Caerphilly County Borough Council

Workforce Planning Guidance

and Template

May 2013

A greener place   Man gwyrddach

1. INTRODUCTION

This document has been developed to support managers in undertaking effective workforce planning within their areas of responsibility by providing guidance and templates that can be used to workforce plan in their services and departments.

These templates can be used on a departmental, Service Area, Directorate and Corporate basis to help identify the potential challenges and opportunities for the service.

In order to perform as effectively as possible, the Council needs the right people with the right skills in the right place at the right time, at the right cost. In order for that to happen, then work force planning and analysis is required.

Many managers will already be planning their workforce both instinctively and formally. The templates will give the opportunity for consistency across the organisation and so a Corporate Workforce Plan can be developed.

There are a number of drivers which will have a significant influence on the way Caerphilly runs and delivers services and workforce planning is a way in which the Council can respond effectively to the change agenda. These drivers include:

• Political and policy drivers such as Welsh Government and Wales Audit Office recommendations and the central and regional Government agenda around partnership and collaborative working meaning Local Government has to evaluate its' position and identify economies and efficiencies.

• Demographic and social changes – the aging population triggering future service pressures and changing needs of the local population.

• Labour market changes – resulting from an aging workforce, changes in employment levels and anticipated skills shortages, high levels of youth unemployment and the fluctuating economic climate.

• Technological change – influencing the way organisations work, increasing opportunities for home working and how citizens access services.

• Caerphilly County Borough Council drivers – such as the Medium Term Financial Plan, organisational priorities, flexible working, delivering services in different ways to different people, meeting heightened and diverse customer needs and expectations.

There is a need put in place workable strategies to meet the demands on the business and the needs of the business.

Workforce planning can support this change as it will assist in identifying future service pressures and gaps in the support needed to address those pressures. The process is not about predicting the future but about setting the long term context for business issues and provide a decision filter through which plans can pass. The plan can be the link between business strategies and people plans. Workforce planning allows for horizon scanning, to use the information available today in order to map the way forward for tomorrow. It will play a key role in improving services.

The plan needs adaptability rather than stability and to maximise the contribution that can be made by skill development and effective utilization and deployment of resources.

1.2   WHAT IS WORKFORCE PLANNING?

'Trying to predict the future demand for different types of staff and seeking to match this with supply'.   **(A Health Service of all the talents: Developing the NHS workforce)**

'Workforce Planning is a roadmap for managers to ensure that the organisation has the right number of people, with the right competencies in the right jobs at the right time' Charles Handy 1995

Workforce planning is the review and analysis of the current workforce situation and then an extension of that analysis to identify the future skills and competencies needed to deliver new and improved services in the future and to meet the changing demands made on the Council.
It is the link between the Council's business strategies and people planning.

A workforce plan will compare the present and the future pictures, identifying shortages and surpluses, competency and skills gaps, external pressures and internal factors which will affect the ability of the Council to perform and deliver services. The workforce plan can be the strategy to move from where we are to where we want to be.

Workforce planning is one of the big challenges facing Caerphlly County Borough Council and Local Government as a whole and can play a central role in improving services to citizens. It needs to be viewed as a means to an end rather than a process in which to get planning paralysis. It is not mechanistic or static, it requires fluidity, flexibility, sensitivity and a holistic approach built around customer and service needs and the skills required to deliver them.

## 1.3   THE BENEFITS OF UTILISING A WORKFORCE PLAN

There are a wide range of justifications for developing an effective workforce plan.

• It is a tool to identify and tackle labour shortages, oversupply of labour and costs
• Helps ensure the timely delivery and the quality of services
• Identifies cost savings by reducing vacancy levels and turnover
• May reduce potential redundancies
• Minimises skills gaps
• Analyses the demography and trends
• Creates opportunities to link training and development with future skills and devise strategies to meet needs
• Helps to decide staffing levels
• Manages employment expenditure by anticipating changes
• Ensures sufficient and appropriate training and development is provided
• Copes with peaks and troughs in the supply and demand of skills
• Delivers improved services by linking business strategies to people plans
• Encourages retention
• Identifies accommodation needs
• Supports capacity building
• Can help in reducing sickness absence

The workforce plan can frame the employee tasks in context of business plans and therefore bring together the elements of people and organisational performance.

1.4   WHERE AND HOW DOES IT FIT?

The workforce plan will link into the strategic objectives of Caerphilly, the Corporate Improvement Plan, the local critical strategies and service improvement plans and objectives. It will support the service areas in meeting the objectives they have set in line with driving forward service improvement, transforming and modernising access to services by identifying the people issues behind these objectives and ensuring the right people with the right skills are in the right place at the right time.
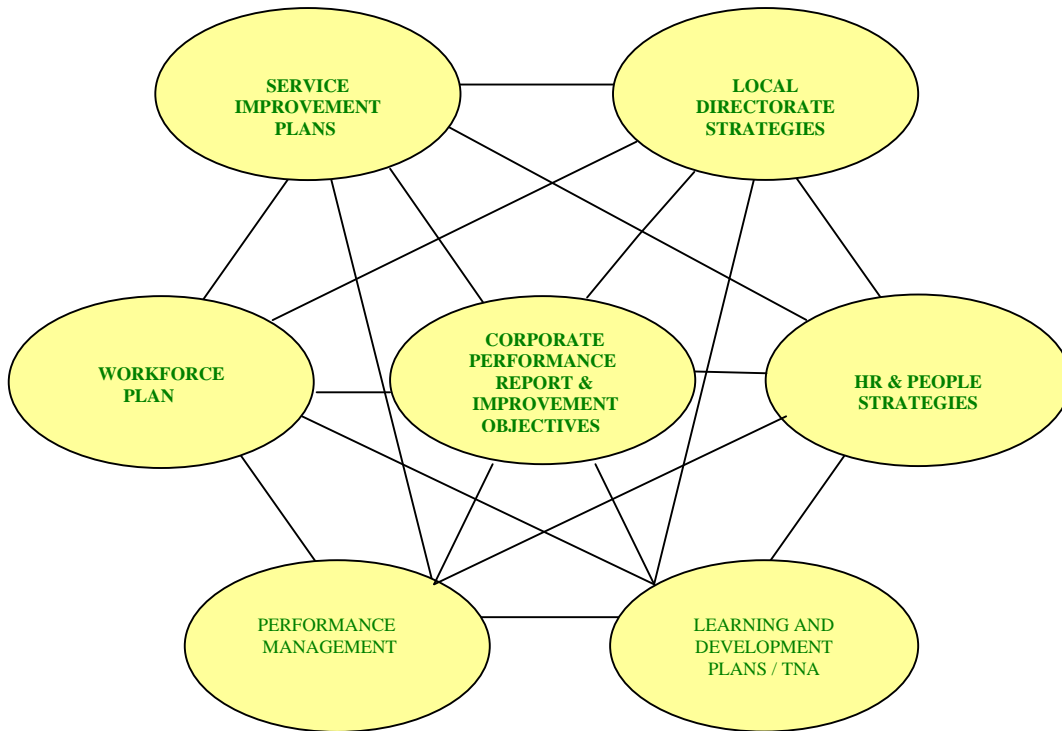
The workforce plan needs connectivity to other plans and strategies within the organisation.

The Council's Improvement Plan sets out the 12 key priorities for the Council. The workforce planning process will help support the achievement of these priorities by identifying what resources are required internally to deliver those priorities and ensuring those involved have the skills knowledge and experience they need to deliver them.

WORKFORCE PLANNING MODEL
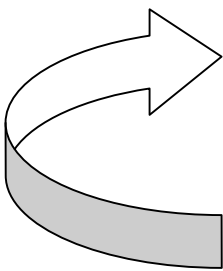
STEP ONE – STARTING POINT
Using service plan, budget information and relevant documents decide your future workforce requirements

STEP FOUR – MONITOR, EVALUATE, REVISE
- What is going well
- What isn't working
- New organisational issues arising that impact on the plan
- Update and communicate

STEP TWO – WORKFORCE ANALYSIS
- Current workforce profile (the supply)
- Future workforce profile (the demand)
- Difference between supply and demand (the gap)
- Strategy and solutions to deal with the difference / gaps / surplus and the skills needed

STEP THREE – IMPLEMENTATION
- Communicate the plan
- Implement strategies to reduce gaps / manage surpluses / deal with skills needs

Step One – Starting Point

Determining the Strategic Direction

The purpose of strategic planning is to set the direction and define goals and measurable achievements. This, with the definition of the financial resources will provide the basis for determining what can be done with the workforce.
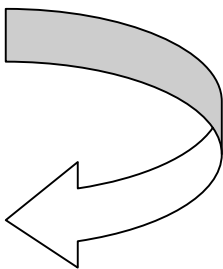
Workforce planning is the next process after strategic planning. The workforce plan can translate strategy into action. To identify workforce staffing and training needs. It attempts to answer the following questions:

- How many and what types of skills and jobs are needed to meet the mission or strategic goals?
- What strategies should the organisation use to hire, retain or teach these skills?
- What strategies should be used to reorganise the service to meet needs on reduced budgets?

Strategic Plan

- Analyse your plan
- Identify key strategies, goals and workforce issues
- Are there any changes to the service that will affect the workforce now or in the future

Budget Information

- Analyse budget and planned budget
- Are there budget issues affecting your current or future workforce

Step Two – Workforce Analysis

Analysis of the workforce data is the key element in the planning process. The analysis considers information such as occupations, skills, experience, retirement eligibility, diversity, turnover, education and trend data. Information such as structures, age profile, length of service data, numbers in occupational groups, turnover and diversity can be generated out of iTrent.

There are 4 elements to the workforce analysis phase.

Element 1 – Current Workforce Profile (Analyse Supply)

Supply analysis focuses on the Council's existing and future workforce supply. It answers the question, ' What is the existing profile of the current workforce and what does it need to be in the future to accomplish our goals and objectives? To help with this there is a workforce profile template that can be supplied by the iTrent team.

Determine Supply Factors

Things to Consider:

- Identify ages, diversity factors (if relevant), education and qualification levels, length of service
- Skill profile the workforce. What knowledge, skills and abilities do high performers use to achieve success?
- Are there any workforce management issues impacting the team?
- Which segments are currently or potentially vulnerable?
- Review retention, turnover, promotion patterns and leave usage
- Do turnover rates affect the ability to deliver outcomes
- Review staff retirement plans and patterns
- What do the skills and experience levels need to look like in the future?
- How will retirements affect your service?
- What other challenges may affect the organisation's ability to recruit and retain important skills?
- How will the service change and what new skills will that demand?

Element 2 – Future Workforce Profile (Analyse Demand)

Demand identifies the future workforce needed to deliver the Council's duties and objectives. The focus should be on the work the Council needs to perform and on the workforce needed to perform that work.

Internal / External Environmental Factors

Things to Consider:

- Demography
    - Significant external demographic issues which may influence the demands placed on the service e.g. the aging population
- Technological
    - How can technology enhance provision
    - What jobs will be affected by technological enhancements
    - Do the technology changes affect the number of employees to do the work or the type of skill needed

- Economic
    - What funding and economic considerations will impact on the provision of services?

- Labour market
    - Identify labour trends
    - Supply of young people from educational establishments / Passport Programme etc
    - Where can you get staff from – internally and externally
    - What issues are associated with the use of non-permanent staff, including cost and supply

- Summary
    - Will the way the work is done or service delivered need to change?
    - Will services be added or deleted?
    - Does the current workforce have the necessary skills to do the work in the future?
    - What types of employees / skills are needed for the future
    - Will the workload change?
    - How will it affect the headcount?

Element 3 – the Difference between Supply and Demand, Filling the Gap

Element 3 is about comparing Element 1 and 2, the supply information and the demand predictions.

- What new skills are going to be needed to achieve the objectives of the service?
- Does the service have the anticipated needed skills?
- What job functions or skills will no longer be needed?

The service can then develop and implement strategies based on the results of this analysis. This analysis may show a gap or a surplus. For the gap then it is important to know what critical jobs have gaps so the necessary training or recruitment can be put in. If there is a surplus, then this will require action.

Element 4 – Developing the Strategy

This is the final element in Step Two, the workforce analysis section. This element is about developing a plan to address future gaps and surpluses. Strategies include the policies and practices in recruiting and retaining employees and developing the critical employees needed to achieve the outcomes set and deliver the service.

There are broad categories here around

- Recruitment
- Selection
- Retention
- Staff Development - to build capacity
- Succession Planning
- Knowledge transfer
- Workforce reduction strategies – restructuring, flexible retirement etc.

STEP THREE – IMPLEMENTATION

There may need to be a separate action plan for each element in the workforce plan. Before implementation there are a number of things to consider.

- CMT / Director engagement and support for the plan
- Cabinet Member / general Member support for the plan
- Resources are allocated to deliver the plan
- Roles and responsibilities are clearly allocated
- Timelines are established
- Measures, milestones and deliverables are defined
- The plan is communicated
- The plan fits into the Corporate Workforce Planning process.

The plan may need to be adjusted for any corporate changes such as budget cuts, leadership or legislative changes, changes in the strategic plan.

STEP FOUR – MONITOR, EVALUTE AND REVISE

There needs to be an ongoing evaluation to ensure the plan is fit for purpose. The plan should have an annual review in order to ensure it responds to changing requirements.

The process should allow for a review of:

- Performance measurement information
- Assessment of what works and doesn't work
- How to adjust the plan and strategies as needed
- Address new issues that arise

The kind of questions to ask are:

- Have the Council's or Service's strategies changed?
- Have the assumptions made in step one and two changed?
- Have there been any changes that call for a review of the plan?
- What isn't effective that needs to be changed?

Part 2: CAERPHILLY CBC WORKFORCE PLANNING ASSESSMENT

SERVICE AREA _____   **DIRECTORATE** _____

Is your service likely to change in the next 1 to 5 years? **How?**	
What are the potential workforce management issues impacting the team?	
What are the areas of concern in your current workforce profile? e.g. retirements, leavers, succession planning	
What are the areas of concern in your skills profile?	
Are there any factors that will affect the service? e.g. collaboration, budget changes, legislation, IT, demography, labour market etc	
What are the implications of those factors on the workforce? e.g. headcount, skills shortages, retention challenge, redeployment requirements	
How will the way the service is delivered need to change? Any services added or deleted?	

How will the workload change? E.g. by deleting services, increasing technology use.	
What is the impact on headcount?	

What are the expected changes in the team over the next 12 months to 3 years?	

E.g. retirements, recruitment and retention challenges.	
How will this be addressed?	
What are the critical posts?	
Who are the critical people?	
What are the key people risks to service delivery?	
Talent management – high performing / high potential staff	
Succession plan for critical posts and people	

CURRENT WORKFORCE PROFILE TEMPLATE

DEPARTMENT

Emp Number	Employee Name	Job Title	Location	Grade	Date of Birth	Age	Length of Service	Contract Type	FTE	Highest level of qualification attained

PLANNED WORFORCE PROFILE TEMPLATE

DEPARTMENT

Job Title	Classification Level	Location	Employment Status				Actual FTEs	Planned FTE			Gap			Highest level of Qualification Required
			Perm Full time	Perm Part time	Temp	Casual		Yr 1	Yr 2	Yr 3	Yr 1	Yr 2	Yr 3	

Classification Levels
1 = Critical Role
3 = Required Role
5 = Optional Role