



# 4

## steps to introduce people and project planning

- 1** Sell the idea internally
- 2** Investigate the different solutions available on the market
- 3** Use good change management practises to implement succesfully
- 4** Use it succesfully



## What is Capacity and Resource Planning?

**The ultimate payoff of good capacity and resource planning (CRP) is a greater overview of and control over your business, but to reach that you first need a strong foundation for truly effective project and resource planning.**


**Capacity planning** refers to high-level, long-term planning that focuses on the combination and number of employees your firm needs, and will need, in the future. Capacity planning will help you see, for example, if you have the number of art directors, project managers, engineers or copy writers you need for the coming year. Essentially, it helps you see if you should hire more people or let some current employees go.

**Resource planning** is short-term planning for optimal utilisation of current employees. It focuses on how to best use your current employees for current projects. It's outlook is over weeks, not years. It divides employees up among projects, pinpoints the need for freelancers, or, the opposite, highlights under-utilisation.

**Project planning** also falls under CRP, and obviously concerns itself with the progress of a project, that it runs on time and within budget, without double booking of employees and with a reasonable amount of predictability.

In the context of this paper, CRP refers both to a business software application, and the above processes that it facilitates.

CRP as a business application is not the end, but the means, to an overall goal of controlling and having a greater overview of your projects and people. Simply put, with good CRP, you can utilize your resources, and run projects the way you plan them to run!

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## Sound planning for projects and resources is possible

CRP, when implemented and utilized properly throughout your firm, provides a number of important benefits for an organisation.

### You can:

- Improve utilisation, reduce project overruns and meet milestones
- Get a better overview of projects, resources, what resources could be potential bottlenecks, what people are free, and so on.
- Provide a more balanced work schedule for your employees
- Help everyone handle the unexpected better and reduce the amount of "fire-fighting" within projects
- Use a solution that functions as a neutral "blackboard", which simply reflects the realities of the company's situation
- Do a business analysis of different departments to see which ones are most profitable.
- See things as they are, which in turn makes consequence calculation before a project starts more accurate.
- Introduce more stability and calmness at work, which facilitates better decision making.

Those are the ultimate results; so how do you reach them?

# How to do a good CRP implementation

## 1 Sell the idea internally

### Top management must be behind the idea

Even before you choose a CRP business solution, you and your fellow colleagues in senior management must be vocal and consistent champions of better planning in your organisation. This could occur via company meetings, regular e-alerts and bulletins on your company's intranet, and more.

Top management can help ease employees into accepting that they will be required to use a new tool and perhaps carry out processes differently with the new solution.

### Assess your firm's current processes

You need to get a map of processes in your company, and find out in detail how each department or project group follows a plan through.

This could start with sending out a questionnaire to each department, project and resource manager, and following it up with several meetings to discuss specific challenges. Ask them about how they plan, what methods and programs they use, how they control costs, deadlines and so on.

### How do people want to plan?

Should your organisation practice centralized planning, or should individual resource and project managers have more responsibility, for example, financial and budget responsibilities?

Take the pulse of project and department managers' moods. Are they:


- Sick and tired of no overview of resources?
- Stuck in isolated planning?
- Running around trying to find resources and fighting fires?
- Unable to give customers a clear and accurate idea of how long a project will take, what it will cost and the resources they can commit to it?

### Example:

Are people using single-planning solutions, such as Microsoft Project or Excel?

If yes, then most likely there is no real integrated planning going on within and between departments.

Each person might have their own planning tool that adds value to them but to no one else, which hinders easy and universal access to important information and optimised processes.



## **Find a department or two that will volunteer to be first-users of the solution**

A CRP solution does not require an entirely new ERP solution. It is wise to choose a solution that can run as an add-on to your existing ERP solution.

A “big bang” implementation, whereby the whole company is brought online at once, is not necessary and could easily delay and complicate the implementation. A CRP solution is heavily based in projects, so it will yield results already in one or two departments or project groups.

2

## **Investigate the different solutions available on the market**

As stated before, the CRP system you choose should be able to work both as a stand-alone solution and as a fully integrated part of your existing ERP system.

Here are some overall important points to look for in a solution:

- It provides a simple and flexible user experience, because resource and project planning is different from company to company
- It allows for people at different levels and competencies to plan optimally. Choose a solution that facilitates higher-level, more resilient and flexible planning. There should be options for drilling down, but users must be steered away from getting lost in too many details.
- It is graphical and good-looking; a Web-based solution may not be the best choice as current web-based technology does not support strong graphical drag and drop.
- It has a rich client that performs quickly
- It provides one view that combines the planning of projects and resources.
- It comes with experienced and extensive consulting services, including pre- and post-implementation review and support.



## 3

### Use good change management practices to implement successfully

Change management starts well before the solution is up and running, and the ERP solution provider you choose to work with is essential for good change management.

#### **Do a thorough pre-analysis before you implement, as well as a post-implementation status check**

This is a process you may be able to carry out on your own, or, you could benefit from working together with a consultant. Deep knowledge of and considerable experience with your industry is a prerequisite for the consultant. You know your business best, but with such a background, the consultants can lend valuable objective analysis to your map of how your firm does projects and achieves results, and how all these processes can improve with CRP.

In addition to configuration support they should offer:

- Analysis of your processes
- A guide for how you should proceed with implementation, for example, which departments should be first-users
- Technical training
- Support for overall change management

#### **Communication is essential**

How will you communicate to your employees about the changes that will occur in their work? Will you hold a combination of both department-specific and company-wide meetings? Will you use an internal e-newsletter or alert to guide them?

A key part of your communications plan should be to reiterate to employees the benefits they will get from using the solution. Offer proof, if possible, from examples of other similar companies who use a CRP solution.

You must invest in sufficient and ongoing training, so that everyone uses the system correctly and you minimize incorrect or out-of-date information.

### **Keep implementation as simple as possible**

Start with your "guinea pig" department, instead of a big bang start. Give them a test period, such as three months, monitor how it goes, then do a status check. What are the results of using the system?

### **Build up your employees' use of the solution in stages**

Set your ambitions at a realistic level. Employees should begin to use the solution in a few key, simple ways, and through training, build up their use of it over time.

This will entail a longer start-up process, but ultimately, it will ensure your employees actually use the solution the way they should, and enter correct and pertinent information on time. Without those criteria in place, you won't see any real benefits from your CRP solution.

## **4**

### **Use it successfully**

Have a vision for your organisation. If you have a vision for how you want your firm to grow then you will already have a strong framework in which your CRP solution can be used successfully. What are the long-term, deep-reaching changes and improvements you want your CRP solution to help facilitate?

Monitor results from departments and project groups using the solution. Track the results it produces. Are people using it the way they should? Is accurate information being submitted in good time? The consulting services your solution provider offers should support you in properly collecting and analysing results.

## **Conclusion**

The ideal CRP scenario is every manager and employee using it correctly, in a timely fashion and simultaneously, so that everyone plans with the most up-to-date information. You can attain this ideal if you start with building your CRP processes and solution use on a good foundation.

No implementation will be worry-free. However, if you choose a solution provider with a deep knowledge of your industry and comprehensive consulting services, and if you follow the steps laid out in this paper, your CRP adoption will certainly be more straightforward, predictable and manageable.

## organic business solutions

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