

Section 6 – RESOURCE MANAGEMENT

6 Resource management

Top Management determines and provides the resources needed

- a) To implement and maintain the Quality Management System and to continually improve its effectiveness, and
- b) To enhance customer satisfaction by meeting requirements.

6.1 Resource-related processes

6.1.1 General

The resource-related processes aim to plan and control resources. They help to identify any potential problem with resources. Examples of resources include equipment, facilities, finance, information, materials, computer software, personnel, services and space.

The resource-related processes are

- Resource planning, and
- Resource control.

NOTE: The quantitative aspects of personnel management are dealt in sub-clauses 6.1.2 and 6.1.3; other aspects such as training are covered in 6.2; infrastructure related issues are dealt in clause 6.3; work environment issues are dealt in clause 6.4.

6.1.2 Resource planning

Initially, the human resource requirements of the company has been determined as given in State Gazette notification dated 28 January 1995 and amended from time to time (Main section 4, sub-section 2-C (i)) No.57), as per Government of Karnataka's order No. HD 209 PO PE SE 94 dated 27.01.1995. The top management of **KSPHC** identifies and determines the resources needed for the project (on-hand as well as potential) and get necessary sanction for it from appropriate authority. Top management, with the help of establishment section (AAO) plan and indicate how, and from where, resources will be obtained and allocated. If applicable, this planning also includes the manner of disposition of excess resources. The plans are made suitable for resource control.

The Top Management and other relevant functional heads verify the validity of the inputs to resource planning. The stability, capability, and performance of **organisations supplying resources** (e.g. KPWD, KPC, etc.,) are evaluated along with the capability and suitability of personnel who are being inducted. Pre-induction verification of the suitability and post- induction training to fulfill the perceived gaps in skills required would be arranged by the Top Management together with the familiarization programme.

Resource plans, including estimates, allocations and constraints, together with assumptions made, are documented and included in the project management plan.

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6.1.3 Resource control

Reviews are performed along with project and other relevant functional heads to ensure that sufficient resources are available to meet the project objectives.

The timing of reviews and the frequency of associated data collection and forecasts of resource requirements are documented in the project management plan.

Deviations from the resource plans should be identified, analysed, acted upon and recorded.

Decisions on actions to be taken are made after considering the implications for other project processes and objectives. Changes that affect the project objectives are agreed with the customer and relevant interested parties before implementation. Revisions of forecasts of resource requirements are coordinated with other project processes when developing the plan for remaining work.

Root causes for shortages or excesses in resources should be identified, recorded and used as input for continual improvement.

6.1.4 Finance related processes

One of the important activities to avoid time and cost overruns in any project is dependent upon proper finance management. In this regard, KSPHC has put in a system to achieve the desired results and the processes identified towards achieving the desired results are:

- Preparation of annual budget
- Establishment of processes for financial tie - up
- Scrutiny and payment of suppliers' bills
- Accounting of all the financial transactions
- Compliance to statutory requirements
- Finalisation of accounts

6.1.5 Preparation of annual budget

In this process, the proposed projects to be taken up in the succeeding financial year based on the requirement of user departments are reviewed. The financial implications are worked out for the proposed projects to be taken up during the next financial year in the last quarter of the preceding year. Further the financial resources required to meet the expenditure towards other related resources required along with the infrastructure necessities are also forecast. As this process is multi – disciplinary activity the reviews are performed along with project and other relevant functional heads to ensure that sufficient and timely resources are available to meet the project objectives.

The methodology of forecasts of resource requirements are documented.

6.1.6 Establishment of processes for financial tie - up

The financial resources for execution of projects entrusted to KSPHC comes from central / State Government (Modernization scheme and from finance commission) or through loans raised from financial institutions based on Government guarantee or from the

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deposits made by the originating organisations for which finished products are delivered. The top management with the help of finance and accounts division plan and indicate how and from where financial resources will be obtained. Where required Government approval is taken.

6.1.7 Scrutiny and payment of suppliers' bills

KSPHC has identified its Contractors / suppliers as its partners in its progress and has put in place a centralised process for prompt payment of all its commitments towards its contractors / suppliers. While processing for payment KSPHC ensures compliance to the relevant agreement, statutory and other applicable codal stipulations.

6.1.8 Accounting of all the financial transactions

KSPHC has put in an accounting process for all its financial transactions, which are transparent. It has put in a process for proper accounting of all the financial transactions to facilitate providing of information to all its stakeholders including the general public. A system for internal Audit and AGs audit has been established to ensure proper verification and accounting of all the financial transactions.

6.1.9 Compliance to statutory requirements

KSPHC functions under the provisions of the Companies Act, 1956 and other applicable statutes like Income Tax Act, Sales Tax Act, PWD Finance Code and Government orders / Circulars issued from time to time.

The KSPHC has formulated suitable process and has documented the same.

6.1.10 Finalisation of accounts

KSPHC has put in a process for finalisation of accounts as per the provisions of Companies Act, 1956 and applicable accounting standards as issued by the Institute of Chartered Accountants of India from time to time. It has established a process for conducting of statutory audits and supplement by audit from the officers of Accountant General.

The methodology for finalisation of accounts are documented

Reference:

Quality system procedure for Finance management QSP 06

Personnel-related processes

6.2.1 General

The quality and success of a project will depend on the participating personnel. Therefore, special attention is given to the activities in the personnel-related processes.

These processes aim to create an environment in which personnel can contribute effectively and efficiently to the project.

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The personnel-related processes are

The establishment of the project organisational structure,
The allocation of the personnel, and
Team development.

Establishment of the project organisational structure

KSPHC is well equipped and handles multiple projects. Even though the project organisational structure is established in accordance with the requirements and policies of the originating organisation and the conditions particular to the project, general arrangement to cater to the needs of all projects is established as below.

For ease of project execution, project monitoring and control, KSPHC has made divisions and sub-divisions. Construction divisions are established, each covering at least 3 districts (with the exception of Bangalore District) and are supported by subdivisions so as to cover all the districts in Karnataka. When a project is initiated, it is assigned to a particular division / sub-division. The organisation structure of KSPHC is briefly illustrated in Annex 2.

The KSPHC organisational structure is designed to encourage effective and efficient communication and cooperation between all participants in the project.

KSPHC has means & methods necessary to identify and establish its relationships

To the customer and other stake holders,

To the functions of the originating organisation proposing the project (particularly those in charge of monitoring project functions such as schedules, quality and costs), and,

To other relevant projects in the same originating organisation.

Job or role descriptions, including assignments of responsibility and authority are prepared and documented.

Allocation of personnel

The necessary competence in terms of education, training, skills and experience are defined for personnel working on the project.

Personal attributes are considered in the selection of project personnel. Special attention is given to the competence requirements of key personnel.

The assignment of personnel to specific jobs or roles are confirmed and communicated to all concerned. The overall performance, including the effectiveness and efficiency of personnel in their job assignments, are monitored to verify that the assignments are appropriate. Based on results, appropriate actions are taken such as re-training or recognising achievement.

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6.2.4 Team development

Effective team performance requires the team members to be individually competent, motivated and willing to co-operate with one another.

To improve team performance, the project team collectively, and the team members individually, along with the Executive Engineer (Project Head) of the respective division arranges periodical formal / informal meetings to promote the awareness of the relevance and importance of their project activities in the attainment of project and quality objectives.

The top management recognizes the effective teamwork and, where appropriate, they are rewarded.

Reference:

Quality system procedure for

Personnel Administration QSP 07*
Human resource development QSP 08
Labour and employee welfare QSP 09*

* Comes into effect from 1 January 2006

Note:

QSP 07 deals with statutes and code compliance with regard to personnel
QSP 08 deals with identification of training needs, provisioning of training and skill development
QSP 09 deals with labour and employee welfare including gender sensitization, disabilities act and measures required for making the corporation a model corporate entity.

6.3 Infrastructure

Top Management considers the needs for providing or changing the infrastructure through reviewing the present and future needs of the business. Management review will be one of the platforms that provide further inputs. With this, they determine the actual needs and provide it.

Functional Heads ensure proper maintenance of the infrastructure provided.

Reference:

Quality system procedure for

Infrastructure maintenance 10
Asset management QSP 11*

* Comes into effect from 1st January 2006

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6.4 Work environment

Through formal or informal methods, Top Management ascertains the requirements pertaining to work environment, which are necessary for achieving conformity to product requirements and ensure its provisioning.

Work environment for construction are process specific and these requirements are taken care through providing necessary instructions to contractors by incorporating in the tender conditions itself.