# Overview: Time Tracking for Better Resource Management

## RESOLVING THE TIME TRACKING DILEMMA: 8 TIPS FOR SUCCESS

When it comes to implementing Resource Management, many companies get stuck in a philosophical battle over whether and how to track people's time. Some managers feel it will slow their people down from doing "real work." Besides, they say, they can figure out their people's availability on the back of a napkin. Another common complaint is that people never remember what they did during the past week anyway, so the data is tainted to begin with. And of course there's the concern that people will feel like Big Brother is watching them.

Those companies that do agree on the need for time-tracking sometimes disagree on the granularity at which they should capture the time. Some feel that summary or phase-level tracking is adequate, while others want to track activity at the task level.

Here are a few tips that can help resolve this common dilemma:

1. **Manage outcomes, not actions** – Use outcomes instead of tasks in your project schedules and timesheets. This avoids micromanagement and gives a sense of freedom to people closer to the action. They can manage their own activities outside of the schedule. Meanwhile, outcomes can be linked to milestones and prerequisite outcomes.

2. **Manage results, not hours** – Similar to the above; rather than focus on people accounting for a 40 hour week, simply have them enter their time spent against specific outcomes or results, regardless of what it adds up to. This drives the focus toward analysis of where effort is being spent, and away from how many hours people are working, which can be a de-motivator. After all, resources are people, too.

3. **Consider Daily Time Tracking** – It has been proven that daily time entry is actually easier, not to mention more accurate. People don't need to submit the time daily, merely track or enter it daily. Then they can submit it weekly with greater accuracy. Over time it becomes a habit and takes only seconds per day.

4. **Understand How Time Capture Relates to Your Goals** – An old axiom of data analysis is you must first determine the desired output before you determine the necessary input. For instance, if your desired output is to be able to gauge resource availability, you need to allocate resources to future work. Then you can see what time is available to take on other new work. In other words, resource allocation, more so than time capture, enables resource availability. Time capture, however, can tell you what was spent in the past, and enable a basis for future estimates, so indirectly it does impact later allocations. In addition, if time entry includes a contributor estimate of time remaining, time tracking plays an even more significant role in predicting resource availability. This takes us to our next tip.

5. **Institute Contributor Estimates** – As a resource enters time against a specific outcome or task, they should always be sure to revise, if necessary, the remaining time. They are the closest to the action, and are thus in the best position to assess this accurately. This can greatly enhance the accuracy of future allocations and thus resource availability.

6. **Don't Reserve the Whole Library if You Only Need One Book** – If you want to know which resources are available to take on work, let's say, in the next two weeks, then you need to be sure your allocations are at that level of detail as well. For instance, if you allocate resources to phases or projects, they will appear to be booked for months ahead. There will be no way to realistically see their availability for a two-week window of work (or make alterations at that level). If you want to be able to make decisions at a granularity of weeks, then you must allocate resources at that same level. Same if you want to assess plan vs. actual at that level.

7 **Get Everyone on the Bus** – In order to make time capture work, all middle managers must be on board, especially if a culture change is required. Senior management must see to this, as it will take the entire organization's cooperation to make sure this is carried out effectively. To help sell it, use the classic checkbook analogy. You can't know which checks you can write if you don't know what's in your account. And, unless you have a memory like an elephant, you can't set you budget for the year without looking at your account history to see what your spending habits have been.

8 **Understand the Reasons for Time Capture** – In addition to the checkbook analogy, understanding the situations where time capture is required can help you sell it throughout the organization. Time capture is especially vital in the following scenarios:

- When there's contract labor, in order to assess billed hours
- For government contracts – it's the law
- For financial labor reporting, especially where SOX or other regulation is present
- When people are splitting time on projects and the organization needs to know how
- When paid overtime is involved
- When work is being charged back to other departments
- When you want to forecast cost at completion more accurately
- When you want to improve your estimating capability by looking at past trends

Collectively, these eight tips can help you get past the potential roadblock of capturing time for greater resource planning and estimation. Planview Enterprise® can empower your organization to capture time effectively, and leverage the results of time tracking to manage resource capacity better than ever before. Learn how at www.planview.com today.