



A Primer for Just-in-Time Resourcing®

Introduction

Growing competition and marketplace change continue to put unprecedented pressure on service providers to rapidly adapt and innovate in every facet of project-based service delivery. Effectively and efficiently sourcing and managing supply and demand of human resources is the new high-water mark for the industry. Similar to how manufacturers learned through advanced inventory planning techniques to have the right parts available at just the right time, service providers, internal IT departments, and other shared services operations are now challenged to provide the right people with the right skills in the right place at the right time.

Many service providers and internal IT departments today struggle with project performance and under-utilization problems, resulting in high labor costs. Customer satisfaction is also negatively impacted as a result of project and resource management failures. Many organizations have reacted in tactical ways, pushing labor offshore with the intention of lowering costs or installing a new PSA, PPM, or RPM tool hoping technology will solve the problem. Off-shoring/near-shoring are a desirable and necessary part of the strategic labor equation. The implementation of PSA/PPM/RPM tools help with enabling better RM process automation to address the strategic need for sustainable business transformation.

Analogous to targeting near-zero inventory for a manufacturer, professional and consulting services providers should target near-zero non-billable time of active resources. If your services organization can increase annual billable utilization of 25 resources billed at \$150/hour by a mere 1% you will add \$78,000 to your bottom-line. Moreover, from our experience, most services organizations can effectively increase utilization up to 5-15% or more with the right processes in place!

IT departments, as well as engineering and product development teams, should target near-zero project failures. What would even a small 5-10% improvement mean to your team in terms of cost savings and better outcomes?

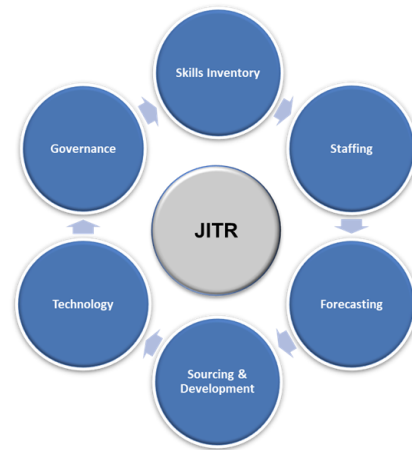
It can be done! Just-in-Time Resourcing® (JITR) is the Resource Management Institute's brand of human capital management, helping companies build the right set of capabilities to accomplish the most efficient use of human capital for services operations. Not too different than implementing a Just-in-Time Manufacturing solution, the application of JITR techniques to human capital follows a similar path. With labor costs under continuing pressure, finding solutions to better project performance and human resource utilization means finding a better way to manage the supply and demand of human capital - better resource management!

A Methodology and Solution to Better Resource Management

Just-in-Time Resourcing® (JITR) incorporates the RMI's Global Resource Management methodology and provides a holistic solution to enable a more disciplined, process-oriented approach to efficiently managing human capital for project-based environments.

Just-in-Time Resourcing® (JITR)

- Scalable commercial grade process solution for RM
- Capability to facilitate getting the Right Person in the Right Place at the Right Time
- Enables the ability to characterize supply and demand and align talent to forecasted demand
- Recognizes the importance and role of process automation tools
- Ideal for any project-based service business
- In use by hundreds of enterprises worldwide



A brief explanation of each element of JITR follows:

Skills Inventory: It starts with knowing what and where the capability and capacity of your delivery team are and keeping this information current and accurate. The skills inventory is ideally organization-wide, unlocking any potentially siloed resources.

Staffing: Staffing is the continuous process of matching available resources for all active and potential projects. Ideally this process views all resources in a centralized manner, in lieu of the all too common decentralized approaches that are often labor intensive and sub-optimized.

Forecasting: Few organizations ever develop a good forecasting mechanism for human capital needs. What is the resource requirement outlook for the next 30 days? How about in the next three to six months? Lead times for recruiting, hiring, and retraining human capital do not always coincide with project needs. Forecasting is essential to proactively prepare for future business cycles.

Sourcing & Development: A logical extension of forecasting. Once resource needs are defined over some time horizon, the organization can then target the right actions to recruit, hire or contract the right resources. With a centralized view of detailed resource requirements over a given time horizon, strategic sourcing analysis and planning can occur to gain control over longer term labor costs.

Technology: For most organizations larger than 25-50 resources and distributed across multiple geographies, automation is essential. It is important that the tool you select supports your process needs, not the other way around.

Governance: Resource management information drives strategic planning and management decisions, and tactical project performance and financial results. Like any other mission critical business process, the establishment of metrics, dashboards, corrective action, and continuous improvement processes are necessary to achieve consistent and predictable results.

Summary

The benefits of standardized process-driven resource management are undeniable. The JITR solution and underlying GRM methodology have been deployed in hundreds of human capital-intensive organizations around the globe. Improved project performance, lower costs, improved resource utilization, better customer satisfaction, and higher employee engagement are just some of the benefits effective RM brings to the table.

About the Resource Management Institute (RMI)

The Resource Management Institute is dedicated to the advancement of resource and workforce management thought leadership, best practices and standards, globally recognized credentials that certify resource management expertise, and tools and resources necessary for effective and efficient management of human capital-intensive businesses. The Resource Management Institute was created to provide the resource and workforce management community a vehicle to advance the discipline of resource and workforce management, and further the interests of the people who make up this community and the companies they work for. Visit us at www.resourcemanagementinstitute.com and on [LinkedIn](#).

About RTM Consulting

Specializing in Resource Management, Project/Portfolio, and Services Business Optimization, RTM Consulting helps IT hardware, software and support services organizations achieve the benefits associated with successful services portfolios. With its unique Just-in-Time Resourcing® solutions and Business Acceleration Services, RTM Consulting helps large, medium and small firms move beyond theory to practical application of industry best practices and achievement of exceptional results in the shortest possible period of time. For more information please contact RTM Consulting at info@rtmconsulting.net or www.rtmconsulting.net.