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Integrated resource planning: A roadmap for overcoming the culture changes

How to successfully balance management's need for visibility with project managers' resistance to change

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Executive Summary

Every architectural and engineering (AE) firm takes pride in their reputation and history – in some cases, decades spent building their business, infrastructure, policies and processes. Clearly, the "way it's done" works for these successful firms. Therefore, one of the toughest challenges these organizations face is balancing the need for integrated project and resource planning with the culture change it poses for project managers.

While the business benefits are easy to recognize, the impact on productivity brings up major questions – who will train the staff? Is it too much change for them? Will we lose some of our most tenured talent?

Based on real-world, anecdotal information and proven best practices, this paper provides five key elements – a framework for initiating organizational change, managing expectations, and implementing a new system with minimal disruption. That isn't to say that the process is easy. However, with preparation, forethought, and support, it can be simplified.

Seeing the benefit, overcoming obstacles

After years of uncertainty and doubt, firms are beginning to see the light at the end of the tunnel. So as the economy continues to improve and the focus shifts from survival to growth, integrated project and resource planning is topping many "To Do" lists.

The benefits of integrated project and resource planning are clear to principals and CFOs, such as the ability to know, in real time, the profitability of each project and the utilization of every revenue-contributing resource. Other benefits include:

- Automated scheduling, budgeting, forecasting, and resource management
- Flexible reporting
- Universal access for remote and on-site staff

In a sense, management buy-in is easy, but resistance from project managers begins the minute they hear there's a new resource planning initiative. You hear complaints that range from not wanting to give up Microsoft Excel and Microsoft Project to a fear of losing control. Considering the

fact that such a change directly impacts their day-to-day workflow, this is understandable.

Barbara Bunting, Certified Associate in Project Management (CAPM), and associate vice president at Lochner, faced these challenges first hand while implementing Deltek Vision® Planning. "Every project manager had their own way of doing things that worked for them, including Excel spreadsheets. The fundamental challenge this posed was that – given the lack of standardization across the firm – Lochner had no way of reporting at the office, region or firm-wide level."

Slowly, and sometimes painfully, Lochner moved forward. Now in-place across Lochner's 30 offices, Vision Planning provides the detailed and accurate information needed for decision making at the office and firm-wide level. Though facing their fair share of challenges, Bunting attributes Lochner's successful implementation to five key elements: commitment from management, expectation management, training, clear communication, and strict policy enforcement.

Focus on: Lochner

Founded in 1944, H.W. Lochner, Inc. is an award-winning, 600-person engineering, planning and consulting services firm based in Chicago with 30 offices in 18 states. An innovator in transportation and infrastructure solutions, Lochner ranks #19 in Roads & Bridges 2010 List of Top Design-Build Firms, and #143 on Engineering News Record's (ENR) List of Top Design Firms of 2010.

Five elements to implementing integrated project and resource planning

1. Management Commitment

As mentioned above, this is probably the easiest element to secure, as management is typically more concerned with business benefits. It isn't a surprise: tracking project profitability and resource utilization is one of the clearest ways for AE firms to increase their top and bottom lines.

As a tool to encourage buy-in and compliance, the vocal support of upper-level management will often calm all but the most diligent resistance. Strong support trickles down and makes it clear that integrated planning is a priority to the entire organization.

However, this process is continuous – be prepared to show results and improvement to justify management's ongoing support.

2. Perspective and Expectation Management

Staying in front of such a shift is key, and expectations must be managed across the board – starting with your own. No matter how much you prepare, explain, and train, there will be resistance. As anyone who has moved into a new home or started a dream job can tell you, even positive change can be stressful and difficult.

Understanding this from the beginning of the process will help prevent you from getting sidetracked. Also, be sure to take into account the unique needs and challenges specific to your organization.

At Lochner, for example, a merger further complicated the shift to integrated project and resource management. "We were very fortunate in that the firm we merged with was on Vision, as well," Bunting reported. "And while some changed for us, the other firm's entire organizational structure changed." For all the changes associated with the merger, the biggest

challenge, especially since the new firm wasn't using the planning module, was the merging of the two Vision databases. Fortunately, the process went smoothly.

"When I saw [Deltek Vision®] planning demonstrated, I immediately realized: that's the tool we need to replace our current process."

» Barbara Bunting, CAPM Associate Vice President, Lochner

3. Training
The solution is only as good as the training of the people using it – so getting staff comfortable with the tool is a critical step in seeing benefits immediately. Lochner initially used "train the trainer" and webinar-based staff training for Vision Planning, but found the in-person and shared screen training to be more effective, allowing individual project managers to have their questions answered immediately as they used the tool.

One of the most common complaints was time – no time to train, to plan, to think about it – a valid point in today's competitive business environment. Lochner also created a new position (Contract Support Specialist) for each region specifically to assist project managers in creating plans – giving them critical input but also making the best use of their time, especially for the technologically-challenged project managers.

In addition, part of Lochner's staff training was a time-based challenge to create plans for all existing projects. This initiative gave the staff real-world training, and benefitted the business by shifting legacy projects to the new system.

4. Clear Communications
The worst thing to do when facing resistance to upcoming change is to leave staff in the dark. In the absence of information, rumors and misinformation thrive. Communications must be clear, informative, and consistent. Answer questions about process directly, generate FAQs, and provide detailed implementation and training schedules if possible.

Lochner implemented a two-fold strategy that combined project manager buy-in and communications, by implementing a

project manager pilot team. This team of project managers was included in the entire implementation and training process, made recommendations and created documentation for the shift. The team also took the lead in communicating the benefits of integrated project management to their peers. Including the project managers and having them evangelize the tool minimized feelings of having the new system forced upon them.

Lochner also used Dashboards, monthly e-newsletters and a SharePoint planning help/FAQ site as effective communications tools throughout the process.

5. Enforcement
You've trained, communicated, and managed expectations. But things often change when the rubber meets the road – in the form of rush jobs, personalized templates, small projects, and other loopholes and excuses for working around the system. Without enforcement, your organization won't realize the full benefits of the implementation. In fact, an organization where only a portion of projects is in the integrated project planning system renders their system useless, as it can't provide a full picture of either projects or resources.

"We were very strict from the beginning," Bunting added. "If a project manager doesn't have a plan in place, they can't start their project. No exceptions." It can be difficult to maintain such strict enforcement, but Bunting took a long-term view. "If you make accommodations for one project manager, before you know it, you're doing it for everyone."

But even with mandatory updates, Lochner still faces a few holdouts. "They keep waiting for (planning) to go away, but they'll be waiting a while. We're not budging." From forecasting budgets to staffing decisions, the system cannot work if everyone isn't on-board.

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For firms considering integrated resource planning, Bunting recommends solving this through enforceable consequences in whatever form is appropriate for their culture and staff. One example is having a lack of compliance reflected in a project manager's performance evaluation.

On the opposite end of the spectrum is peer pressure. She recalls speaking with a project manager who was the last hold-out at his firm. Bunting asked why he resisted the move to centralized planning and what finally got him on-board: "It only took getting called out twice in front of his peers, and them realizing he hadn't updated his plans. It was embarrassing and by the third meeting, his plans were updated."

Looking at the larger picture, Vision provides the platform but firms need to come prepared to overcome the resistance they'll face from their project managers. "We were very lucky," Bunting continued, "but at the same time, we put a lot of thought into the implementation process, and that's what got us to where we are today – you can't just jump in and expect everyone to come along."

Bunting adds an important final point: "For integrated planning to truly be effective, it's essential that management base their decisions on the information in the system (good or bad). PM's have to see that their actions impact the business and this isn't a request based solely on new software their firm bought.

"Compliance and information accuracy improve significantly if the data in the planning system becomes the one version of the truth firms use to make business decisions."

About Deltek Vision and Planning
As a fully-integrated project-based ERP solution for architecture and engineering firms, Deltek Vision keeps management teams on top of problems that can derail success and facilitates better decision-making by delivering mission critical information to the desktop at the click of a mouse. Business analytics, dashboards and award-winning reports are a few of the many ways that Deltek Vision provides the information organizations need to effectively and efficiently manage their business.

Deltek Vision customers can also take advantage of Deltek's market-leading Planning and Project Management modules, which help ensure that the right people are on the right projects at the right time.

Organizations can automate scheduling, resource allocation, budgeting and forecasting to help project managers and resource planners determine whether proposed fees are accurate, appropriate staff is available and allocated effectively, and projects come in on time and on budget. Timesheet entries and expense reports feed actual costs back into the project plan for an accurate rolling forecast that managers can use to make faster, more informed decisions and ensure projects stay on track.

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