

Administaff

IT Department Delivers on its Business Objectives with an EPM Solution

Administaff, a full-service human resources services provider, wanted to improve visibility into resource utilization and better align resources with business objectives. To support internal operations and core customer applications, the IT department used Microsoft® Office Project Server 2003. While deploying Project Server 2003, Administaff realized that significant value could be realized by upgrading to Microsoft Office Project Server 2007. The 2007 release could improve insight into available resources, facilitate communication between team members, and further reduce cycle time for large projects. Following the initial test implementation, Administaff plans to fully upgrade to Office Project Server 2007 and deploy Microsoft Office Project Portfolio Server 2007 to address critical resource management issues.

Situation

"We are moving away from what I consider an ad hoc model of planning where we would initiate a project without considering the affect it would have on the greater organization."

Kevin McKenzie
Manager, Project Portfolio and Standards
Administaff

Administaff delivers personnel management services to small and mid-sized companies throughout the United States. Based near Houston, Texas, the company provides a wide variety of benefits and services to more than 5,000 client companies and 100,000 worksite employees. Services include benefits management, payroll administration, government compliance, recruiting, training, and business services. By managing the HR function, Administaff helps its clients focus critical resources on business growth.

The success of Administaff depends heavily on its Enterprise and Technology Services (ETS) department, which supports both internal operations and the electronic platform ("Employee Service Center") underlying Administaff core service offerings. As the marketplace evolves, Administaff business divisions rely on ETS to maintain or improve current functionality and add new functionality to provide greater value to Administaff customers.

To meet these business requirements, ETS faced continuous challenges in how to allocate its scarce resources among competing initiatives. As Kevin McKenzie, Manager, Project Portfolio and Standards at Administaff, says, "There was constant competition for IT resources. We had a lot more good ideas than people who could implement those ideas in a reasonable amount of time."

Resource contention typically revolved around the conflict between large and small projects. McKenzie says, "Almost every year we have one or two large initiatives that make us choose between the large initiative and getting a lot of smaller projects done." Working on the smaller projects was essential for keeping day-to-day business activities running smoothly, while executing the larger ones was critical for long-term growth. For example, Administaff is in the process of upgrading its benefits administration toolset to offer clients more choice and flexibility. However, "that's taking a lot of resources away from other initiatives like bug fixes and other small projects. So that's a tradeoff," says McKenzie.

While resource contention was a major issue, Administaff faced equal difficulty with resource utilization, specifically around tracking the time spent by IT resources in supporting key applications. Without accurate time tracking, Administaff senior management could not calculate the true cost of owning the applications.

Understanding this cost was a fundamental driver behind Administaff decisions on whether to make investments in new applications or to retain existing ones. For Administaff, whose core products are supported by such applications, the lack of visibility into resource utilization was a fundamental issue.

Solution

Administaff decided that the best approach was to first select a methodology, and then choose the right tool for implementing it. Accordingly, the company established an Enterprise Project Office (EPO) and adopted the “Ten Step” Methodology. Soon after, in late 2005, Administaff formally selected Microsoft® Office Project Server 2003 as its EPM tool and began full deployment. **In choosing Microsoft, Administaff considered other vendors like Primavera Systems but made its decision based on the following factors:**

- Trust in the vendor to support Administaff
- Willingness to invest in future product development
- Ratio of price to value of the product offering
- Integration with preexisting core applications

“As our organization grows and matures, Project Server 2007 and Project Portfolio Server 2007 will help manage our internal project portfolio while increasing our efficiency and effectiveness.”

Sam Larson
Vice President, Enterprise and Technology Solutions
Administaff

In early 2006, the ETS group learned of the new capabilities provided by the 2007 release of the Microsoft Office Enterprise Project Management (EPM) Solution, including Microsoft Office Project Server 2007. While satisfied with the benefits offered by Project Server 2003, the ETS team realized there was significant value in upgrading to Office Project Server 2007. This value would come not only from improved scalability, but also features such as consolidated views of resource allocation and expanded workflow capabilities.

“Probably by far the biggest improvement is the time sheet sophistication —the improvement in time sheet and time-tracking compared to the 2003 version,” says McKenzie “And with that goes things like a lot more sophisticated workflow and the ability to route information in a variety of ways. Whoever owns the project, or at least the task, is who will get the approval. The 2007 release is a lot more flexible on who gets approval, and that’s important to us.”

After assessing Project Server 2007, Administaff chose to become one of the first Microsoft customers for this product and began a test deployment with a partner, QuantumPM. The upgrade installation of Project Server 2007 will be supported by Microsoft Office Project Professional 2007 and the Microsoft Office Project Web Access client. Staff members who require scheduling capabilities will use Office Project Professional 2007, while the majority of the Administaff team will use Office Project Web Access to update tasks and initiate project proposals.

Implementing Project Web Access is a major step for Administaff because it extends the project management solution from the IT department into the business units. “The only people right now to get benefits from the solution are the IT groups. I would like to push the product out to the business units and start capturing their ideas in Project Web Access proposals and in Microsoft Office Project Portfolio Server 2007 so that they can start tracking ideas and we can start centering our prioritizing conversations on the captured information.”

So far, the testing of the 2007 Microsoft Office EPM Solution is on track. McKenzie reports that Project Server 2007 installs easily, and commends Microsoft partner QuantumPM for helping with a smooth implementation. He anticipates that the transition between Project Server 2003 and Project Server 2007 will be equally smooth. Once the testing ends, Administaff intends to have Project Server 2007 fully deployed to its IT organization by the end of 2007.

Benefits

As implementation of the Microsoft Office EPM Solution continues, Administaff expects improved visibility and control over resource allocation, ultimately leading to better business decisions. New collaboration features and streamlined project planning will boost productivity and reduce cycle time. Finally, stronger alignment with business strategy through better project selection will focus resources on the right projects, driving long term value for Administaff.

Improved Resource Allocation and Greater Visibility

Sam Larson, the Vice President of Enterprise and Technology Services at Administaff, is determined to ensure that ETS is proactive in addressing the needs of clients —both internal and external. The Microsoft Office EPM Solution drives this goal because it offers Larson and his team visibility into how scarce IT resources are allocated to key business initiatives. The Reporting Data Services in Project Server 2007 will help Larson create customized scorecards and reporting using familiar tools like Microsoft Office Excel® spreadsheet software. With a far better understanding of where resources are and what they are doing, Larson and his team are able to be proactive and plan for the future.

Already, the visibility and insights offered by the Microsoft Office EPM Solution are resulting in better budgeting and personnel decisions. Recently, the IT department determined that the workload in certain groups was too high, presenting the options of either increasing headcount or reducing services provided to customers. Administaff chose to hire more IT employees. As Administaff eventually upgrades to Project Server 2007, these benefits only increase in magnitude.

McKenzie says, "The Microsoft Office EPM Solution is giving us a lot better handle on the decisions we make. It is helping us move to a more strategic project model. We are moving away from what I consider an ad hoc model of planning where we would initiate a project without considering the effect it would have on the greater organization. Instead, our more strategic model will help us balance resources and plan projects more effectively." In addition, the ability to collect and analyze resource allocation data will help the company make budget adjustments and potentially cut operating costs.

Increased Productivity from Better Collaboration

The ETS group sees tremendous value in the collaboration features provided by Project Server 2007 and Microsoft Windows® SharePoint® Services. These features offer value to project teams in coordinating small, ad hoc projects like software updates as well as larger, managed projects involving multiple business groups. Each SharePoint site includes issue-tracking and the documents necessary for the project. Most of the communication happens through the Microsoft Office Outlook® messaging and collaboration client or through the SharePoint site if it's something that needs to be documented. "A lot of teams will set up discussion boards or issue-tracking lists, even testing lists," McKenzie says. "So we really rely heavily on Windows SharePoint Services as our collaboration tool."

The integration of Project Server 2007 and Windows SharePoint Services is also of value to Administaff. According to McKenzie, "We have a couple of projects right now where we actually provision the SharePoint site out of Project Server. We plan on provisioning Project Server sites for every large project. This will ensure consistency across sites and allow us to develop a more sophisticated toolset of SharePoint objects" He adds, "I think we'll do a lot more with this integration."

Faster Cycle Time from Streamlined Processes

Projects managed by ETS have widely varying costs, timelines, and resource requirements. Delivering on time is a constant challenge. To boost productivity, ETS plans to implement a standardized project-planning model. Project Server 2007 will support this objective by enabling ETS to implement repeatable processes as templates, refine them, and capture these improved processes within a custom Project Guide. In addition, ETS can develop and apply automated workflows. The end result will be greater quality, faster cycle times, and lower costs.

Despite some concerns internally, ETS already expects major productivity improvements made possible by standardized project planning. "Everyone worries about formalized processes, assuming they extend rather than reduce time," McKenzie says. "But I think formalized processes for certain activities can streamline projects significantly." For example, the IT group has identified several key deliverables common to every large scale EPO project. McKenzie plans to include those deliverables on a standard SharePoint site provided to each project team. "We can give them the SharePoint site showing all the deliverables they will need, the plan showing at which point the deliverables are due, and the generic roles needed for creating each deliverable," McKenzie explains. "Then they won't have to reinvent the steps required to create a business case. We are marrying the deliverables with the tool."

While helping project team members work faster, standardized project plans also avert key coordination issues with outside resources whose efforts affect project completion. This improved coordination also means that costs can be assessed sooner rather than later in the project cycle. "We will build all deliverables in the same way. The model will help ensure that we talk to groups like Disaster Recovery and Security at the right point, so we don't have to go back and make significant modifications if crucial steps are left out."

Alignment of Resources with Business Strategy

Like many organizations, Administaff has more ideas than resources on board to make these ideas happen. As a result, Larson and his team are forced to make hard decisions on which ideas to pursue. Office Project Portfolio Server 2007 can help senior executives like Larson decide which projects are worth pursuing based on their alignment with the company's overall business strategy. The Optimizer module in Project Portfolio Server 2007 uses techniques like Efficient Frontier Modeling to pick the optimal set of projects given a set of goals and constraints. Once these projects are chosen, the Cube Building Service and Dashboard modules of Project Portfolio Server 2007 can help Administaff create customized reports for senior executives to monitor project costs, risks, and timelines.

Although Project Portfolio Server 2007 is not yet deployed at Administaff, McKenzie looks forward to using this powerful tool for "what if" analysis, to help forecast the results of different project combinations. Already with Project Server 2007, McKenzie says, "The data we are presenting now is getting recognition at the highest corporate levels. In time, I expect Portfolio Server 2007 to bring significant business value to the entire organization."

When the ETS group wanted to improve its project management, there were four drivers: resource contention, resource allocation, the need for EPM methodology, and an EPM toolset. Larson and his team believe they now have the tools they need to effectively address these issues. He says, "We are impressed with the evolution of the Microsoft Office EPM Solution. As our organization grows and matures, Project Server 2007 and Project Portfolio Server 2007 will help manage our internal project portfolio while increasing our efficiency and effectiveness with internal customers."