

RTM Consulting

The Challenge

How much is 1% of billable utilization worth? How about 5%?

Billable utilization is not just a good operational metric; it is an essential measure to the bottom line health of your services organization.

A 5% improvement to a 100 resource services organization can generate a \$1M - \$2M annual improvement to your bottom line profitability.

The Solution

RTM Consulting believes utilization is critical in periods of growth as well as contraction. In our experience, poor utilization is not as simple as having too many resources for too little work. Through the effective management of your resources, RTM Consulting believes you can achieve significant improvements in profitability, employee retention, and career development. It is about getting **the right person in the right place at the right time.**

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Resource Management Case Study

A technology systems integration company improves billable utilization by 23% and decreases operating overhead as a result of RTM Consulting's Just-in-Time Resourcing® (JITR) solution.

Who We Are

Specializing in Global Resource Management, Project and Portfolio Management, and Services Business Optimization, RTM Consulting can help your business run more effectively and efficiently while leveraging the strategic benefits of a services portfolio.

Client Situation

A Systems Integration company serving federal, state, and local government experienced significant revenue growth over the period 2001 – 2008. Revenue growth was coupled with: 1) an expansion in the breadth of capabilities provided to the market; and 2) an increase in the size of the consulting and professional services resource pool. These rapidly changing dynamics put downward pressure on utilization and consequently operating margins.

As demand for the different capabilities fluctuated, resource utilization and associated margins began to shift significantly from month to month. What had been a steady profit engine had turned into a daily challenge for the organization.

The Solution

The company turned to RTM Consulting to implement its Just-in-Time Resourcing® (JITR) solution. Implementing JITR has provided a systematic capability to quickly:

- ▶ Understand the skills and capabilities of all its personnel – helping to identify additional candidates for open roles
- ▶ Identify available resources for open needs – and support the movement of resources across the portfolio
- ▶ Forecast future needs – both the quantity and skill set requirements – to enable it to proactively adapt to changes in market demand and avoid the ebbs and flows of utilization

The Result

The company experienced a 23% improvement in billable utilization and a 25% decrease in operating overhead as a result of RTM Consulting's Just-in-Time Resourcing® (JITR) solution. Additional benefits include:

- ▶ Surpassed organizational utilization target by the second month and have met or exceeded the target in each subsequent month.
- ▶ Improved employee satisfaction and career development
- ▶ Reduced management involvement with the resourcing process