



CASE STUDY

## WHEN SIGNIFICANT PROJECT COMMITMENTS AREN'T BEING MET

OPTIMIZE

Best Practices Resource Management Offers the Solution

### THE BUSINESS CHALLENGE

AGSI's client, a financial services CIO leading a 1,200-member IT department, had committed to deliver 600,000 quarterly hours of project effort to the larger organization's business units. The team balanced demand and capacity, and engaged 100 contractors to provide additional capacity to complete projects. At the end of the quarter, however, the team had recorded only 450,000 hours. This left **150,000 hours unaccounted for and the promised work only 75% complete**. They knew of course that they had a resource management issue – but at which skill levels, how many process stages? Their “100,000-foot” view needed to come down into the weeds, urgently, to determine where the leaks had occurred and how to prevent the same going forward.

### AGSI'S HIGH-LEVERAGE SOLUTION

We analyzed our client's model against research-based standards for resource management and quickly validated that the challenges in resource management were occurring specifically in the wind-down and start-up project phases. Four root causes became apparent: inaccurate forecasting, change requests that increased scope for in-flight projects, a lack of transparency into skill utilization and a lack of visibility into demand and resource deployment across the organization. So, we had clarity – what about direction?

Zeroing in on benchmarks for peer organizations and thought leadership from industry analysts, we collaborated with our client to **create an enterprise-wide best practices resource management model**. AGSI's proprietary Workforce Capacity Calculator™ combined industry research and our own engagement experience to develop the optimum model for this business to forecast and manage resource allocation and utilization. Our proprietary BT3™ methodology provided the best integration of key strategy, governance and execution elements. AGSI's methodical approach also was able to accommodate unexpected requirements, such as our client's decision to evaluate a different technology platform midway through the engagement.

Within a few weeks, we developed a solution to our client's major cost drain and designed an optimized human capital model based on the organization's capacity and demand. The CIO was able to demonstrate clearly that our resource management solution would support commitments to the business units and **align with larger business objectives**.

### VALUE TO THE ENTERPRISE

As is common with our engagements, AGSI not only met the client's immediate challenges but also provided enterprise value far beyond. In this case, our client's new resource management model allows them to capture dramatic savings:

- **Utilization was increased by 13%.**
- Over 100 contractors were off-boarded, producing **\$20M in annualized savings**.
- Organizational **capacity was increased by 4.5%**, yielding an annual benefit of \$10.8M.

Perhaps most critical, our client has a flexible model that will grow with them and help support the larger business needs downstream.

### IN BRIEF

#### CLIENT:

Financial Services Company /  
NASDAQ-100

#### ENGAGEMENT:

Resource Management Model  
Design & Implementation

#### CHALLENGE:

Halt leakage of 150,000 quarterly  
IT service hours

#### OUTCOME:

Issues identified and new best  
practices resource management  
process developed; capacity  
increased by 4.5% and utilization  
increased by 13%