



Tempus Resource
by ProSymmetry



Guide to Portfolio Success with Scenario Planning

Current best practices for businesses, from the PMOs to C-Suites, include asking “what if” questions as a vital step for company success. Entire organizations are now doing strategic planning to be prepared for disruption and those “worst case” scenarios. It has not always been an acceptable conversation among leaders to acknowledge those “what if” scenarios, admit that a plan needs to be developed, and figure out answers. We went searching for how corporate leaders felt about scenario planning a generation ago. This [1985 article from Harvard Business Review](#) demonstrates how an executive might have been seen by colleagues as “incompetent” or “unprofessional” if you presented options for various business outcomes. The generation of leaders at the time grew up in a period (1950s and 1960s) of a relatively steady economy and didn’t think as much about scenarios.



Luckily, doing a thorough scenario analysis and creating plans has not only become acceptable, but increasingly important in our modern economic times. In the past five years, the world has experienced a global pandemic, several international shipping routes experiencing stoppages or delays, weather-related damage in the billions, and other social, political and economic upheavals. The need for your business to outline possible “worst case” scenarios is now an imperative, along with plans to deal with those interruptions. More importantly, scenario planning can provide businesses with agility and flexibility to better respond to less severe, but impactful changes to your business.

What is Scenario Planning, or What-If Planning

When market conditions change, decision makers need to know the impact of pausing, canceling, or delaying projects as well as starting new, now higher priority projects. They need to predict the outcome of laying off staff or onboarding new headcount. They need to discover what can be saved and what benefits can be achieved by moving projects or resources to different locations. They need to know how many projects they can or cannot perform.

Scenario planning involves more than just making a list of hypothetical situations. It’s a deep dive into what impact those scenarios would have on your resources, teams, projects, budgets, financials, timeframes and overall success of your strategy or profit. It also involves looking at interdependencies in your portfolio and figuring out what resources might be able to assist or what other projects might be put on hold if an “all hands on deck” scenario arises that is a higher priority than current projects in your work queue.



How to Build a Scenario Planning Strategy

1

Define your objective: It's important to gather people across your company to bring in a variety of perspectives and skills to create the foundation of your scenario planning strategy. At this stage, it's about creating that list of "what if" scenarios and what each business unit or key leaders perceive might be a threat to your business's growth or success. It's also important to consider financial impacts to the business and how those disruptions might need to be accounted for. While the objective of scenario planning could be dismissed as simply, "make sure the business keeps running and making profit," there is more nuance to define. Scenarios that include looking at competitors, changing target market attitudes and preferences, to those "worst case" scenarios like global supply chain disruptions or weather-related events.

2

Identify internal and external drivers: As part of your scenario planning strategy, it's important to think about drivers that might impact your business. There are a variety of external factors and developments that can cause your strategy to be thrown off course, ranging from technological, environmental, regulatory and legal, ethical, political, economic, and social and cultural forces that can impact your business, and your team can help specify those risks and help create the scenarios to prepare for. Internally, there can be drivers to consider including how your company operates and where it has locations, financial factors such as available capital, cost structure and debt levels, and resource drivers such as gaps in skillsets or resource utilization.

Check out our video, [Why Do You Need Resource Management?](#)

3

Model these scenarios: Once the scenarios and their impacts have been discussed, you need to start creating the models that will demonstrate the impact that these scenarios could have on your business and include all the aspects of your business that will be impacted. Scenarios such as: Your business has six months to address regulatory mandates and avoid significant financial penalties. What resources are available to implement these changes within this period? What inflight work will need to be delayed?

- A.** Market pressures require your business to introduce new capabilities to remain relevant. How soon can we deliver the initiatives required to achieve competitive parity and how much will it cost?
- B.** Which projects should our organization complete this year to meet our objectives and stay within the budget? When should we start these initiatives?
- C.** How many more people must we hire if we win this new client?
- D.** What skills must we outsource to ensure a successful engagement?
- E.** Business and geo-political conditions require us to reduce headcount by five percent. Which people and skills should we retain to minimize operational impact?





4

Prioritize the created scenarios: In an ideal world, your team has solutions to every possible outcome for your business and plans to stay successful. It's unrealistic, however, to assume you will be able to plan for every possible outcome, since some might be so unlikely to take place. It's important to prioritize the scenarios so you can concentrate your efforts.

To prioritize scenarios, focus on these three factors:

- A.** Scenarios that will have the greatest impact on your business, both financially and operationally.
- B.** Scenarios that have a higher likelihood that they will occur.
- C.** Scenarios that could make sudden shifts for your business, versus ones that would be a slower change to your operations.

5

Develop action plans: This is where your scenario planning turns from ideas to action. It's important to take steps to mitigate any possible scenarios and make decisions about who will be in charge of the strategy if the scenario arises. This also involves bringing leaders together across multiple teams and roles across your company to get buy-in across your organization to be ready for action.

6

Continuously monitor for new developments: Be on the lookout for early warning signs of these scenarios that you have planned for. Any shifts in the internal and external factors we discussed earlier can be a sign that a scenario might be coming into play.

Scenario Planning with Tempus Resource

You can preempt worst-case situations and prepare for disruptions by using Tempus Resource's powerful scenario planning tool, our What-If Analysis. The tool can help you answer real questions about your current workload and resource challenges, and provide actionable insights to form as many strategic alternatives. Tempus Resource's What-If Analysis lets you answer questions including:

What if I...

- ... approve a proposal?
- ... cancel a project?
- ... cancel a portfolio?
- ... move a project out?
- ... move a project back?
- ... link projects together?
- ... delay an initiative?
- ... move a project overseas?
- ... hire more people?
- ... terminate existing resources?
- ... reassign resources?
- ... expand a project?
- ... contract a project?
- ... want to do more projects?
- ... want to do fewer projects?

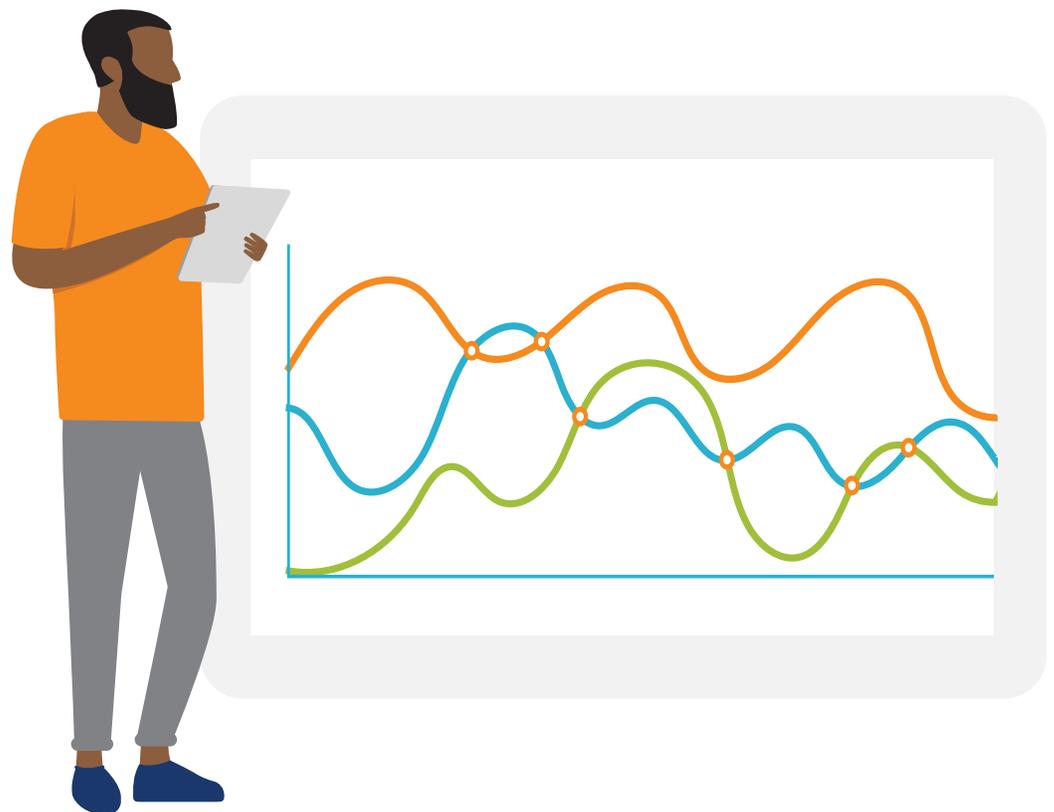




Our product allows you to:

- **Test hypothetical resource scenarios:** Visualize impacts on resources, projects, roles, departments, and your entire portfolio.
- **Rapidly assemble scenarios:** Use your real projects, resources, attributes, timeframes and assumptions to see the impact on your business.
- **Build limitless models and create copies:** Model future scenarios with your current knowledge – all without ever altering your live data.
- **Resource modeling:** Projects change – a reorganization happens, deadlines tighten, budgets are cut. Use Tempus Resource’s What-If analysis to advance along the [resource management maturity curve](#) with proactive analytics and avoid the pitfalls of reactive resource planning.
- **Resource forecasting:** Boost your resource capacity planning with insight into where your projects may need some additional manpower, and areas that can manage a reduction. Using configurable resource attributes in conjunction with resource-level heatmaps, you can perform in-simulation edits to individual resource assignments and perform resource replacements.
- **Impact forecasting:** Test hypothetical resource scenarios and visualize the perceived impacts on your portfolio. Real options will guide and inform the best path to achieving your organizational strategy. Tempus Resource’s Opportunity Map and Impact Assessment features help users quickly laser in on the key drivers of over or under-allocations.
- **Project cloning:** Project cloning shows you whether your portfolio can handle new initiatives. Simply input assumptions to see the effects of new projects with increased complexity. Cloning past projects or initiatives lets you perform in-simulation estimations and adjust levels of complexity while preserving historical resource distributions.

- **Visualizations:** In Tempus Resource's What-If Analysis, you can see by role, department, or skill to drill down into individual resources with heatmaps, supply-demand graphs, grids, and coolmaps that work alongside your scenario planning. Organize your resource data using configurable attributes and gain unique insight into opportunity bottlenecks by hierarchically assembling your resource data.
- **View the Delta:** This is a simulation change tracker that lets you see the effects of any portfolio-wide modification without ever altering your real data. Immediately see the impact of a single adjustment or the cumulative effects of multiple changes. Use integrated analytics and decision support tools to identify when new proposals can be initiated or where opportunities exist to better utilize your resource portfolio.





How Scenario Planning Fits in With Resource Management Strategy

Resource management revolves around your most valuable asset – your people. With the right, qualified team members in place, businesses are able to implement strategy, finish projects, and achieve their objectives. By aligning resource capacity (supply of people) with resource allocation (demand for people), resource management ensures you can effectively drive success within your organization.

The foundation of resource management is capacity planning and resource forecasting. To be successful at understanding how many people you will need to complete future work (capacity planning), and to predict future resource requirements based on current projects, products, and strategic goals (resource forecasting), it's imperative to look at what future events might take place that impacts your resources being able to complete the work and meet your strategic goals. Scenario planning helps you see the resource possibilities of new work alongside your current plans, see how your scenarios can impact these plans, and confidently communicate what your resources, teams, and leadership needs with real data, not just assumptions.



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[Read here](#) for more about how Tempus's What-If scenario planning tool can help with your resource management strategy. To learn more about successful projects, read this guide: [Guide to Successful Projects](#). Resource Managers and business leaders who are not currently using Tempus but are interested in exploring its features can arrange a demo with the Tempus team [here](#).