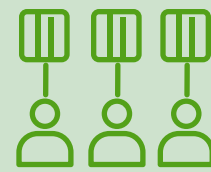
Solution

A multi-project resource management solution keeps everyone on the same page by providing access to real-time and historical information and ensuring collaboration opportunities. It keeps all essential data about users, projects, and tasks in one place; prioritizes tasks based on the analysis of the dependencies between all projects; and allows tracking a project flow in real time.



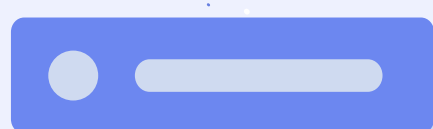
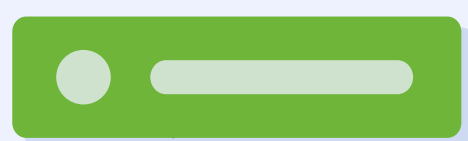
Assigning One Resource to an Extra-Long Task

Don't overwhelm your resources with enormously long tasks. It's not about overload, and it's the opposite of multitasking, but it's no less harmful to productivity. When a person is assigned to a complex task that he or she is expected to perform for months, his/her focus and motivation will be more and more reduced, and burnout is likely to appear very soon. Besides, when only one person is assigned to such a long-lasting task, errors and further rework may become inevitable. All this jeopardizes the successful delivery of a project, let alone multiple projects with a shared resource pool, interdependencies, risks, and uncertainty.



Solution

To speed up the execution of extra-long tasks, it's reasonable to assign more resources to them. But here, a project or resource manager may face some difficulties: e.g., he/she has to know what competences this task requires and who else from the resource pool has the required knowledge and experience, which of these resources are available, or which of the employees from other groups are available and can be trained to help with them (if core resources are unavailable). A human brain alone can hardly keep all this information, and spreadsheets won't help either. Here a resource management solution can become a real lifesaver.

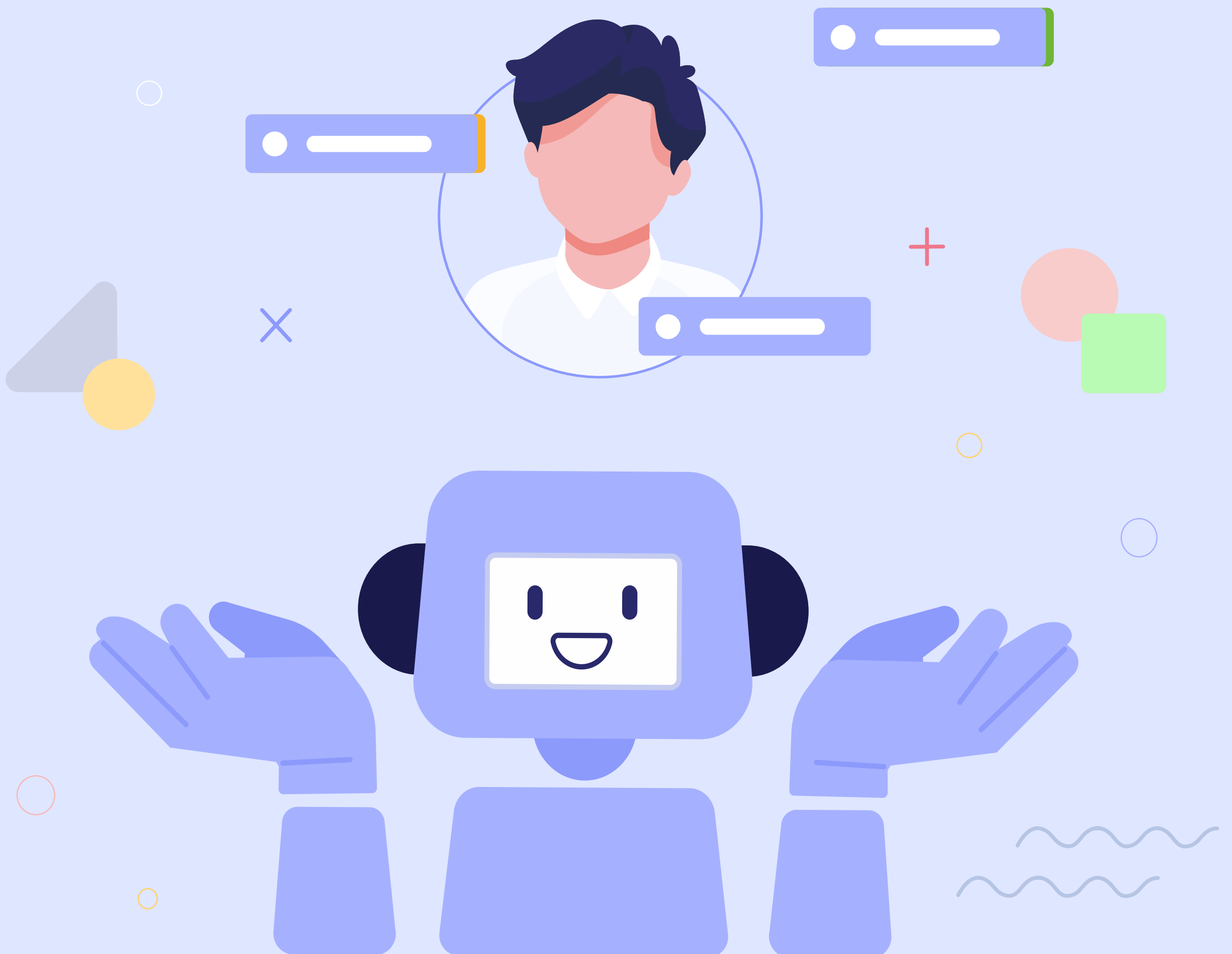


***But what if a resource management solution doesn't help
and we still lack resources?***

Here artificial intelligence, namely predictive analytics, comes into play.

With an AI-driven resource management solution at hand, you can try out numerous scenarios of project changes (reassigning resources, moving milestones, postponing the start dates of projects, etc.) to find the best scenario that will let you deliver your multiple projects on time and within budget.

If no ideal scenario can be found with the available number of resources, the software solution will calculate the missing capacity to give you an idea of the number of extra resources that are needed to deliver the required scope of work. Therefore, you won't waste your money on unnecessary resources and save your cost.



Not By Resource Management Software Alone: What Else Will Help You Reduce Cost Without Any Investments

When adopting a resource management software solution, you should also implement a methodology that stands behind it, otherwise, you won't get any positive results. But even without the adoption of the solution, changing the approach to managing your multiple projects will definitely help you improve your business outcomes.

Estimating Tasks

When estimating task durations, all variables that may affect the task execution should be taken into consideration. There's a common recommendation to put some safety in each task, but this usually makes the task execution unnecessarily long. So, **instead of estimating a task's duration, think of the amount of work this task requires.** This approach to project task estimations will help you avoid student syndrome and Parkinson's law effects, which will prevent you from missing project due dates.

Setting Due Dates

Setting task deadlines reduces the efficiency of work – the team members will either be stressed because they have too little time or, on the contrary, will be affected by Parkinson's law, and use all the time allotted for task completion even if they can cope with it faster. If you want your projects to be delivered on time and avoid cost overrun, let your resources be guided by three rules:

- 1** Start a task as soon as you're assigned to it or as soon as you complete the previous one (based on priorities).
- 2** Report on a task completion as soon as you finish it.
- 3** Leave a project in a better condition than it was before you took your task. This also involves saving a time buffer.

Buffer Management

Add a buffer to the end of the project instead of adding it to each task if you want to eliminate student syndrome and Parkinson's law effects and effectively deal with uncertainty. Besides, use a buffer for emergencies only, don't waste it.

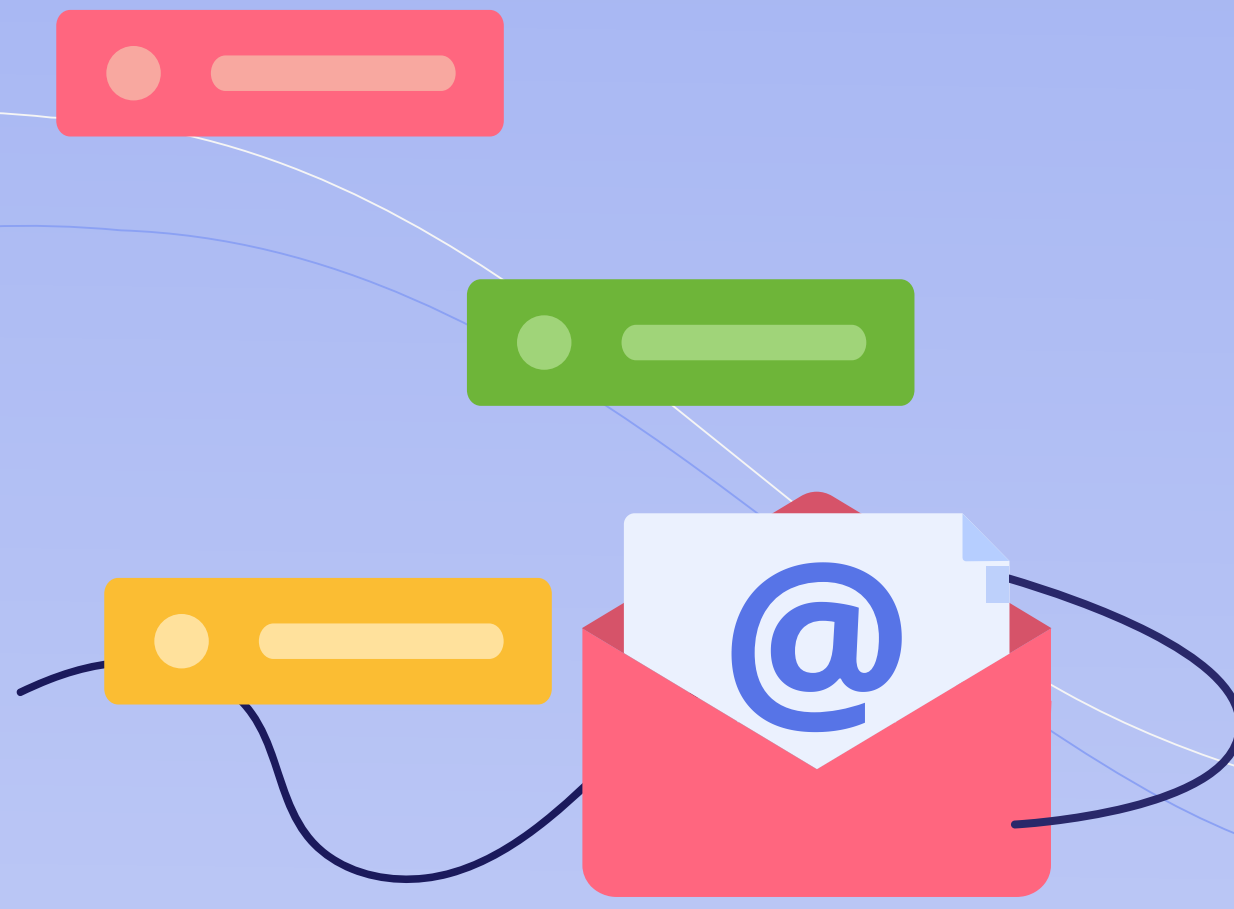
Focusing on Progress

While everyone is tracking project progress, we recommend switching to a resource level. **Remember that what is happening on the project level is just an effect of how things are going at the resource level.** E.g., when one resource group is overloaded and another one is idle because of this bottleneck, the performance of both will be reduced. For sure, this effect will be reflected in the project's progress as well. But you'll see this gap long after this problem appears. This is why **if you keep track of your people's performance in real time, you won't ever miss any bottlenecks and prevent them before they occur.**

A multi-project resource management solution provides all necessary opportunities to do this with convenience and ease.

If you follow our recommendations and leverage the power of a multi-project resource management solution, you'll unleash the potential of your resources and make them produce the expected output (and even more!).

As a result, you'll save your costs in the long run because the adoption of the software solution is only 1% of the average salary of a competent employee, and the benefits its functionality will bring you are much bigger than the capacity on one resource.



To learn more about efficient resource utilization and wise multi-project resource management, contact us at

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