**Resource Allocation**

Resource allocation in project management is the process of assigning the right quantities and types of resources necessary for completing a project. It primarily involves sourcing and distributing funds and materials for business purposes. Resource allocation involves knowing the availability of the resources and scheduling them to complete projects on time. As a company has a certain number of resources, allocating them to the correct places can help minimise waste and maximise return on investment.

While resource allocation is necessary at the beginning of the project, managers often monitor resources throughout the project's lifecycle and reallocate resources depending on the project's requirement. Adjustments throughout the project's timeline are essential to ensure the timely completion of projects. Some resources you can allocate in project management are:

**Labour:** Resource allocation focuses on taking advantage of employees' talent, professional experience and qualifications and delegating tasks based on them. Labour might include external staff or contractors a company hires for support, such as marketing agencies, consultation and information technology.

**Space:** Often, a company requires space to complete projects, manufacture products and deliver services. A company might lease or purchase space to meet with clients and complete their projects.

**Equipment:** A company might use machines, tools, software or hardware to provide services, finish business-related tasks and develop products. For example, an electrical component manufacturing company might use a computer-aided design or CAD software and other software to complete their project.

**Materials:** A company's material might involve physical supplies that help a company generate outputs and produce products that customers can use. This primarily includes raw materials, such as steel, copper, iron, lumber and office supplies, like printers, stationery, computers and desks.

**Money:** A part of resource allocation involves reassigning funds and budgets to various departments and helping them complete different project phases. Different departments can use the budgets, such as the human resources department, to pay salaries, while the operations department might use the money for purchasing raw materials and equipment.

**How To Allocate Resources In Project Management?**

**1. Know your project's scope**

Before allocating resources and managing them, determining your project scope might be beneficial. Having a clear project scope makes it easier to understand how to allocate resources. Know whether the project is short, long, small or big. After knowing the answers to these questions, making the right decisions on resources that a company might require to complete a project becomes easier.

**2. Identify your resources**

When allocating resources, see which employees are available, what equipment the project requires and where you plan to perform your tasks. Answering these questions can help you allocate the right resources to the right people at the right time. After knowing the scope and objective of your project, it becomes easier to complete projects on budget and within a timeframe.

**3. Find resources and funding**

After confirming your resource requirement, use software to determine the availability of internal and external resources. Based on the project's requirements, you can hire new employees, rent new equipment or make decisions to support your project. You can provide a rough estimate of these resources for the business's financial plans.

**4. Assign tasks and get feedback from employees**

After determining the project's requirement, focus on delegating tasks to each employee. For a project to succeed, it is essential for team members to know their dependencies, responsibilities and deadlines for each task. Apart from allocating tasks to each employee, get feedback from employees to ensure they do not work overtime or undertime.