



*Helping Managers and Businesses
Succeed Through Real Experience*

Resource Planning Methods

3 Ways to Plan Your Staffing Needs

Why Resource Plans are Important

- **Under-hiring** leads to excessive workloads, missed deadlines, an inability to adjust quickly to change, and a dissatisfied workforce that may feel taken advantage of.
- **Over-hiring** stresses the organization if there is not enough cash flow or income to support the staff. Ultimately, having too much staff can put the business in jeopardy or lead to layoffs and downsizing.
- Getting it **just right** is far from easy and takes a lot of work and close watch of your organization.



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6 Key Resource Planning Tips

1. Always plan for a level of Administration or 'lost time'
2. Review your resource plans each month for accuracy and changes.
3. Use historical data to help calibrate your work planning estimates.
4. Get input from your 'front line' staff to make sure your assumptions are reasonable. They are the experts.
5. Hiring takes time. Start recruiting *before* you need the people.
6. Be REAL about what you need. Don't try to fit your plan into a box. Don't try to reach for the stars.

Method 1: Bottoms Up Approach

		Hours												
		January	February	March	April	May	June	July	August	September	October	November	December	Hours For Year
Customer Contracts	Project 1	50	60	70	100	130	150	120	100	100	180	100	50	1210
	Project 2	80	90	100	130	160	180	150	130	130	210	130	80	1570
	Project 3	70	80	90	120	150	170	140	120	120	200	120	70	1450
	Project 4	40	50	60	90	120	140	110	90	90	170	90	40	1090
	Project 5	50	60	70	100	130	150	100	100	100	180	100	50	1190
	Project 6	100	110	120	150	180	200	170	150	150	230	150	100	1810
	Project 7	90	101	108	135	162	180	153	135	135	207	135	90	1631
	Project 8	50	150	160	220	230	100	80	80	50	50	50	50	1270
Internal Activities	Initiative 1	44	58	70	100	130	150	120	100	100	180	100	50	1202
	Initiative 2	50	43.5	55	75	100	115	90	110	110	190	110	60	1108.5
	Initiative 3	14	28	40	70	100	120	90	70	70	150	70	20	842
	Initiative 4	50	60	70	100	130	150	120	100	100	180	100	50	1210

Step 1: List each project or activity that is currently in work, as well as those high-likely new projects you expect for the next period.

Total Project Hours	11221
Total Initiative Hours	4362.5
Project + Initiative Hours	15583.5
Administration Time (20%)	3124
Total Hours	18707.5
Staffing Needed (2080 hours / year)	9

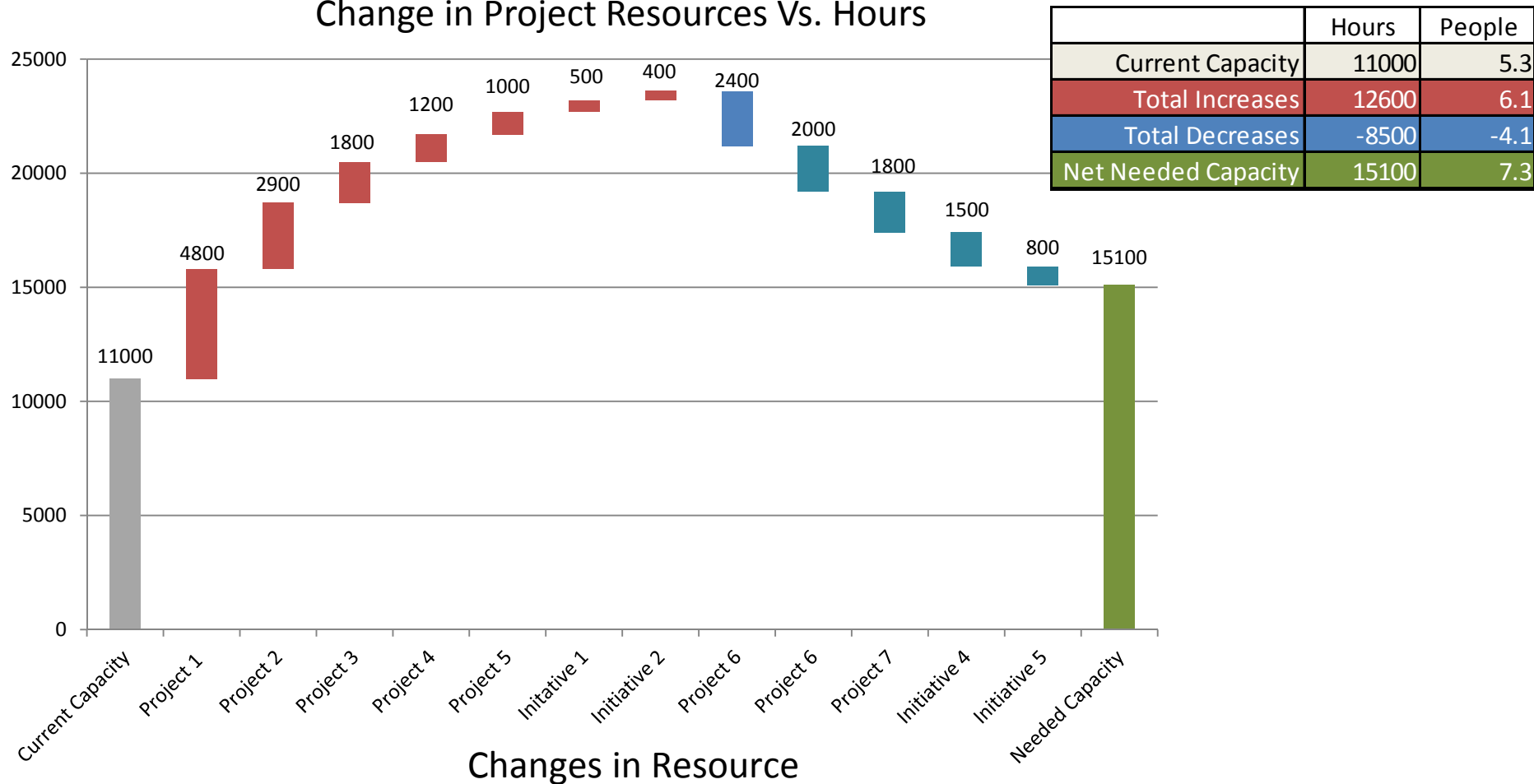
Step 2: Estimate the total amount of labor hours required for each project you identified for the next period

Step 3: Sum the total hours across all projects.



Method 2: Bridge Approach

Change in Project Resources Vs. Hours



Method 2: Bridge Approach

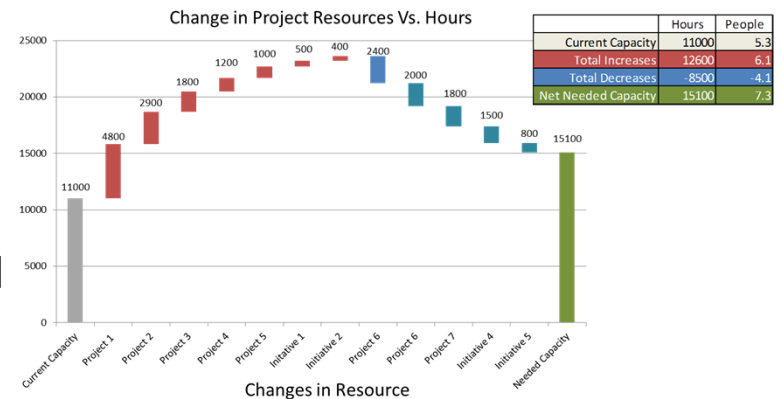
Step 1: List each project or initiative that is currently in work, as well as those high-likely new projects you expect for the next period.

Step 2: Estimate the **change** in the labor hours required for each project for the next period (increases and decreases)

Step 3: Compile a graphical "walk" that shown the incremental progress of staffing level. Start with the actual, current-period value.

Step 4: Add the incremental *additions*, from largest to smallest, on your graph

Step 5: Add the incremental *reductions*, from largest to smallest, on your graph.



Method 3: Weight By Probability

		Total Hours	Status	Probability	Probable Hours
Customer Contracts	Project 1	2300	Current Project	100%	2300
	Project 2	4200	Current Project	100%	4200
	Project 3	1400	Current Project	100%	1400
	Project 4	1590	Current Project	100%	1590
	Project 5	3200	Proposed Project	65%	2080
	Project 6	2200	Proposed Project	50%	1100
	Project 7	1000	Being Considered	25%	250
	Project 8	1400	Being Considered	20%	280
Internal Activities	Initiative 1	3200	Current Initiative	100%	3200
	Initiative 2	2100	Current Initiative	100%	2100
	Initiative 3	1800	Possible Initiative	50%	900
	Initiative 4	1300	Being Considered	40%	520

Probable Project Hours	13200
Probable Initiative Hours	6720
Probable Project + Initiative Hours	19920
Administration Time (20%)	3124
Total Hours	23044
Staffing Needed (2080 hours / year)	11

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Probable Project Hours	13200
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Probable Project + Initiative Hours	19920
Administration Time (20%)	3124
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Staffing Needed (2080 hours / year)	11

Step 1: List each project or initiative that is currently in work, proposed, or being considered for the next period.

Step 2: Generate the labor hours required for each project for the next year or planning period

Step 3: For each project or initiative in your list, define a probability they will become real. For projects currently in work, the probability should be 100%, since it is already in progress.

Step 4: Multiply each estimate of hours by the associated probability.

Step 5: Tally up the total value of hours across all projects.



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