

BEYOND THE BALANCED SHEET

Why Every Resource Plan Balances to 100% — and Why That Is the Warning Sign

The fiction of percentage assignments, the phantom baseline, and the gap between a portfolio that looks feasible and one that is.



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“You cannot argue a load-bearing wall out of a building by pointing out that it is inconvenient.”

1. Executive Summary

Every portfolio arrives, sooner or later, at a resource plan in which each name sums to a tidy one hundred per cent. It is the most reassuring document in the whole apparatus of governance, and it is very nearly always untrue. This essay is about that particular untruth – the practice of allocating people to initiatives in neat percentages, forty here, thirty there, thirty somewhere else – and why it survives despite everyone concerned knowing, at some level, that it does not describe the world.

The percentage assignment fails on three counts. It treats a person's capacity as if the baseline were a clean hundred, when the day is already half-consumed by the standing work that never reaches the portfolio's attention. It treats attention as infinitely divisible, when in truth the act of splitting a person across several initiatives destroys effort at the seams. And it treats a negotiated claim as though it were a measurement, dressing a wish in the costume of a number.

None of this is news to the people who build these plans. The more interesting question is why the fiction persists – and the answer is that it is load-bearing. The balanced sheet is what allows a portfolio to be approved, what lets every sponsor keep their initiative, and what postpones the reckoning to a point far enough downstream that no one in the room will have to own it. The fiction is not a mistake in the plan; it is the mechanism by which the plan becomes acceptable.

I do not argue that we should abandon abstraction – planning without simplification is its own fantasy. I argue for a narrower and more achievable discipline: to stop believing the number. To count the baseline honestly, to treat concurrency as a first-class fact about the portfolio rather than a detail buried in a spreadsheet, and to hold the resource plan as a claim to be tested rather than a truth to be reported. The gap between what a portfolio intends and what it delivers is built, in large part, from small untruths of exactly this kind – and this is the smallest and most correctable of them all.

2. The Plan That Balances

There is a moment, familiar to anyone who has sat through portfolio planning, when the resource spreadsheet is finally shown on the screen and every row balances. Each name runs across the columns of live initiatives, and each name totals one hundred. The analyst who built it is quietly proud; the programme office has done its arithmetic; the sponsors relax, because their initiatives have people against them. The plan is feasible. You can see that it is feasible, because the numbers say so.

It is worth pausing on how much comfort that single column of hundreds provides. A portfolio is an anxious thing — too many ambitions, too little certainty, a set of promises made to a board that will eventually ask what became of them. The balanced resource sheet answers the anxiety directly. It says: we have looked at the demand, we have looked at the supply, and they meet. Nobody is over-committed. The work has homes.

The trouble is that the column of hundreds is not a finding. It is a requirement. No one ever built a resource plan, totted up the columns, and discovered to their surprise that every person came to exactly one hundred per cent. The hundreds are there because the plan was adjusted until they appeared — a little shaved here, a dependency assumed away there, a start date nudged until the arithmetic closed. The balance is not evidence that the portfolio fits. It is evidence that someone made it fit on paper.

A resource plan that balances to one hundred per cent has not measured capacity against demand. It has negotiated demand down until it matched the space available on the page.

3. What the Percentage Actually Encodes

Consider what a figure like "forty per cent" is actually recording when it sits in a cell against a person's name and an initiative's title. It looks like a measurement — the kind of thing you might obtain by observing how someone spends their week and dividing it up. It is almost never that. It is the residue of a conversation.

Somebody wanted this person on their initiative. Somebody else wanted the same person. A programme manager, or the resource coordinator standing between them, brokered a settlement: forty to you, thirty to each of the others. The number is the treaty line. It expresses how the competing claims were resolved, not how the person's time will actually divide. And like most treaty lines, it was drawn to make the parties stop arguing, not to reflect the terrain.

This matters because a measurement and a claim behave very differently once they are written down. A measurement invites checking; if it is wrong, reality will eventually correct it. A claim, once it has the authority of a number in a governance document, tends to harden. It gets rolled up into capacity reports. It gets quoted back in steering committees. It becomes the basis for the next promise. The forty per cent that began life as a way of ending a disagreement is, three months later, the reason a delivery date is considered safe.

We are, as a profession, unusually credulous about our own numbers. We know perfectly well that a business case's benefits are optimistic and that a project's early estimates are hopeful, and we discount them accordingly. Yet the resource percentage, which is softer than either, we tend to take at face value — perhaps because it is so precise, and precision reads as rigour. A figure of forty per cent sounds more disciplined than "a good chunk of her time, when the other two aren't on fire," even though the second is the more honest description.

4. The Hundred That Was Never There

Before we even reach the problem of dividing a person across initiatives, there is a prior fiction to deal with: the hundred itself. The percentage plan assumes that each person begins the week with a full, empty hundred to be allocated. No one does.

The standing work comes first, and it is largely invisible to the portfolio. There is the operational load — the production problem, the customer escalation, the thing that broke and had to be fixed before anything else could happen. There is the organisational tax: the team meeting, the line-management conversation, the induction of a new joiner, the mandatory training, the appraisal round. There is the simple friction of employment — leave, sickness, the public holiday, the afternoon lost to a systems outage. None of this appears on the resource sheet, because the resource sheet is a portfolio instrument and this work belongs to no initiative.

Add it up honestly and the empty hundred shrinks alarmingly. A person who is nominally available full-time to change work is, in practice, offering perhaps sixty to seventy per cent of their week once the baseline has taken its cut — and rather less than that in the weeks when the operational world misbehaves. So the plan that carefully allocates a full hundred across three initiatives has, before anyone has switched a single task, already promised out a third more of the person than exists.

“The portfolio allocates the hundred it can see and ignores the forty it cannot, and then expresses surprise when the delivery runs slow.”

5. The Seams

Suppose, generously, that we solve the baseline problem — that we plan against genuine available capacity rather than an imaginary empty hundred. There remains the deepest error in the whole practice, and it is the assumption of divisibility: the belief that a person split across several initiatives delivers, to each, their allotted fraction.

They do not, because attention does not divide cleanly. It is lost at the seams. Every switch from one initiative to another carries a cost — the time to put down one context and pick up another, to remember where a piece of work had got to, to re-enter a set of relationships and a body of detail. On a single task these costs are trivial. Across a week fragmented among three or four initiatives, each demanding its own meetings, its own reporting, its own small emergencies, they compound into something substantial. The person is not idle in the gaps; they are paying, over and over, the toll of re-entry.

Let me make this concrete, because it is the crux of the argument. Take a business analyst — the shared analyst that so many portfolios rely on — booked at forty, thirty and thirty across three initiatives. On paper, fully and sensibly deployed. In practice, the forty-per-cent initiative has a steering committee and a working group that between them consume the best part of a day each week. The two thirty-per-cent initiatives each hold governance meetings scheduled as though she were dedicated to them, and each expects her at the table. The baseline — the audit request, the query from live service, the new joiner who needs an afternoon — takes the first ninety minutes of most mornings before any initiative work begins. And every time she moves between the three, she spends twenty minutes finding her place.

Tot it up and the three initiatives, promised a hundred per cent of an analyst between them, are receiving — on a good week — something closer to fifty-five. The missing forty-five per cent has not gone anywhere dramatic. It has been spent on the baseline the plan ignored and dissolved into the seams the plan assumed away. This is not poor performance on her part. It is the arithmetic of the design.

What the percentage claims	What it conceals
A full, empty hundred per person	A baseline that has already taken thirty to forty
Time divides cleanly by initiative	Every switch costs re-entry; the fragments lose to the seams
A measurement of capacity	A negotiated settlement between competing sponsors
Feasibility, demonstrated	Feasibility, assumed into being by adjusting the numbers

The general rule is uncomfortable and worth stating plainly: the more finely you subdivide a person across a portfolio, the less of them you actually get. Two initiatives sharing a person lose a little to the seam between them. Four initiatives sharing a person lose a great deal, and each is quietly starved while the plan continues to insist that all four are fully resourced.

6. Why the Fiction Is Load-Bearing

If the percentage assignment is so plainly false, and if everyone who works with it half-knows it to be false, why does it survive review after review, portfolio after portfolio? The answer is not stupidity or laziness. The fiction persists because it does real work — it holds the portfolio together — and removing it would bring down things that people need standing.

Consider what the balanced sheet actually accomplishes:

- It makes the portfolio approvable. A board will not sign off a portfolio that openly admits it is short of people. The balanced plan lets the portfolio pass through governance without anyone having to say the unwelcome thing, which is that some of these initiatives cannot start yet.
- It lets every sponsor keep their initiative. The honest alternative to over-allocation is prioritisation — deciding which initiatives do not proceed this year. That is a fight nobody wants. The percentage plan avoids it by giving everyone a slice of the shared people, so no sponsor has to be told no.
- It pushes the reckoning downstream. The gap between the promised hundred and the delivered fifty-five does not vanish; it surfaces later, as slipped dates and quality problems, at a point far enough from the planning table that the original optimism is hard to trace back. The fiction survives because its costs are paid by other people at another time.
- It gives the programme office a number to report. Governance runs on figures. A resource utilisation of one hundred per cent is a clean, green, reportable fact. "We are roughly forty per cent over-committed once you count the baseline and the switching losses" is truer, but it is not a status anyone has a template for.

Seen this way, the percentage assignment is not a flaw in an otherwise sound process. It is a solution — to the political problem of a portfolio that wants to do more than it can staff.

The fiction is where the organisation's unwillingness to choose gets absorbed and hidden. That is why it is so durable, and why exhorting people to "be more realistic" never works. You cannot argue a load-bearing wall out of a building by pointing out that it is inconvenient.

7. The Honest Objection

There is a serious case for the defence, and it deserves to be met at its strongest rather than waved away. It runs like this: all planning is abstraction. A portfolio of any size cannot be managed by tracking the true, lumpy, moment-to-moment reality of forty people's weeks. You need a common unit, and the percentage of a person is a reasonable one — coarse, yes, but coarse in the way that all planning figures are coarse. Demanding that the resource plan perfectly reflect reality is to demand that it stop being a plan. Better an imperfect model that lets the portfolio be governed at all than a counsel of despair that leaves us with no numbers whatsoever.

This is right in its premises and wrong in its conclusion. It is entirely true that planning requires abstraction, and nothing in this essay asks for the impossible fidelity the objection warns against. The problem with the percentage assignment is not that it is an abstraction. It is that it is an abstraction that conceals its own error and is then used as though it were a measurement.

The distinction that matters is between a model you interrogate and a fiction you believe. A good planning figure travels with a sense of its own tolerance; the experienced hand who quotes an estimate also carries, silently, a feel for how wrong it might be, and governs accordingly. The percentage assignment has been stripped of exactly that humility. By the time it reaches the steering committee it is no longer "roughly forty, give or take, if the baseline behaves" — it is forty, full stop, a fact on which a delivery date rests. The failure is not abstraction. It is abstraction laundered into certainty.

So the objection, properly answered, does not rescue the practice. It refines the target. We are not trying to replace the model with reality. We are trying to restore to the model the error bars that the culture of green-status reporting has quietly filed off.

8. Toward an Honest Allocation

If the essay stopped at diagnosis it would be just another complaint, and the portfolio world has no shortage of those. The more useful question is what changes once you stop believing the number — not a new methodology, which this is not the place for, but a shift in stance that any portfolio can begin to adopt.

The first move is to count the baseline before allocating anything. Whatever a person's standing load actually is — and it can be observed, roughly, without much ceremony — that comes off the top before a single initiative gets a share. Planning against genuine available capacity rather than an imaginary hundred is unglamorous arithmetic, but it removes the largest and most easily corrected of the three fictions at a stroke.

The second is to treat concurrency as a portfolio fact in its own right. The most revealing number in resource planning is not the percentage; it is the count — how many separate initiatives a given person is expected to hold at once. A portfolio that knew, and reported, how many of its people were spread across four or more initiatives would understand its true fragility far better than one that only tracks utilisation. Concurrency is where the

seams multiply, and it is invisible on a sheet that only shows percentages summing to a hundred.

The third is to allocate critical roles as commitments, not fractions. For the genuinely scarce person — the one specialist, the one analyst who understands the legacy system — a percentage is worse than useless, because it implies a divisibility that does not exist for work that demands continuity. Better to name the commitment: this person is the lead on this initiative, and their spare capacity, if any, is a bonus rather than a plan. Some resources are lumpy and singular, and pretending otherwise is how single points of failure get built into portfolios that believe themselves balanced.

The fourth, and the one that underwrites the rest, is to hold the plan as a claim to be tested rather than a truth to be reported. The balanced sheet should be the beginning of an enquiry, not the end of one. If the plan says a person is at a hundred per cent, that is a hypothesis about the world, and the world will report back within a month or two. A portfolio office that treated its resource plan the way a good forecaster treats a forecast — as something to be checked against outcomes and revised — would learn, quickly, exactly how much the seams and the baseline were costing it, and could plan the next cycle with that knowledge rather than against it.

None of these is difficult. What makes them hard is not technique but temperament: each requires the portfolio to give up a little of the comfort of the balanced page, and to tolerate a plan that looks, on paper, less finished and less reassuring than the fiction it replaces. In a climate where capital has grown more expensive and boards are looking harder than they did two years ago at what their change budgets are actually buying, that trade — a little less comfort now for a great deal less surprise later — ought to be an easy one to make. It rarely is, which tells us the comfort was doing more work than we admitted.

9. The Small Untruth and the Large Gap

It would be easy to read all this as a narrow complaint about spreadsheets, and to miss what the percentage assignment actually represents. The gap between what transformation portfolios intend and what they deliver is not usually the result of one large failure. It is assembled, quietly, from a great many small untruths that everyone recognises and no one is incentivised to correct — the optimistic benefit, the assumed dependency, the risk marked amber because red would invite questions. The percentage assignment is the purest specimen of the type: a number that is precise, official, universally relied upon, and known by its own authors to be false.

That is why it is worth dwelling on something so mundane. If a portfolio cannot tell the truth about how much of a person it has — the most concrete, checkable, unglamorous fact in the whole enterprise — then its confidence about the softer things, the benefits and the timelines and the strategic fit, deserves rather less trust than it usually receives. Conversely, an organisation that learned to hold this one small number honestly would have acquired a habit worth far more than the accuracy of any single plan. It would have learned to prefer an uncomfortable truth to a reassuring fiction, which is the entire discipline of portfolio management compressed into a single cell of a spreadsheet.

The hundreds will keep appearing in the columns; the arithmetic of governance almost demands them. The question is only whether we read them as a finding or as a requirement — as the answer the portfolio discovered, or the answer it needed. Knowing the difference is not a technique. It is a kind of honesty, and it is cheaper than every alternative.