

WORKFORCE DESIGN

THE MISSING FIRST STEP TO OPTIMUM
WORKING PATTERNS



ACHIEVING A RETURN ON INVESTMENT



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INTRODUCTION

In today's complex 24/7 commercial environment where requirements are changing all the time, organisations need to look at every angle of the business to ensure maximum efficiency. And, in the age when customer loyalty is a thing of the past, if you can't deliver an increasingly flexible service customers and partners simply move on to the next supplier who can. For many businesses the single biggest asset, and the single biggest cost is the workforce that delivers the service to customers. It is increasingly important to keep that workforce agile in order to meet ever-evolving demand while at the same time keeping them sweet, because your staff are a critical element of your brand – unhappy workers give a poor impression of your company.

However, keeping a workforce flexible is often easier said than done with changes to working practices so often triggering the threat of industrial unrest. Many current shift patterns do not really meet the requirements of the business, yet for many organisations making changes to shift patterns is just too painful to contemplate.

There is a myriad of software systems that can tell you the most efficient shift patterns, but in reality, staff simply won't work them. Often they don't meet compliance regulations, take account of staff fatigue, work/life balance and the unions might never agree. So how can organisations tackle the issue?

THE MISSING FIRST STEP

What most companies lack is the first step before creating staff shift patterns. This often missing first step means taking a close look at the balance between meeting the requirements of a business efficiently, without upsetting the unions or compromising the wellbeing of the workforce.

Efficient working patterns can have a dramatic impact on an organisation's success, but only if they are designed with the workforce in mind. Industrial unrest can lead to disruptive strike action, which means dissatisfied customers, loss of business, income and possibly reputational damage. There are also other issues to keep in mind when designing working patterns.

Fatigue Management

Before undertaking any rostering or designing shift patterns it is important to consider staff wellbeing, allowing time for rest periods, both to meet working and safety legislation as well as to manage fatigue.

Providing a safe environment and enforcing safe working practices is a given for any organisation. However, in the drive to improve efficiency and productivity there could be an accident waiting to happen. Staff fatigue is a serious issue, particularly for those working varied shift patterns or that are on-call.

Risk of Corporate Manslaughter

While the causes of fatigue can include many lifestyle elements, over which an employer has little control, there are also work related factors. As well as timing of work and resting periods, employers also need to consider the length and number of consecutive work duties and intensity of work demands.

Fatigue increases the likelihood of errors and adversely affects performance (HSE booklet HSG256, Managing shift work – health and safety guidance) especially in tasks requiring vigilance and monitoring, decision making, awareness, fast reaction time, tracking ability and memory. Fatigued staff often don't adequately perceive risk, and may tolerate risks they would usually find unacceptable, leading to lower standards of performance and safety.

Figures from the Health and Safety Executive state that 111 people were killed at work in 2019/20, while 92 members of the public were fatally injured in accidents connected to work.

Companies convicted of corporate manslaughter that have a turnover of £50m or more could face fines of up to £20m, according to guidelines by the Sentencing Council announced in 2015. The Council says that fines should be large enough to have an economic impact on organisations to emphasize the importance of providing a safe working environment. In addition, fines for fatal health and safety offences can now be up to £10m.

Avoiding Staff Unrest

It is a proven fact that poorly designed shifts and rosters lead to increased absence, either due to stress, fatigue or workers simply taking time because they need to. However, changing working practices can be hugely disruptive for staff, leading to loss of morale, and a slump in productivity.

A militant workforce may work to rule on the slightest provocation, but even a previously compliant workforce can react negatively to change when handled poorly. The key is to be prepared to communicate well, negotiate and encourage staff involvement – any change must have a benefit for the staff as well as being beneficial for the business.

Win-Win for Staff and Business

The single biggest factor when making changes to working patterns is how the staff react. Helping staff to manage work/life balance can make all the difference between a happy and engaged workforce, willing to go the extra mile, and serious disruptions to the business due to industrial action or increased unplanned absences.

Introducing staff friendly shifts and work patterns that give whole weekends off as often as possible, ensure that rest days aren't split and that adequate breaks from working periods are a great bargaining chip. These type of staff friendly working patterns keep the unions happy, comply with working time regulations, and meet business requirements – a win for both staff and the business. The business benefits too, because at the same time as giving staff more acceptable working patterns, it is possible to also ensure that peak times are covered without relying on overtime.

Nurturing Staff Advocates

Simply getting staff buy-in on its own though, is not enough. You need to get staff actively involved, so that they provide suggestions and feedback on what works and what doesn't.

By getting key workers involved in the roster re-design, you will get a worker's-eye view with all the insight that that provides, and you will get natural project champions that will help you to sell the concept to everyone else. By involving workers, you will build the understanding and consensus for change. Engagement needs to be lead from the top, with thoughtful and sincere communications explaining the need for change. By making the staff part of the solution and nurturing staff advocates, everyone will have a stake in making the project a success.

Many businesses don't ever get this far. The thought of changing shifts and rosters is just too large a job that carries too much risk. However, with a tool that models working patterns, operations managers can redesign shifts and rosters in minutes, and can rework them as many times as they like, until they find a working pattern that works for both the business and for the staff.

THE KEY STAGES

BACK TO THE DRAWING BOARD

Having taken staff engagement into consideration, it's time to go back to the drawing board. Starting with a clean sheet sounds like it will be hugely disruptive, however, the following questions will provide a guide:

- What are the scenarios you need to plan for?
- What are the peaks and troughs in demand?
- What staff levels and skills mixes do you need to support that demand?

Involve Staff

As already stated, getting staff involved at the early stages pays dividends, and concerns about staff fatigue can't be over stated. Having duty periods too close together without adequate rest time can be a contributory factor in staff fatigue, and is particularly pertinent in environments where staff are operating machinery, driving or require high levels of concentration. By involving staff in the shift design, any misconceptions or assumptions can be dealt with early on, by referring to the data. Shifts can be distributed in an equitable manner, to support flexibility required by staff to meet work/life commitments. Taking an open and transparent approach to the allocation of shifts in itself can boost morale and improve levels of employee engagement.

Analyse the Data, Deal with Certainties

Taking a more creative view of shift and roster planning can ensure that the precise number of people are on duty to manage business requirements while providing better working patterns for staff at the same time. By analysing the peaks and troughs of business demand, operations managers can see exactly what level of staffing is required throughout the day to meet the requirements of the business. For example, one logistics business that HFX worked with, had a peak hour on a Friday afternoon, which was covered by everyone on shift doing an extra hour of overtime. By adjusting hours earlier in the week, the peak hour was able to be covered within standard hours, rather than overtime, and at the same time, the workers' rest to work ratio was improved. Armed with this type of information, staff input and buy-in, and a workforce design tool you can design work patterns that exactly meet the requirements of your customers. These working patterns are then managed by your existing workforce management, HR, time and attendance, and access control systems.

Continuous Improvement

So what happens once you have identified your optimum working patterns and successfully implemented them? Can you sit back and reap the rewards of a more motivated, efficient workforce?

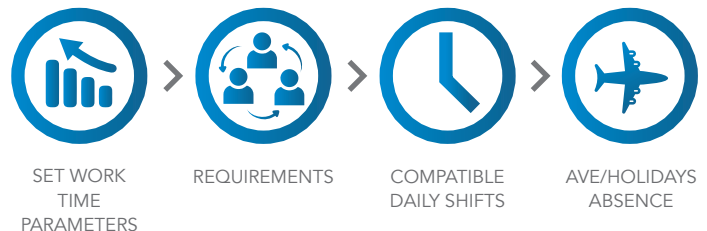
The answer is yes, you can, however, the process of planning for scenarios and running what-if planning sessions needs to be a continuous process. An agile business is one that can respond quickly to changes, whether from external influences (changes in legislation, business uptick or downturn), internal (illness, staff turnover) or working out how you are going to manage that new customer contract. Running regular forecasting and modelling is vital to prepare for any eventuality and is good business practice.

A Guide to the Imperago Process

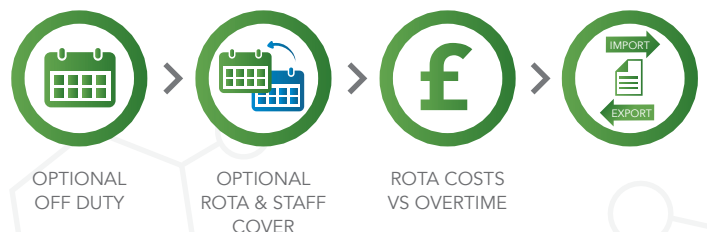
The following flow chart provides a guide to help you manage this first step in workforce planning.

PROCESS FLOW

INPUT



OUTPUT



Preparing your inputs

- Set work time parameters – identify the times that you wish your workforce to be working to meet customer requirements. This may be restricted to the availability of equipment or access to premises, or particular qualified staff.
- Identify your requirements – this could be customer demands or production or manufacturing issues that may be time specific or seasonal
- Feed in compatible daily shifts – what shifts or rotas have you available for staff, and when are staff available to work, do they have the correct qualifications?
- Add holidays and average absences – this is an important factor, in particular to avoid staff fatigue and to ensure work/life balance discussed earlier in this paper.

Reviewing your outputs – your optimised workforce plan

Having followed the process outlined for inputs and using a workforce design tool you will achieve the following outputs:

- Optimal off duty – your staff shifts and rotas will include an optimal off duty plan to meet health and safety, and staff wellbeing
- Optimal staff rota and staff cover – your workforce plan will be optimised to meet your business requirements
- Rota costs vs overtime - the staff shift plan will meet the business requirements, highlighting overtime, giving managers the option to approve extra time where required, so keeping control of costs.
- Report and schedules – all the rotas and schedules can be reported on to evaluate and change if necessary, to meet fluctuating business requirements. Having the data at your fingertips provides clear information and predictions upon which staffing decisions can be based, rather than hearsay and emotional reaction.



Achieving the outputs above will provide you with a tangible return on your investment, through managing overtime costs and the ability to adjust your workforce to meet changing requirements.

No overstaffing means a more efficient and effective business, plus you have the information at your fingertips to make changes and respond to different circumstances. An agile business is a successful one.

Achieving a Return on Investment

With the right support and tools and an optimised work schedule you can reap the rewards of a motivated workforce, better able to provide great customer service, better able to avoid undue risks due to fatigue, and achieve cost savings as well.

You are also ensured that you have adequate coverage within working patterns for leave, such as holidays, sickness and training.

Holiday cover is often forgotten, but this can also make a big difference to your organisation's profitability

EXAMPLE 1



Return on investment

Identifying and managing peak times in a business

An organisation that had a peak hour on a Friday afternoon covered by everyone on shift doing an extra hour of overtime.

By changing working patterns from a traditional 4 on 4 off arrangement to a rotating pattern meant that business requirements were met each day, with no overtime shifts and no over rostering.

This change saved the organisation £140,000 per year AND staff benefitted from a better rest to work ratio (as illustrated in the infographic opposite)

EXAMPLE 2



Return on investment

Managing holiday cover effectively

Each of the team of 150 staff in a warehouse operation have with 28 days holiday and an average absence of 6.9 days (based on recently published figures) - that's 5,235 days that you already need to cover. That equates to just over 20 full time equivalents.

This can't be covered by staff working extra hours or overtime, and assuming or hoping that you can manage in this way simply results in stress and fatigue.

Having a system to manage hours that includes coverage in the equation builds resilience and flexibility into the workforce, important for businesses to steer through uncertain times and change.

Example cost savings

WORKFORCE DESIGN: FIXED 4 ON 4 OFF TO VARIABLE DUTY COMPARISON

Example leading international 24 x 7 service provider

1

CLIENT REQUIREMENTS

Varied demand by day by shift for working group of **57 staff**

CLIENT EXPECTATION

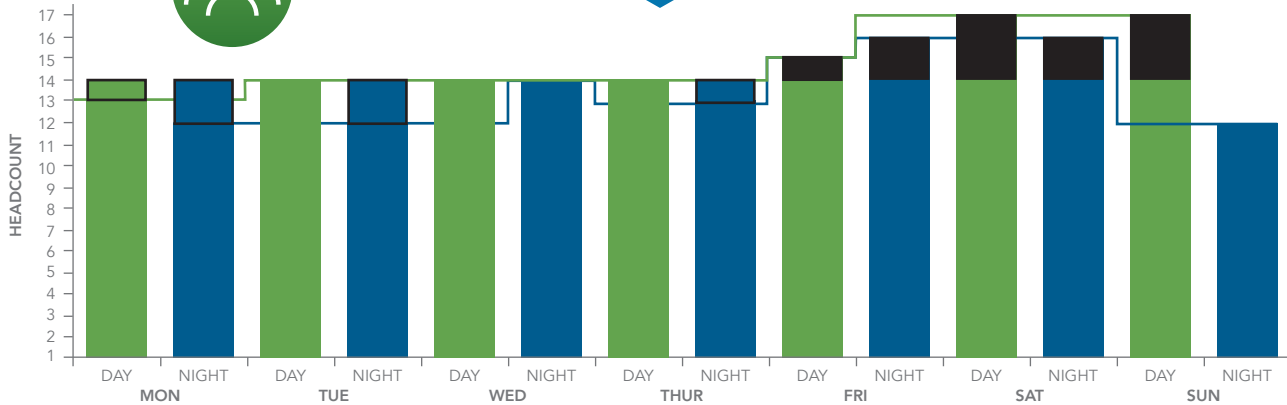
Reduce reliance on overtime
Reduce over rostering

IMPERAGO ANALYSIS

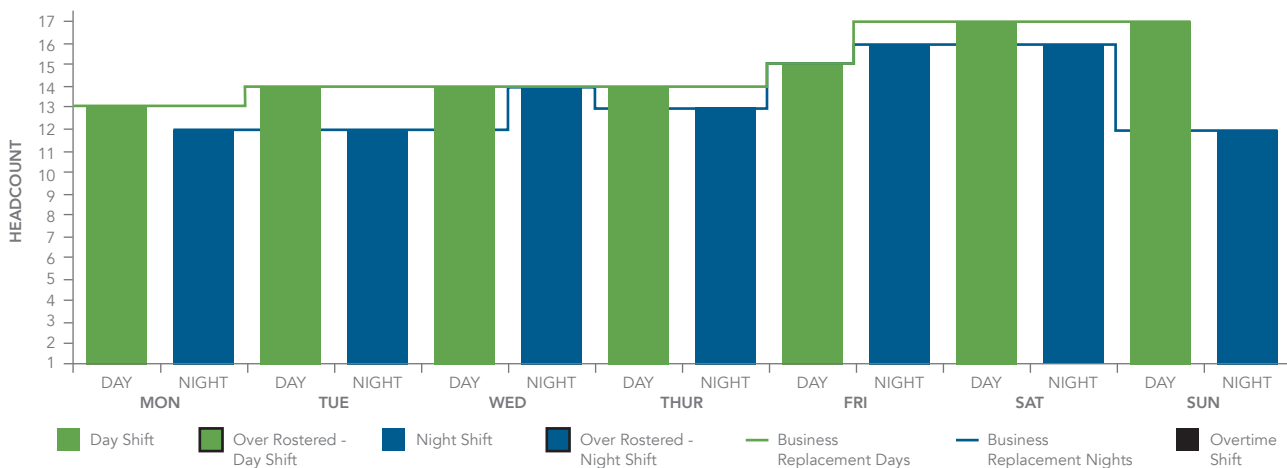
Traditional 4 on 4 off pattern in operation
Exceeding labour requirement and budget
High dependency on overtime
Current flat pattern not appropriate to business needs

£170,000
COST OF OVERTIME SO MEET BUSINESS REQUIREMENT

WASTED HOURS
3744



IMPERAGO WORKFORCE DESIGN



2



OHRS

OVERTIME TO MEET BUSINESS REQUIREMENTS

RECOMMENDED

Rotating Pattern that meets business requirement each day with NO overtime shifts and NO over rostering

INCREASED RISK TO WORK RATIO

£140,000
ANNUAL SAVING

*Calculations assume an hourly rate
£15/hour and overtime @ 1.5 Mon-Sat and @ 2.0 Sun



SUMMARY

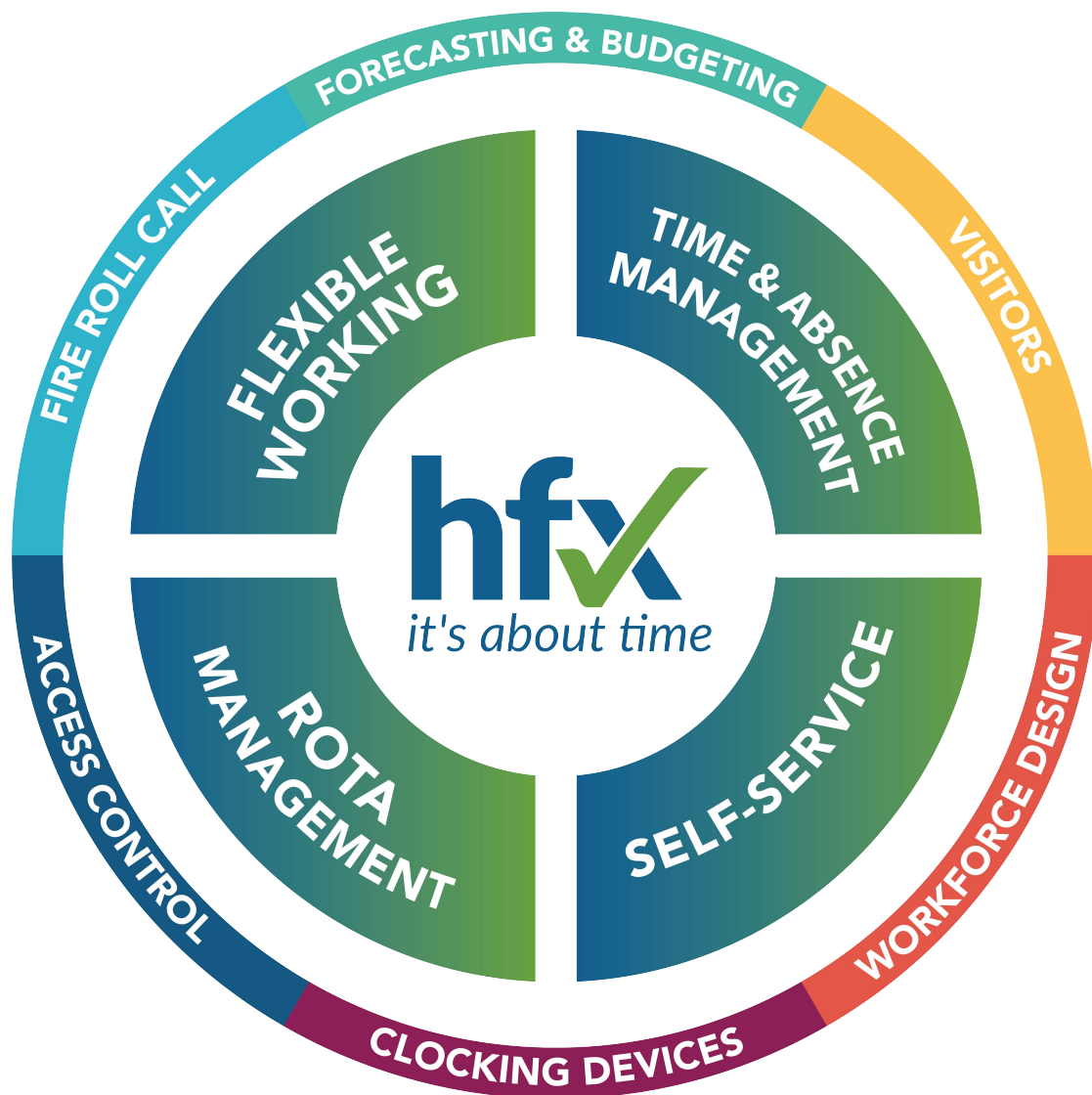
Optimising your workforce needn't be as painful as you might imagine. With the right tools you can build a highly motivated and efficient team, better able to provide great customer service. Tools such as Imperago Workforce Design can be used over and over, each time your business, or one element of it changes, to identify the optimal working patterns. Unlike some solutions that can take months or years to implement and see a return on investment, new working patterns can be produced with Imperago Workforce Design within minutes, and rolled out to staff within days, making an instant impact to your business.

Additionally, an engaged and happy workforce will provide that all important window into your organisation, promoting and increasing your brand value. At the same time, efficient working patterns will help you to meet customer expectations, while remaining flexible enough to take on new contracts and cope with seasonal peaks and troughs.

ABOUT HFX

HFX is a specialist software and services company that enables companies to plan and manage work patterns, shifts and rosters, ensuring that they get the most out of their existing workforce management solutions.

HFX has experience of offering a unique combination of expert consultancy and advanced technology to help organisations identify and address workplace-related issues and then deliver the optimum solutions which ensure long-term staff satisfaction and business efficiency.



ABOUT HFX

HFX has spent more than 50 years developing, improving and refining its SaaS Cloud Workforce Management solution comprising Time & Absence, Flexitime and Rota Management.

Installed in over 500 companies of all sectors and sizes it is the most powerful, robust yet easy-to-use and quick-to-configure solution currently in the market. It integrates seamlessly with all HR and payroll systems and is extremely easy to maintain with no hidden costs.

**To find out more about HFX please call 03333 447872
email salesteam@hfx.co.uk or visit: www.hfx.co.uk**