UK Public Sector Organisation Design and Workforce Planning Breakfast – 20 March 2024

This event was attended by representatives from various UK Government departments and agencies, large, medium and small as well as Accenture and Orgvue.

There was discussion across the spectrum on organisational change with much in common.

Executive summary of the discussion

- The pace of change is increasing.

- In the public sector, change is the norm due to external factors, government policy and fiscal pressures.

- Transformations often do not succeed.

- Transformations that do succeed are more likely to manage the detail and govern progress and outcomes.

- Organisations are changing by 30% a year even without active change projects, through staff attrition and rotation.

- Ongoing change creates an opportunity to deliver transformation alongside – with less trauma for the organisation and its people.

- A department that can set out a business and people strategy, enables change to be engineered in a more efficient way.

- Need to manage impacts from technology and other influences, and how the public sector cares for its workforce.

- Workforce planning is maturing and now proving key for shaping the future and informing recruitment, learning and development, workforce change and adoption of robotics.

- Demographics are changing, increasing skills challenges.

- Business value in investing in people over time, requiring an employee value proposition.

Discussion topics

The pace of change is increasing.

- Driven by economic, geo-political, technological, environmental, and lasting impacts from the pandemic. Continuously evolving global crises is now the norm.

- 10 years ago, organisations across sectors would go through three changes a year, now its nine.

- In a recent survey of 1,000 executives, 75% said they were undergoing change now.

In the public sector, change is the norm due to external factors, government policy and fiscal pressures.

- This is resulting in significant changes to organisation design and ways of working.

- Government needs to adapt and adopt new opportunities.

- Digitalisation offers ways to increase productivity and deliver a better service but need to balance expectations as citizens now expect a Netflix/Amazon experience.

Transformations often do not succeed.

- 77% fail. They either stall or under-deliver (McKinsey, Forbes, HBR).

- Organisation change projects often don't get beyond the PowerPoint.

- That was the case 25 years ago and is the same today.

Transformations that do succeed are more likely to manage the detail and govern progress and outcomes.

- Need courage to adapt plans as circumstances change to maintain focus on value.

Organisations are changing by 30% a year even without active change projects, through staff attrition and rotation.

- Leaders are looking to grasp the dynamics of their people even for business as usual.

Ongoing change creates an opportunity to deliver transformation alongside – with less trauma for the organisation and its people.

A department that can set out a business and people strategy, enables change to be engineered in a more efficient way. The strategy includes:

- Sponsorship:

    o Board sponsored programme focused on efficiency, value, culture, accountability, empowerment and governance.

    o Support for spend to save initiatives.

    o Encourage co-creation with functions and business units for local knowledge and buy-in.

    o HR service delivery model mandated by senior leadership team.

- Plan: rolling out an HR services roadmap to enable the business change, including:

    o Data quality reporting. Cleaning across workforce and finance data is proving successful;

    o Org charting, establishment management, org effectiveness reporting;

    o Business planning;

    o Operational and strategic workforce planning; and

    o Professions and role review.

- Increasing capability: to drive the people strategy, including light touch PMO to coordinate with experts in defining and delivering change working with functions and business units.

Need to manage impacts from technology and other influences, and how the public sector cares for its workforce.

- Across 1,200 public sector executives, 83% are concerned about skills and how they get what their organisations need in future (Accenture).

Workforce planning is maturing, now proving key for shaping the future and informing recruitment, learning & development, workforce change and adoption of robotics. Key "get rights" include:

- Approach

    o Process & governance: the method and org structure of the workforce planning central and devolved teams. Requires leadership as some managers can be reluctant to provide visibility into their areas;

    o Technology: confusing landscape, need to determine how to combine specialist tools with ERP to support the workforce planning process; and

    o Analytics: ability to bring together and draw conclusions from data;

- Focus

    o Get the basics right, for example demand & supply drivers, job families, skills;

    o Consider critical roles, not all roles need equal attention;

    o Roughly right vs precisely wrong: a major benefit of workforce planning is the discussion resulting from bringing together of HR, Finance, business to focus on the future; and

    o Be willing to imagine the impossible, utilise external views;

- Operationalise the plan

    o Convert near term part of strategic plan into operational workforce plan; and

    o Consider which people in positions soon to be unnecessary could be utilised effectively, maybe with retraining, in new positions. Value in retaining knowledge of organisation and culture, and avoiding cost of recruitment in market with skills scarcity; and

- Capability

    o Determine what this approach means for HR and finance in terms of the skills needed to execute this process.

Demographics are changing, increasing skills challenges.

- We are in the middle of a demographic reversal. Baby boomers are leaving the workforce and Gen-Z recruits want to operate differently.

- Talent market is more competitive than ever before, making it harder to recruit and retain.

Business value in investing in people over time, requiring an employee value proposition.

- It is not just about salary, needs different employer mindset.

- Focus on reward, recognition and incentivisation.

- Provide training and career development opportunities.

- Leadership to trust workforce, make purpose clear and focus on outcomes.

- When people leave wish them well, manage alumni and then welcome leavers back.