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To: Personnel Committee – 9 September 2010

Subject: Flexible Deployment of Staff

Classification: For Information

Summary

This paper presents some proposals for achieving a more radical shift in our approach to deployment where work change and flexibility becomes the norm. For this to be effective for the whole organisation KCC needs to develop a strategic approach to deployment, informed by intelligence about its workforce and through collaboration.

The proposals contained in this report have been presented to CMT and agreed in principle. Further work is now being undertaken. Investment, including in systems development, will be needed if it is decided to further develop candidate pools.

1. Context

1.1 The efficiency and financial savings required of KCC demand that managers respond quickly to changing priorities in creative ways. There are a number of key drivers for change in the way KCC deploys its workforce in order to:

- Simplify restructuring and minimise advertising
- Develop greater functional flexibility and further invest in skills development and talent management
- Build capacity for the future that is able to adapt to change quickly

1.2 The current approach to handling job and structural change, whilst it is legally sound, can be inflexible and protracted. This paper presents some potential solutions which would enhance the organisation's ability to move people more quickly and flexibly. We need to move away from the traditional model of fixed establishments and develop a more adaptive approach that is dynamic and responsive to changing organisational needs. Managers who are restructuring tend to rely on the traditional approach to job and establishment changes and the interpretation of when a redundancy situation occurs is expansive. KCC's policies already contain flexibilities but these are not being widely used. For a new approach to be successful a fundamental shift in attitude and approach to deploying people has to be in place. Deployment needs to be proactive and planned and people need to be prepared for active, flexible deployment.

2. Redundancy & Redeployment - Current Practice

- 2.1 Current custom and practice and existing contracts result in employees being placed 'at risk' of redundancy early. Whilst this approach is favoured by trade unions who view it as protecting the individual, it can impact detrimentally on the structural change required and morale. Being 'at risk' allows individuals access to vacant posts across KCC with 'priority status'. Contracts are also varied by agreement, as opposed to the more traditional approach to achieving job change, however this only occurs in very manageable, job restructuring situations where the changes are relatively minor, numbers affected are low and there is no reduction.

3. An Alternative Approach to Redeployment & Deployment

- 3.1 It is possible to take a different approach to deployment when jobs or structures are changing. If we move away from the concept of a fixed establishment towards generic job descriptions (or none) and contracts that are more flexible and less specific to roles, teams and possibly directorates we could achieve a workplace culture where work change is the norm, without the need for extensive consultation and the 'at risk' cloud.
- 3.2 If this alternative model is adopted only those displaced after a deployment change would be placed at risk.

4. Deployment by Mutual Agreement (*moving employees who are not at risk of redundancy to other jobs to respond to changing priorities*)

- 4.1 Building on existing discretions, managers could be given greater flexibility to deploy staff without the formality of redeployment. Depending on the nature and location of the job this would be by mutual agreement which requires the co-operation of all affected to be successful. Job families could be used to inform whether deployment is suitable. Using this model, deployment could be viewed at three levels:

- (i) Within the Business Unit
- (ii) Outside the Business Unit but within Directorate
- (iii) Across Directorates

- 4.2 Highways have been piloting this approach with positive outcomes. When work finished in one part of the business (typically due to budget pressures) discussions took place with individual employees on their skills and potential that resulted in staff being deployed to roles by mutual agreement, initially through temporary secondments. Central to this approach was active discussions with staff about how jobs should be filled. Agreement of all parties is central to the success of this approach.

5. Slicker Redeployment (*moving employees at risk of redundancy to other jobs*)

- 5.1 Personnel & Development is currently investigating automating job matching for "at risk" staff to improve the speed at which people are directed to vacancies. Our current redeployment practice needs to be more proactive to better meet the needs of priority candidates and recruiting managers.

- 5.2 Under the proposed model individuals are profiled by all their capabilities and skills and placed in a pool within the Recruitment Management System. Vacancies are also profiled by capability and skills required and automatic matching takes place before the recruiting manager advertises. The individual receives either email or other communication about the roles they have been shortlisted for with interview dates. The recruiting manager receives a list of candidates from the redeployment pool that are suitable for the vacancy. The initial profiling could be supplemented with online tests that are predictive of performance to ensure any candidate presented was highly likely to be suitable.
- 5.3 Accessing a pool of profiled candidates before advertising would speed up recruiting and ensure at risk staff are aware of all relevant vacancies. It would also provide an audit of the potentially suitable jobs presented to individuals who have been displaced.

6. Using Candidate Pools

- 6.1 The automated job matching approach described above could also be applied to deployment across the organisation. When a deployment need arises that cannot be resourced within the more immediate staffing group, managers could access profiled candidate pools including the redeployment pool without the need to advertise posts. Our Recruitment Management System already has the functionality to develop candidate pools that can automatically match suitable candidates to jobs. We are currently developing candidate pools for apprentices and graduates to support the deployment of young people.
- 6.2 Any suitable redeployees would continue to be considered first with automated matching providing a fast turnaround for managers. To keep the transition manageable, this model could be implemented in phases commencing with discrete professional groups (e.g. Finance), across directorate business roles (e.g. business administration and leadership) and targeted business units (e.g. within Highways that have already piloted a flexible deployment approach).

7. Changes to Employment Contracts

- 7.1 Existing employment contracts inhibit movement of staff as people are generally contracted to a job, a team, a directorate and a location. To achieve greater flexibility without the need to negotiate each change with individual staff and trade unions, the basis on which people are contracted could be changed fundamentally. More fluid deployment is possible if people are contracted to the employer, a professional or functional group (possibly reflecting job families) and/or geographical location. To achieve a change as radical as this the options are:
- (i) Gradual Implementation – all new, including promotion and following restructure contracts are offered on new basis
 - (ii) Individual Negotiation – existing staff asked to switch by mutual agreement
 - (iii) Unilateral Change – existing staff are served notice on current contracts and offered new flexible contracts.

- 7.2 There are risks inherent whichever approach is taken and a unilateral change would have the potential for breach of contract claims. Also the concept of 'reasonableness' within any deployment proposition would need to be taken into account to avoid the potential for unfairness or discrimination (see paragraph 11 for further details).

8. Differentiating the approach to reflect occupational differences

- 8.1 In a complex and occupationally diverse organisation such as KCC the context of the workforce has to be taken into account to determine the best fit approach to deployment. Therefore a differentiated approach is proposed so that we maximise employee retention by acknowledging that some employees have more or less flexibility than others.
- 8.2 The majority of KCC's staff are women, most on lower incomes, many of whom are part-time. It is a fair assumption that they have chosen to work locally for domestic reasons and will have less capacity to move geographically than professional or managerial staff. However, it may be reasonable to require them contractually to work in any directorate delivering broadly similar work at the same level within a reasonable geographic radius.
- 8.3 Professional and other higher paid staff with highly transferrable skills could be expected to move both in terms of location and across disciplines in response to changing organisational need. This approach would add depth to individuals' contribution and help develop the potential for proactive succession planning and talent management.
- 8.4 A differentiated approach to deployment that recognises the specific requirements for and of particular parts of the workforce is the only approach that will work in an organisation like KCC.
- 8.5 Dynamic deployment in any sense, but especially between directorates and across professional boundaries, is contingent on a high degree of collaboration and confidence in the quality of our staff. Using a similar approach to that being developed for redeployment, KCC needs to gather and share intelligence about the workforce and its potential. With this knowledge and a pragmatic, more work-flexible culture we will be best placed to manage deployment strategically.

9. Culture Change

- 9.1 Achieving more flexibility in workforce deployment would require a shift in attitudes and expectations. For different reasons staff, trade unions and managers are likely to find such changes challenging and will require support to adjust to a new way of working.
- 9.2 Unions expect to be consulted early over all restructures and job changes due, in part, to KCC's practice of maintaining good relationships through open, early consultation. Whilst consultation will still be necessary when redundancies are envisaged, using flexible deployment approaches to achieve changes in jobs and structures will inevitably generate significant challenge. Moving from specific to more general contracts of employment has the capacity to generate opportunities for staff to develop their skills and aptitudes. Some may see this as a further erosion of job security and their

terms and conditions. This change must be considered within the wider context of a reducing workforce, potential cost saving through terms and conditions and on-going restrictions to pay increases for public sector workers.

- 9.3 Managers at Workforce Strategy Board welcomed in principle the introduction of proposed changes that will deliver slicker redeployment and more flexibility in deploying people. However, as previously stated, dynamic deployment between directorates or professional or other groups will require a much more collaborative approach based on whole organisation need rather than that of the specific business unit or directorate.
- 9.4 We need to move away from specific job descriptions which tend not to be dynamic documents or necessarily reflective of the reality of day to day work. Instead the focus should be centered firmly on targets, workplans and achieving outcomes all of which are adaptable to changing circumstances. This approach is much more aligned to a performance management culture embodied by Total Contribution Pay.
- 9.5 Personnel & Development have a significant role in enabling the success of flexible deployment through developing the approach alongside managers, assisting with selection exercises and providing pragmatic advice and support.

10. Principle Risks in a New Approach to Deployment

- 10.1 There are risks associated to adopting a new model of flexible deployment including employees not accepting new flexible contracts and a potential breach of contract/unfair dismissal or employees work under protest, relationship with unions compromised further, loss of particularly valuable employees to other organisations, detrimental impact on KCC as 'an employer of choice' and, KCC is less able to address under-representation in terms of diversity. However these risks can be mitigated by new contracts being offered on exactly the same terms with flexibility incorporated and in so doing there would be no breach, consultation would continue in line with legal requirements, continuing to invest in identifying and developing internal talent & developing and promoting the KCC brand including the wider rewards & benefits package, continue to invest in diversity through access schemes such as apprenticeships, internships, the Gap Year and Kent Graduate Programmes.

11. Proposals

- 11.1 In summary the proposals are as follows:

- (i) Flexible deployment through mutual agreement (*management guidance will be produced*)
- (ii) Redeployment through automated job matching (*being developed*)
- (iii) Flexible deployment by adapting and developing the redeployment model and introducing candidate pools (*will require investment in order to deliver*), costs will be identified and reported to Corporate Management Team for a decision on whether to take forward
- (iv) Change employment contracts to provide greater flexibility without the need to individually negotiate and agree changes (*contracts will be produced*).

12. Recommendation

12.1 Personnel Committee is asked to:

- i) Endorse the proposals outlined in this report and the work in progress.
- ii) Agree the change to employment contracts outlined in 11 (iv) above.

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