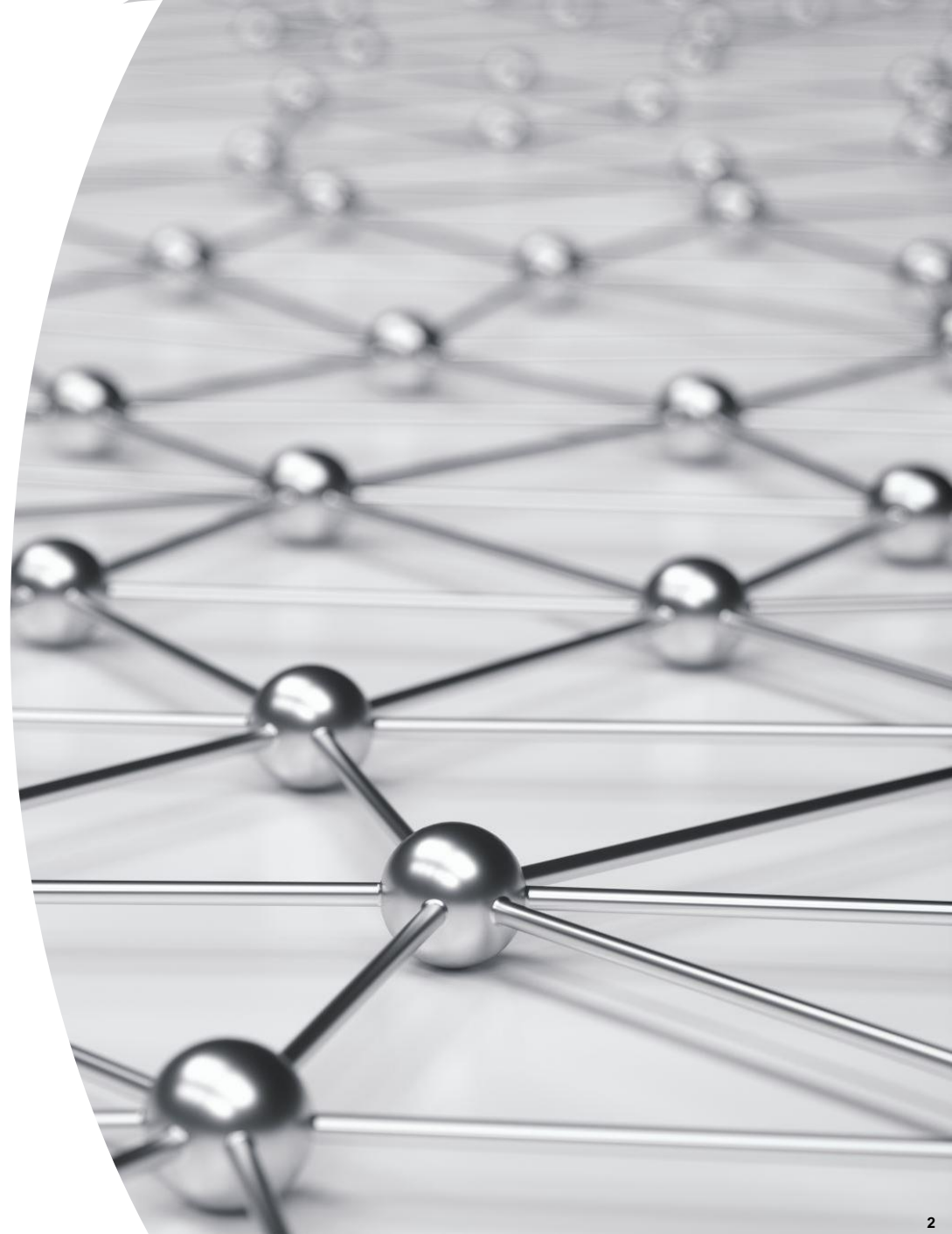




Economic Impact of Resource Management on Project Profitability and Revenue

Survey Background

- 1** The RMI and Dayshape collaborated on this survey to conduct a deeper dive into the role of resource management on project profitability and revenue. This survey will help us understand the reach of resource management and its impact on the financial levers of the delivery organization. It will also help connect us with the capabilities necessary to provide the right visibility so we can respond before it's too late.
- 2** Input was provided by RMO leaders, resource managers, operations managers, and delivery managers from 71 different companies across Professional/Consulting Services; Enterprise/IT; Product Development; Marketing Agencies; Accounting, Audit, Tax, and Advisory; Law Firms; and Engineering.
- 3** For analysis purposes, responses to this survey were organized into two segments: companies that serve external customers (Professional/Consulting Services; Accounting, Audit, Tax, and Advisory; Marketing Agencies; and Law Firms) and those that serve internal customers (Enterprise/IT Services, Product Development, and Engineering).



Survey Questions

- Q1:** What type of organization do you represent?
- Q2:** What is your level in your organization?
- Q3:** Which option best describes your role?
- Q4:** How many resources in total does your organization manage collectively with all resource managers?
- Q5:** Which best describes how resource management is organized in your organization?
- Q6:** What are the responsibilities of your resource management function in your organization? (Check all that apply)
- Q7:** To what extent do your resource management practices align to the strategic objectives of the organization?
- Q8:** Which of the following does your resource management function have input into? (Check all that apply)
- Q9:** Does your organization currently utilize a dedicated resource management tool?
- Q10:** Which of the following resource management tools is your organization using?
- Q11:** Do all resource management teams in your firm use this tool?
- Q12:** How does your organization manage/schedule your resources?
- Q13:** To what extent are you able to identify any of the following?
- Q14:** When does your firm monitor/measure its project/engagement profitability? (Check all that apply)
- Q15:** To what extent do you have visibility of the impact that resource plan changes have on overall engagement/project profitability?
- Q16:** To what extent are your resource management practices aligned to your organization's revenue objectives?
- Q17:** Please rank the biggest challenges for your resource management team in order from biggest challenge (1) to smallest challenge (9).

Observations

1

The intent of this study was to conduct a deeper dive into the role of resource management (RM) on project profitability and revenue. In support of that objective, some interesting data was collected regarding RM models, responsibilities, and resource allocation that should be insightful for RM professionals.

2

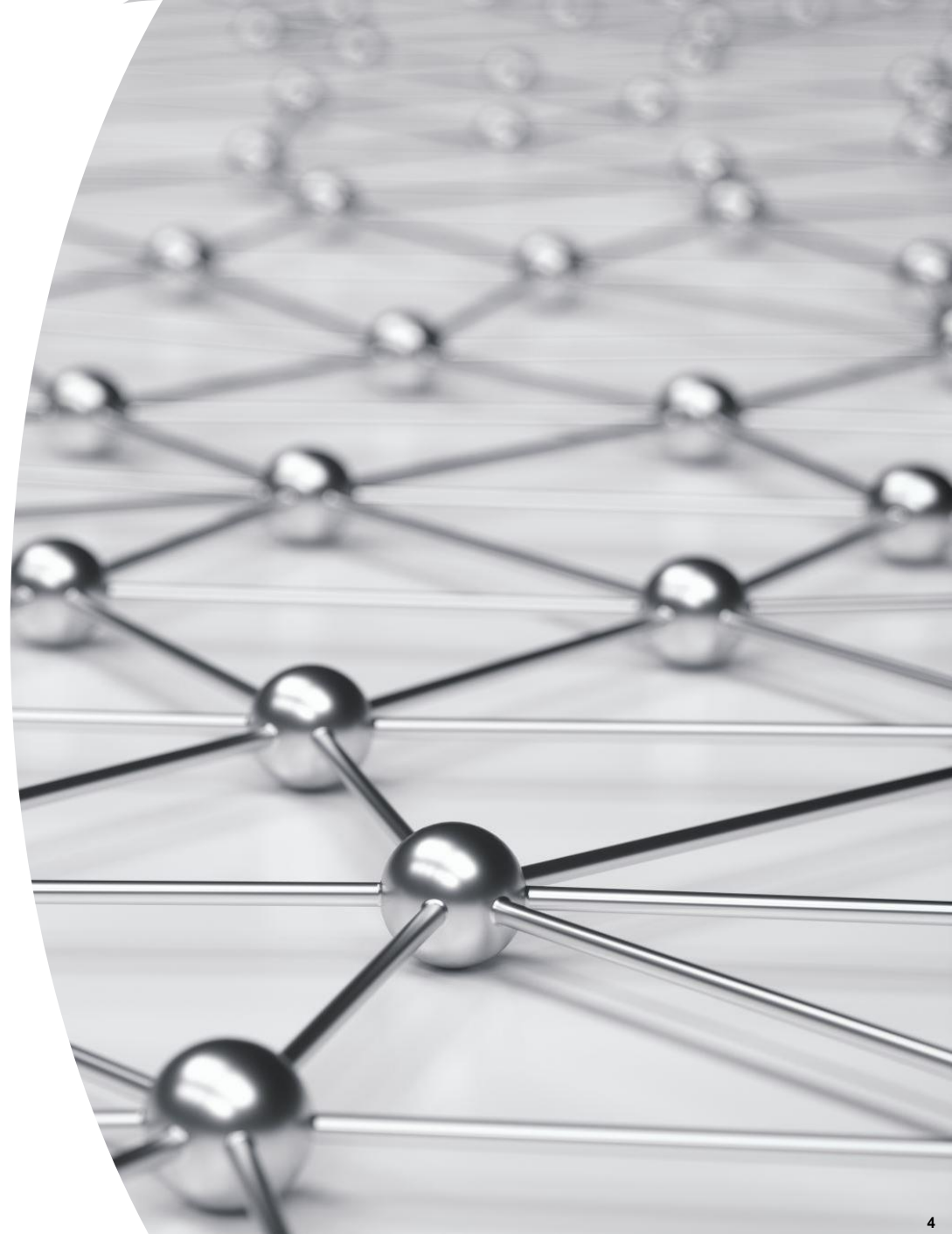
The data suggests RM organizations are well aligned with strategic objectives of the organization, with the majority of respondents affirming their commitment to it. However, once we step below this to learn whether RM has visibility and controls to strategically drive financial objectives, RM confidence gets weaker. For example, sub-50% readings were found when asked if RM practices are aligned with the organization's revenue objectives. Full visibility into project profitability was nearly a 50/50 split among those serving external clients. The other half had low to no visibility into the impact of resource changes on project profitability.

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The biggest challenges identified for RM in this study were consistent for both internal and external facing RM teams (i.e. reliance on multiple/silo'd systems, inefficient manual resource processes, and insufficient visibility into demand). These challenges undoubtedly hinder the ability to effectively and proactively identify pockets of capacity, budget overruns on projects, skills shortages, resource conflicts, revenue opportunities, and resource sharing opportunities, as we observed in question 13, with less than half of respondents possessing this ability without manual work. This represents a key opportunity for improvement in many organizations.

4

Automation tools are being used and well adopted, with 70% reporting they have a dedicated PSA tool with even more (82%) sharing that all RM teams use the tool. Oddly, there is still work to do with adopting the tool for all functions required by RM, as evidenced by a majority of respondents reporting that they continue to rely on spreadsheets for RM and scheduling.





SERVICES TEAMS SERVING EXTERNAL CLIENTS

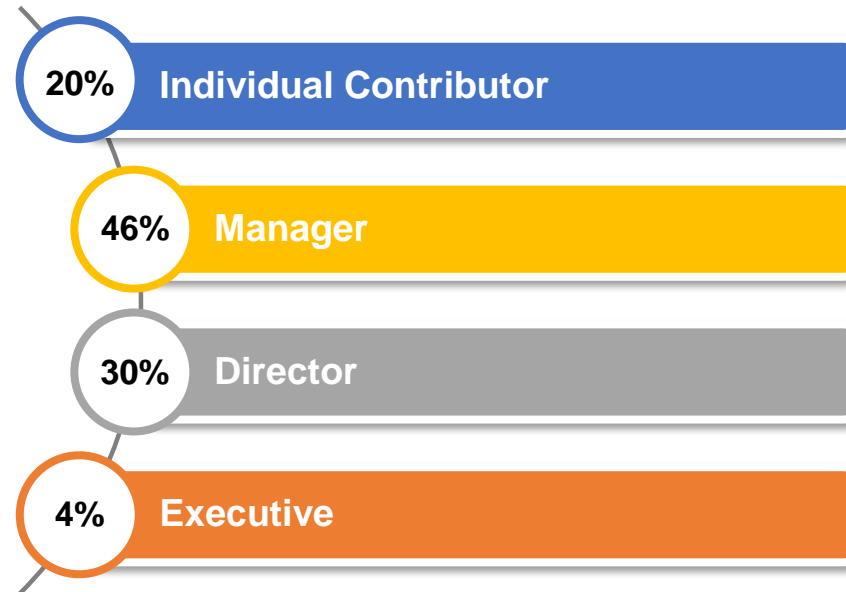
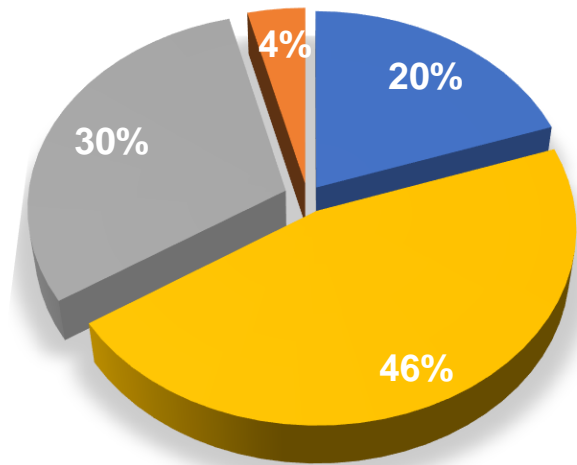
Professional/Consulting Services (PS/CS)

Marketing Agencies (MA)

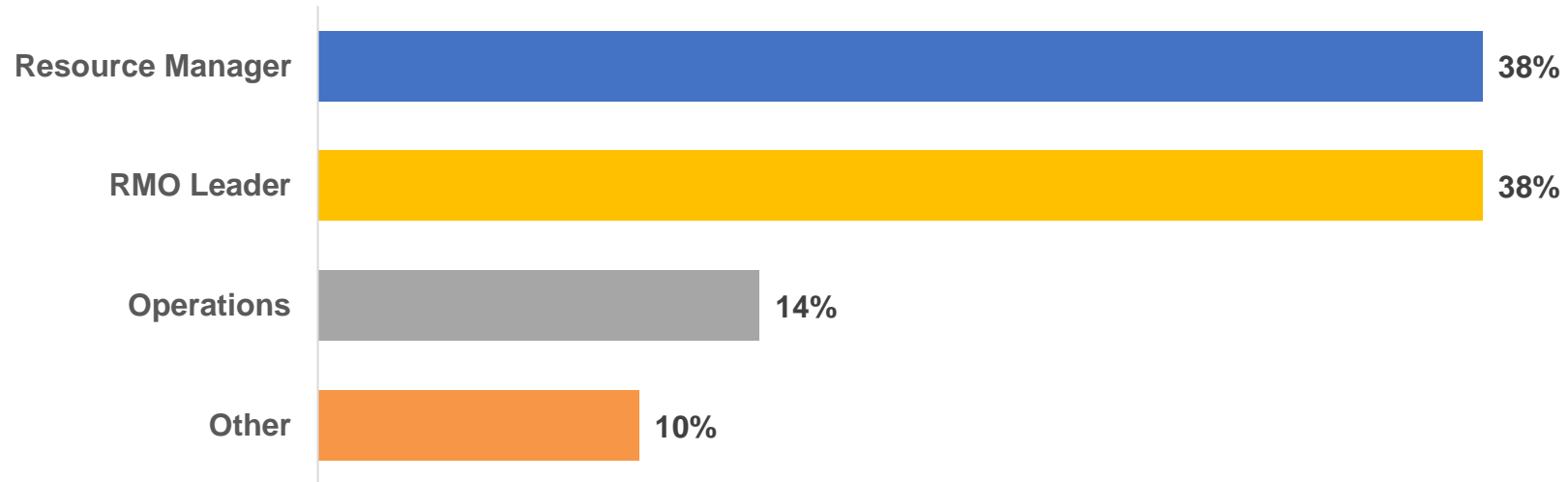
Accounting/Audit/Tax/Advisory (AATA)

Law Firms (LF)

Q2. What is your level in your organization?



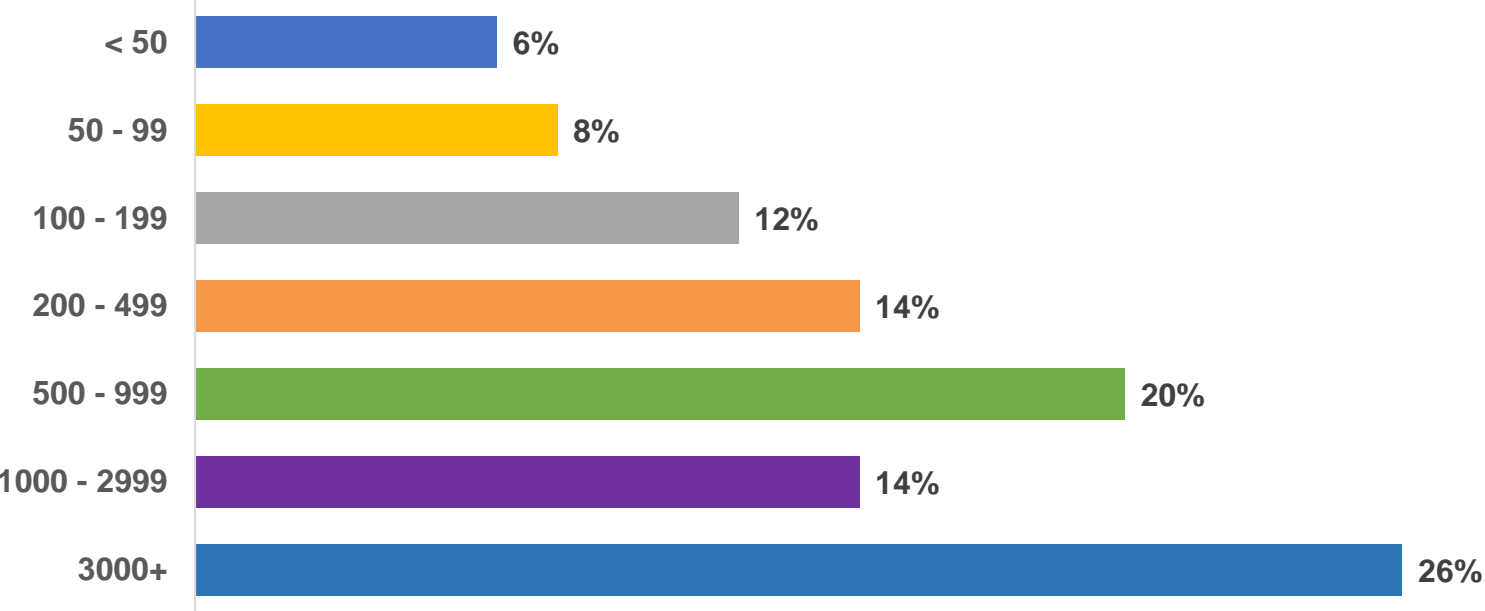
Q3. Which option best describes your role?



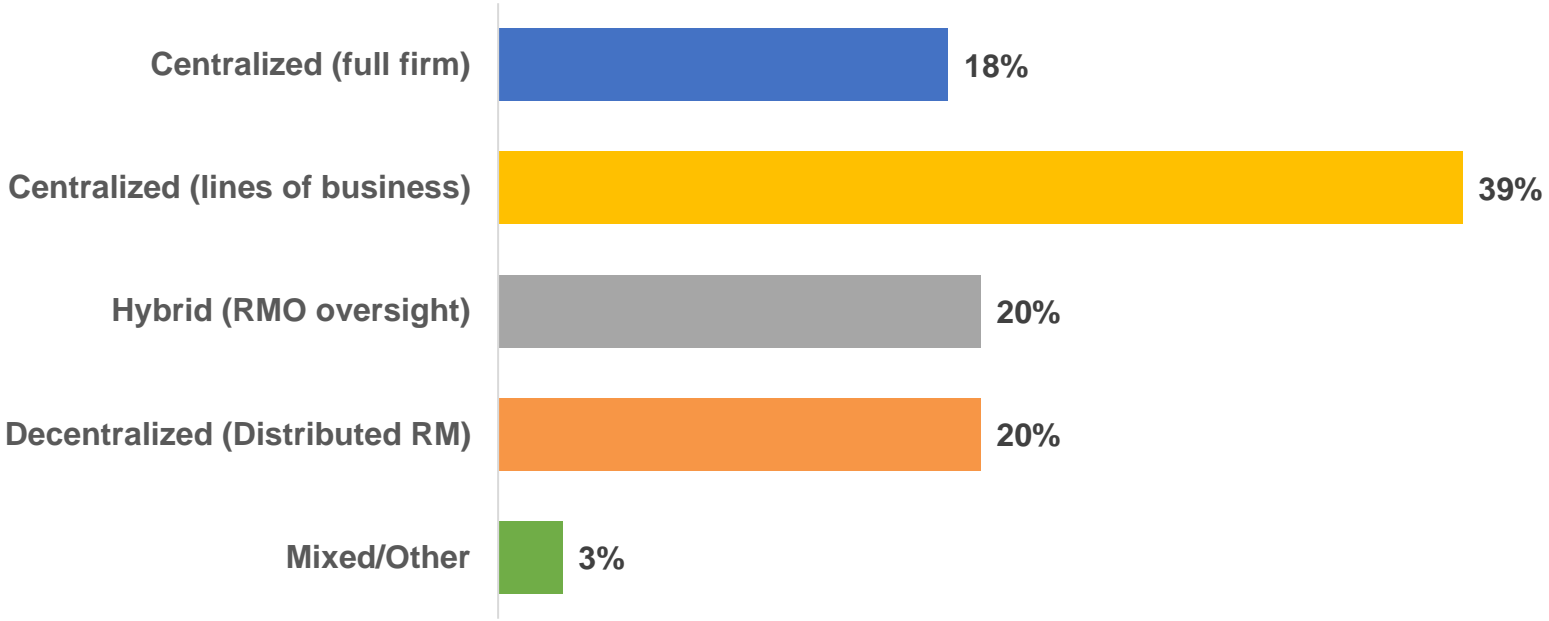
Other:

- HR
- Partner
- Project Manager
- C-level Executive
- Delivery Leader

Q4. How many resources in total does your organization manage collectively with all resource managers?



Q5. Which best describes how resource management is organized in your organization?



Other:

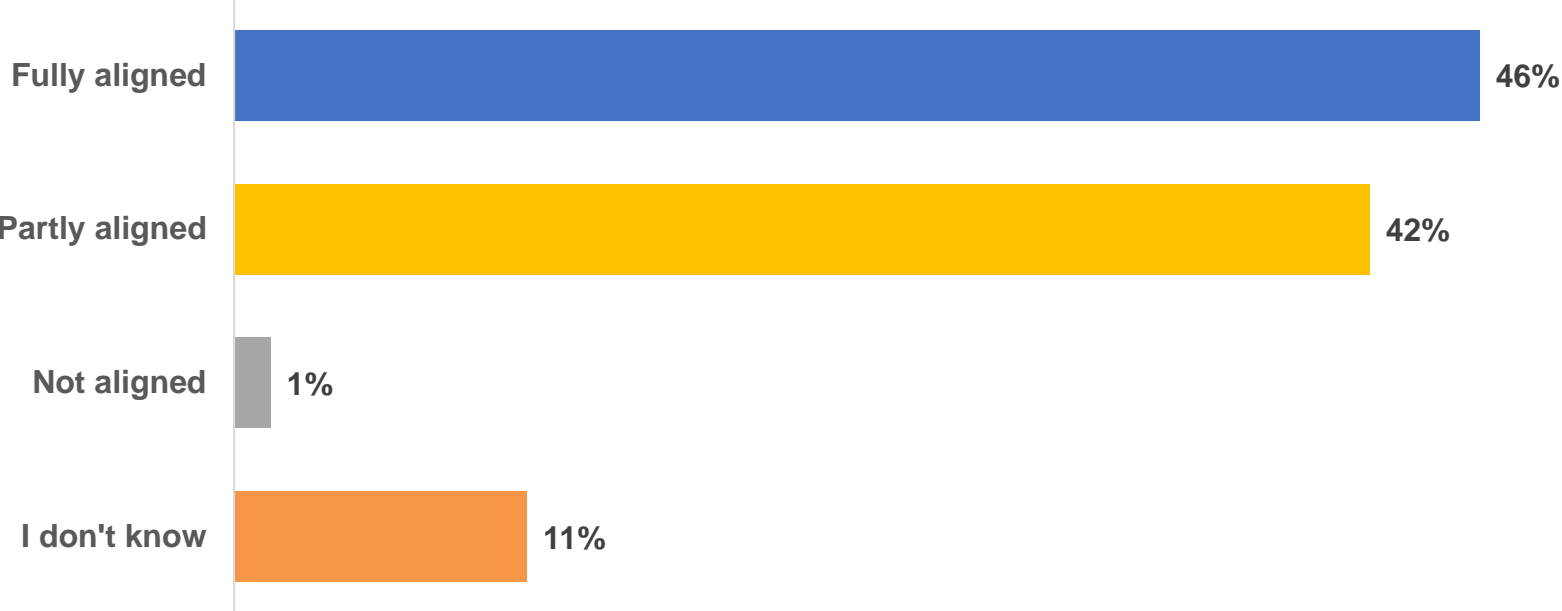
- By Region

Q6. What are the responsibilities of your resource management function in your organization? (Check all that apply)*

1	Project allocation (staffing)	95%
2	RM reporting and analytics	93%
3	Capacity planning (forecasting)	81%
4	Skills management/tracking	77%
5	Demand planning (pipeline)	75%
6	Financial planning and reporting	26%

* Multiple responses allowed. Table depicts % of respondents that selected each option.

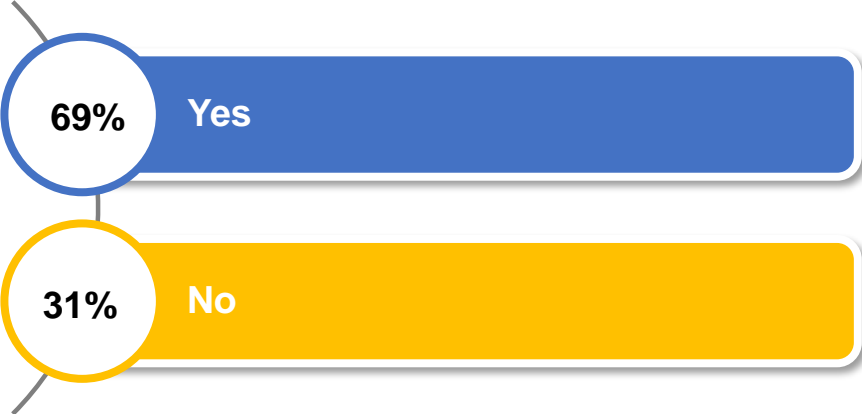
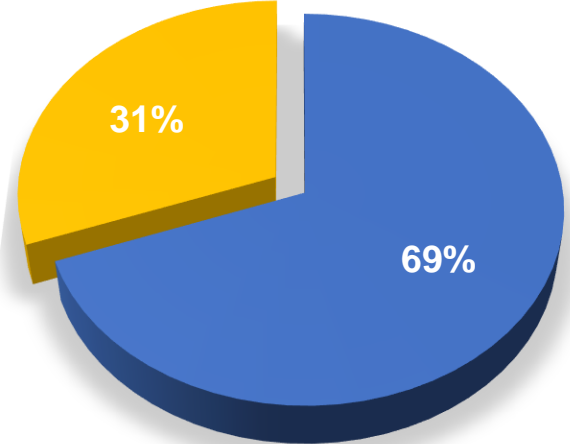
Q7. To what extent do your resource management practices align to the strategic objectives of the organization?



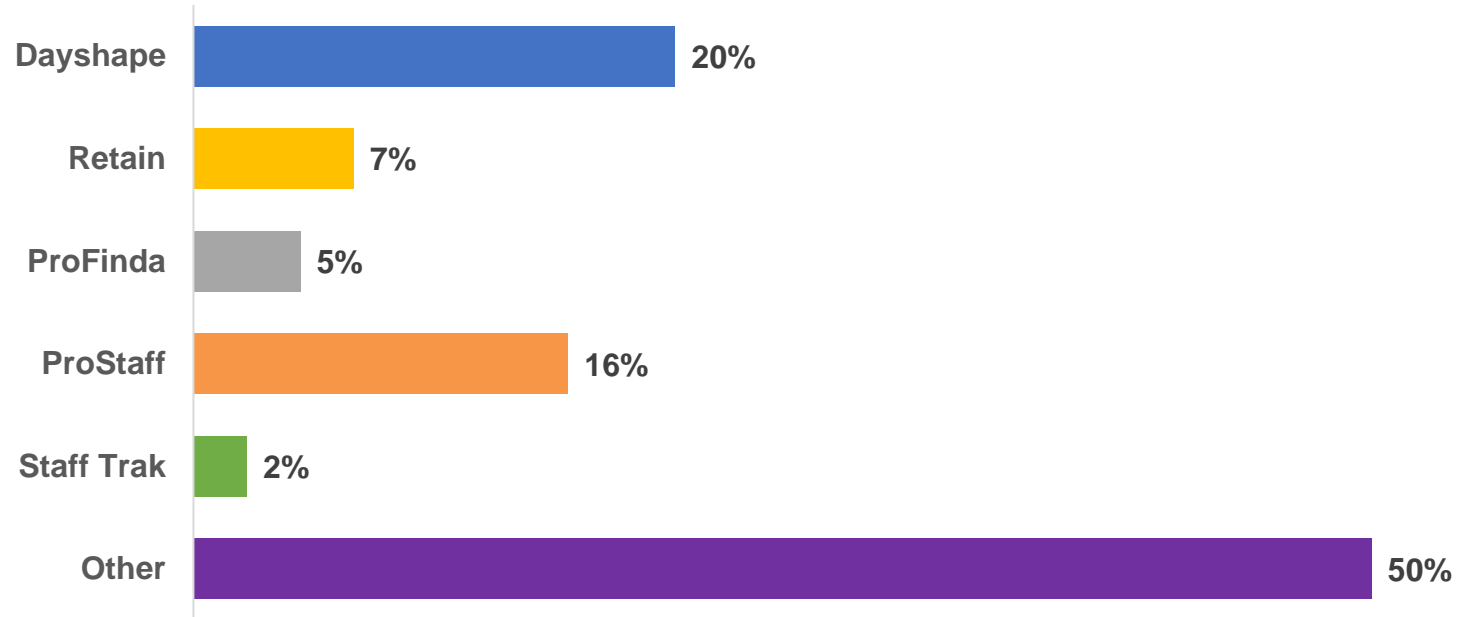
Q8. Which of the following does your resource management function have input into? (Check all that apply)*

1	Hiring decisions	69%
2	Performance management (calibration)	64%
3	Performance benchmarks/targets	51%
4	Financial planning	34%

Q9. Does your organization currently utilize a dedicated resource management tool?



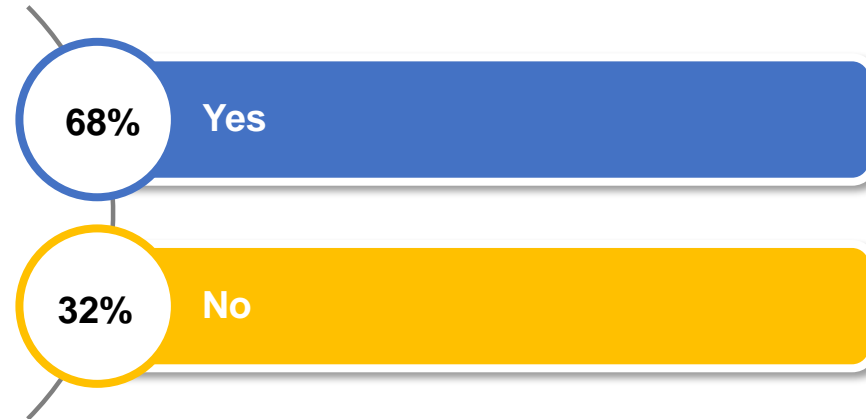
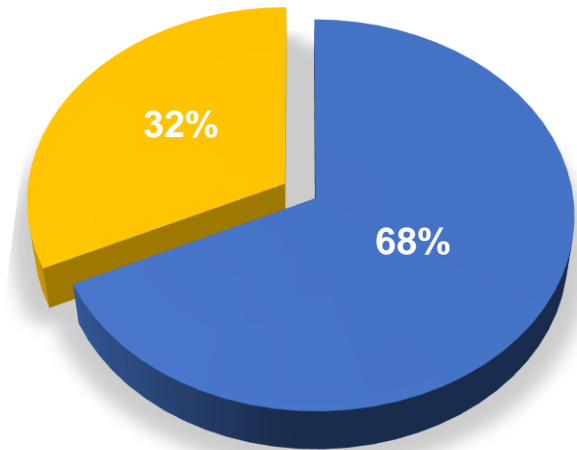
Q10. Which of the following resource management tools is your organization using?



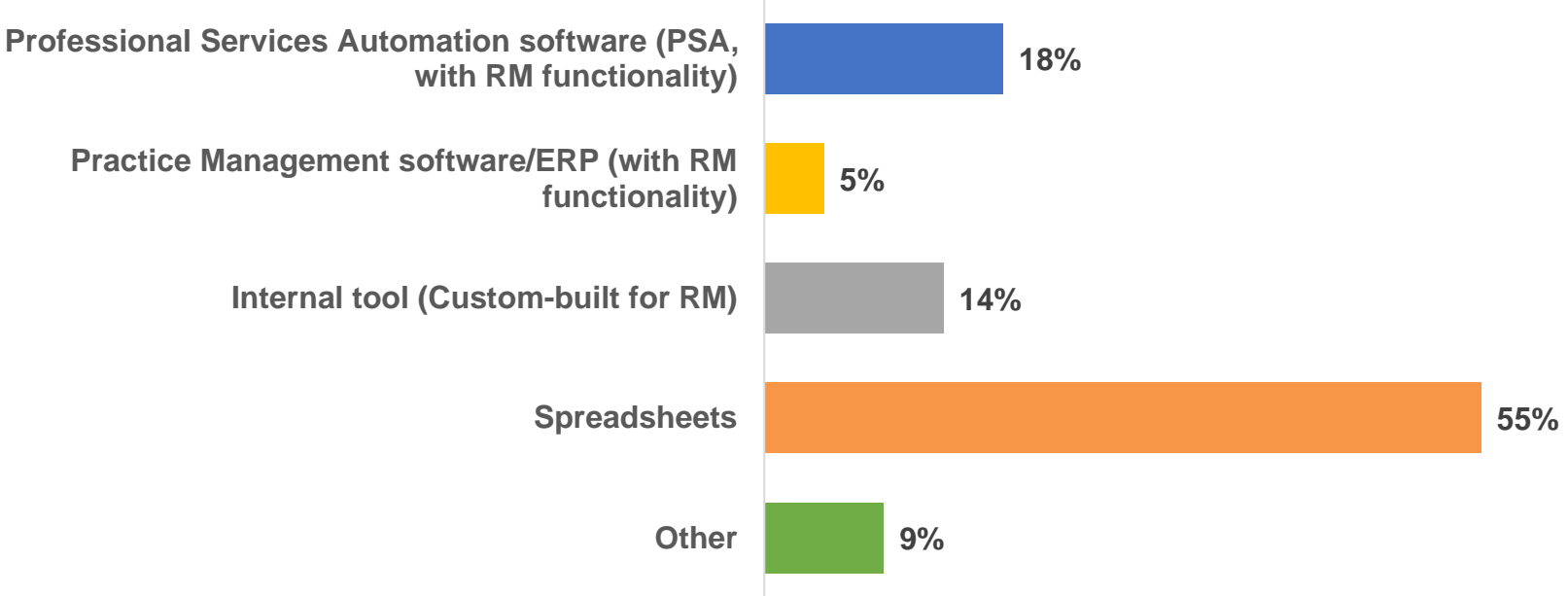
Other:

- Certinia
- Clarity
- Decidalo
- Internal Tool
- Kantata
- OpenAir
- PPM Pro
- Rocketlane
- SAP
- Spreadsheets
- Star Scheduling Assurance
- Workday
- Wrike

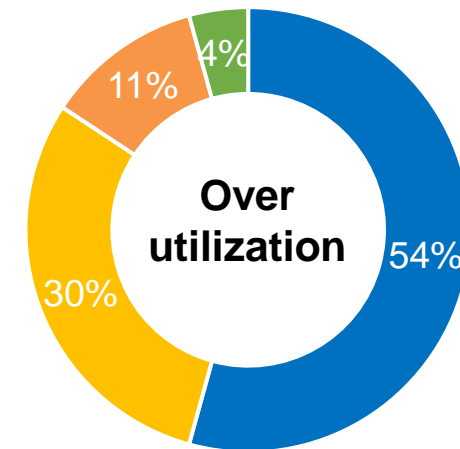
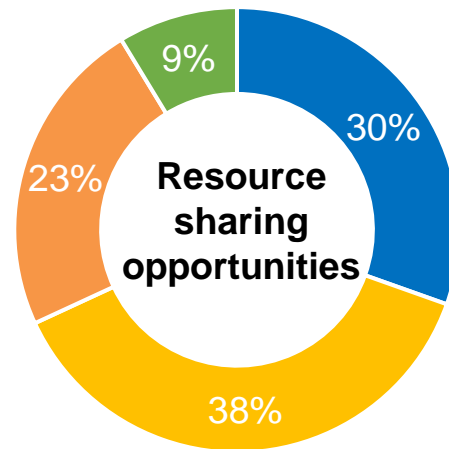
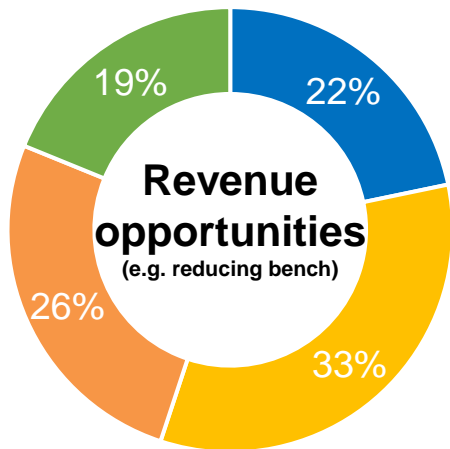
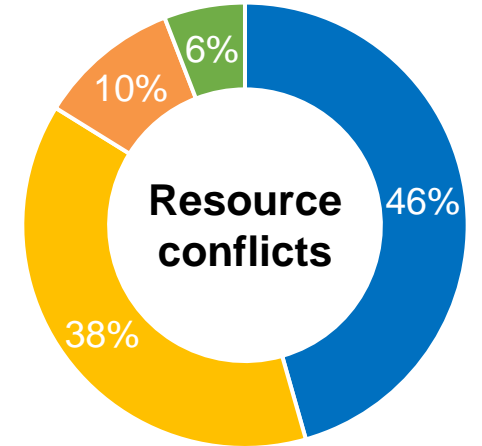
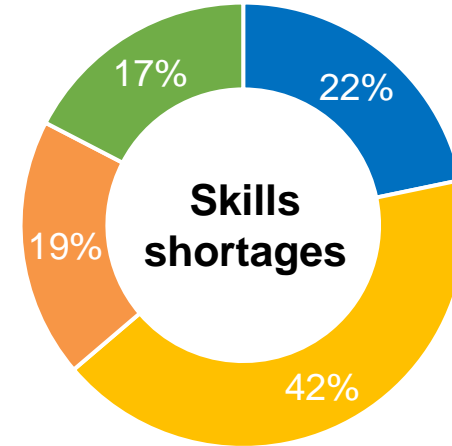
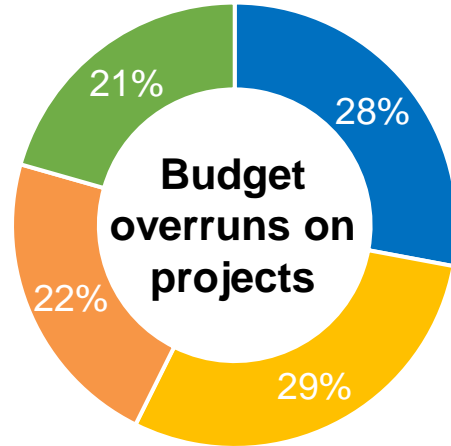
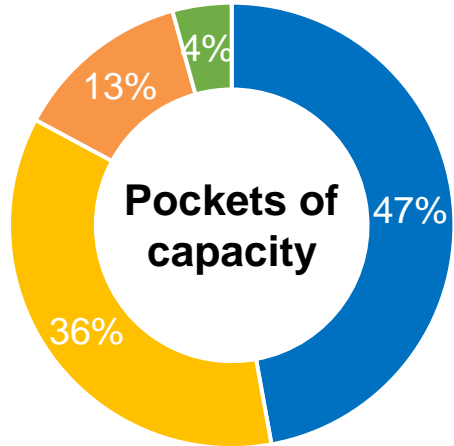
Q11. Do all resource management teams in your firm use this tool?



Q12. How does your organization manage/schedule your resources?



Q13. To what extent are you able to identify any of the following?



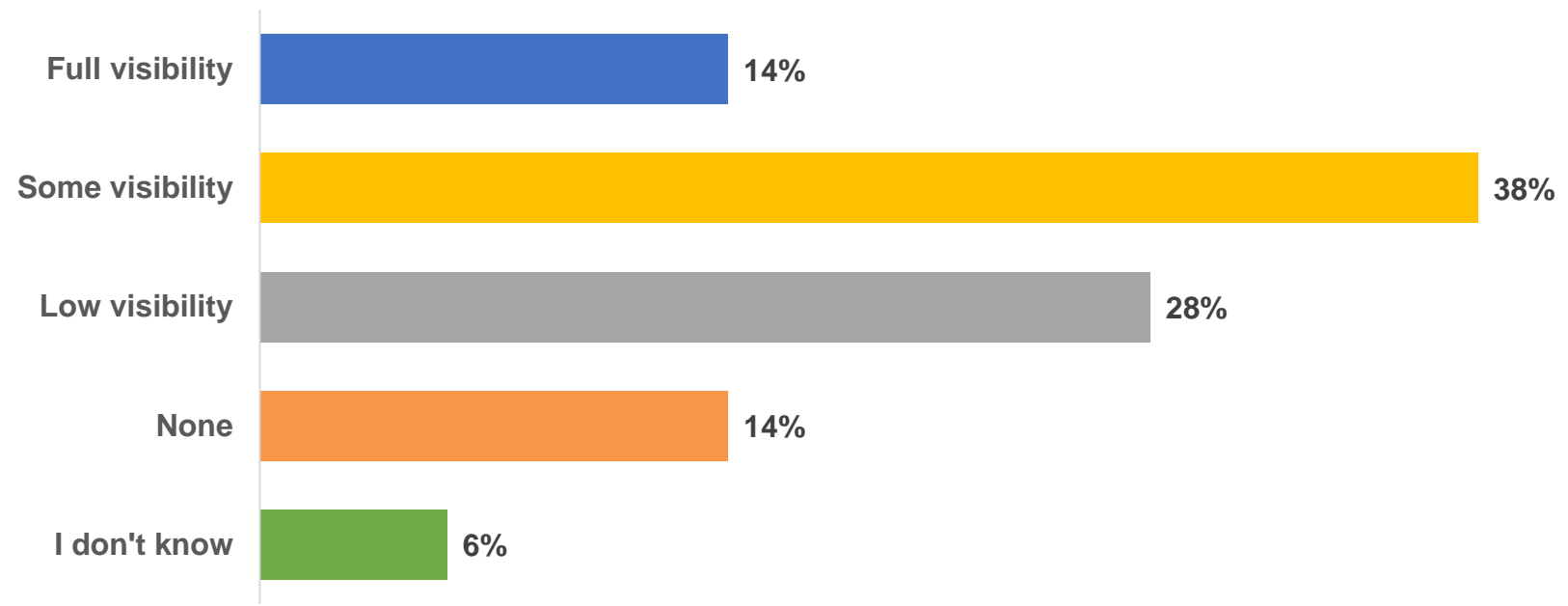
■ Yes ■ Yes, with some manual work ■ Yes, with significant manual work ■ No

Q14. When does your firm monitor/measure its project/engagement profitability? (Check all that apply)*

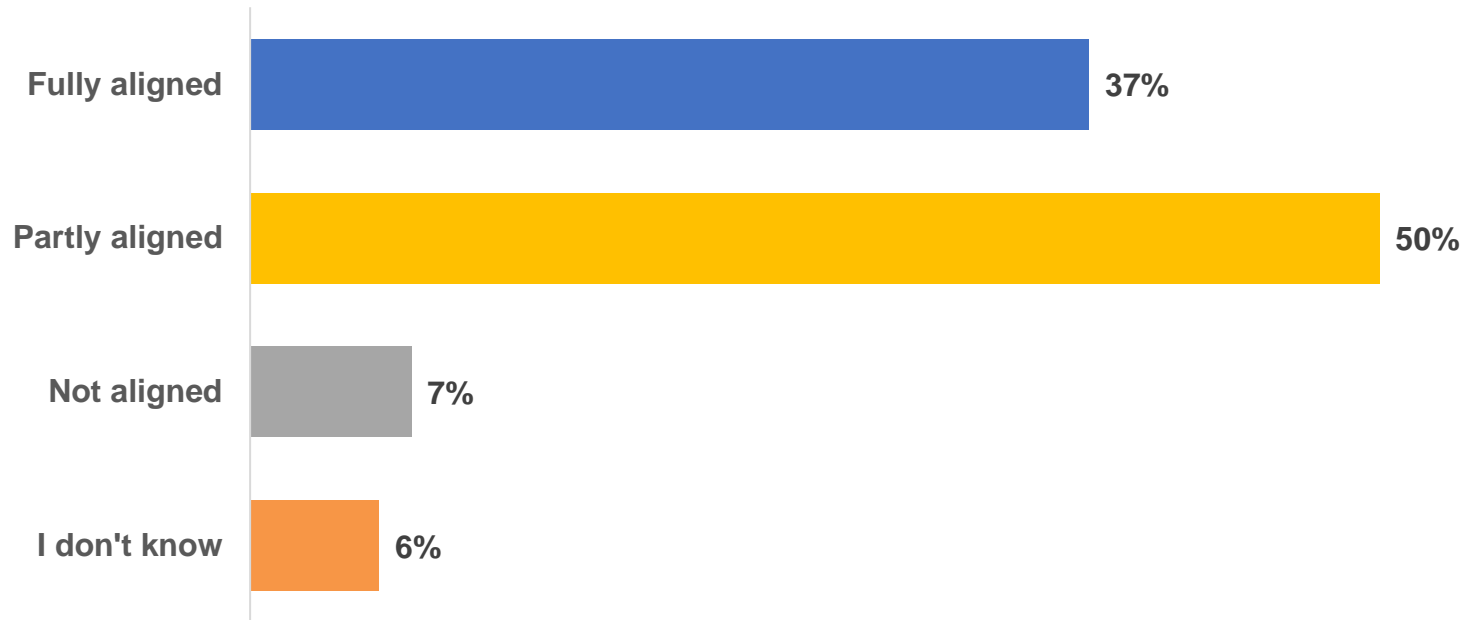
1	Proactively using actuals and forecast staffing	37%
2	Retrospectively using actuals as the project is in-flight	31%
3	Retrospectively at the end of the project	14%
4	Not at all	3%
5	I don't know	14%

* Multiple responses allowed. Table depicts % of respondents that selected each option.

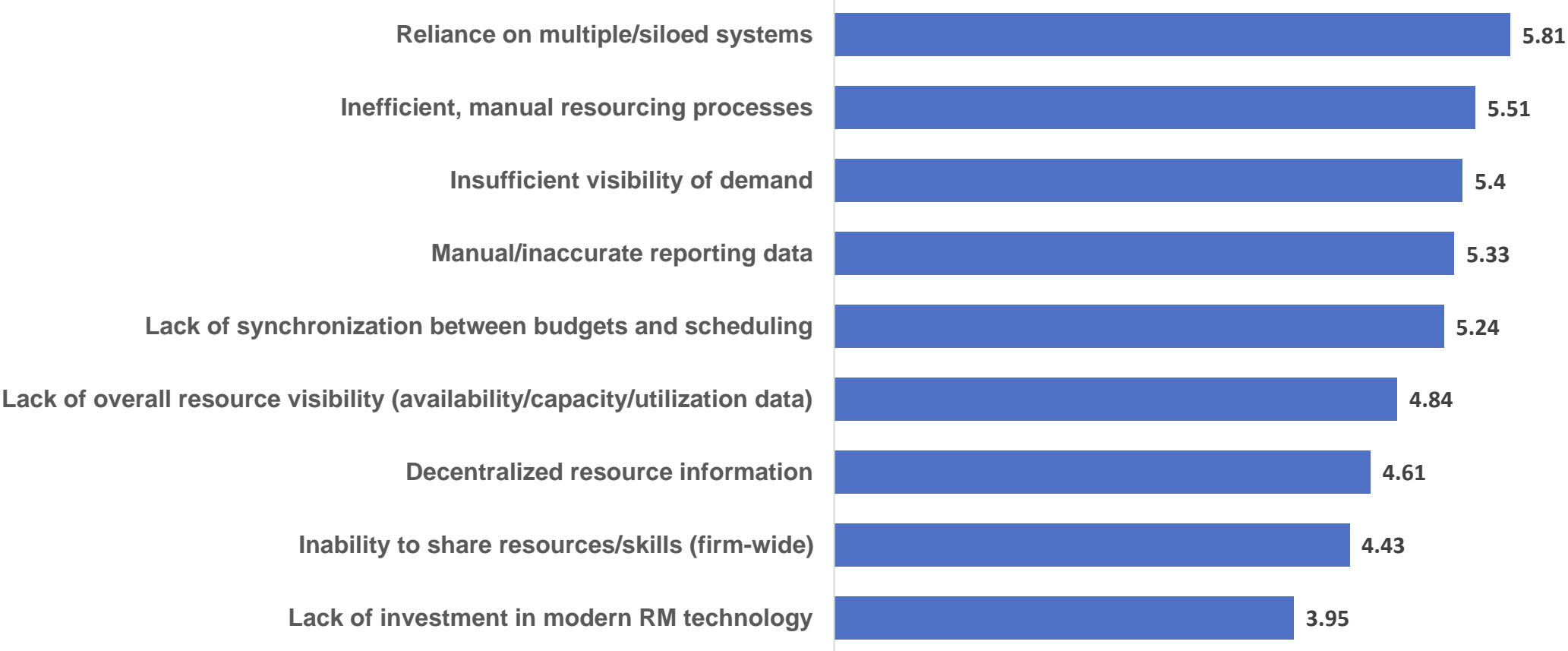
Q15. To what extent do you have visibility of the impact that resource plan changes have on overall engagement/project profitability?



Q16. To what extent are your resource management practices aligned to your organization's revenue objectives?



Q17. Please rank the biggest challenges for your resource management team in order from biggest challenge (1) to smallest challenge (9).

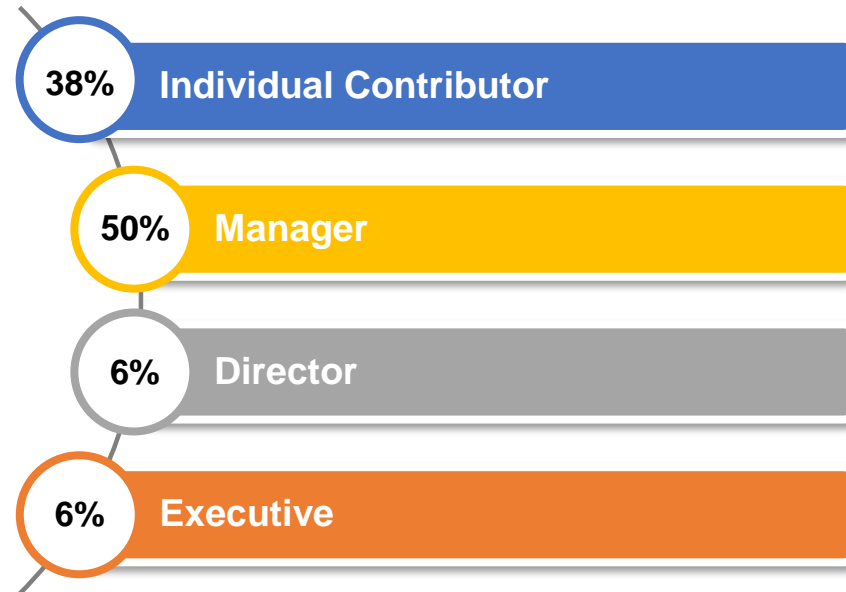
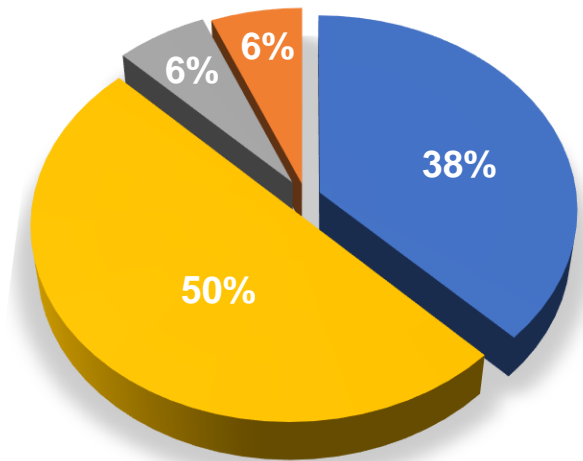




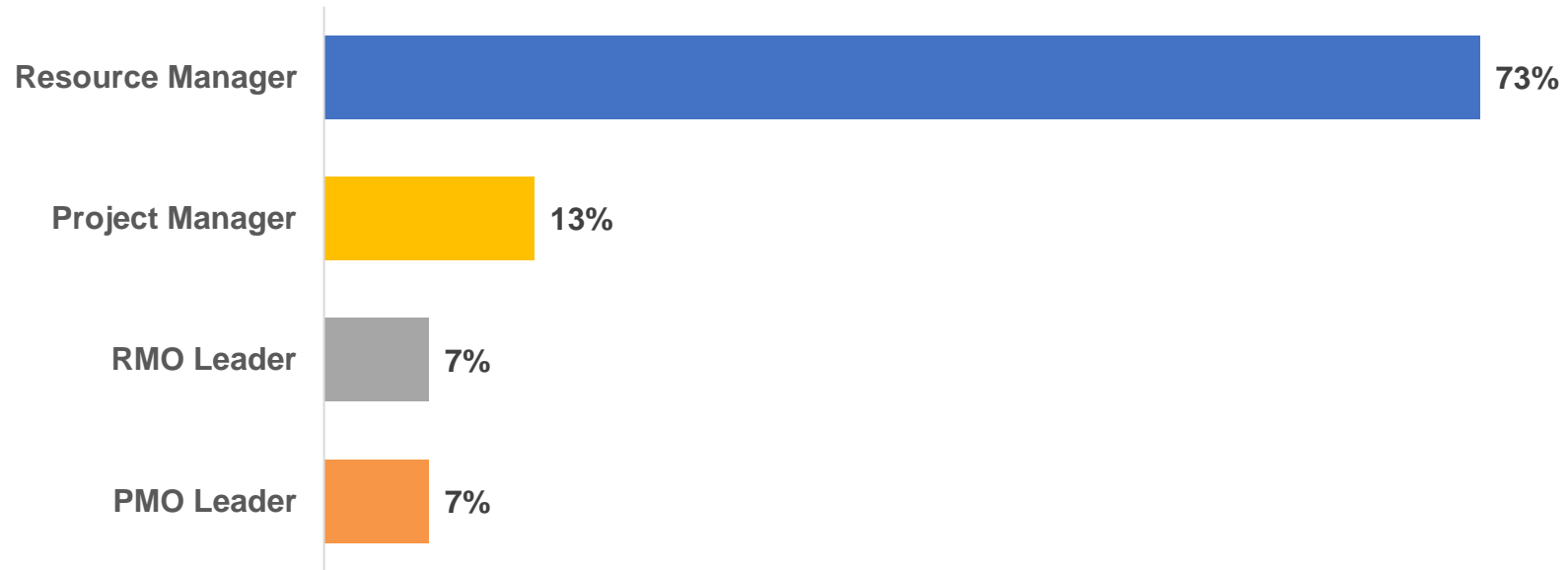
SERVICES TEAMS SERVING INTERNAL CLIENTS

Enterprise/IT (E/IT)
Product Development (PD)
Engineering (E)

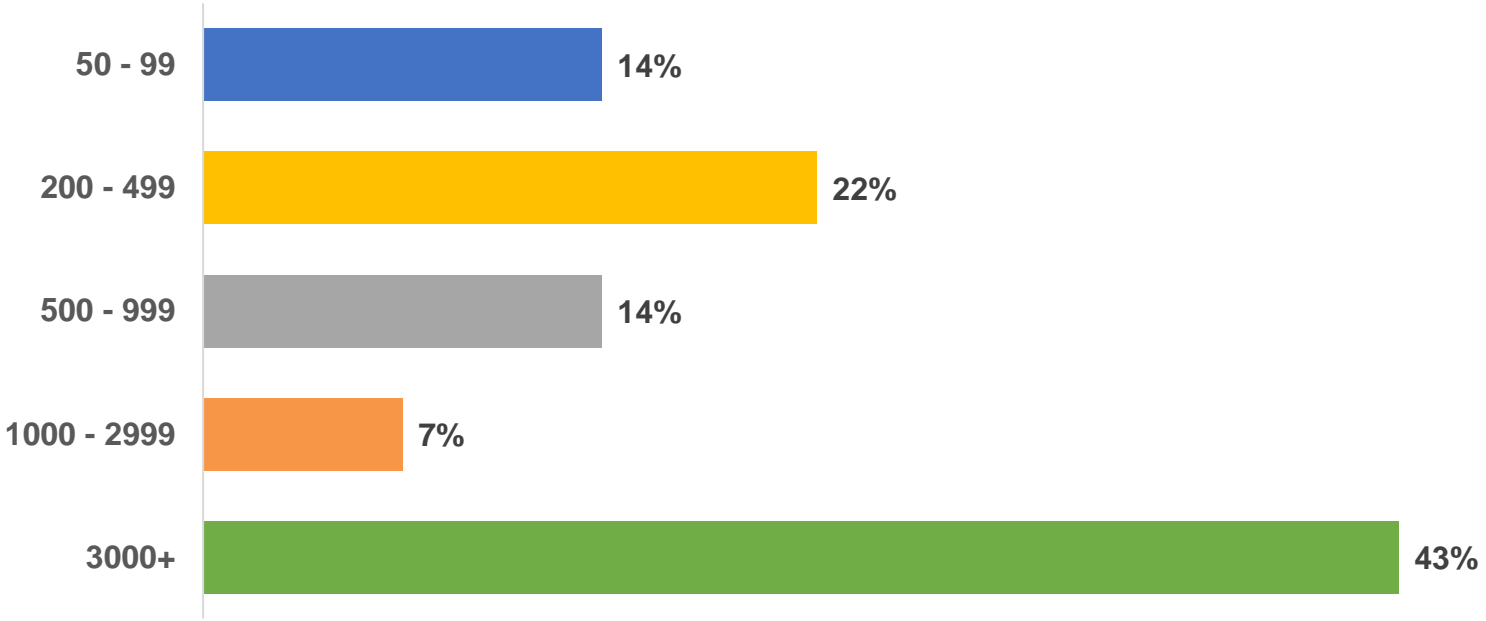
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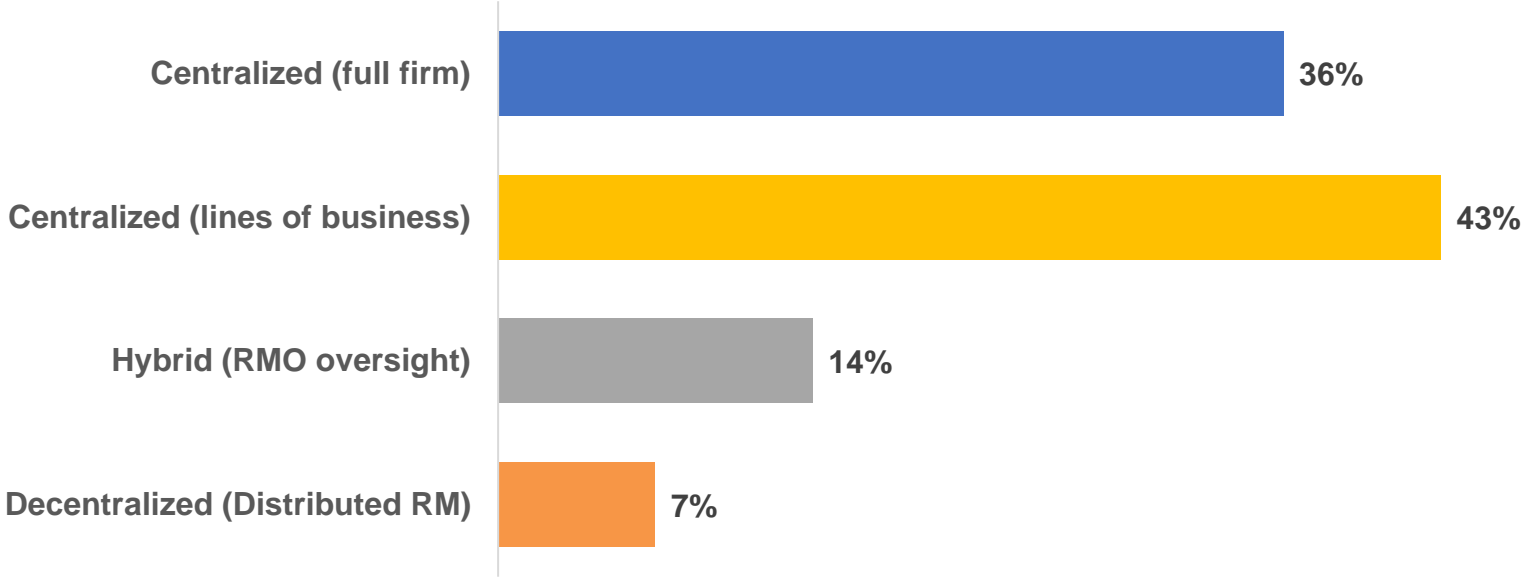
Q3. Which option best describes your role?



Q4. How many resources in total does your organization manage collectively with all resource managers?



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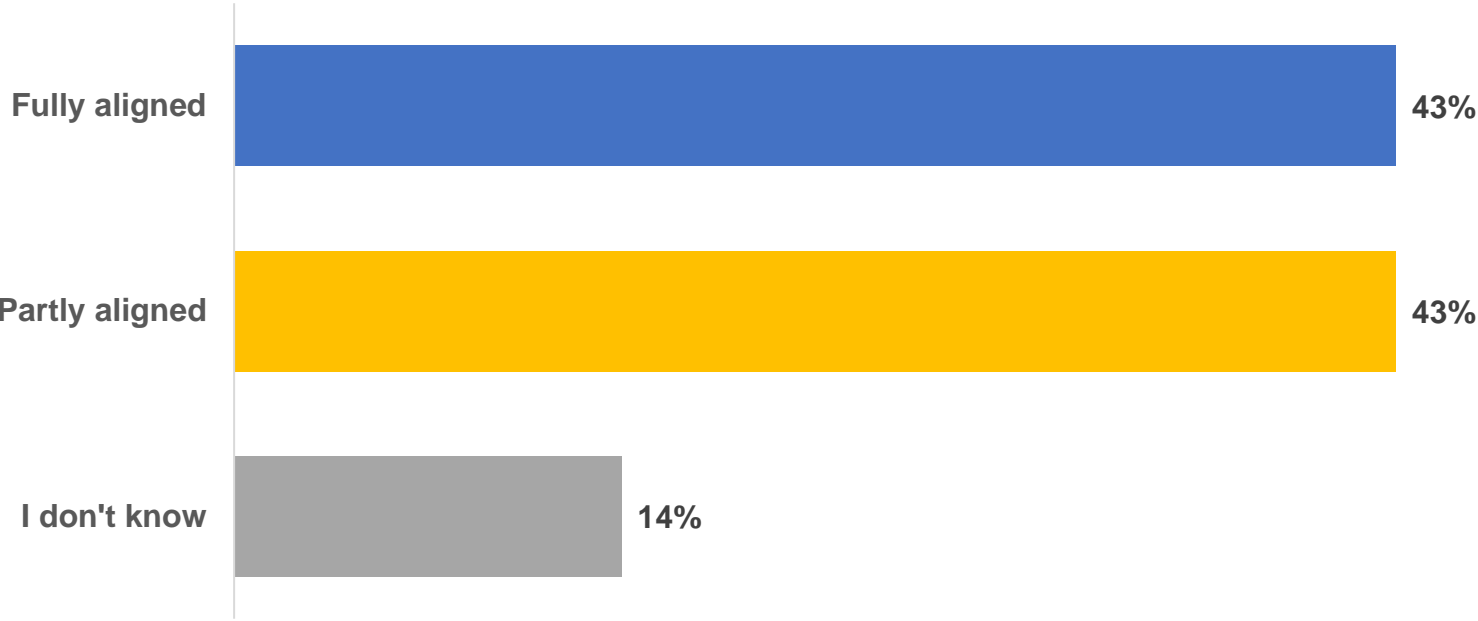


Q6. What are the responsibilities of your resource management function in your organization? (Check all that apply)*

1	Project allocation (staffing)	93%
2	RM reporting and analytics	79%
3	Capacity planning (forecasting)	71%
4	Skills management/tracking	71%
5	Demand planning (pipeline)	50%
6	Financial planning and reporting	29%

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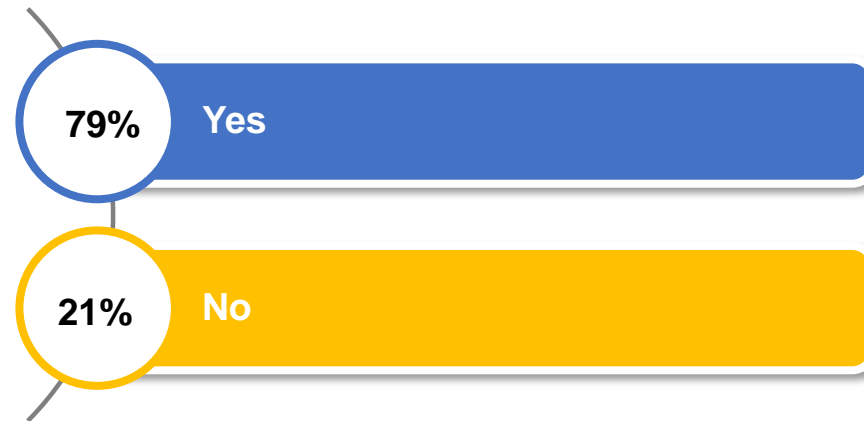
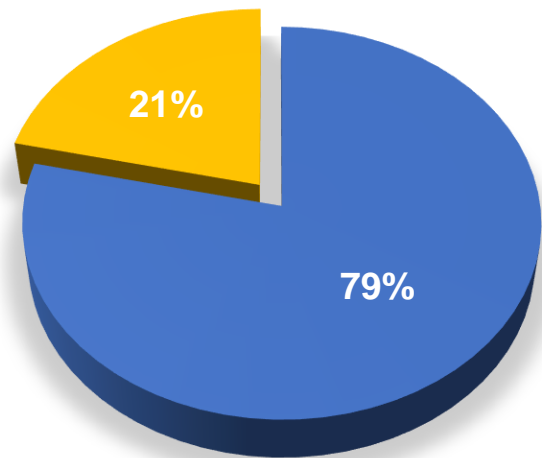
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Q8. Which of the following does your resource management function have input into? (Check all that apply)*

1	Performance benchmarks/targets	57%
2	Hiring decisions	36%
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4	Financial planning	29%

Q9. Does your organization currently utilize a dedicated resource management tool?



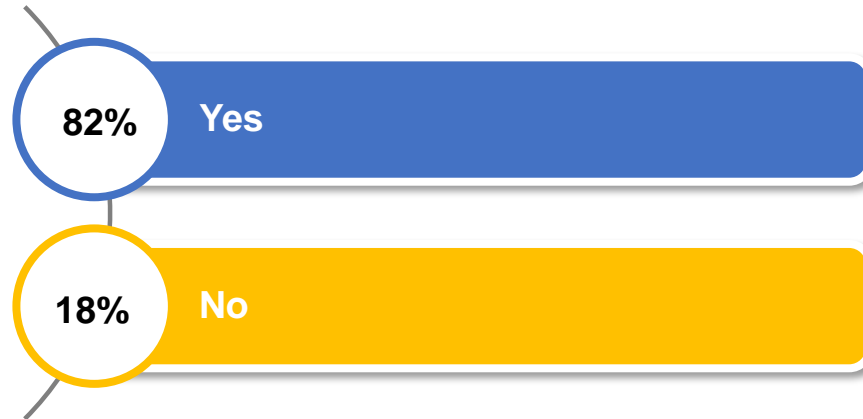
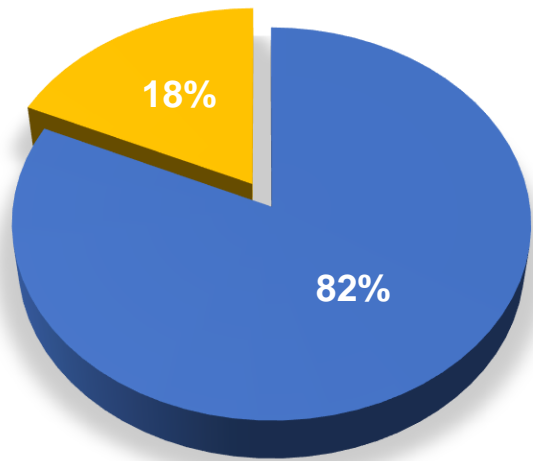
Q10. Which of the following resource management tools is your organization using?



Other:

- Epicflow
- Excel
- Internal Tool
- ServiceNow

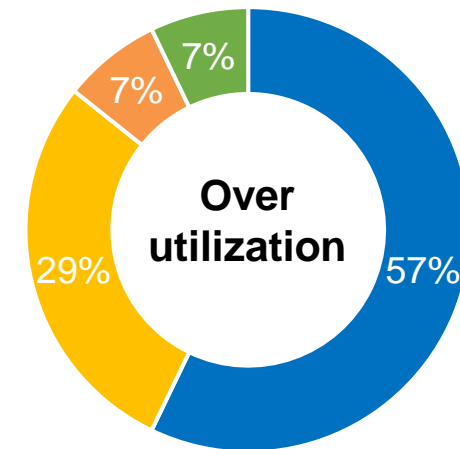
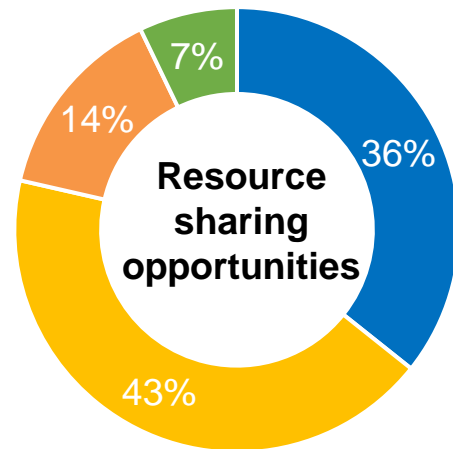
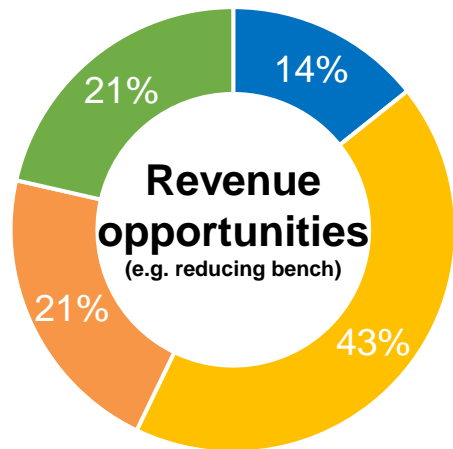
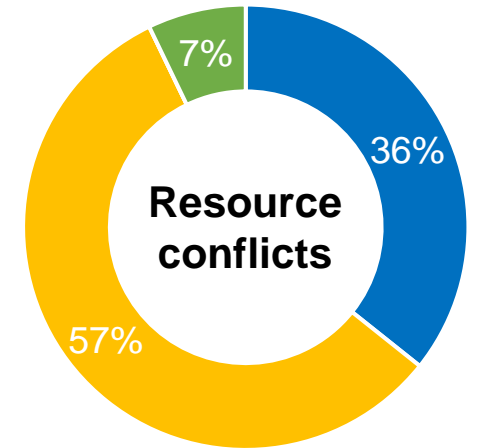
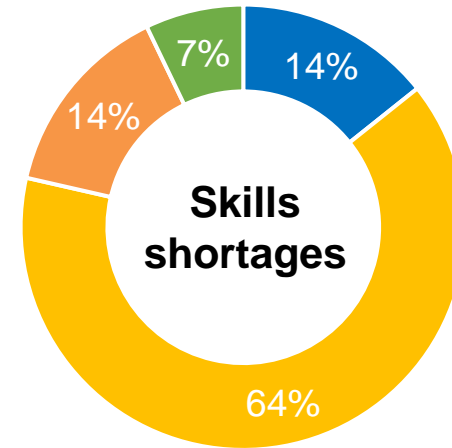
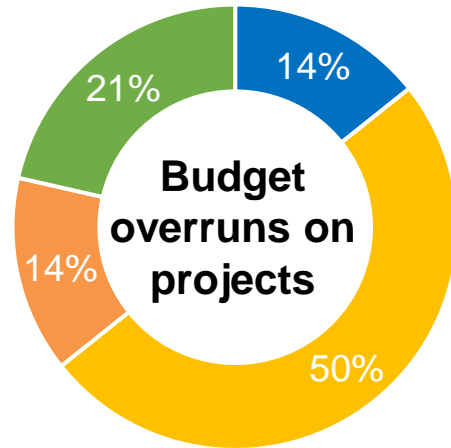
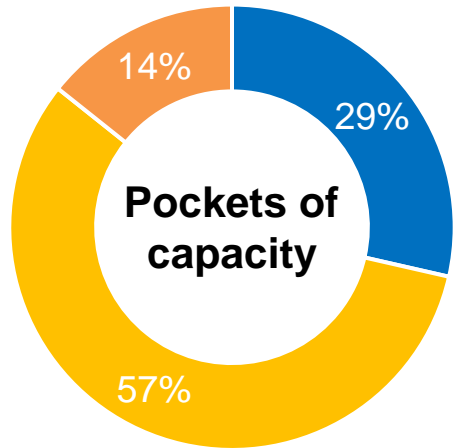
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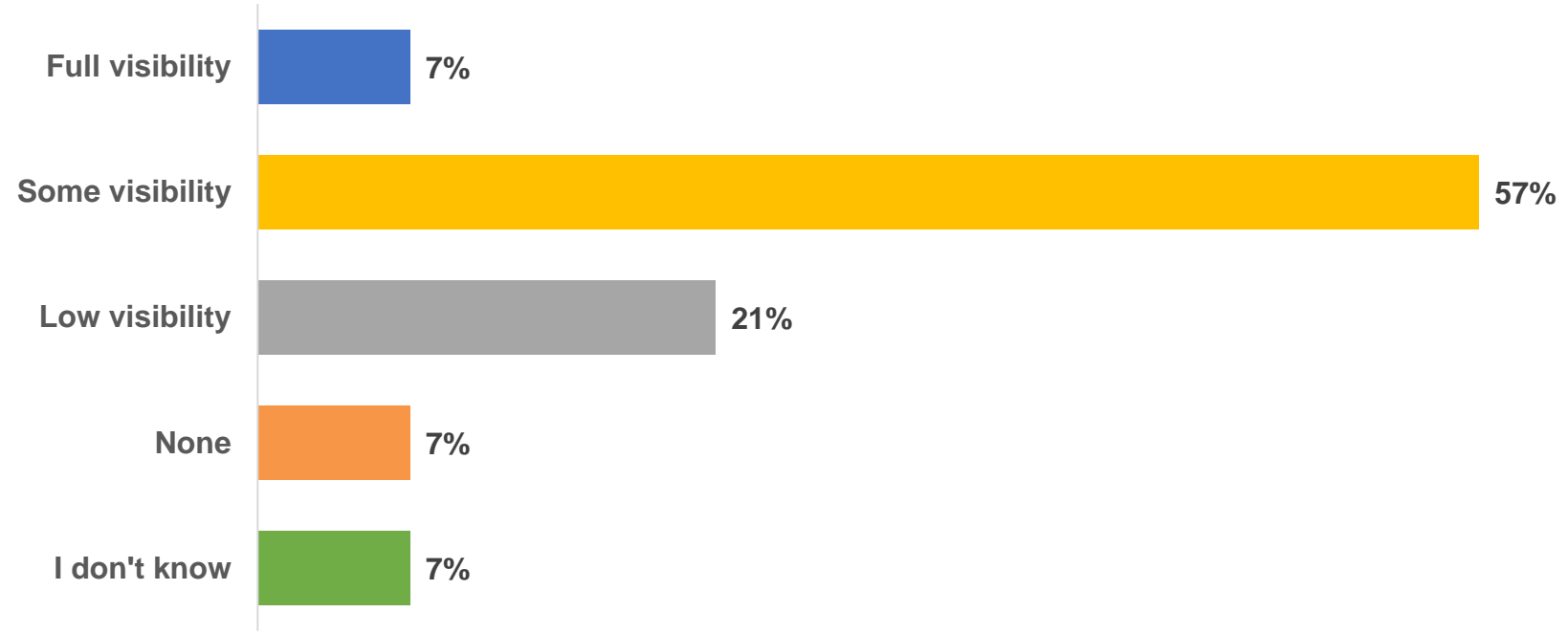
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Q14. When does your firm monitor/measure its project/engagement profitability? (Check all that apply)*

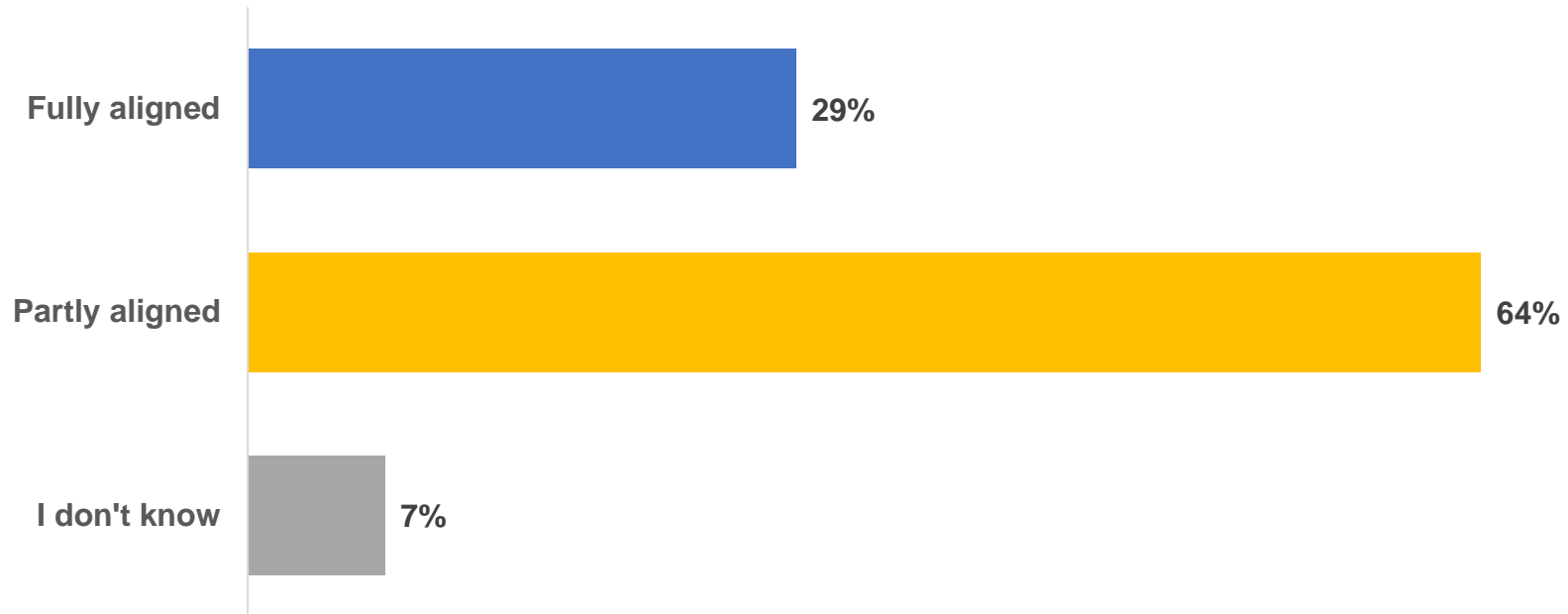
1	Proactively using actuals and forecast staffing	29%
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3	Retrospectively at the end of the project	14%
4	Not at all	7%
5	I don't know	29%

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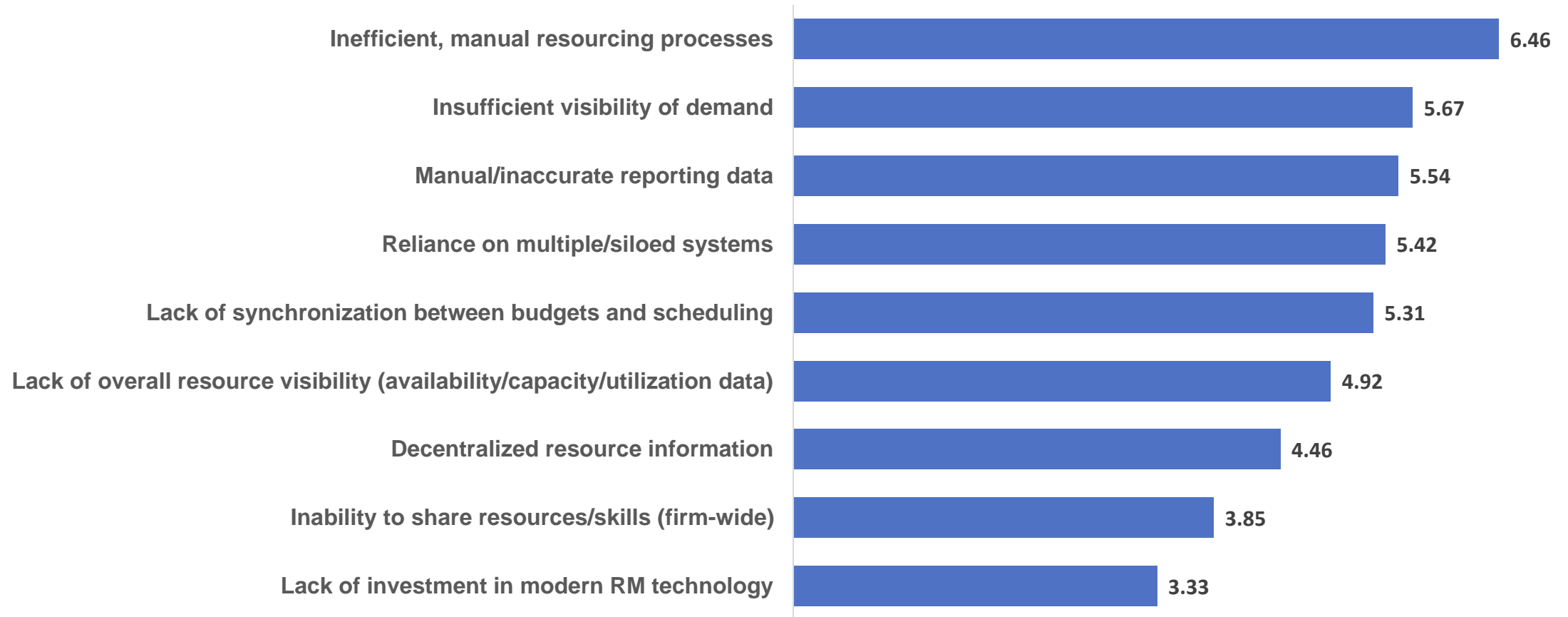
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