

The business-workforce dialogue

A framework of questions to support planning in a time of change



What is the business-workforce dialogue?

With the public sector reshaping itself in many ways, this business-workforce dialogue framework will help HR professionals to play a positive role in shaping our future public services, organisations and the workforces they depend on.

The framework is part of a range of outputs from the PPMA working group which is examining the public service workforce of the future. Please see the end of this document for further information.

The dialogue framework provides a way of integrating complex sets of issues into a simple model. This can be shared to provide more coherence and sense of direction to discussions and plans around both business and workforce planning. It is not a detailed workforce planning tool and is intentionally brief. At the end we give references to some more detailed sources of workforce planning methodology.

The framework is broad in scope, linking fairly traditional aspects of business, service and workforce planning with the broader choices which Councils are making about their purpose and priorities, within financial constraints, and alternative models for service delivery. It includes issues of organisational culture and behaviour, the 'employment deal', leadership and change management.

It is called a 'dialogue' because the framework is designed to support a range of discussions around the future, planning and the management of change. So the various areas are explored as a set of questions or choices. These should in turn lead to a range of decisions and actions on organisation, service and workforce issues.

Main areas covered by the business-workforce dialogue

Looking at the future requires several kinds of thinking to be brought together as the framework diagram shows:

- The **purpose and priorities** of the organisation at its centre, stemming from its current position, context and stakeholders and leading to strategic choices.

- Seven further areas for consideration are shown in a circle as they can be discussed in different orders. They include choices about **the Council's role** in service delivery; plans for **services; delivery models**; the **employment deal and behaviours**; **leadership and change management**; **workforce demand**; and **workforce supply**.
- These main areas can be seen as framing three very broad questions:
 - What will we do and how will we be organised?
 - How will we need to behave?
 - How will we get the right people with the right skills?
- The disciplines of **risk management** and of using **evidence** to support decision-making and **evaluate progress** thread through the whole model.

Where might such dialogue take place?

The framework has been designed to be useful to many kinds of discussions:

- different types of public service organisation may use this framework from national to local
- different levels of management may be involved – Boards, Directors, Heads of Department, service managers and their teams
- different stakeholders may be involved in such dialogue including politicians, public service officers, provider organisations or contractors, partners, service users, interest groups and citizens
- dialogue may be part of a formal planning process, consultation or more informal discussion
- the focus may be on a whole organisation or just a part of it
- the timeframe may vary from strategic/longer term to shorter-term and problem focussed discussions

How might the questions be used?

The questions can be used:

- to frame agendas and facilitate meetings or workshops
- to stimulate 1-1 conversations
- by leaders and managers individually or together
- by or with the help of HR, L&D or OD professionals

Varying levels of detail

In a short discussion just the diagram or a few top level questions may be enough. These are shown in a box at the top of each section below.

In a more thorough review or planning process, more of the sub-questions can be used. These are shown within each area of the framework.

The whole framework may be used or just parts of it on any particular occasion. The following sections give some useful questions to help discussion of each area of the framework.

The business-workforce dialogue at a glance

A. What are our PURPOSE and PRIORITIES?

What is the purpose of the Council? What is it here for? Who does it serve?
Bearing in mind our context, current strengths and weaknesses and the views of our stakeholders, what are our priorities in the short and longer term?

B. What KIND OF COUNCIL are we becoming?

What is the vision for the Council in terms of its role in service delivery?
What values will be central to this vision?

C. What SERVICES & WORK will be delivered at what COST?

What services will be delivered in future with what volumes, at what quality and within what budgets?
What other activities need to be undertaken to support such service delivery, at what cost?

D. What ORGANISATION MODELS will we use

How will services be delivered in future? For example, where will we outsource, work in partnership or involve the voluntary sector?

E. What will we OFFER our workforce & EXPECT from them

What will we offer staff and what will we expect from them?
How do we expect everyone connected with the Council to behave?

The business-workforce dialogue at a glance

F. What PEOPLE, SKILLS & WORK PATTERNS will we need?

How will our demand for people be changing in terms of both numbers and skills?
What kind of work patterns will best meet our service needs?

G. How will we SUPPLY THE WORKFORCE needed?

Is the workforce out there to meet our changing needs and those of our delivery partners?
How will they be attracted, retained and developed to deliver and support services?

H. How will we LEAD & MANAGE ourselves through change?

What will our managers need to do and do they have the capability to do it?
Do we have a clear approach to managing change and the resources to implement it?

I. What RISKS do we face and how will we mitigate them?

What are the risks of the different organisational and staffing options we are considering?
How do we adopt a balanced approach to risk – enabling innovation but ensuring adequate resilience?

J. What INFORMATION & EVIDENCE informs us and how will we EVALUATE our PROGRESS?

What evidence should we look for to help us with our decisions?
Are we monitoring the right things to know if we are on track?

The business-workforce dialogue: Key questions

A. What are our PURPOSE and PRIORITIES?

Central to the dialogue and something we need to come back to as a test on our decisions and choices is what the Council thinks it is here to do (PURPOSE) and which of its many, competing goals or activities are the most important (PRIORITIES). Different stakeholders may have different views and the Council has to work within this shifting context.

**What is the purpose of the Council? What is it here for? Who does it serve?
Bearing in mind our context, current strengths and weaknesses and the views of our stakeholders, what are our priorities in the short and longer term?**

In what way do we see the activities of the Council serving the 'public good'?

- What do we perceive to be the current issues with our services and quality of provision? (eg failing or poor quality services, areas of over-spend)
- What works well now? Can we identify strengths we want to keep?
- What factors in our context are driving us for the future? (political – both local & national; financial in terms of our budgets; economic health of our community; social; technological; legal; environmental)
- Who are our key stakeholders and how do *they* see our purpose and priorities?
- How are our Members engaged in shaping our purpose and priorities and is their vision already defined or in the process of being shaped or revisited?
- What are the aspirations of our community for itself? What do we know about the needs and preferences of our citizens? (eg from consultation processes or other data)
- How might the factors driving us alter, for example with political or economic change? How should this uncertainty influence the way we see future priorities?
- How do we take account when framing our own priorities of the impact of our choices on other tiers of government or other agencies/stakeholders?

Tip: Start the planning process by understanding how the Council is seen from the outside.

The business-workforce dialogue: Key questions

B. What KIND OF COUNCIL are we becoming?

Councils are making different choices about how they will operate to deliver the purpose and priorities which shape their vision. We assume that high level choices about the role of the Council in service delivery should stem from purpose and priorities as above.

**What is the vision for the Council in terms of its role in service delivery?
What values will be central to this vision?**

- In what way will the Council enable its priorities to be achieved in terms of some of the different models for how Councils may operate? For example, will it deliver services directly, 'commission', collaborate with partners, amalgamate with others or seek to provide services to others, play a facilitative role in developing more varied provision etc?
- Will the role of the Council differ from one service area to another, adopting a 'best fit' approach?
- Does our choice about the kind of Council we will be really fit our circumstances?
- What values are important to the Council and are these changing?
- How important in policy terms are the implications of these choices for our role as an employer and for our workforce? How do we balance these employment considerations with other outcomes of change (eg financial or service impacts)?
- What would 'good' look like here? For example, how will the Council place relative value on attributes such as quality of service, cost reduction, innovation, inclusion, collaboration, environmental contribution etc?
- Given our context and stakeholders, are there several possible scenarios for the kind of Council we will become? What are their pros and cons in relation to our purpose and priorities?

Tip: Don't just follow the latest fashion or strap line like being 'a commissioning council' or going for 'social enterprise'. Look at what these models would really involve and whether they will really work for your services and in your context

The business-workforce dialogue: Key questions

C. What SERVICES & WORK will be delivered at what COST?

Especially at Directorate or Service level, purpose and vision need to be translated into tangible intentions for services (including internal services) and what this means in terms of work activity. These activities include the work which may be commissioned or facilitated by the Council, not just done by Council employees. Budget constraints play a major role in decisions about work activities.

**What services will be delivered in future with what volumes, at what quality and within what budgets?
What other activities need to be undertaken to support such service delivery, at what cost?**

- What are our current patterns of service delivery: volume, quality and cost?
- Do we understand the costs and outputs (including quality) of outsourced activities and agency spend?
- How do we compare with other Councils and providers of similar services?
- Are there work activities which are likely to change and why?
- Where might we be wasting money which could be better used? Are we actively managing under-performing services?
- What services and other activities are we planning for with what volumes, at what quality and within what budgets?
- Are we pitching service aspirations at an appropriate level? Are there some things we already do really well? Are they the things we need to do really well?
- Are there some activities we will stop doing or do less? If we withdraw or reduce some services what are the risks?
- How do these plans relate to our purpose, priorities, values and the needs and preferences of our services users?
- Might our plans pass responsibility and attendant costs to another part of the public sector or to vulnerable citizens?

Tip: Work closely with finance colleagues to understand the real patterns of cost and, for employees, total employment cost not just average salary cost.

The business-workforce dialogue: Key questions

D. What ORGANISATION MODELS will we use?

Councils will be deciding on how to organise work and also need a process for making good quality decisions about which organisation forms to adopt.

How will services be delivered in future? For example, where will we outsource, work in partnership or involve the voluntary sector?

- What will be our criteria for choosing the organisation models we will use for service delivery?
- Which services are we best placed to deliver ourselves?
- Will different philosophies of service delivery be appropriate in different services?
- For specific proposed changes in organisational form:
- Why are we choosing this model for this service or activity?
- What is the evidence that the new model will deliver what we need? Will it be more cost effective? Will it deliver on quality? Will it have other benefits?
- What do we know about how well this model may have worked elsewhere in a similar activity and context? Is there learning we can bring in?
- Are there partners capable of delivering to this model? Do they have the capability, track record and financial resilience to deliver?
- Do we have the capability to get the new model delivering for us?
- Will our choices encourage innovation in services where required?
- Where are the risks in this model in terms of sustainability of the activity or service?
- What are the realistic timeframes for implementing this new model of service delivery?
- Where our strategy is clear, are we ready to respond to opportunities which may arise in line with our intended direction (eg partners for collaboration)?
- How will the Council need to invest in the capacity or capability of its partners or range of potential partners to make alternative models sustainable?

Tip: Don't start choosing new models for service delivery before you are clear about your service aspirations and priorities.

The business-workforce dialogue: Key questions

E. What will we OFFER our workforce & EXPECT from them?

Our purpose, priorities and values affect *how* we work as well as what we do. Changes in the way Councils operate are already changing what it means to be a public sector worker. The 'psychological contract' – what you give and what you get – is shifting and its future is not decided. How Councils behave towards their service users, partners and staff and how these groups behave with each other should be consistent with the values the Council will stand for.

**What will we offer staff and what will we expect from them?
How do we expect everyone connected with the Council to behave?**

- How is the 'psychological contract' (what staff give and what they get) understood now and how will it evolve in future?
- How will our expectations from staff and partners be evolving in our vision of the Council? Are there some specific expectations arising from likely work patterns or re-organisation of work?
- Are the current changes seen in purely negative terms (i.e. making the Council a less attractive place to work) or is there a genuinely positive story to tell?
- Are there some essential or 'non negotiable' behaviours and aspects of performance we will require of all staff and partners?
- How will expectations apply to volunteers?
- How will we achieve the flexibility we need in service delivery and manage this while offering work-life balance for the workforce?
- Are there different scenarios to consider in the kind of employer we will seek to be?
- What will we offer to attract and retain the people we need and achieve a well motivated and engaged workforce?
- How will reward and recognition strategies support our purpose, priorities and the 'deal' for the workforce?

Tip: Clarity about how people are expected to behave is especially important in organisations which deal directly with the public or have contractors who do so.

The business-workforce dialogue: Key questions

F. What PEOPLE, SKILLS & WORK PATTERNS will we need?

Assumptions about work activities need to translate into more tangible assumptions about the numbers of people in certain kinds of jobs. Even if the job name is staying similar, the skills they need may be changing. The need for flexibility and agility also raises choices about work patterns. Again these issues arise with delivery partners as well as with Council employees.

**How will our demand for people be changing in terms of both numbers and skills?
What kind of work patterns will best meet our service needs?**

- For the service plans and organisational models under consideration:
- How many people of what kinds (eg by profession or function; by grade level or cost) will be needed? Not just our own people but those of partners too.
- Are there ways in which work might be re-designed which will lead to changes in kinds of people/jobs or their relative mix? Remember to consider middle and back office work as well as front-line roles and how changes will be phased.
- If there are new kinds of capabilities required, what are these eg generic skill changes, professional/technical skills, managerial skills? How would they affect jobs/roles?
- What are the attitudes and behaviours we will require in all our people?
- How will skills and behaviours for the future change what we look for in recruits?
- Are there different job design/ staffing scenarios we may wish to consider?
- Are there roles critical to service delivery we need to pay particular attention to in our planning?
- How are we building flexibility into our work design eg functionally (people who can do various work activities), spatially (in where work will be done) and temporally (in hours or patterns or work, permanent or temporary work)?

Tip: Avoid the temptation to assume that 'backroom' functions or jobs don't contribute to the quality and efficiency of service outcomes.

The business-workforce dialogue: Key questions

G. How will we SUPPLY THE WORKFORCE needed?

Local authority services have often faced skill shortages. We need to consider where the people will come from to get the work done, even if they are actually employed by someone else or working as volunteers. The planning of workforce recruitment and development will be essential to making new delivery models work.

**Is the workforce out there to meet our changing needs and those of our delivery partners?
How will they be attracted, retained and developed to deliver and support services?**

- Do we understand the make up and dynamics of our existing workforce?
- Are we already having issues with workforce supply? eg in numbers, quality, qualifications, attitudes
- Are there areas where skills gaps or shortages put services at risk?
- Will a suitable workforce be there in future for ourselves and our partners to deliver our service aspirations?
- Can we buy in any new skills needed or will we need to develop them ourselves?
- Do we have a sufficiently positive employer brand to attract people to our work?
- How will our partners develop a sustainable workforce?
- Do we need to invest or intervene locally or nationally in the service market, in providers or in education/training to ensure the future workforce will be available?
- Is there untapped talent in some parts of the population which might help us meet our needs? Can we redeploy our existing staff more imaginatively into future roles?
- What are our priorities for workforce development and what approaches to development will be most effective? (eg investment in formal training v investment in coaching closer to the job)
- How are we securing our future talent pipelines for senior and critical professional and managerial roles? Are we considering long term supply as well as short term?
- If we will be using volunteers in some services, are we clear how they will be selected, performance managed and developed so as to manage risk?

Tip: Skill shortages won't go away just because you outsource.

The business-workforce dialogue: Key questions

H. How will we LEAD & MANAGE ourselves through change?

Managers and leaders at all levels will need to take the Council from where it is now to where it needs to be. How they manage staff and partners will be crucial to the motivation of engagement of those actually doing the work. Managers also need to manage the change process.

**What will our managers need to do and do they have the capability to do it?
Do we have a clear approach to managing change and the resources to implement it?**

- Are there current gaps between what we say and what we do ie between intent and actual behaviour on the ground?
- What will the impact be of changes in services and work on what we need from managers at varied levels? How will their experience of being a manager change?
- If we move into new models for service delivery do we have the skills we need to manage them? eg procurement, monitoring, contract management, partnership working, management of volunteers
- How do we expect managers to behave and engage with their customers, staff and partners?
- How will we ensure that staff and partners will understand their roles, objectives and priorities though a period of change? How will they know what standards of performance will be expected of them?
- How will the organisation hold managers to account and support them in achieving the required performance against plans, dealing with poor performance and creating an environment where everyone gives their best?
- If we outsource who will have the time and capability to quality assure services?
- Will we have a well-understood framework for managing change and a range of tools for managers to use with their teams and relevant partners/stakeholders?
- How will we learn the lessons from change so we get better at it?

Tip: If your staff and stakeholders don't understand why a change is happening and do not have the chance to make positive suggestions, they won't be committed to it.

Throughout this model, we need to ensure that issues of RISK and EVIDENCE are considered. That is why these aspects sit in the centre of the model as a backcloth to all aspects.

At many points in discussions about organisational futures, services and the workforce, we need to consider uncertainty and therefore risk. In designing sustainable services, we need to look at the medium term risks as well as being aware of the short-run impact of decisions.

**What are the risks of the different organisational and staffing options we are considering?
How do we adopt a balanced approach to risk – enabling innovation but ensuring adequate resilience?**

- What is the attitude of the organisation and its stakeholders towards risk?
- How is preventative action balanced with reacting to acute problems or maintaining historical service provision?
- Where do the risks in each part of the model lie for your organisation?
- What factors drive these risks?
- Do different standards of service, ways of organising or workforce scenarios present different risks?
- Can we quantify risks where possible?
- What can we do, especially in the way new service models are implemented, to mitigate risk?

J. What INFORMATION & EVIDENCE informs us and how will we EVALUATE our PROGRESS?

Improved management information and external evidence should inform business and workforce decisions but is also needed to assess whether the Council is delivering on its vision and whether citizens are receiving better services.

**What evidence should we look for to help us with our decisions?
Are we monitoring the right things to know if we are on track?**

- What data do our plans rest on? (service data, workforce data, cost data)
- What external comparisons or research evidence (eg on different service or delivery models) informs our choices?
- What quality assurance processes will deploy?
- Are there some key workforce measures we may need to track? (eg productivity, use of overtime or agency workers, unfilled or hard to fill vacancies, workforce quality, managerial performance, employee engagement through change)
- How will we track progress and effective use of resources against our purpose and priorities?
- How effective is our decision-making and are we learning to manage change more effectively?

Tip: When you talk to other Councils find out what evidence they have based their future delivery models on and how they will know if they are working.



Do let us know how you get on with using this framework. Please send us your feedback and suggestions to:

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