

Public Sector Leadership Framework



Workforce Planning Workbook





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1.0 Introduction

Today's challenging economic climate calls for versatile leaders who have a holistic view of the communities, customers and partners local government supports and who can identify emerging opportunities, make tough decisions and navigate through periods of restraint as well as growth.

The Public Sector Leadership (PSL) Framework has been designed, in conjunction with councils, to provide a blended suite of collaborative learning opportunities which equip emerging local government leaders with the managerial and analytical skills to identify, frame and solve complex problems, the confidence to make important business decisions, and the leadership capacity to drive fundamental change in an uncertain world.

This workbook is designed, primarily, as part of the PSL Programme and outlines the preliminary self-directed learning and initial considerations required for the Workforce Planning module. It is designed in an open learning format, which allows you to choose when you complete it and how long you take to do so.

The interactive and taught elements of Workforce Planning will require an understanding of the background knowledge, terminology and relevance to your workplace provided in this workbook and it is, therefore, essential that you complete it in advance of these elements.

However, the workbook is also a useful and valuable reference resource in its own right and, as such, can be accessed in a format and at a time most suited to the reader.

2.0 Aims and Outcomes

Aim

The aim of this module is to provide you with a clear understanding of the need for, and the role of, workforce planning, within the local government context including an understanding of the process of developing a workforce plan, the associated information requirements and 'practice' in workforce planning techniques.

Objectives

By the end of this module you will be able to:

- define the purpose of a workforce plan and its role within wider strategic planning;
- explain the steps required to develop a workforce plan, including the core data requirements for workforce profiling;
- identify the forces for change that may affect future service delivery;
- identify potential strategies to address future workforce and skills gaps;
- apply selected workforce planning techniques to your own service.

3.0 Workforce Planning

3.1 Self Assessment Questionnaire

This checklist allows you to assess the current position in your council in relation to planning for the workforce. It asks you to consider a number of issues and allows you self assess on a scale from “not addressed” to “fully effective”. Through considering the questions some possible gaps may become evident which will allow actions to be identified. The checklist also establishes a baseline that can then provide evidence of work undertaken in relation to carrying out workforce planning.

The checklist outlines some key principles that a council, directorate or service area should consider as part of its workforce planning process. The checklist is designed to assess the strengths and weaknesses of the current workforce planning activities within your council or service area with the following ranking scale:

Ranking	Description
4	Fully deployed
3	Progressing well
2	Beginning to address this
1	Not started

Prior to attending the taught element of the course, please complete this checklist with respect to your own service.

Using the ranking scale, please tick the appropriate box.

1.	Identify your future service direction and workforce needs/demand	4	3	2	1
a)	Have the possible future directions of the directorate/service been explored?				
b)	Were key internal and external stakeholders involved in the process?				
c)	Was the assessment of future directorate/service directions used to identify future workforce needs?				
d)	Has your directorate/service identified a set of skills that are considered to be essential to delivering service objectives in the future?				

2.	Know your current workforce - internal supply	4	3	2	1
a)	Has key demographic data been captured to develop a profile of the current workforce?				
b)	Is the current workforce profile used to provide a demographic baseline against which future changes can be analysed?				
c)	Has consideration been given to what the workforce will look like in the future?				
d)	Has a means of identifying the skills and capabilities of existing staff members been developed?				
e)	Has a range of key quantitative and qualitative performance indicators been developed to collect workforce data?				
f)	Is workforce data collected on an ongoing basis?				
g)	Is workforce data incorporated into existing service reporting structure and integrated with other management information to keep senior management up to date on workforce issues and to assist with service planning and day-to-day decision-making?				

3.	Consider the broader context - external supply	4	3	2	1
a)	Have factors in the external environment that may impact on workforce planning been considered - for example, external labour market data and local demographic profiles?				
b)	Has workforce planning been integrated into the corporate governance framework?				
c)	Is workforce planning considered as part of the broader service planning processes?				

4.	Bridge the gap - identify and address your workforce issues	4	3	2	1
a)	Have workforce issues that may impact on service delivery been identified?				
b)	Have HR policies and practices been developed/ refined to address the identified workforce issues?				

4.	Bridge the gap - identify and address your workforce issues	4	3	2	1
c)	Are HR policies and strategies aligned with other service activities and directly linked to the overall council plan?				
d)	Have both short and long term initiatives for addressing workforce issues been identified?				
e)	Have the strategies/initiatives been ranked according to service priorities?				
f)	Have broader management issues been examined as a way of improving organisational performance? Such issues could include more effective uses of technology, more appropriate organisational structures and work organisation and/or better management techniques.				

5.	Provide a sound basis for effective implementation and maintenance	4	3	2	1
a)	Is it recognised that workforce planning is a continuous process?				
b)	Are all relevant planning documents integrated and aligned?				
c)	Is prime responsibility for workforce planning shared by the directorate manager, line managers and human resource managers?				
d)	Is the service director committed and seen to be driving the process?				
e)	Have each manager's HR role and responsibilities been clearly defined?				
f)	Are HR managers involved in significant service planning decisions to ensure that workforce issues are considered and to suggest strategic human resource solutions to support the achievement of service objectives?				
g)	Are strategic partnerships between strategic planning, finance and HR promoted?				

6.	Monitor and evaluate	4	3	2	1
a)	Have mechanisms been developed to monitor and report on the implementation of workforce planning initiatives?				
b)	Does your directorate periodically evaluate whether the desired outcomes for workforce planning have been achieved?				
c)	Have clear objectives for workforce planning been developed that reflect overall service priorities?				
d)	Are systems in place to determine whether the strategies designed to address workforce issues have been effective?				
e)	Have mechanisms been established to measure and/or assess the contribution of workforce planning initiatives to the achievement of service objectives?				

3.2 The Workforce Planning Context

This section considers why workforce planning is such a key part of an organisation’s planning processes; the benefits derived from planning the workforce; and the different roles of those who contribute to the workforce plan.

Workforce Planning as part of Strategic Planning

Strategic planning is a well-established practice within local authorities and has been so for a number of years. While individual councils may vary in how they plan their strategy, their plans comprise the same core components, i.e.

- a description of where we are now;
- a picture of where we wish to be in the future; and
- an outline of the steps we need to take in order to get to that future state.

Local authority strategies are largely guided by the priorities set by government. The Concordat signed by COSLA and the Scottish Government in November 2007 set out the terms of a new relationship between the Scottish Government and local government based upon mutual respect and commitment. The development of a Single Outcome Agreement (SOA) formed an important part of this new relationship. Once the strategic plan is in place, department or service heads develop their operational plans, which articulate how their service will contribute to the achievement of the organisation’s strategic priorities and objectives.

An essential consideration in all levels of planning is identifying and securing the necessary resources required to deliver the desired outcomes from the plan. Whilst there is a long tradition of planning for the management of financial and physical resources, and, more recently, information resources, the human resource has been less considered, particularly at the strategic planning level.

Many organisations will state that their people are their most valuable resource and this is true not only because staffing costs will tend to consume the largest share of the total budget for an organisation (and for councils these costs represent at least 52% of total expenditure) but also because having the right people, with the right skills, in the right place, throughout the organisation, is essential for ensuring the effective delivery of services. This is not the place to debate the reasons why, given the importance of the human resource, there has been a weakness in planning for that resource but it is fair to say that while planning, particularly strategic planning, is future focused, staffing considerations tend to be more focused on the present. It is now recognised that current circumstances include a number of conditions which are driving the need to address this previous weakness in strategic planning for human resources. These drivers are:

- demographic;
- economic/financial;
- legislative/regulatory;
- technological and social.

1. Demographic Drivers

(i) The ageing nature of Scotland's population is well documented which means there is a growing demand for council social services used by older people within our communities, whilst at the same time as the number of people of working age is shrinking.

(ii) The baby boom from the mid 1940's to the early '60's produced an increase in the working age population but these 'workers' are expected to retire within the next 15 years. Over a short period of time, a wealth of skills and experience will be lost, which will be felt more acutely in the public sector where the workforce profile tends to be older and retirement earlier.

2. Economic/Financial Drivers

Until the current economic downturn, unemployment in Scotland was low and therefore there was stiff competition between employers to secure the best talent and skills. Councils were often unable to secure the best talent and skills. Councils were often unable to compete with the private sector on salaries and so faced shortages, some in key skills areas. This situation is easing as the effects of the economic downturn begin to filter through, but the downturn can bring other issues in terms of additional demand for services from those affected by unemployment, lack of access to mortgage funding, etc. In addition, as government funding for the public sector is reduced, councils will need to take action to reduce their running costs. Actions that reduce staffing levels - such as voluntary severance, early retirement, recruitment freezes - have to be carefully managed to ensure that the bank of talent in any one area is

not stretched too thinly: even if there seems to be sufficient coverage to meet current needs, the bank of talent has to be sufficient to produce a good proportion of the organisation's future managers and leaders.

3. Legislative/ Regulatory Drivers

Since the recommendations of the Turnbull Committee placed the management of risk higher on the agenda for the public sector¹, there is a need for councils to consider all aspects of the business when considering potential risks and how they should be managed.

In October 2009 Audit Scotland published an overview of the audits of Best Value and Community Planning 2004-09 called *Making an Impact*². From the audits carried out in the first round of Best Value, Audit Scotland recognised the difficulties experienced by councils in recruiting and retaining experienced staff but concluded that “councils have been slow to develop strategic approaches to workforce management and planning. There was evidence of some good practice in local areas and departments, but on the whole councils are not sufficiently aware of the people and skills they have available and do not have clear plans to make sure that the right people are in the right jobs, with the right skills, at the right time... single status... has clearly affected their ability to focus on more strategic issues. However, the sector as a whole needs to make progress with strategic approaches to people management.”

Audit Scotland has produced auditor toolkits that set out priorities and issues to guide work with councils in the next round of Best Value audits, BV2. These state that they will be looking for evidence of how effectively the organisation integrates workforce planning with its strategic and financial planning processes.

4. Technological Drivers

As more services and processes become automated, the need for employee numbers, their skill requirements and their work locations (for example, the increase in flexible working) is changing.

5. Social Drivers

As the Baby Boomers give way to Generation X and Generation Y³ employees, there are different expectations and values prevailing in the workplace. Generation X and Y employees value independence, creativity and opportunities to learn more than the relative security offered by the public sector. They expect to change jobs frequently and use their learning opportunities to increase their employability. These, and other, drivers can affect:

- the number of employees required;
- the profile of the workforce;
- where workers are located;
- the skills and competencies they will need to carry out their work.

The table below shows an example of this.

Table: Sample Change Drivers and their Area of Impact on the Workforce, based on work in ‘*Building Successful Organisations*’ by the US National Academy for Public Administration (NAPA)⁴

Driver of change	Area of impact on future workforce needs			
	Employee numbers	Employee profile	Employee location	Employee skills/competencies
Ageing population requiring services	✓	✓		✓
Bulge in retirements		✓		✓
The effects of economic recession	✓	✓		✓
Legislative drive for accountability				✓
Increased automation	✓		✓	✓
Increase in Generation X & Y employees		✓	✓	✓
The drive for greater diversity		✓	✓	✓
Budget constraints	✓	✓	✓	✓
Drive for service improvement	✓		✓	✓

Even without the current drivers that are pushing workforce planning higher up the agenda, there is a very simple financial argument for planning for future workforce needs. Latest research suggests that the cost of recruiting a new employee is £6,000 - £9,000 (covering advertising, selection process, administration, induction) without taking into account potential hidden costs of reduced efficiency of the leaver working their notice or of the new recruit bedding in⁵. Without understanding what skills and competencies are required in future, money may be spent in recruiting a workforce which, in terms of future skills and service requirements may be an inappropriate fit with the future needs of the service, even if the individuals appear to satisfy a current need in the short-term. The costs of addressing such a situation in the future will be even greater involving perhaps re-training, process re-engineering, and voluntary or compulsory severance payments.

Another publication from NAPA, *A Guide for Effective Strategic Management of Human Resources*,⁶ argues that there are five driving forces for the merger of strategic planning and human resource planning. These five forces are:

- 1. The potential to increase mission accomplishment.** The authors cite studies that show a positive relationship between organisations with progressive HRM policies and those with stronger financial performance and discuss examples of synergies achieved by meshing the needs of the business with the priorities of Human Resource Management.

2. **The belief that people are an organisation's most important asset.** The HR department is the department most likely to remind managers that employees are human and therefore need more considered treatment than in the management of other resources, such as buildings or equipment. That increased level of consideration is paid back to the organisation in improved industrial relations and employee commitment.
3. **The need to maintain operations during turbulent times.** The authors argue that it is HR policies and practice which are needed to support the organisation in times of change. For example: clear communication on proposed changes and how they will affect individual employees helps to allay fears and secure buy-in for new practices; in the aftermath of a major downsizing exercise, there is a greater need for employee assistance programmes (in the widest sense of the term) for those who remain, potentially having to deal with a heavier and/or more diverse workload.
4. **Recognition that the nature of work is changing.** For example: the increase in automation and technology in the workplace, requiring new sets of skills amongst employees; the decreasing need for manual skills and increasing need for knowledge workers, requiring new ways of thinking to identify knowledge requirements and where they can be found within the organisation and to ensure that essential knowledge is retained when employees move on.
5. **Recognition that workers are changing.** While the authors do not speak about Generation X or Generation Y employees - the guide was published in 1996 - they do recognise that jobs are less secure and employees less likely to stay with the same employer for most or all of their career, and managers, therefore, can no longer rely on the traditional command and control style of leadership.

While the guide is now more than 10 years old, and therefore some of the developments then regarded as new are now commonplace, the arguments presented for the integration of strategic planning with that of human resource management are still valid.

Activity 2

Consider your own service area in relation to the drivers for change mentioned above:

- Which are relevant to you and what aspects of the workforce may be affected?
- What other drivers can you think of that have not been mentioned?

Use the pro forma at Appendix 1 to record your thoughts.

3.3 The Benefits of Planning the Workforce

From the material discussed in section 3.1, the benefits of workforce planning (WFP) should be starting to emerge. For example, workforce planning:

- Allows managers to identify more effective and efficient ways to utilise staff. This is critical as councils are being asked to do 'more with less' i.e. budget/human resource.
- Helps to ensure that capacity is developed in the council to fill key vacancies. This is especially important as agencies face the dual challenge of more retirements but fewer candidates in the labour market to replace retirees.
- Provides realistic staffing projections for budget purposes.
- Assists managers to forecast turnover and plan recruitment and employee development.
- Ensures that recruitment is focused and effective.
- Identifies ways to maintain or improve diversity, not only in the workforce as a whole, but also in leadership positions.
- Provides a clear rationale for making investments in recruiting, training, retraining, career development, coaching and mentoring, and performance management.
- Helps prepare for restructuring, reducing, expanding or reforming existing programmes or services.
- Allows managers to identify and prepare for new skills and to make strategic decisions about programmes, budgets and service levels based on understanding the gaps between competences currently in the workforce and the competencies needed for the future.

3.4 The Process of Workforce Planning

In order to discuss the different roles of those involved in the workforce planning process, it will be necessary to provide an overview of the process itself.

At its most basic level, workforce planning is concerned with:

1. anticipating what the demand for services will be in the future;
2. anticipating what level and type of employees you will have in the future to meet that demand;
3. developing strategies to address any mismatch between what you will need, and what you expect to have, in terms of future employees. On the taught element of the course, there will be more discussion and exploration of these basic stages as shown in Figure 1.

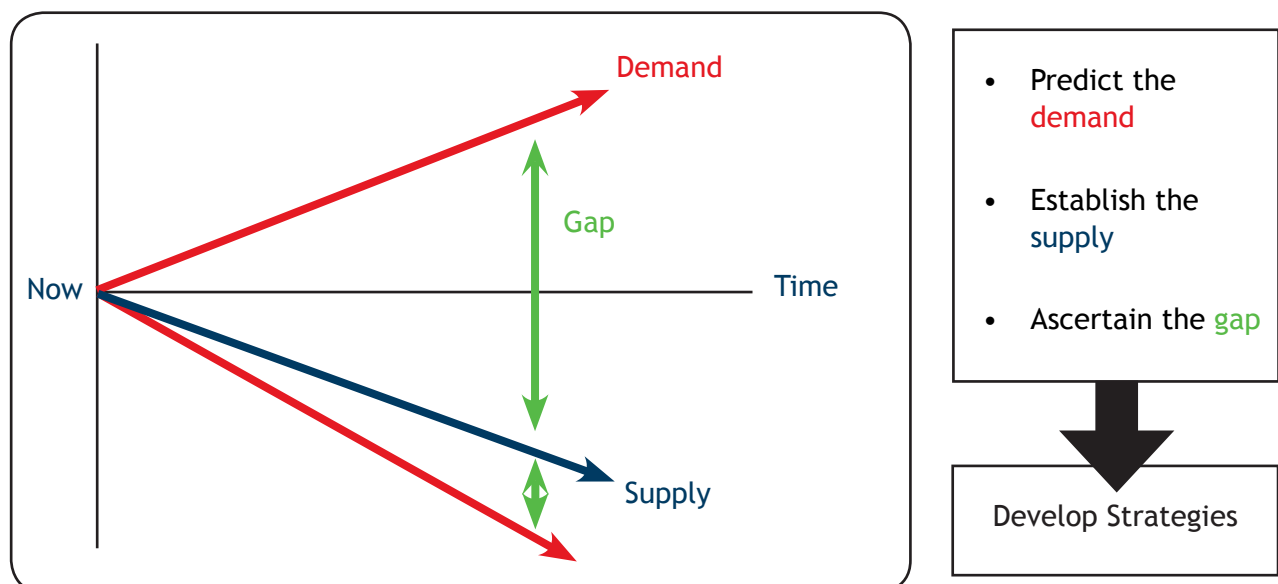


Figure 1.

Preparation and Securing Support - Step 1

Since we have been emphasising the point about the link between strategic planning more generally and strategic workforce planning more specifically, it will be no surprise that the most senior levels of management have to be part of the process. Before proceeding, therefore, securing support from the CEO and senior management is essential. This kind of statement is often made for the introduction of any new initiative but, in this case, the need is for more than simply approval to introduce something new or to spend additional resources: what is required is a recognition, at the most senior level, that there is a need to take a longer term view on staffing requirements and that existing strategic planning processes will be adjusted to allow for that consideration to be integrated into existing planning processes.



Once support has been secured at the top level, this needs to filter down to the operational managers, without any dilution of the original message. Senior Managers should drive this process, with facilitation and support from HR.

Part of your preparation will be to decide on an appropriate planning period.

Most councils prepare strategic plans for a three year period, therefore, this may be the most useful time period over which to plan the workforce.

A year-long plan is too short as there is insufficient time to take action that will address any gaps. A plan for more than five years ahead can be too long a time period to predict future demand with any level of reliability.

Whatever planning period is agreed, there needs to be regular monitoring to update predictions as new information or developments arise.

Estimate Demand - Step 2

This is where your own expertise comes in: you need to consider the range of external factors that are likely to impact on the level of demand for services from your work area, the impact from which could mean either an increase or a reduction in demand. This could also include the identification of new skills that will be required in the future. This is called Environmental Scanning and will include consideration of: local demographic changes, new legislation or national policy initiatives, technology developments etc. One-way of thinking about this is to use a PEST analysis which looks at these external factors under six headings:

Political Economic Social Technological

Appendix 2 provides a 'prompt' template to aid your thinking in these areas. PEST will be discussed further on the taught element of the course.

This kind of exercise is best carried out as a team, rather than relying on one person's thoughts only, and involves a degree of visioning to articulate what your service is likely to look like in the future.

Establish Supply - Step 3

A substantial amount of preparatory work is required at this stage. Establishing your current position means that you need to have a good understanding of how your service is delivered currently (relatively straightforward for an operational manager), but also a good understanding of your staffing profile:

- How many staff do you have currently?
- What type(s) of contract are they on?
- What is their gender and age profile?
- How long have they been with the organisation?
- How many are likely to leave over the agreed planning period?
- What skills and competencies do they have?

This is where HR can help by providing the data that allows you to profile your workforce; and they can also help you to analyse what the profile is telling you about likely future staff movements.

Ascertain the Gap - Step 4

Once you have considered how demand for services may increase or decrease and/or change in their nature, or the new business models which may be considered, you need to take these predictions and use them to calculate the number of staff you will need to deliver your service in the future and the mix of skills that they will need.

Calculating the number of future employees required may be relatively easy if there are established ratios that can help you.

For example, in Education there are formulae used to calculate the number of teachers required based on the expected numbers of school age children coming through in an area; similarly, calculations on the demand for waste services is based on the number of households in an area. If no such ratios already exist for your service, you may consider developing some for yourself to help with this process. Predicting the mix of skills or type of employee required in the future will need more subjective consideration.

Having calculated the number and type of staff you are likely to need in the future, you then need to calculate how many you are likely to have. By looking at your current staffing profile, calculate the numbers that are likely still to be with you at the end of the planning period, having taken account of anticipated retirements and average staff turnover rates. Then compare the anticipated demand for employees with the expected supply to establish the gap.

It may be tempting, at this stage, to argue that this method will either over or under-state the size of the gap because it takes no account of actions taken to replace staff that leave or need to be redeployed. However, it is important to see the extent of the gap that would arise if no action were taken because it is only when you recognise the size of the gap that you can decide the best course of action to take in

order to address it. Simply replacing those who leave, on a like for like basis, will not necessarily be the most appropriate action to take and will take no account of the changing make up of the workforce and the skills and organisational shape which needs to be in place.

Develop Strategies - Step 5

This is the stage at which ideas are generated on how the gaps that have been identified should be addressed. A range of interventions can be considered before agreement is reached on which will be best suited to your own circumstances and you are likely to employ a range rather than rely on one strategy alone. Examples may include grow your own schemes; outsourcing; recruitment and retention strategies, designed to address a potential future shortage of employees; but the gap analysis could equally identify an oversupply of employees to meet future demand and therefore downsizing, restructuring and redundancy programmes may also need to be considered. Potential strategies will be discussed further on the module delivery day.

This discussion will involve both operational managers and HR representatives.

Review and Evaluation

As with any plan, there will be a need to review periodically, to update the plan and/or predictions in the light of new information. This should happen at least on an annual basis but may be required sooner if some new and unanticipated external event occurs that is likely to have a significant impact on previous calculations. There will also be a need to monitor the outcomes of actions taken to ascertain whether they are proving successful in addressing the identified gaps. This is likely to involve both operational managers and HR representatives. In the period of change that we are currently in there may need to be more frequent reviews to ensure that strategies and plans are achieving the desired intent.

The process of workforce planning can therefore not be seen as the sole responsibility of any one department. It will need the knowledge, experience and vision of the service department along with support and expertise from HR.

The table below provides a useful summary of who should be involved in each of the stages described above.

Stage in Process		Who is involved?
1.	Preparation and securing support	CEO, Senior Management, Heads of Service, Operational Managers, HR
2.	Estimate demand	Operational Managers with their teams
3.	Establish supply	Operational Managers with HR
4.	Ascertain gap	Operational Managers with HR
5.	Develop strategies	Operational Managers with HR
6.	Review and evaluate	Operational Managers with their teams and HR

3.5 Demand Analysis Exercise

Activity 5

Demand Analysis

You are now ready to give some thought to the situation in your own council and in your own service. The following questions are designed to start the process of thinking about your workforce and what it will need to look like in the future. In tackling this exercise, you may find it easier to answer some questions rather than others. Where you can give an answer, use column 3 ‘How do you know?’ to explain and evidence your position.

For example, for question 1, unfilled vacancies would be evidence of the critical jobs that you are currently short of. Where you feel you cannot answer the question, use column 3 to outline what information you would need in order to give an answer.

Complete the table below for your own service.

Questions for consideration	Your response	How do you know/what is there evidence for?	Is the evidence readily available?
What critical jobs are you short of now?			
What critical jobs will you be short of in five years time?			
What essential skills will the council workforce of the future need to have?			
What % of the workforce currently has these essential skills?			
What strategies are currently in place to address these critical issues?			

3.6 Scenario Planning

We have seen that forecasting future workforce requirements involves a combination of estimating the number of staff needed in the future and identifying the skills mix required. There are tools which can help you with both aspects, which we will now look at.

The PEST model helps you to identify external developments, or factors likely to impact on the demand for your services. Some of these developments may be sufficiently certain and predictable so as to make the impact on demand clear - for example, the impact of Scottish Government's pledge (were a council to comply with it) to reduce school class sizes can be calculated in terms of a change in the pupil/teacher ratio and on the basis of current pupil numbers and the number of teachers required whilst others will be more uncertain. It is this uncertainty which often contributes to our reluctance to make forecasts for the future.

For those factors; either less certain in themselves or whose impact is less certain, it is useful to translate them into a range of plausible outcomes or scenarios.

In order to do this, it is best to focus on the four to five factors which could have the biggest impact, then consider two plausible future outcomes: either best case and worst case scenario or minimum change and maximum change or continued status quo and maximum change. The table provides an example:

Service: Community Education & Leisure Services		
Key Driver	Scenario 1: Minimum Change	Scenario 2: Maximum Change
15% increase in migrant workers from EEC countries over next five years.	Majority of migrant workers with good command of English. 5% require language instruction, which can be accommodated within existing provision.	Majority of migrant workers do not have good command of English. Demand for language instruction increases by 12 % leading to a 10% increase in language teachers.
New Scottish Government initiative designed to improve fitness levels and encourage participation in sports activities.	The initiative is only moderately successful and builds slowly. In five years, demand in sports and leisure facilities increases by 15% requiring 3% increase in staffing to accommodate.	The initiative builds quickly and is very successful. In 5 years, demand in sports and leisure facilities increases by 25% requiring 10% increase in staffing.

Service: Community Education & Leisure Services		
Key Driver	Scenario 1: Minimum Change	Scenario 2: Maximum Change
Current discussions with local college provider on delivering leisure interest classes in partnership.	Partnership results in continued current council provision but with any new provision being delivered by the college. There is no change to the current staffing requirements	Partnership discussions result in agreed phased handover of all leisure class provision to the college. In five years, the number of tutors required by the council is reduced to zero; and associated admin staff will be either transferred, redeployed or made redundant.
Other drivers?		

A third option may be to look at the impact of direct payments or outsourcing or stopping service delivery.

Some Important Things to Remember About Scenario Planning

- What you are trying to predict is a realistic range of possible futures which will inform planning for the future workforce and to achieve this you need to build a picture of each scenario once all of the key drivers are taken into account.
- While you are producing data on which you can begin to plan, remember that exact numbers do not always equate to more reliability: rounding figures up or down to make them easier to work with is reasonable in this kind of exercise. This kind of scenario planning is not an exact science and necessarily employs subjective thinking, but in order to make that thinking as robust as you can, you need to consult the best available information to support your assumptions.
- This kind of exercise is best carried out by a team so that the range of potential factors can be explored and more realistic impacts identified.
- If your agreed planning period is five years, it will be useful to think of the changes likely to take place as a staged process, therefore to think of what your scenarios will look like after one year, after three years and after five years. This will also be helpful when you come to review and update your plan in the light of up-dated data and other changes in your key drivers.
- Scenarios are built around factors which may be out with the council’s control. They consider how these factors are likely to impact on the demand for services and also how the council is likely to respond to that change in demand.
- While there will necessarily be a focus on numbers, future changes in skills mix demand should also be included in your scenario planning and the next section will consider in more detail the skills aspect of workforce planning.

3.7 Competency Frameworks

Workforce planning is concerned not only with the *number* of staff required in the future, but also the *kind* of employees needed and it is therefore necessary to have an understanding of the mix of skills that will be required to meet demand in the future. Organisations typically summarise and describe the key skills and abilities required in a competency framework.

Competencies are defined as:

“The knowledge, skills, behaviours, personal attributes, or other characteristics that are associated with or predictive of superior job performance”

and a competency framework will describe those skills and behaviours etc. for the workforce.

These frameworks are then used to assess an individual in order to identify training and development needs. Depending on how far advanced your own council’s work is on competency frameworks, you may already have assessed your staff and therefore have a good understanding of the competencies that you already have in your teams.

In order to take this consideration into your workforce planning, you need to think not only of your current competency requirements but also what the future requirements will be. An example competency assessment form is shown below.

Sample Competency Assessment Form

The assessment form would be used for assess an individuals proficiency and ability in relation to the role being planned for; and each of the key competencies for that job role would be scored for current need, future need and current availability as follows:

0 = Competency not required

2 = Intermediate level of competency

1 = Basic level of competency

3 = Advanced level of competency

Competency	Definition	Currently Required	Required in the Future	Currently Available
E.g. Adaptability	Adapts well to changes in assignments and priorities; adapts behaviour or work methods in response to new information, changing conditions or unexpected obstacles; approaches change positively and adjusts behaviours accordingly.			

3.8 Critical Posts

The term **critical post** is generally understood to denote those posts regarded as essential for the smooth operation of an organisation. However, in a workforce planning context, a narrower definition is used: not only must the post be critical to the smooth operation of the organisation but there is also a significant lead-in time for someone to acquire the necessary qualification to hold such a post. For example, school crossing patrollers are critical posts in the wider sense of the term but would not be regarded as such in the context of workforce planning because little training is required; and therefore shortages can be addressed by taking local action in the short term (such as targeted recruitment activity amongst senior citizen or other groups). They may, however, be critical if there is a genuine shortage and the council cannot overcome this.

In contrast, a nationwide shortage of Environmental Health Officers would not be so easily resolved because of the length of training required to become suitably qualified. It is because of the lead-in time required for such posts, that we are required to think and plan ahead, rather than simply react to shortages as they occur.

Another condition which satisfies the workforce planning definition of a critical post is that a future significant shortfall in the supply of suitably skilled and qualified employees is anticipated, when compared to what the future need will be. It is not possible to be prescriptive on what would constitute a *significant* shortfall in numbers and will depend on the size of the council. For some of the smaller islands councils, forward planning may be required for anticipated future shortages that are in single figures. Your own judgement will therefore be required to ensure that your time and resources are directed to those areas of shortage that are likely to have the greatest impact on service delivery.

By focusing on only those posts, which satisfy the three conditions, your workforce planning activity becomes both more manageable and more cost-effective, ensuring that precious time and resources are not wasted.

In summary, the three conditions which require to be satisfied for a post to be regarded as critical in workforce planning terms are:

1. The post is critical to the smooth operation of the organisation.
2. In order to fulfil the demands of the post, the post holder requires to have a qualification or training period of at least 2-3 years.
3. Forecasts indicate that there will be a significant shortfall in the supply of such post holders when compared to the future demand for them.

3.9 Analysis and Data

Each council's workforce profile will be different and councils need to take cognisance of a number of different factors in order to highlight and discuss staffing implications of potential or current 'hot spots'.

For example:

1. A diversity profile that is not reflective of local population. Is there an untapped source of employees from a particular section of the local population which if accessed could solve a skills shortage? If so, what are the barriers in their way?
2. A gender profile that demonstrates a glass ceiling in operation.
3. An age profile that shows an impending bulge in retirements with insufficient younger employees to take their place.
4. A length of service profile that shows areas with high numbers of leavers within first four months or after two years which may be indicative of poor induction or an inability to retain employees.

3.10 Classification of Job Roles

Most information systems within councils are organised according to their individual service structures, which vary from council to council; and that, within the council, job designations are often designed specifically for a particular service. It may be that classifying the workforce in a standardised way may be helpful. The Office of National Statistics uses a classification system called the Standard Occupational Classifications or SOC Codes. A common way of classifying the workforce which assists with consistent data collection across the organisation and allows reporting year-on-year as all services classify data in the same way. This means that even when the workforce moves between service departments the data remains reliable.

The current classification is known as SOC2010 and is based on two main concepts:

- **Job** - i.e. the kind of work performed; and
- **Skill** - i.e. the competent performance of the tasks and duties.

Job

The job aspect relates to the set of tasks or duties to be carried out by a person; the various jobs are classified into groups according to the skill level and skill specialisation. Skills levels are approximated by the length of time deemed necessary for a person to become fully competent in the performance of the tasks associated with the job and can be thought of in terms of the time taken to gain the necessary formal qualifications for the job or the required amount of work-based training.

Skill

The skill levels are divided into four broad groupings:

Level 1 - The first level equates with the competence associated with a general education usually acquired by the time a person completes his/her compulsory education. Competent performance of jobs classified at this level will also involve knowledge of appropriate health and safety regulations and may

require short periods of work-related training. Examples of occupations defined at this skill level include cleaners and catering assistants.

Level 2 - The second level covers a large group of occupations, all of which require knowledge provided via a good general education as for the first skill level, but which typically have a longer period of work-related training or work experience. Occupations classified at this level include machine operation, driving, caring occupations, clerical and secretarial occupations.

Level 3 - The third skill level applies to occupations that normally require a body of knowledge associated with a period of post-compulsory education but not to degree level. A number of technical occupations fall into this category, as do a variety of trades' occupations.

Level 4 - The fourth level relates to what are termed "professional" occupations and managerial positions. Occupations at this level normally require a degree or equivalent period of relevant work experience.

Using this overall structure, the SOC classification system then attempts to classify all job roles using a unique reference number system. A summary of the structure can be downloaded from the ONS website: <http://www.ons.gov.uk/about-statistics/classifications/current/soc2010/index.html>

These standards are renewed every 10 years through focus groups. The SOC Codes are used by government departments and align to a similar system of classification in Europe.

3.11 Understanding Turnover

Turnover information helps you to understand and then predict the future movement of staff. This is needed for management control and service planning as well as for predicting and planning the workforce supply. It may be that we need to increase turnover in light of the current financial situation or decrease turnover in some service areas. It is important to understand the causes, consequences and amount of turnover in your organisation is a prerequisite to identifying possible solutions for reducing turnover where needed or in understanding the number of people likely to move through the organisation in the next five years if there is an ageing workforce. If the issue within the council is over supply, then having a clear sense of turnover gives an indication of where and when employees are likely to move through the organisation and this can be factored into any plans to downsize.

Is all turnover bad?

Every organisation experiences some turnover and some turnover is healthy. Some degree of turnover provides an opportunity for the infusion of new ideas and renewed energy. The turnover of weak performers provides an opportunity to hire more capable employees. Very low turnover in an organisation can result in low productivity, resistance to changing ways of working and lack of creativity generally. On the other hand, high turnover can lead to workforce instability and can result in workers having less time to conduct their day-to-day business. By developing and analysing detailed turnover reports, you will gain valuable insight into the reasons for turnover. Turnover is also a helpful factor when trying to reduce

the workforce but avoid redundancy costs. However, turnover is not targeted so is not controllable i.e. it's not strategically managed. Turnover happens in organisations for a variety of reasons and it is useful to know the reasons for this, whether the organisation needs to downsize or to ensure the correct workforce in areas of greater service demand.

Although many councils may monitor turnover at the macro level, i.e. turnover figures for the council as a whole or specific service areas, not all break down the council-wide figure further. However, very useful intelligence can be gleaned by analysing turnover by department, length of service, education and qualifications, race, gender, and other demographic characteristics. Developing turnover reports that generate such detailed information will provide useful information about the possible causes of turnover or lack of it and may help answer such questions as:

- Services may have multiple work locations; are there differences in turnover between them?
- If employees in your council specialise in specific programmes, do turnover rates differ between them?
- Is there a relationship between qualifications and tenure?
- What is the relationship between length of service and turnover?

For example, if the overall turnover rate in your council is 20 percent, but the turnover rate of employees with less than one year of experience is 40 percent, a possible explanation is that the new hires are finding that they are a “poor fit” for the job - changing your recruitment strategy to better inform job applicants of the realities of the job may have a significant impact on reducing turnover.

When interpreting your data, it is worth remembering a few (statistically valid) predictors:

(i) Size of the organisation

Generally greater staff numbers correlate to higher turnover rates.

(ii) Age profile

Younger staff tend to be less settled and are more mobile. Older staff tend to be looking towards retirement.

(iii) Length of service profile

Characteristically, there are three phases in terms of retention and leaving patterns: induction, settlement and retirement (including early retirement). Understanding the transition patterns of these can make all the difference between making invalid assumptions about workforce dynamics and identifying the appropriate organisational issues to address.

(iv) Age and length of service against grade profiles

This analysis is likely to reveal career blockages that can affect retention particularly in the mid-career period.

Your analysis will be more meaningful if you know how to compare your own service with other similar services or staff groups or with national trends, if comparator data is available. It is too easy to think that you do not have a problem, just because your internal rates are not changing very much, but wherever possible, you should try to benchmark what is happening in your own service with what is happening elsewhere.

You may not have the capacity to develop detailed turnover reports for multiple variables. However, any turnover data you have will be helpful - start with the data you have and build more sophisticated reports over time.

Once you have analysed the data and discovered a higher level of turnover in a particular area, you may need to gather further information in order to understand the reasons why. There are different techniques which can be used. The reasons for leaving can be explored at exit interviews, although employees may find it difficult to be honest in that situation, and so anonymous questionnaires may be more fruitful.

Staff attitude surveys are also used on a regular basis to gather the views of existing employees and should be capable of revealing potential areas of concern. To support analysis, employee documentation and HR systems need to be recording reasons for leaving and destinations on leaving. It is also useful to have an understanding of where new recruits come from and so a system for recording that type of information should be built in.

3.12 Future Organisational Skills

A key component of workforce planning is the ability to analyse future workforce skills needs in an effective way. If skills development is neglected over a period of time, this carries real risks for the organisation's ability to provide services. However, if skills needs are frequently analysed, monitored and acted upon, they will be correctly identified and informed decisions will be made regarding the most effective use of critical resources resulting in both the skills and competencies of employees at all levels improving along with performance.

Like workforce planning generally, skills need to align to the business needs of the organisation. The following diagram summarises how each level in the organisation integrates with the business planning process:

Figure 2.



Business planning process should cascade through the organisation and integrate into the analysis of development needs.

1. Why analyse your future organisational skills needs?

The pace of change in the public sector is now so fast that most organisations understand the need for focused development. The skill mix in the workforce is critical in gaining and keeping the ability to deliver services. The lack of an effective approach to identifying and re-skilling the workforce wastes resources on training that may be outdated and will not make a difference, but also creates gaps in both the skills and competencies of employees at all levels in the organisation.

Alternatively, if skills development needs are frequently analysed and monitored, the benefits go beyond the immediately obvious. Not only is performance likely to improve due to effective tailored interventions but future skills needs can also be identified which will help organisations manage risk.

There are a number of reasons why an organisation should analyse its skills needs. For example:

- to ensure that organisational learning is aligned with organisational strategy and future needs;
- the whole organisation will be able to significantly improve its performance if it is clear about the skills it needs and builds the capacity to meet these needs;
- having the right skills is a critical enabler in ensuring people can deliver against business plans;
- aligning appropriate learning to skills need can allow organisational change to happen faster;

- identifying future skills mix can introduce and enable new ways of working and help smooth the transition during times of change;
- speed to learn new skills is a key to ensuring that the organisation has the capacity to mitigate risk and deliver continuity of critical services.

2. The AIGEEES model

The AIGEEES model or framework suggests that there are **six areas** that any learning strategy should take into account. These are as follows:

1. **Alignment** - of learning with the purpose, goals and objectives of the organisation.
2. **Integration** - of learning with policies and processes currently in place in the organisation.
3. **Governance** - i.e. how learning is managed within the organisation.
4. **Efficiency** - what processes are in place to manage the cost of learning?
5. **Effectiveness** - how is the impact of learning measured?
6. **Sustainability** - how can the momentum of the learning strategy be kept up moving forward?

3. Strategic skills needs assessment

Organisations need to reflect on a number of issues when considering future skills needs including:

- the new operating environment in which the organisation will function;
- the preferred business models and the resulting impact on the workforce which remains directly employed by the council;
- the key services which will be delivered;
- the impact of shared services or closer partnership working.

Consider the following issues.

Question	Yes/No	Evidence	Action
1. Do we understand the skills development implications of our service transformation plans, changes to business models and working practices and anticipate the skills needs resulting from them?			
2. Do we understand how having the appropriate skills mix in the workforce contributes to the overall strategic direction of the organisation?			
3. Are there systems in place to regularly review the skills needs of the emerging workforce?			
4. Do we have strategies in place to support the development of the emerging skills needs, which ensure our workforce is fit for future needs?			
5. Is there a corporate development plan that reflects the skills development required to ensure the successful direction of our business?			
6. If so, do we communicate the priority development requirements for our organisation in these business plans?			
7. Do leaders and managers understand that they can and should take ownership for ensuring the right skills mix?			

3.13 Organisation Design

1. From Workforce Planning to Organisation Design

Workforce Planning must go hand in hand with organisation design: Having developed the process for workforce planning which sets out the strategic direction of the organisation, an accurate profile of the current workforce and a good analysis of likely demand and gaps in the future, the next step is to consider the overall organisational structure within which people carry out their work.

Although there is much research and literature on the subject of organisation design now available, the field is dominated and driven largely by practitioners. All the major management consultancies have developed their own approaches, methodologies and toolkits and offer their services to organisations that are re-structuring, downsizing, expanding, merging or setting up new units.

As pressure is growing on the public sector to fundamentally transform itself, here, too, the need for a structured approach to organisation design to implement workforce strategies is increasingly recognised. There are numerous transformation programmes now underway, the majority of which will require organisation design activity at least to some extent.

For example, the Clyde Valley Partnership Initiative is developing new shared services solutions to a range of activities across a number of councils. This will require a systemic re-design of processes and operating models for retained functions and effective integration with shared service functions. Another example is the Care Commission, which from April 2011 will be merged with the Social Work Inspection Agency and the child protection arm of HMIE. This is not just an asset rationalisation initiative but also an opportunity to fundamentally re-design policy making, regulatory, implementation, and inspection and enforcement activities in a single new organisation.

In both these examples, working parties are engaging in systematic organisation design activities to determine aspects such as accountabilities, responsibilities and hierarchies and the best ways to establish new teams.

2. What is Organisation Design?

There is no one single accepted definition of organisation design. But all definitions are broadly similar and describe organisation design as a deliberate process that establishes structures that organise human and other resources, processes, practices and systems in order to create an organisation that is capable of achieving its objectives and fulfilling its purpose.

The design process is often defined in phases or steps and typically comprises of a series of “strategic grouping” decisions, which will define the basic architecture of the organisation and determine hierarchies and reporting lines. Typically these groupings are around:

- function
- product or category
- customer or market
- geography
- matrix

One widely used model is Galbraith's Star Model™⁷ which identifies and focuses on five key design challenges:

- designing around the customer;
- organising across borders;
- making a matrix work;
- solving the centralisation/decentralisation dilemma;
- organising for innovation.

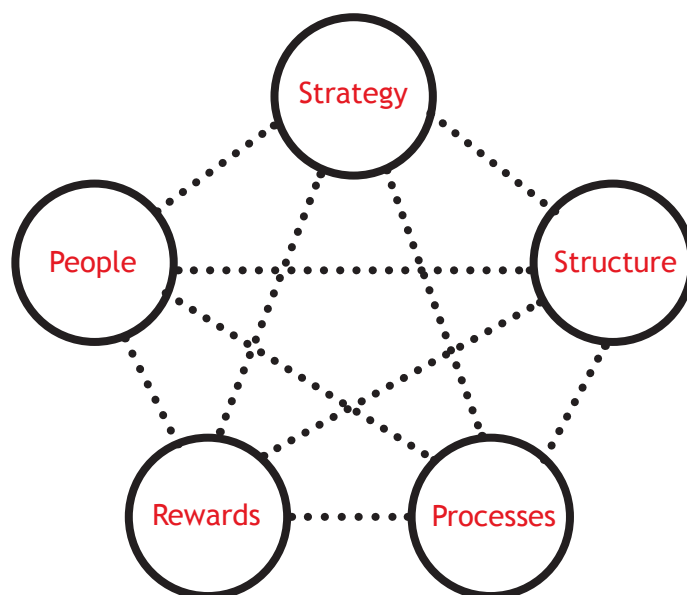


Figure 3. Source: http://www.provenmodels.com/files/08f91dfc82f8de8fff976691774118f3/five_star_model.gif

The Star Model™ is a framework that sets out five categories of design activity to meet these challenges:

1. **Strategy** - defines the criteria for selecting an organisational structure and the ways of making the best trade-offs between alternatives.
2. **Structure** - determines the location of decision making power.

3. **Processes** - define the flow of information, actions and decisions.
4. **Reward Systems** - influence the motivation of an organisation's workforce.
5. **People Policies** - influence and define mindsets and skills through recruitment, promotion, training and development.

Galbraith then bases a sequential design process on these which starts with strategy as this must drive organisational structure. The preferred design process comprises of the following nine steps:

1. strategy;
2. structure;
3. key processes;
4. key people;
5. roles and responsibilities;
6. information systems;
7. performance measures and rewards;
8. training and development;
9. career paths.

3. The Nine Tests of Organisation Design⁸

Many of the frameworks and models developed over the last few decades focus on the private sector in that they consider issues such as market positioning, product development cycles and competitive advantage.

And with increased research and numerous emerging models and guidelines, the field of organisation design has become ever more complex.

Goold and Campbell (2002) of Ashridge Business School consolidated a large number of ideas and concepts into a single framework of a few core principles that aim to guide managers in making these design choices.

The Nine Tests model is an approach which includes a rigorous framework based on nine key tests of organisational effectiveness and focuses on the factors that should guide the choice of organisation design. The model is readily adaptable to any type of organisation, including the public sector. The drivers considering "fit for purpose" issues and the good design principles provide practical and systematic help to organisation designers and practitioners.

Arguably, the design challenges leaders in the public sector face are no different from those five key issues articulated by Galbraith, and the "Nine Tests" model provides a systematic approach that allows leaders to consider all the relevant factors before making choices regardless of the particular design process.

4. Designing the Change-Ready Organisation

Change and transformation have long been buzz-words. Yet despite a wealth of information and resource organisational transformation does not have a track record of success - whether in the private or the public sector, change continues to fail to deliver.

The need to address the current budget deficit with immediate and significant cost reductions now makes change more urgent than ever and it is vital that it delivers - failure is simply no longer an acceptable option. Some argue that the substantial cost reductions now required can only be achieved through collaborations and partnerships such as Shared Services initiatives. Others believe that streamlining services and effecting head-count reductions will be sufficient. Yet others will want to seize the opportunities to fundamentally redesign, reshape and refocus local government services and their delivery.

Whichever approach or solution is chosen, however, there will be an increasing pressure on leaders and change practitioners to make good design decisions and re-configuring local government services in a way that can deliver the same or more for less and, importantly, that build the agility, capacity and capability for future change. Recent research into the critical factors of success supported by the Scottish Government has led to the development of a Transformation Support Framework⁹ which includes a Change Capability Model. This groups the nine identified critical success factors into four areas of organisational capability. Within the relevant sections tried and tested best practice is set out and a wide range of tools and resources are sign-posted.

Research findings, experiences and learning from successful practitioners is captured and shared within this resource and can provide practical help to those engaged in any organisation design activity that needs to make change work.

Figure 4.



4.0 Msc In Public Sector Leadership

Pre- and Post-Course Work

1. Learning outcomes for module

- LO1: Appraise how demographic, social, technological and other challenges impact on the planning for the current and future local government workforce.
- LO2: Effectively create scenarios describing credible futures for local government using a case study and national data templates.
- LO3: Critically assess the impact of national initiatives on workforce needs.
- LO4: Apply basic principles of organisational design to workforce planning.
- LO5: Critically analyse models of organisational design in the building of organisational capacity.

2. Pre-Course Work: Activity

Before you attend this course, we require you to gather information about the current workforce within your service. This will require you to speak to colleagues in senior management and in HR.

On the course, you will be introduced to the principles and practices of workforce planning and organisational design which you will require to consider in your assignment. To allow you to achieve this, you should have gathered information before attending the course and carried out an analysis covering:

- the number of staff employed;
- the professions and occupations represented and their respective proportions of the total workforce;
- if possible, the age range of the workforce by profession or occupation;
- who are the appropriate people with who to discuss future workforce requirements?
- what are the council's current arrangements for workforce planning?
- the extent to which the council has made arrangements for a systematic approach to organisational design, including the existence or otherwise of a strategy and/or a dedicated team.

You are reminded that the post-course work requires that you apply the theories and models of workforce planning to your service to demonstrate your understanding of the learning outcomes of the course.

3. Post-Course Work Activity

Using the information you identified as your pre-course work, you are now required to create a realistic action plan for the implementation of workforce planning within your service and the contribution that organisational design might make to that process. You should write a report which presents the results of your analysis and, drawing on relevant theories and models, you should also critically evaluate the contribution of the proposed action plan to organisational objectives.

In your report, you should include the following:

- a critical analysis of the key stages in the process of implementing workforce planning and how these relate to your service. You should include a review of the impact of demographic, social, technological and other challenges on the planning for the current and future local government workforce.
- an analysis of the potential barriers and include a plan of how you intend to overcome these, identifying responsibilities and timescales.
- a realistic set of scenarios for your service over a five-year period, using no more than five key drivers, including national initiatives as a planning base.
- an analysis of the role of organisational design in achieving the desired outcomes.
- a critical evaluation on the current capacity of your council to implement appropriate approaches to organisational design and recommendations for improvement

You should include at the end of the report a separate section in which you have to critically evaluate your own learning in relation to this project.

Submission date: 6 weeks from last day of taught delivery.

Guideline length: 2,500- 3,000 words

4. Guidance notes

a) Content

The content of your report will depend upon your choice of project and the context of your work-based topic. Bear in mind, the assignment is designed to provide you with an opportunity to evidence your knowledge and understanding of the underpinning theory that relates to the area. Therefore, you need to ensure that your report is based upon, and makes direct reference to, theory relating to your chosen topic.

b) Length Limit

It is important that you observe the guidelines regarding the overall length of your report (i.e. 2,500-3,000 words). Whilst this guideline refers only to the main body of your report, care should also be taken to ensure that the number, and length, of any Appendices is appropriate and reasonable. The same

applies to the amount of any supporting information deemed appropriate. You are expected to indicate the total word count of the main body of your report at the end of your “Conclusions” section.

c) Word Processing

Handwritten submissions of coursework are not acceptable. All student work should be word processed using Arial size 12 font, double spaced to enable space for feedback.

d) Referencing

It is crucial that you provide a list of references at the end of your report, and reference adequately within your written work. Referencing, and the related issue of plagiarism, are both comprehensively covered during programme induction. You can access comprehensive guidance notes on both referencing and plagiarism within WebCT Vista, and also on Edinburgh Napier University’s Learning Information Services (NULIS) website. It is also important to note that only the Harvard System of Referencing is acceptable.

e) Front Sheet

All assignment should have a front sheet showing your personal details and a signed statement that the assignment is all your own work. (Please see statement on plagiarism below.)

f) Structure

The main body should have a logical and coherent structure and demonstrate critical thinking. You should use evidence and relevant literature to back up the points that you are making and you should include details of the books and journals that you have read in the reference section.

Your report should have an introduction, a main body where you address the key elements of the task as outlined in the assignment instructions and finally a conclusion which includes any recommendations as appropriate.

This section should include the following:

Introduction

125 - 150 words

You should outline the aims and objectives of the report, giving details of the process and the organisational context.

Main body of the report

2,000 - 2,400 words

The main body should have a logical and coherent structure and demonstrate critical thinking. You should use evidence and relevant literature to back up the points that you are making. There should also be evidence of how your thinking and skills have developed through the critical reflection as a result of doing this assignment.

This section should include the following:

- A critical analysis of the key stages in the process of implementing workforce planning and how these relate to your service. You should include a review of the impact of demographic, social, technological and other challenges on the planning for the current and future local government workforce.
- An analysis of the potential barriers and including a plan of how you intend to overcome these, identifying responsibilities and timescales.
- A realistic set of scenarios for your service over a one, three and five year period, using no more than five key drivers, including national initiatives as a planning base.
- An analysis of the role of organisational design in achieving the desired outcomes.
- A critical evaluation on the current capacity of your council to implement appropriate approaches to organisational design and recommendations for improvement.

Conclusion

What are the key issues emerging from the report?

- What are your recommendations?
- What is the action plan?

Reference List (not included in word count)

This should be laid out using Harvard referencing systems and use a range of sources (books, journals, reviews of research and internal reports and statistics).

Learning review (not included in word count)

Here, you should include a separate section in which you critically evaluate your own learning in relation to this assignment. You should also include a personal development action plan based on addressing your development areas and building on your strengths.

Appendices (not included in word count)

5.0 Appendices

5.1 Appendix 1

Impact of change drivers on future workforce needs for your own service (see pages 13, 15)

Consider demographic, economic/ financial, legislative/ regulatory, technological and social drivers.

Driver of Change	Area of Impact on Future Workforce Needs			
	Employee Numbers	Employee Profile	Employee Location	Employee Skills/ Competencies

5.2 Appendix 2

PEST Template

Political Issues	Economic/Financial Issues
Accountability Self assessment of performance (PSIF) Equal opportunity Diversity Best value 2 Partnership working/ Single Outcome Agreements E-government Public Private Finance/ Futures Trust	Pay rates Skill shortages Economic development plans Cost of living Housing costs Corporate risk Economic downturn
Social Issues	Legislative/Regulatory Issues
Changing customer expectations and needs More sophisticated market Changing demographics incl. migration Changing employee expectations and need e.g. work/ life balance Inequalities and deprivation Qualifications, skills and competencies Flexible working opportunities Innovation - new equipment, new techniques, new methodologies Information technology Communications Improved transport/increased mobility New ways of working	Service obligations Employment legislation Human Rights Act Environmental legislation European directives Stricter controls

6.0 Reading List

Workforce Planning

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2. http://www.audit-scotland.gov.uk/docs/local/2009/bv_091015_making_impact_overview.pdf
3. CIPD - *Gen up: how the four generations work*
4. NAPA: *Building Successful Organizations: A Guide to Strategic Workforce Planning*
5. CIPD - *Employee turnover and retention*
6. NAPA: *A Guide for Effective Strategic Management of Human Resources.pdf*
7. *Transforming Services*. 2010. The Improvement Service [online] Available at: <http://www.improvementservice.org.uk/transforming-services/overview/welcome-to-the-transformation-support-framework/>
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9. Kates, A. & Galbraith, J.R., 2007. *Designing Your Organization. Using the Star Model to Solve 5 Critical Design Challenges*. San Francisco: Jossey Bass

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The Improvement Service is devoted to improving the efficiency, quality and accountability of public services in Scotland through learning and sharing information and experiences.

