PMO STRATEGIES: BEYOND TIME AND EXPENSE

Driving exponential returns through strategic resource management

PMO Strategies

Beyond Time and Expense

KEY FACTS:

- TIME AND EXPENSE MANAGEMENT SOFTWARE IS ESSENTIAL FOR UNDERSTANDING EMPLOYEE PRODUCTIVITY AND MONITORING PROJECT PERFORMANCE.

- DIRECTLY INTERFACING TIME AND EXPENSE DATA WITH RESOURCE CAPABILITY PLANNING, BUDGETING, FORECASTING AND BILLING HELPS STREAMLINE OPERATIONS, IMPROVE PROJECT DELIVERY AND DRIVE PROFITABILITY.

- LEARN HOW A FULLY INTEGRATED PROFESSIONAL SERVICES AUTOMATION OR PROJECT PORTFOLIO MANAGEMENT SOLUTION OFFERS EXPONENTIAL RETURNS OVER TRADITIONAL TIME AND EXPENSE APPLICATIONS THROUGH THE SEAMLESS INTEGRATION OR PROJECT PLANNING AND SERVICE DELIVERY FUNCTIONALITY.

Driving exponential returns through strategic resource management

The time-honoured way

There are a number of well-known sayings relating to the concept of time that are particularly relevant to running a successful organization today. For instance, when you need to get your skates on to win a new piece of business or get on a pitch list, time is often referred to as being of the essence. Unfortunately, time also has the annoying habit of waiting for no man. And, of course, should you make a mistake along the way, you can't turn it back.

But perhaps the most relevant phrase of all is the one that goes 'time is money'. Particularly if you're in a service industry and everything you do is charged by the hour. But don't worry - we've all been there, not done that, and missed the deadline. Many of us are so busy working to make money for our organization, we haven't got the time to complete the paperwork to actually bill the client. And as everyone in business knows, if the work flow doesn't run smoothly, neither does the cash flow.

Once upon a timesheet

Looking back at my first ever frontline consulting role, I clearly remember the hassle of recording time and expenses onto overly complex spreadsheets. These would often be cunningly designed by the finance department with the emphasis on making their job easier and yours just that little bit harder. I wouldn't say I was drowning in paperwork but I did occasionally wear armbands just to stay afloat.

Of course, once you actually work out how to fill in these ludicrously extravagant forms, you then face the daunting task of coinciding your submissions with the client billing cycles. And that task isn't made any easier when you consider that different project managers often favour slightly different layouts of spreadsheets, not to mention levels of granularity.

So it's hardly surprising then that a resources available working time is only ever set at around 80% of the actual time they have available. Put simply, you need to reserve one day in five just to complete the paperwork.

KEY FACTS:

- THESE DAYS, THERE'S A MYRIAD OF TOOLS AVAILABLE TO THE PROFESSIONAL SERVICES ORGANIZATION OR INTERNAL SERVICE PROVIDER TO RECORD, ANALYZE AND RECHARGE TIME AND EXPENSES.

Time to consider the options

These days, there's a myriad of tools available to the Professional Services Organization or Internal Service provider to record, analyze and recharge time and expenses. Naturally, they each offer varying levels of integration with other business systems and often sport a range of shiny new mobile and collaboration features.

Falling into two camps, they are either Time and Expense specific, or the fuller featured Professional Services Automation or Project Portfolio Management solutions which add everything from Project Reporting to Resource Scheduling and Optimization. What's more, these products also vary in their pricing and delivery methods, ranging from on-premise to SaaS based cloud solutions.

Time to consider your ROI

If you've been fortunate enough to find the time to read some of our other white papers, you'll no doubt be familiar with the maturity curve shown here. We refer to it often since it ably demonstrates how Organizational Maturity and People Capability come together to define how far along the curve an organization sits.
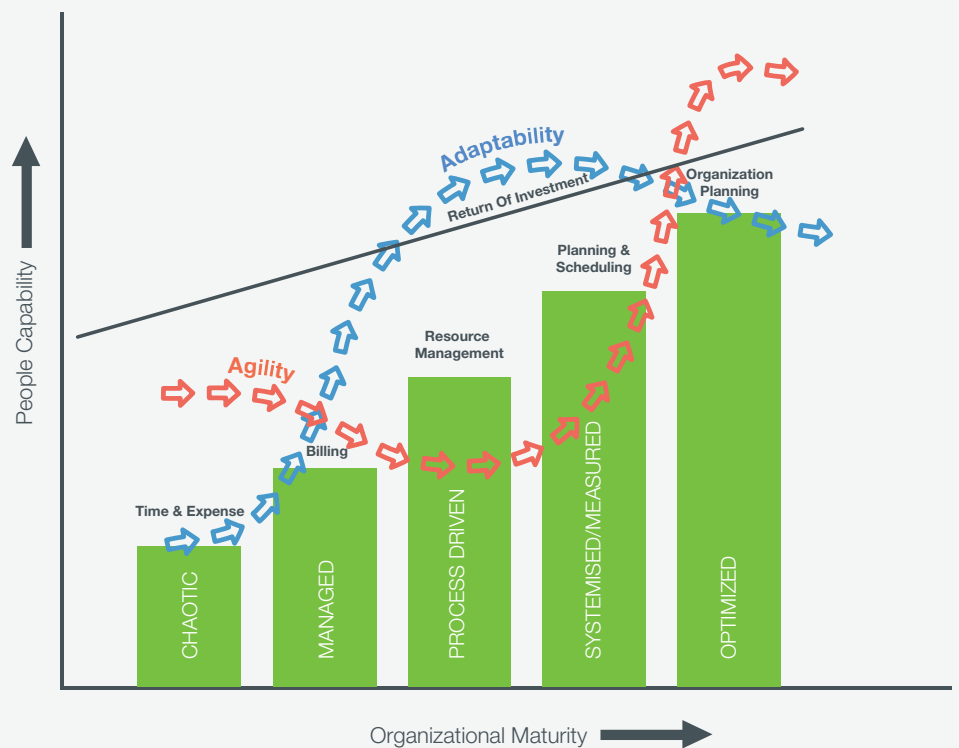
You can see quite clearly how the various elements of an integrated PPM or PSA solution deliver across the various maturity levels. Perhaps the most interesting element here is the Return on Investment line. Bearing in mind the exponential increase in value as additional functionality is implemented, if your chosen T&E solution doesn't have the rest of the PSA /PPM suite to grow into, one of two things is likely to happen – and neither of them are very desirable. You either miss out on a huge potential benefit, or more likely, you create an expensive and difficult-to-manage change management problem when you try to reverse into a different, more functional, product at a later stage.

No time for fancy features

Like all companies operating in a largely commoditised market, T&E vendors have spent large amounts of money trying to differentiate their products from all the others available. This has resulted in the development of all-singing and dancing, feature-led solutions, complete with bells and whistles, and packed with great new gimmicks that plug into current technology trends like Social Media.

The challenge here is not just integrating these great new tools into an effective T&E solution, but also integrating the use of them into the business practices of your people.

Sure, linking into travel sites is a fabulous feature. So to is logging expenses via a mobile device and even using its camera to photograph receipts. And who could disagree that monitoring your mileage via a GPS or route based system isn't the way forward? And back, come to think of it.

The problem is that most of these features might look good on paper, sound good in theory, and even demo perfectly well in a sales pitch, but when you're out and about doing business they're not exactly practical. Try photographing a bunch of receipts in an airport lounge or a client's reception and you look more like a secret service agent than a consultant. In a nutshell, this 'nice to look at functionality' can actually end up reducing efficiency and is simply used to mask gaps in the underlying product. Sometimes, just because it's possible to do something, doesn't mean that you should.

High time for a change

We all know that the very best ideas are the simple ones. So although it might be fun to have a few bells and whistles, what everyone really needs from a T&E solution is a simple, straightforward interface and process solution that allows you to flexibly capture activity without the need for hours of set up for each project or client purchase order. In short, you need a product built for the demands of the Enterprise, not a pro-sumer solution trying to push itself upmarket on the back of non-useful functionality.

At KeyedIn™, our T&E solution has been successfully adopted by industry giants such as Bank of Tokyo, GlaxoSmithKline and Hitatchi. It was built for enterprise level customers that demand not only system integrity, security, and auditability, but also very high levels of performance and process compliance. We're proud to say that it delivers against all of these essential functions providing a fast, effective and secure way of submitting, amending, approving and accounting for time and expense across the enterprise. Unfortunately, there are no klaxons or hooters, and it may be lacking in shiny surfaces you can see your face in. But on the plus side, it does feature all the productivity tools you need to simplify the part of the process that really needs to be speeded up – creating, amending and managing the projects that the T&E solution is supporting. And the really good news is that it works just as well for clients with 25,000 users as it does for those with 25. By planning in the right way, utilizing the right tools and managing at the most effective level, a Program Management Office can add transparency, visibility and control without diverting the teams from what they need to focus on – DELIVERY!

Beyond Time and Expense

Of course, the big challenge with any T&E solution comes when the organization wants to take the next move – into either fully fledged Project Portfolio Management or Professional Services Automation. You see, T&E touches all of your resources. As a front-end system it's something that everyone in the organization will interface with on a daily basis – so changing it will impact on everyone.

Implementing one of the sexy new SaaS T&E interfaces featuring a myriad of collaboration and social functions might win you brownie points in the first instance. But when the time comes to replace it with a more solid, secure, auditable tool that forms part of the wider project suite, the plaudits drop away and the pain often begins. Yes, you can build links between the systems, but the benefits of using a fully-integrated solution only come when you use it the way it was meant to be used.

The very best Time and Expense implementation will only improve your efficiency by a relatively small amount - somewhere between 10% and 15% - but on its own it won't make you any more effective. What's more, such small increases in productivity are hard to aggregate and often difficult to turn into positive impact on the bottom line.

Time to look to the future

To drive real improvements you need to look beyond administration and instead to the way that you schedule, manage and plan your resources and projects. You need to simplify and streamline the way that you bill. And you need to look at ways to achieve better visibility and transparency across the organization.

Building for the future is widely recognized as the best way to cut cost in IT. Future proofing systems, leveraging existing solutions and adding new modules is always easier and less costly than throwing the baby out with the bathwater and starting over again, particularly from a change management perspective.

So why set yourself up to fail? The commodity T&E vendors are engaged in both a turf and price war, driving costs down to levels that look very attractive - until you factor in the future cost of premature replacement and a move to a more encompassing solution. SaaS contracts and tools make moving between solutions a realistic option in terms of the commercial and technical aspects. But how many projects fail because of rigid commercial models? The key issue is always down to the people. And we know that people dislike change if it doesn't benefit them as individuals. When you change a tool that touches the lives of everyone in your organization the costs are great. Apart from re-training staff, there's the cost of downtime to factor in, as well as costs associated with the general disruption to normal business routine. And, crucially, these costs often override much of the flexibility you might have gained if you invest in the wrong SaaS route.

Of course, there's always one techno-star director who loves the bells and whistles. He might only touch the system once every three months and not get any tangible value from it – but try taking away something he already has and likes. There's no accounting for taste. Fortunately, there is accounting for time and expenses.

KEY FACTS:

- THERE'S LITTLE DOUBT THAT THE FAILURE OF A PROJECT CAN HAVE SEVERE CONSEQUENCES BOTH TO A BUSINESS AND ITS REPUTATION, AS WELL AS THE LONG-TERM CAREERS OF ITS PEOPLE.

No time like the present

Getting to grips with the way your organization manages Time and Expenses is the beginning of a road that will allow you to drive much greater returns from your team. You'll cut costs, drive up revenue and greatly increase your effectiveness. The first step on this road is to invest both at the right level and with the right tool that's guaranteed to service your business in the long term. And remember, the payback time on such solutions is measured in just weeks, making the cost negligible compared to the potential gain.

Finally, don't forget that the returns you get from T&E represent just a fraction of the benefits you can derive by implementing a fully featured PSA or PPM solution. So for the sake of a few pounds a month, why close the door on tens, maybe hundreds of thousands of pounds worth of benefit in the longer term?

Contact KeyedIn™ Solutions today to find out more about how we can help you to implement a more efficient and cost-effective T&E solution. It costs nothing to chat.

About KeyedIn™ Solutions

KeyedIn is an agile Cloud-based software company focused on delivering powerful results in critical areas like project management and custom manufacturing to specialized vertical markets. Solutions include project portfolio management (PPM), professional services automation (PSA) and enterprise resource planning (ERP) systems that are offered in several editions to support the needs of both small-medium size businesses and large multi-national corporations. And KeyedIn Flex, the company's rapid application development platform, allows custom applications to be developed faster and more affordably than ever before.

With the needs of today's businesses in mind, KeyedIn offers a true SaaS model for a more flexible, scalable and affordable means to solve complex problems and deliver business results faster.

Keep up with us at **www.keyedin.com**

KEYEDIN™
PROJECTS

Driving Business Performance with Cloud Solutions

Part of the KeyedIn Solutions Business Portfolio

www.keyedin.com

Corporate Headquarters

5001 American Blvd West
Suite 1010
Minneapolis, MN 55437, USA
p +1 866 662 6820

EMEA Headquarters

Maple House
Woodland Park
West Yorkshire, BD19 6BW, UK
p +44 (0)1274 863300