## **SECTION – 1**

## **QUESTION-2.**

## **ANSWER:-**

Service Capacity means the number of applicable units of service that can be produced by a given facility, or service program at the facility, or a service program's practical, maximum level of service production.

## **Key Elements:-**

**Capacity & Capability:-** Let's take a look at these two key elements and highlight the difference. Capacity is the number of resources you have and where they are assigned, while capability is the skill and will of those resources or what you can get out of them. This is where resource flexibility comes into play and can often be a game changer when considering capacity vs capability. With very specialized resources, you are limited to the projects or tasks that those resources can be assigned to which often leads to resource gaps or resource constraints on projects.

**Gap Management:-** This element of modern capacity planning is important to approach strategically. There is nothing wrong with having a gap because you likely won't have the all the resources you need all the time. There will be positive and negative gaps - sometimes there will be too many people! Here are a few ways to handle gaps.

- You may choose to ignore/accept a gap because you believe it will naturally solve itself overtime.

- You may decide to replan projects or reschedule the work when you have the right resources available.

- You may decide to rebalance a project vs. operations vs. support or assigning people from different departments to new roles for a short time, but you have to understand the cause and effect of that and what might be lacking when making those changes.

**Business Integration:-** The business integration element of modern capacity planning is the idea that all corporate functions or business ares have to work together to solve your capacity and capability management issues. Resource management at the strategic level requires everyone involved because they will be part of the solution.

**Beyond the Project:**- This element identifies the need to think beyond the initial project including post project impacts and knowledge of the value of the completed projects. Impacts of the project go beyond the direct project work areas and customer groups.