

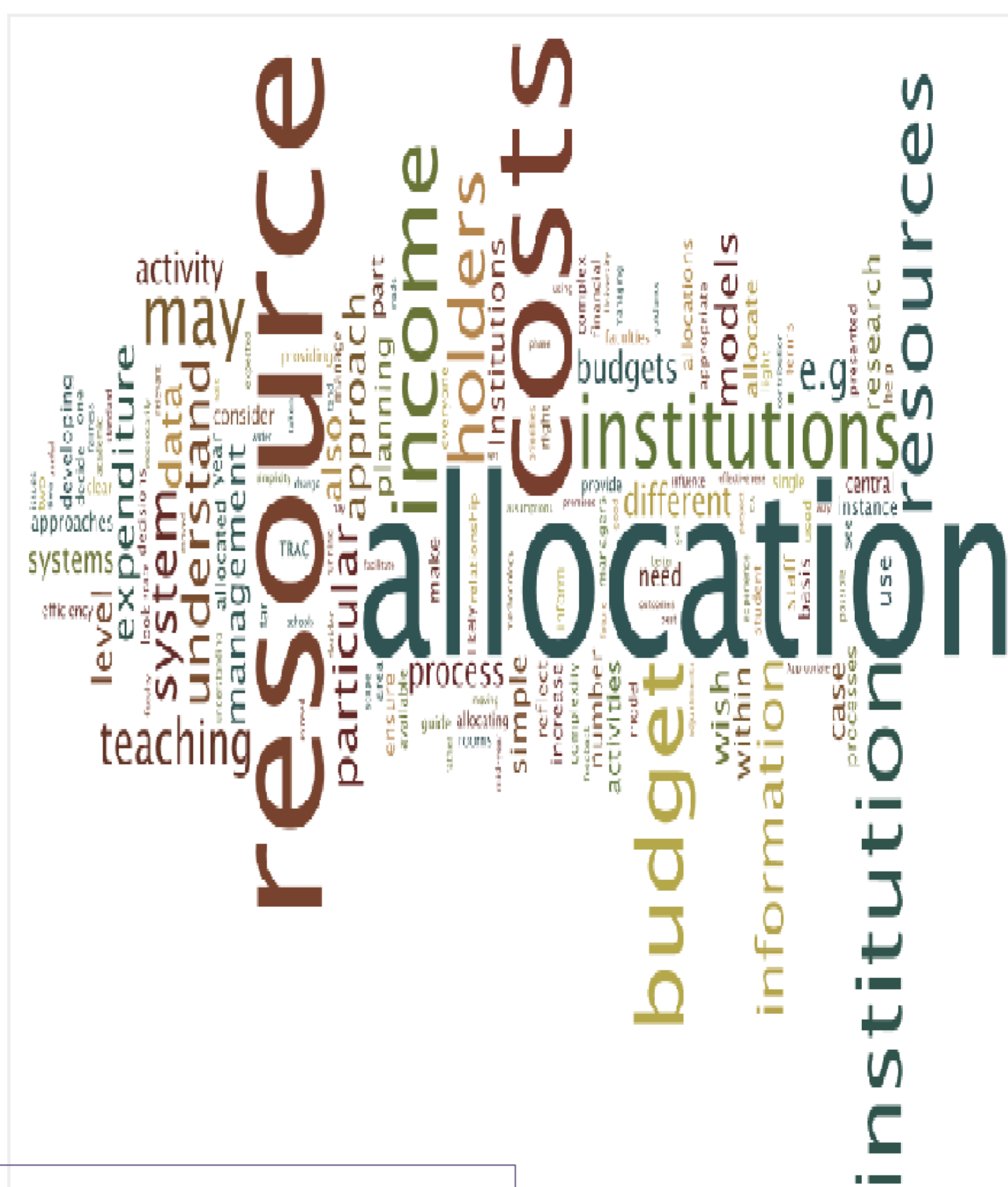
Resource Allocation and Management (RAM)

A guide to emerging practice

How and why operate a system of resource allocation and management?

“Effective models of resource allocation are essential to the good management of an institution and helps identify what activities are sustainable and which are not.

Resource allocation and management is a means of allocating resources so as to support the delivery of the institution’s overall strategy.



In allocating costs or income, different institutions use different drivers, such as TRAC data, or data on student or staff numbers. Consider what is the key driver of demand for the service.

Resource allocation can incentivise the achievement of strategic aims

There are different approaches to resource allocation and institutions may change their approach periodically to reflect their changing needs and priorities.

Appropriate systems of resource allocation can help institutions to:

- **Make better decisions** in support of their overarching strategy
- **Deliver better value for money**
- **Make informed pricing decisions**
- **Understand average and marginal costs** of different activities; and thereby
- **Assess and understand** the financial viability of teaching, research or commercial activity

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