

# Making workforce planning work

Office Angels' research findings



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“Having the right people, in the right place, at the right time is critical to the competitiveness of any organisation. With widespread skills shortages threatening future business growth, companies simply aren’t doing enough to ensure a profitable and productive talent pipeline. Even organisations who practice workforce planning routinely groom successors in the mould of current managers and leaders, rather than nurturing top performers to realise future commercial goals. Fire-fighting to fill immediate vacancies, without a longer-term strategy, could see the loss of critical skills, productivity and revenue with every resignation.”

Chris Moore,  
Office Angels

# The research

The sudden loss of a key employee can have a devastating effect. In a market where top talent is increasingly difficult to attract and retain, a robust strategy to tackle today's skills gaps and tomorrow's business goals is essential to success.

Most companies have a workforce plan, but are those plans working hard enough?

Office Angels recently asked managers at all levels how they handle unexpected resignations – and whether they're equipped to maintain business as usual, and build for the future, in the face of unplanned departures or promotions.

While the majority (93%) of our survey respondents told us workforce planning was important to them, less than half (49%) have concrete plans in place. Moreover, just over a third (34%) of participating organisations have a documented strategy for select employees only and not for everyone.

One indicator of a successful workforce plan is the ability for organisations to handle unexpected resignations. More than a third (35%) of respondents in the medium-sized company category (50 -1000 employees) took more than three months to backfill vacancies. That's a minimum of a quarter of a year of productivity lost.

While companies understand how critical workforce planning can be to achieving competitive edge, too many businesses stop short of implementing a successful strategy. And as a revived market offers up more opportunities for growth, failing to plan for the future could mean missing out on the rewards of economic recovery.

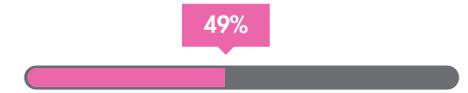
Our research findings have prompted the creation of Office Angels' practical guide on workforce planning – *Building for the future: Sharing the secrets of effective workforce planning* – available upon request from your local Office Angels.

## What our survey respondents told us

For the majority of our survey respondents workforce planning is important.



Less than half of our survey respondents have concrete plans in place.

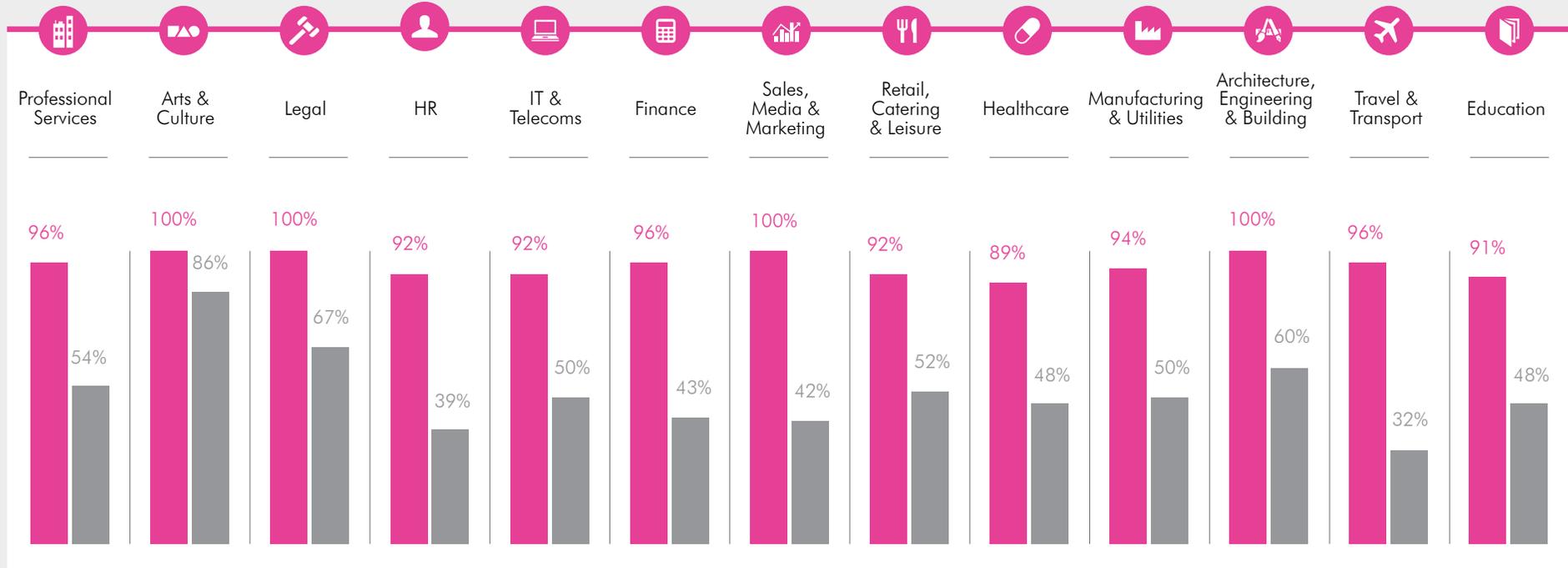


Just over a third of participating organisations have a documented strategy for select employees only.



## Strategic workforce planning by industry: managers who think it's important vs. organisations with plans in place

● Consider important   ● Plan in place





“Workforce planning - a core process of human resource management that is shaped by organisational strategy and ensures the right number of people with the right skills are in the right place at the right time to deliver short- and long-term organisational objectives.”

Chartered Institute of Personnel  
and Development (CIPD)

# Closing the gaps

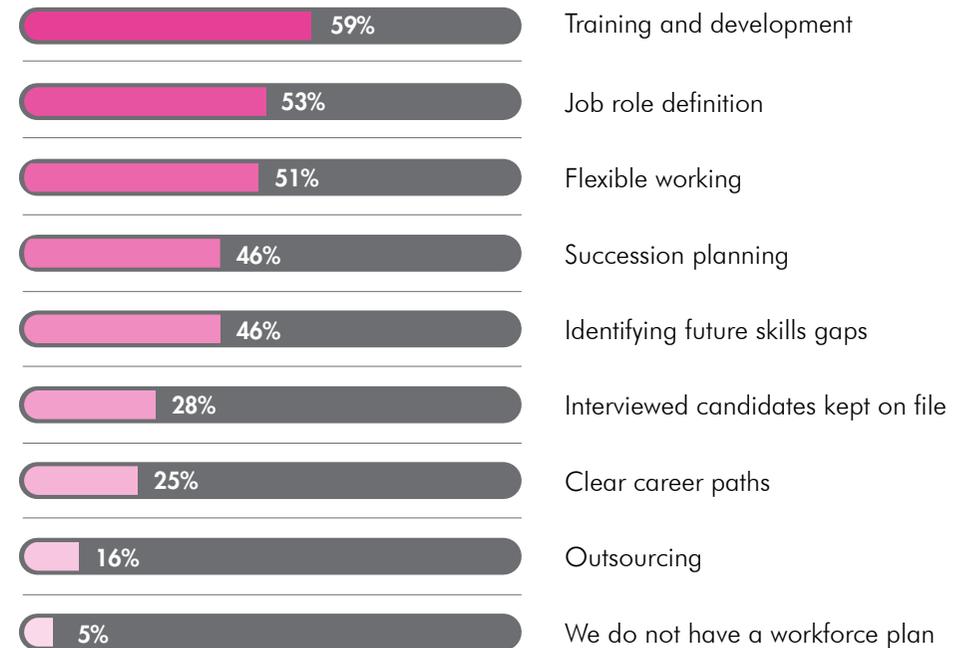
Workforce plans don't need to be complex to be effective, but they should be comprehensive. Our findings suggest that businesses have a long way to go in positioning themselves for long-term success, with workforce plans only incorporating limited aspects of recruitment, assessment and talent management processes.

For example, most companies (59%) used training and development as part of their workforce planning strategy, but less than half identified future skills gaps (46%), kept potential candidates on file (28%) and practised succession planning (46%).

Effective workforce planning requires a more rounded approach. By integrating all of these elements into a coherent strategy, companies can both embed workforce planning into day-to-day business activity and align it to long-term organisational goals.

## What does your workforce plan consist of?

(Tick all that apply)



# Succeeding on every level

For many years, workforce and succession planning was reserved strictly for an organisation's top tiers, preparing for the loss of director-level and C-suite roles. Our research shows this is largely still the case, with just over a third (34%) of companies who do have a workforce plan telling us it covers only certain employees.

Yet, businesses that develop successors simply for their top brass may be missing a trick – and a valuable source of talent. A mere 0.2% of survey respondents listed internal transfers from other departments as a potential talent pool when looking to fill a vacancy, which points to many managers overlooking a wealth of in-house expertise.

Similarly, our findings reveal that only a quarter of companies (25%) offer clear career paths and less than a third (31%) have individuals sufficiently skilled up to step seamlessly into key roles. Carving out distinct development paths for employees at all levels (across all functions) not only creates ready-made replacements for key departures, but also delivers the ongoing benefits of a valued, loyal workforce with broad advancement opportunities.

And as team members' capacity and capabilities increase, business growth and financial performance will follow suit.

In a recent Harvard Business Review blog article, leadership consultants Jack Zenger and Joseph Folkman encouraged companies to develop their "hidden" talent; those people "without managerial titles, and who have no direct reports, and yet wield great influence and make critical contributions to the firm."<sup>1</sup> According to Zenger and Folkman, well-placed investment could turn today's less visible employees into tomorrow's visionaries:

- *Leadership development will make these valuable people feel highly valued.*
- *Talented individuals are more inclined to stay with organisations when they feel they are progressing.*
- *They will enjoy increased success by becoming better team players, communicators and coaches.*
- *They could well develop into excellent managers, beginning the transition without a shift in their current position.*

Only a quarter of companies offer clear career paths.

25%



Less than a third have individuals sufficiently skilled up to step seamlessly into key roles.

31%



1. Jack Zenger and Joseph Folkman, "Develop the Leaders You've Been Overlooking", Harvard Business Review (HBR Blog Network), URL: <http://blogs.hbr.org/2014/02/develop-the-leaders-youve-been-overlooking/>, 13 February, 2014

# Future-proofing personal development

While development programmes are essential, too often they take a one-size-fits-all approach. But a more targeted and joined-up training investment could avoid a costly waiting game when filling unexpected vacancies.

In a recent survey of more than 90,000 employers, the UK Commission for Employment and Skills (UKCES) found that “skills-shortage vacancies” have doubled since 2009<sup>2</sup>, leaving employers struggling to source candidates with the necessary qualifications to fill specialist roles.

But rather than sharpening the skills of internal staff, UKCES revealed, companies spent less on training in 2013 than in 2011, with investment dropping from £45.3 billion to £42.9 billion. In fact, employee training ratios had remained stagnant for the past decade.

This is deeply concerning when you consider that more than half (54%) of the organisations we surveyed are not identifying future skills gaps. And while the pick-up in the economy is positive news all round, organisations must be careful not to relax too much.

Diverting investment away from training may have a detrimental impact in the long-term as skills shortages, particularly in fields such as IT and Engineering, are only set to widen.

By planning ahead and future-proofing their approach to training and development, businesses are more likely to have a suitable successor waiting in the wings – or the crystal clear competencies needed for swifter, more accurate recruitment.



2. M. Winterbotham, D. Vivian, J Shury and B. Davies, IFF Research and Genna Kik, Senior Research Manager, UK Commission for Employment and Skills, “The UK Commission’s Employer Skills Survey 2013: UK Results”, January 2014



“One of the reasons why companies like PwC, Legal and General and Whitbread are recognised as top employers<sup>3</sup> is their commitment to team wellbeing and development. Employees are at their most engaged and productive when they feel valued, empowered and rewarded and receive the support they need to grow and excel in their roles. When looking to retain and nurture your most promising people – and attract top external talent – it’s essential to emphasise long-term benefits and advancement opportunities. Shout about rewarding career paths and progression prospects – as well as the help and resources you’ll provide in bringing your employees’ ambitions to life.”

Sharon Clarke,  
Operations Manager, Office Angels

3. The Sunday Times, “The Sunday Times 100 Best Companies 2013”, URL: <http://features.thesundaytimes.co.uk/public/best100companies/live/template>, retrieved 22 May 2014

# Clearing roadblocks to success

Striking the right balance between nurturing today's and planning for tomorrow's talent is no simple task. A number of obstacles – from daily business demands to a lack of board buy-in – can throw even the most comprehensive strategy off track.

One key concern is the psychology surrounding succession planning which can sometimes allow emotions to cloud development and recruitment choices. A 2014 CIPD research report advised that, when selecting and developing future leaders, organisations “need to consider whether the formal systems and processes (for example, performance management and succession planning) shape the desired leadership and management behaviours in the context of the challenges facing their organisation.

They also need to identify the barriers within the informal organisational culture (for example, blame, risk-aversion, ‘yesmanship’), which may act as perverse incentives for managers to cut corners and prioritise their own interests over those of the group.”<sup>4</sup>

Four in ten managers who told us appointing a successor would make them feel uncertain about their job security.



Almost a third of managers feel so expendable they would have to leave the company if a successor for their job was in place.

31%



4. Ksenia Zheltoukhova, “Leadership - easier said than done”, CIPD, May 2014

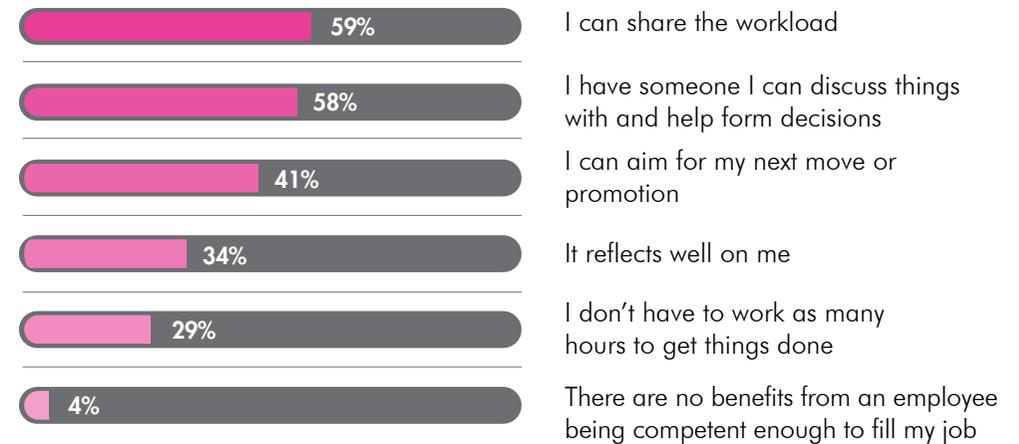
This is highlighted by four in ten (39%) managers who told us a potential successor would make them feel uncertain about their job security and that a quarter (24%) would feel so expendable if there was a potential successor for their job that they would have to leave the company. This may be one of the reasons why over half (51%) had not identified the person to step into their shoes.

Junior managers topped the scale (50%) for feeling insecure about keeping their position if a potential successor was appointed and confidence increased as respondents moved up the seniority ladder. Of the respondents who had not appointed a successor, the majority were at Director level (64%). This suggests there is a perception that succession planning is taking place at senior levels within organisations however, the research findings would suggest the reality is very different.

But there are many positives of preparing your next in line: six in ten (59%) managers recognised that a potential successor would allow them to share their workload and provide them with someone they could discuss decisions with. A further 41% felt that a successor could help them aim for their next move or promotion, and a third (34%) believed that a potential successor reflects well on them as an individual.

## What are the benefits of an employee being competent enough to fill your job?

(Tick all that apply)





“Promoting from within a successful team makes sense, but as business needs change and evolve so too should its employees. Organisations naturally lose members of staff – and a certain amount of attrition can sometimes reinvigorate teams – but insightful workforce planning ensures there are well-qualified people ready to quickly assume positions at every level. To be effective and avoid gaps in the workplace, the plan should be applied to everyone, not just the CEO.”

Chris Moore,  
Office Angels

# Methodology

The Office Angels - *Building for the future: Sharing the secrets of effective workforce planning* - whitepaper is based on a two-fold methodology that reflects:

## 1 Managers' approach and attitudes toward workforce planning.

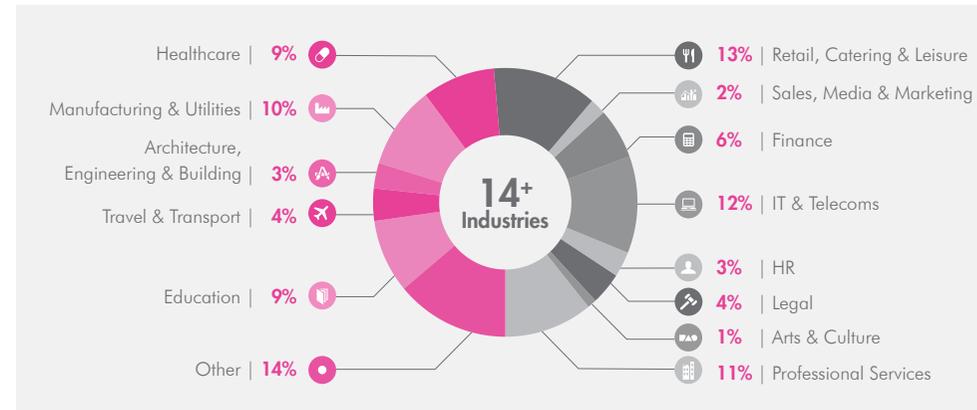
The research for Office Angels was carried out between: 25/04/2014 and 06/05/2014 by research partners Opinion Matters, an independent Pan-European market research agency.

## 2 Office Angels network.

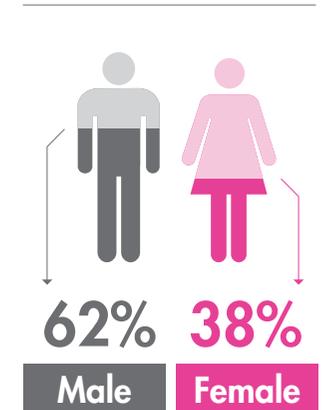
Thanks to a close-knit network of 78 branches across the UK, our expert team of recruitment consultants have the relevant local market knowledge to correlate the HR issues faced by all businesses with recruitment practices and finding you the best staff. Their knowledge is supplemented by case studies and comment from our loyal client base.

## Profile of companies and managers surveyed

### Industry



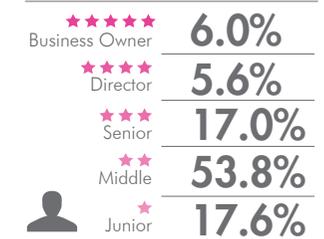
### Gender



### Company size



### Seniority



# About Office Angels

Office Angels is the market-leading provider of temporary and permanent office professional roles across the UK - from PAs and secretaries to marketing and finance managers.

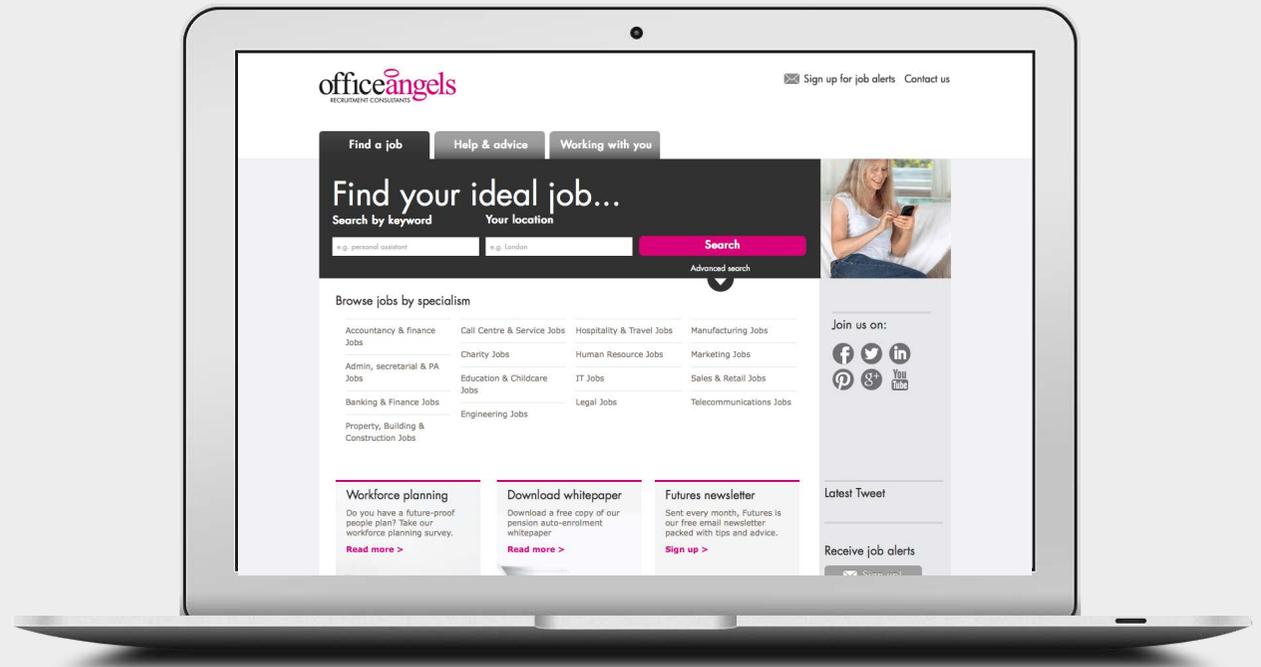
We develop supportive, long-lasting relationships with our many valued clients, understanding their unique business requirements and pinpointing the ideal fit for their company culture. We're also passionate about helping our candidates fulfil their career potential.

Office Angels is part of the Adecco Group UK & Ireland.

To learn more or discuss your current recruitment needs, please visit [www.office-angels.com](http://www.office-angels.com)



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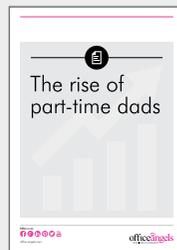
# Other publications



## Building for the future: Sharing the secrets of effective workforce planning

Our research findings prompted the creation of Office Angels' practical guide on workforce planning, helping you to understand your team's current and future skills gaps, prepare for team member departures and promotions and implement your own workforce plan.

[www.office-angels.com/help-and-advice/news-and-opinion/Pages/building-for-the-future.aspx](http://www.office-angels.com/help-and-advice/news-and-opinion/Pages/building-for-the-future.aspx)



## Part-time dads

With plans to allow parents to share their 50 week maternity leave entitlement by 2015, the UK is looking forward to a far more flexible way of working for both parents. But how many dads will take advantage of the changes, and is there still a stigma attached to the part-time working dad?

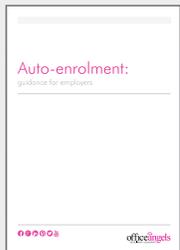
[www.office-angels.com/help-and-advice/news-and-opinion/parttimedads.aspx](http://www.office-angels.com/help-and-advice/news-and-opinion/parttimedads.aspx)



## Salary update

Every six months we analyse salary trends across a range of industries, roles and regions to bring you an accurate snapshot of the state of the UK jobs market.

[www.office-angels.com/help-and-advice/news-and-opinion/salary-trends/default.aspx](http://www.office-angels.com/help-and-advice/news-and-opinion/salary-trends/default.aspx)



## Pension auto-enrolment: guidance for employers

To address employee scepticism around pensions, and to help employers manage the implementation of the scheme, Office Angels commissioned a study into the attitudes of UK workers concerning auto-enrolment. The research for this study is based on a two-fold methodology that reflects: internal learning's and workforce surveys to bring you this practical guide.

[www.office-angels.com/en-GB/help-and-advice/news-and-opinion/auto-enrolment-pensions.aspx](http://www.office-angels.com/en-GB/help-and-advice/news-and-opinion/auto-enrolment-pensions.aspx)



## A flexible future

We spend almost 100,000 hours of our life at work — equivalent to eleven and a half years. Having the ability to manage the time we spend at work so that it fits into our life instead of taking over can make a huge difference to our wellbeing. In fact, 59% of employees would be willing to jump ship for a job that offers flexible working arrangements. So nowadays holding onto your top talent may mean letting go of convention.

[www.office-angels.com/help-and-advice/news-and-opinion/flexible-future.aspx](http://www.office-angels.com/help-and-advice/news-and-opinion/flexible-future.aspx)



## Work happy. Work well.

We like to know how our candidates are faring at work — along with how they're feeling — which is why we've asked a very diverse cross-section of our clients' and candidates about their happiness, wellbeing, sickness and productivity in the workplace. The results are surprising, informative, and extremely interesting.

[www.office-angels.com/help-and-advice/news-and-opinion/work-happy-work-well/default.aspx](http://www.office-angels.com/help-and-advice/news-and-opinion/work-happy-work-well/default.aspx)