

Workforce planning in uncertain times: an approach for the public sector

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Discontinuous change is a challenge to planning

Demand
uncertainty

- Timing, volatility, quantum, nature of effects...

Forecasting is
unhelpful

Supply
inflexibilities

- Skills, deployment, cost...

Finances often
constrained

'Wicked' problems

- Complex, messy, intractable challenges

Starting with the organisational strategy

Or rather



The
planned/intended
strategy

Examine business strategy
Calculate workforce demand
Fix required resources



An emergent
strategy

Feel your way towards the future
Learning as you go
Adjust resources as required

Life won't be straightforward in this situation

Allowing ambiguity instead of certainty

- Know what success looks like – a broad vision
- Use adaptive thinking; do not take fixed positions
- Develop a range of options – stretch them
- Review pros and cons, costs/benefits
- Prioritise actions

Warwickshire County Council prioritisation process for workforce planning

Scale	Indicator
1	There are no current or expected issues and no action is needed within the next 3-5 years.
2	Issue is not problematic at the moment but needs to be monitored over the next 1-3 years as it has the potential to become a problem; e.g. Medium term financial pressures.
3	Issue could cause problems now or within the next 12 months and may have an adverse effect on service delivery e.g. Budget pressures, staffing issues, planned retirements.
4	Issues that need addressing immediately; e.g. unexpected budget issues, loss of skills/knowledge through unexpected staffing issues.

Prioritising HR projects

Coca-Cola Enterprises used a 'sieve' to select out HR projects that satisfied five criteria:

1. contributes to business performance
2. promotes early delivery of business benefits
3. maximizes employee engagement
4. improves or simplifies people management activities
5. supports legal or regulatory compliance

Life won't be straightforward in this situation

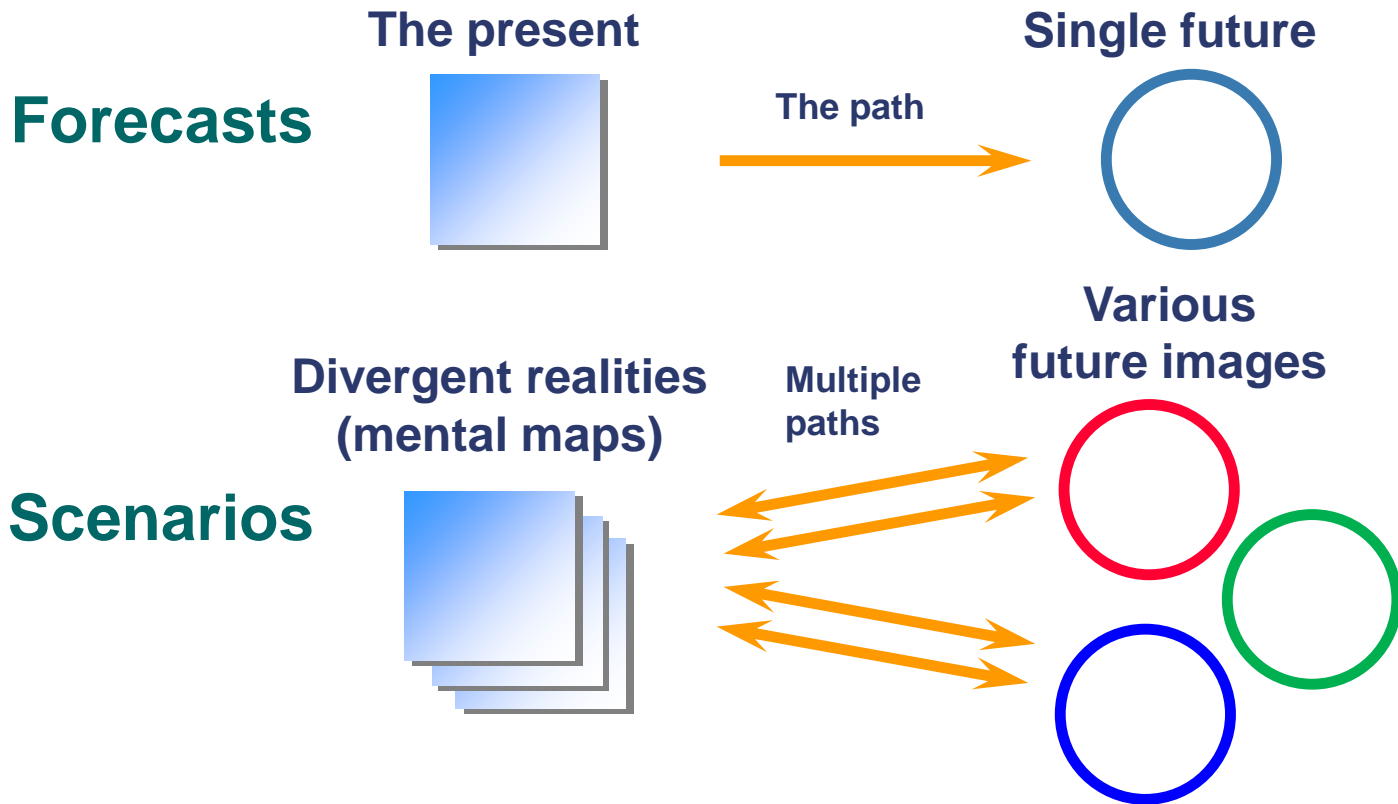
Allowing ambiguity instead of certainty

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- Prioritise actions
- **Use scenarios**
- **Apply 'exploratory modelling'**

How does scenario planning work?

- Aim not to predict the future but to allow choice by:
 - challenging assumptions of how the world works
 - understanding the important factors involved
 - opening minds to their potential impact
 - constructing alternative images of the future
 - recognising processes and consequences
 - provoking not predicting

Different approaches to different problems



A typical scenario planning process



Identify
drivers

External and
internal
scanning

Prioritise
drivers

Choose factors
which have **high
impact** and are
uncertain

Develop
scenarios

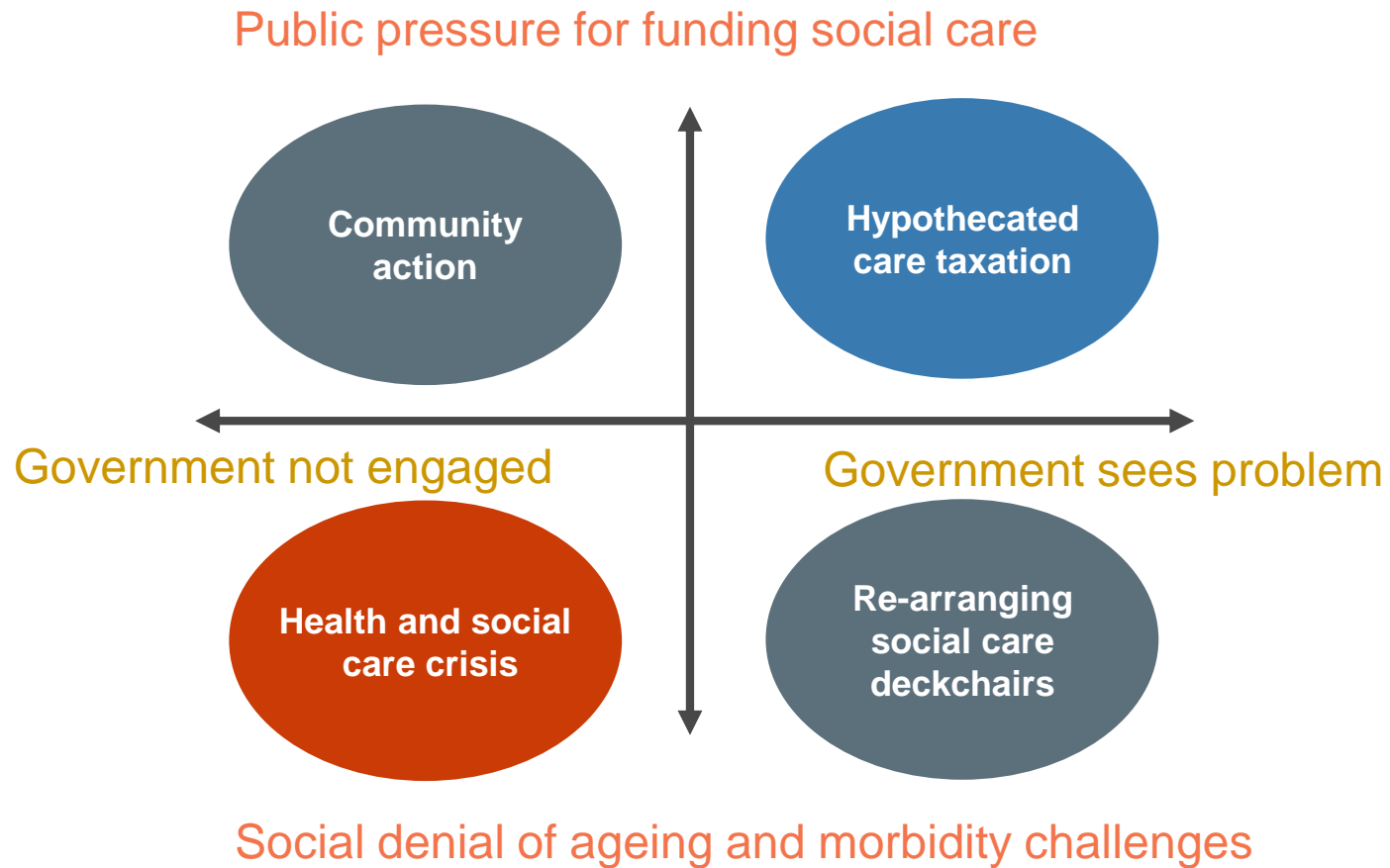
Based around
the selected
drivers and/or
more emergent
views of the
future

Scenario
application

Rehearse the
future

Stress test
business and
employment
strategies against
scenarios

Example of simple two factor scenarios



Life won't be straightforward, cont.

Allowing ambiguity instead of certainty

- Know what success looks like
- Adaptive thinking not fixed positions
- Develop a range of options – stretch them
- Review pros and cons, costs/benefits
- Prioritise
- Look at risks...and opportunities
- Use scenarios
- Apply 'exploratory modelling'
- **Look at risks and contingencies**

Embracing and managing (as opposed to avoiding) risk

- What are the risks of the proposed course of action or emerging circumstances?
- Do different scenarios present different risks?
- What is the attitude of the organisation and its stakeholders towards risk?
- How do we adopt a balanced approach to risk – enabling well-thought through change?
- Can we quantify risks in a useful way?
- What can we do to mitigate risks?

Retention risk

Three calculations can be helpful:

A. Cost of wastage (to justify mitigating actions)

- i. Lost output
- ii. Separation Costs
- iii. Temporary Replacement Costs
- iv. Recruitment and Selection Costs
- v. Induction and Training Costs

B. Time to fill vacancies (affects costs/performance)

C. Risk assessment:

*Likelihood of leaving versus impact of leaving
(on various criteria)*

Contingency and break points

- Tipping points where you have to balance short-term delivery against long term resilience
- Critical times (especially in projects) where you can stop before you are committed
- Contingencies to adjust to changing circumstances eg
 - contractual/ working time options
 - scaling up or down on recruitment/exit flows
 - giving advance warning of redundancy

Contingency planning for uncertainties



Life won't be straightforward, cont.

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- **Implement differently**

Different takes on implementation

- **Pilot/trial/test, evaluate, rollout**
- **‘Land and expand’ – start small and build up resources on the back of success**

Or

- **Take a bold approach, surfacing only ‘real’ problems and dealing with them**
- **Allow inconsistencies; only intervene if issues become serious**
- **‘Fail fast’, learn quickly**

How does workforce planning give us a handle on agility?

Analysis of drivers for change and their business and workforce impact

The business need for agility

Short to medium term workforce planning

Workable solutions for now and near term

Contingency planning for less certain events or trends

Actions we have ready for specific circumstances

Scenario planning for long term uncertainties

Understanding where/when business and people strategies become untenable

Adaptive planning

Adjusting as you go

Building agility into the organisation and workforce

Agility central factor in HRM

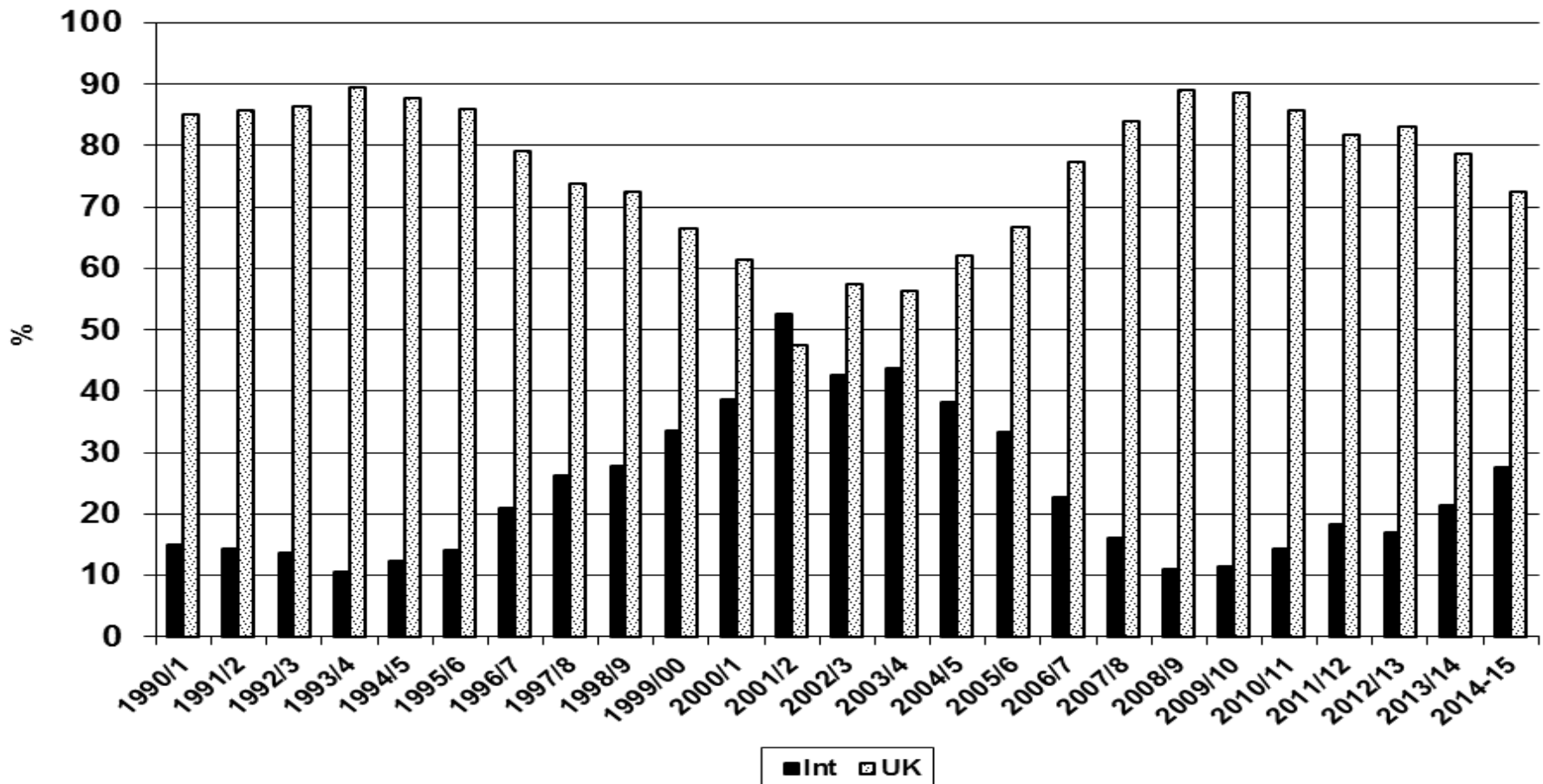
Getting the workforce in place

- Existing staff
 - What proportion round pegs round holes?
 - What number square pegs – skills, behaviours?
- What action will/can you take?
- Bringing in new staff
 - How many?
 - What skills?
 - What personality profile?
- Who (groups/individuals) critical to you?

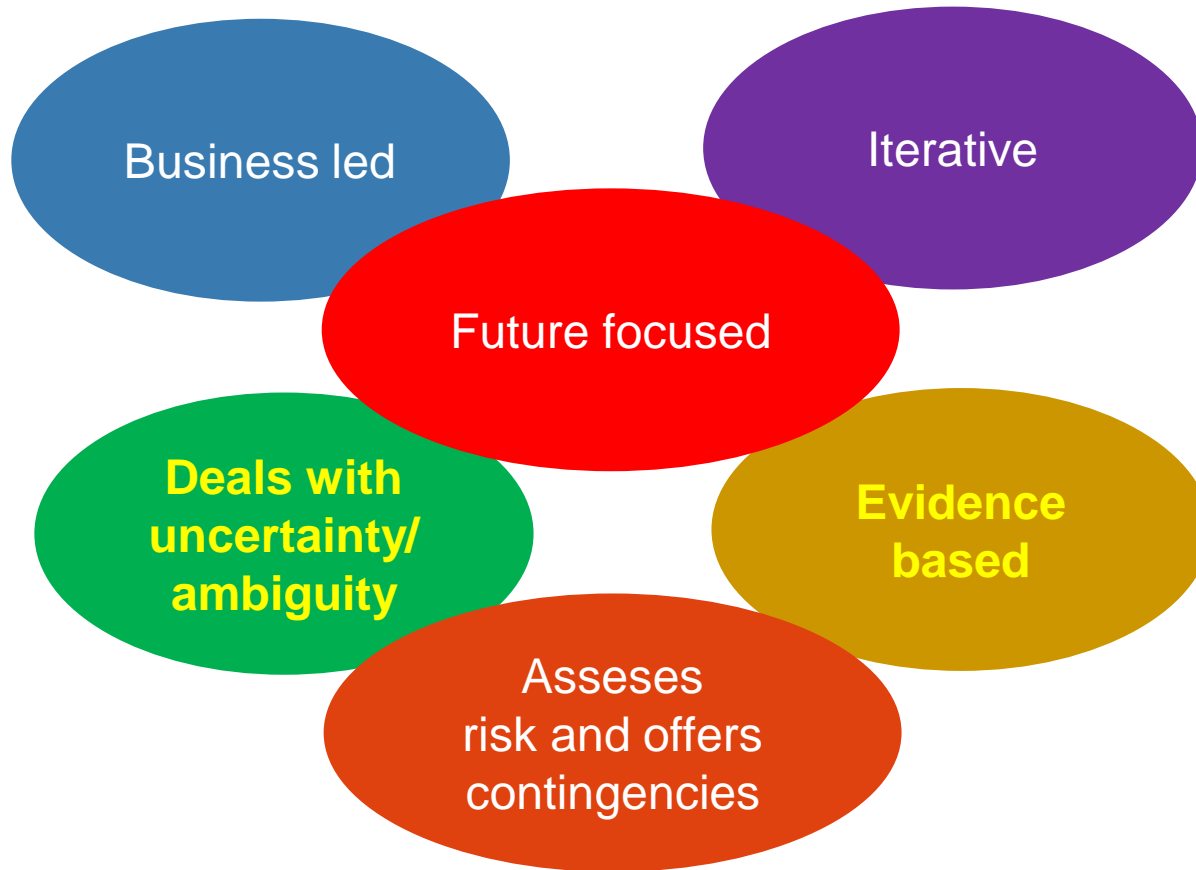
How achievable?

Cyclical nursing shortages => international recruitment as a 'stop gap'

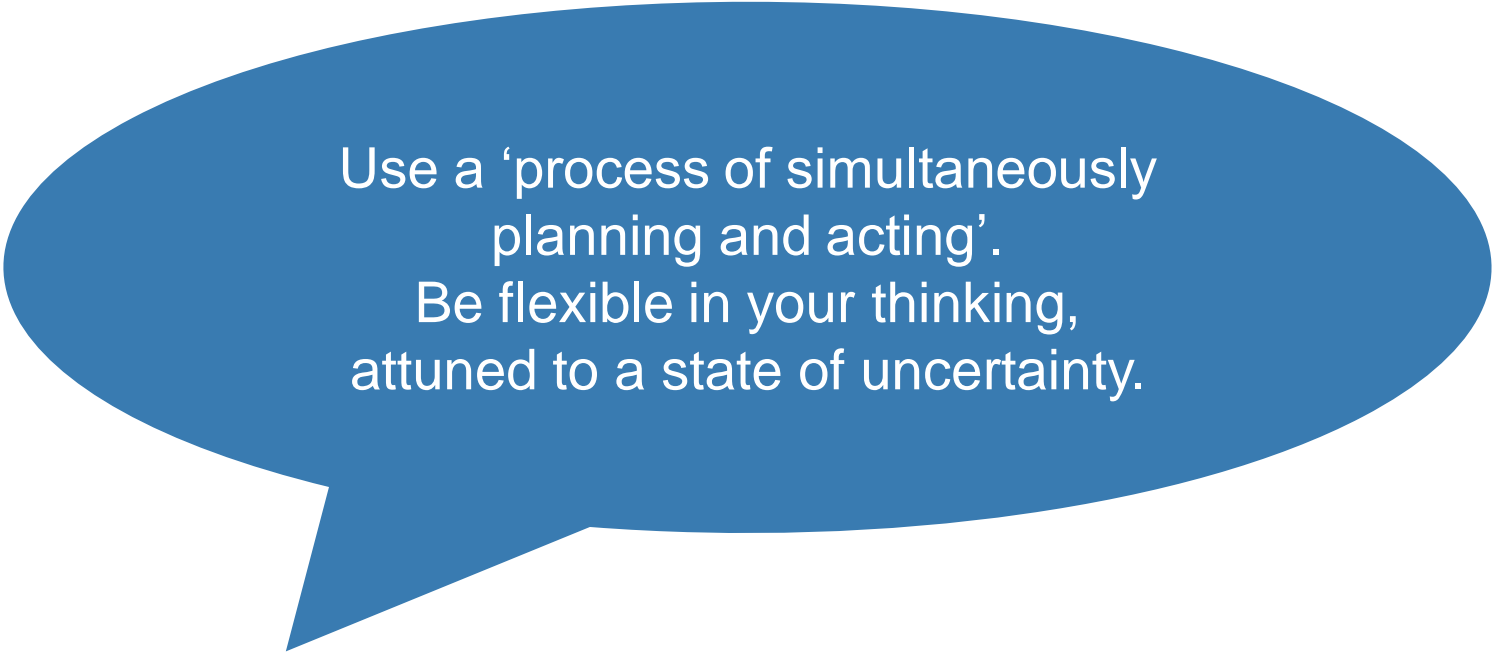
International (EEA and non EEA) and UK sources as a percentage of total new admissions to the UK nursing register, 1990/1-2013/14 (New registrations)



Workforce planning is a mindset as much as a process



A final word



Use a 'process of simultaneously
planning and acting'.
Be flexible in your thinking,
attuned to a state of uncertainty.

Brown D, Hirsh W and Reilly P (2019) Strategic Human Resource Management in Practice: Case Studies and Conclusions – from HRM Strategy to Strategic People Management, Institute for Employment Studies.

Thank you

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