

Student Name: Jessica Rees-Evans

Student Number: 1052038

CIPD Membership Number: 57493057

By signing below, I confirm that the work/evidence presented is my own, unaided work. I understand the regulations pertaining to candidate malpractice and the action that may be taken as a result.

Signed: Jessica Rees-Evans

Date: 25/04/2022

Qualification: CIPD Diploma in Applied Human Resources

Module Name: Understanding resourcing and talent planning

Wordcount: 2949

LO1: Know how to undertake core talent planning activities.

1. (1.1) An employee is emigrating and asks you if the labour market trends of their destination country are the same as in the UK. Describe the key contemporary trends in both the UK labour market and in the labour market of any other country (of your choice).

As of March 2022, there is a tight labour market in the UK. According to the ONS (2020) UK labour market report employment is at 75.5%, with 1,298,400 job vacancies currently advertised, an increase of 462,000 from its pre-coronavirus January to March 2020 level, with most industries displaying record numbers of vacancies. There is also a record number of people moving jobs, with a million people moving jobs in the third quarter of 2021. This has been put down to the recovery from COVID19 and Brexit, which has meant a decline in EU jobseeker interest and therefore less candidates available. Wages in the UK have increased, as employers have had to attract and retain talent in certain sectors. Employers have also adapted to the changing needs of employees, by offering home / hybrid / flexible working and parental leave to attract and retain employees. (Waugh, 2022). Similarly in Australia, the labour market continues to tighten with unemployment at 4%, its lowest in 13 years. Employment is up by 2% from March 2020 (Labour force, Australia, 2022) and an ongoing strong demand for candidates is showing a gradual slow rise in salaries (NAB Group Economics, 2022). Closed borders have created a population crisis for Australia, with population in ages 15-34 5% lower than it would have been had the pandemic not happened and the borders not closed. This is affecting industries that mostly rely on younger workers such as catering, hospitality, and retail. (Pickering, 2021)

2.(1.2, 1.3) A new HR assistant asks you to explain the following aspects of workforce planning:

1.2 Key principles of workforce planning

Workforce planning focuses on forecasting the supply and demand of labour and developing plans to reconcile any future gap between the human resources an organisation needs and those it has access to. The principles of effective workforce planning involves 4 stages, 1.

Forecasting the organisations demand for skills. 2. Forecasting what skills the organisation will have in the future by analysing current skills and how many will remain. 3. Identifying any gap between future demand and supply of skills by assessing current employees and current skills vs future needs. 4. Making plans to fill and address any gaps (Wilkinson & Taylor, 2016) Workforce planning needs constant monitoring, formulating strategy and profiling the current workforce. CIPD (2019) States it is a business plan and should not just sit with HR, it needs quality data but not ultra-precision and the **key to workforce planning is getting out and about right across the business and talking to colleagues about what they do and what they need to provide the data for a** a working document that will continually change.

Tools used in workforce planning

Tools that could be used for workforce planning can include scenario planning; whereby different futures are looked at to show how it might affect sourcing of people to different needs. Budget based planning by calculating a cost per person and using that to see how many people an organisation can afford. Forecasting through analysing trends, patterns and variations (CIPD, 2018) According to Personio (accessed 2022) The 9-box grid is an effective tool, created by McKinsey (1970) by plotting the organisations current workforce against low or high potential and performance to give an idea of where the current workforce is at and show any skill gaps, help identify employees with potential to develop, and build a performance development plan.

How to develop a basic people plan, including succession planning.

A basic people plan needs to understand the organisation and environment, analyse the current and potential workforce needs and establish gaps against future needs, pinpoint actions to address shortages, additional staff or skill mismatches, be flexible enough to deal with constant change and monitor and evaluate actions (CIPD, 2021) Succession planning is an integral part of workforce planning, ensuring the balancing of internal development with external recruitment. it focuses on developing talent to fill key positions in future by firstly identifying and considering business critical roles or pools of similar skilled roles that will need to be filled by successors, training and developing people and ensuring smooth transitions into the roles. Approaches to succession planning can include traditional methods usually used in larger organisations which offer a top-down confidential approach, managers identifying and developing individuals with talent and can be subjective and elitist. The contemporary approach has less secrecy, broader vision, encompasses all and uses sophisticated selection techniques to develop pools of talent (Wilkinson & Taylor, 2016) Succession plans need to be fair and transparent by advertising, communicating to all, having a selection criterion and encourage diversity and inclusion. (CIPD, 2020) These plans underpin the organisational strategy, supporting and enabling the organisation to be successful and can be used to inform decisions and plans for recruitment, training and development, drive employee engagement, and retain employees. (Seychell, accessed 2022)

LO2: Know how to attract and retain talent.

3.(2.1,2.2) Your Director asks for your thoughts on how the organisation can attract the talented people it requires and ensure that these people stay with the organisation. Explain different approaches an organisation can take to both attracting and retaining talent, and the strengths and weaknesses of each approach.

To attract talent, organisations need to understand the labour market by completing a competitor analysis, which involves being aware of what the organisations competitors are doing by researching the salaries and working hours on offer, flexibility, and benefits, the benefit of doing this is to gain better talent, but the weakness is that it can be costly. Organisations need to decide how they position themselves to the labour market based on the competitor analysis, differentiated by reward and culture, with an employer of cash paying well but expecting excessive hours and not treating employees that well. An employer of values being the opposite by treating employees well and offering job security and rewarding work but not always being able to offer the market rate. An employer of churn paying poorly and not treating well, which is only possible in loose labour markets and an employer of choice which involves paying and treating well. (Higgs, 2004 cited by Taylor, 2011). Employer branding is key to attracting and retaining talented people, organisations need to ensure they have an attraction strategy and are presenting themselves in the best way possible, with a brand message reflecting the reality of working for the organisation. (Wilkinson & Taylor, 2016) there are strengths and weaknesses of employer branding on social media, with the weakness being that if a negative comment is made for example by an ex-employee, this can reach many people and the organisation has no control over this, positive is that if they are a good employer this can also spread quickly and reach many potential new employees. Other options for attracting talent are referrals from current staff which is good for employee morale, demonstrates that you value your employees input, and the candidates are known and can be vouched for. Negatives of this method are that you may not feel any of the referrals are suitable and could offend the employee who put them forward, resulting in low employee morale. Web based job boards give broad exposure, ease and speed of posting and response but can be time consuming filtering through a high response. Internal job postings can demonstrate progression within the company, however if they are declined they may no longer want to work for the company or have low morale. (Steckerl, 2016) Harvard Business Review (2022) suggests that due to the current great resignation, whereby 41% of the global workforce are considering resigning from their jobs, organisations need to focus on their employee value propositions (EVPs) to ensure they attract and retain talent. They believe the EVP needs to have input from current employees and tell a story of who the organisation is and what it stands for, be linked to the organisations purpose, so that employees understand their purpose in helping the organisation achieve the greater good. They must create a culture of belonging, flexibility, and growth. It is key for employers to understand the reasons behind employee turnover to create initiatives to reduce turnover and increase employee retention. according to CIPD (2020a) during the past 2 years measures employers have taken to improve this have included increased training investment (24%) offering more apprenticeships (19%) investment in brand (17%) introduced or improved a workforce planning strategy (16%) Improved employment conditions (15%) Employers need to be aware of their turnover rate, establish why staff leave by seeking feedback from employees regularly, holding exit interviews and ongoing engagement interviews (Forbes, 2019) they need to be aware of how turnover impacts their organisations performance, and the cost of turnover, by factoring in recruitment and selection costs, resignation admin costs, cost of cover whilst the role is being filled, and induction and training costs (CIPD, 2021a) Employers need to develop an employee retention strategy starting with who is leaving and why, and the impact it has on the organisation, retention can be improved by offering flexibility, ensuring wellbeing, providing development, fair treatment, and encouraging employee voice (CIPD, 2020a) There are two types of employee rewards to retain talent, financial and non-financial. An example of financial reward could be company shares, which could encourage long term commitment and employees look forward to receiving dividends, however this may not address short term needs. An example of non-financial reward is praise and recognition, this

could include a manager praising an employee, or a scheme such as employee of the month, or annual awards, this can sometimes be more effective than other methods as it can satisfy an employee's ego, however it is often not enough unless the financial needs are met. Training is another option, which can help employees grow and develop, it can benefit the organisation by increasing the employee's knowledge and productivity, however it can be costly. (Rahman, 2022)

LO3: Understand good practice in relation to organisational resourcing activities.

4. (3.1, 3.2, 3.3) In preparation for input at a managers meeting*, summarise the following:

Key aspects of good practice in relation to developing job descriptions, person specifications and competency frameworks

Job descriptions should focus on the nature of the role and be based on a job analysis. It should summarise what the job involves, key responsibilities and reporting lines. A person specification should accompany the job description and focus on the attributes needed such as skills, experience, qualifications, education, and personal attributes (Wilkinson & Taylor, 2016) Competency frameworks are an alternative approach, or can be used alongside job analysis, they are key performance indicators from the organisation to the individual and should link to the core values of the organisation, it should also include only measurable components and ensure it is neither too broad, or too detailed. It could include core competencies applying to all roles based on the organisation's values and mission, common competencies relating to particular jobs, technical competencies relating to certain job functions that require specific expertise, leadership competencies contributing to leadership performance, and meta competencies relating to individuals' organisations want to develop and promote (CIPD, 2021b) The above can be used to write a job advert, used by agencies, will be seen by prospective candidates and can produce a criteria for shortlisting.

Organisations have a legal responsibility not to discriminate directly, indirectly or positively in the recruitment and selection process under the Equality Act 2010 protected characteristics, sex, disability, marital status, sexual orientation, religion, belief, race, nationality.

Different methods of recruitment and selection, and the strengths and weaknesses of each

Methods of recruitment include online job boards and websites which can be useful for employers without employer brand, for example a potential applicant might see the organisation's job advert on generic job board such as indeed.com whereas they would not have attracted the candidate directly to their own website. They can attract instant applications and can help to manage vacancies effectively however a badly designed website can damage employer brand or turn off potential applicants. Another method is to use a recruitment agency, who are often specialist in the field of recruitment and can offer candidates who are pre referenced / DBS checked / or have worked for them previously and therefore come recommended, the downside of this method is that it can be costly. Recruitment events such as job fairs, or open days at universities or colleges can be effective if you have numerous roles to fill as it can allow you to meet a lot of potential candidates in a short space of time and help raise the profile of your organisation, but it does mean you are competing against other organisations and might not be cost effective if you do not have many roles to fill. (Randstad, 2019)

Methods of selection can include interviews, which can help gauge the candidate's suitability and experience, it can give the candidate an opportunity to ask any questions they have about the organisation or job role, although evidence suggests interviews can be prone to bias such as the stereotyping or personal liking effect. Psychometric testing can be a good predictor of job performance and allow organisations to assess individual differences in ability, personality and or aptitude) however it should not be used as a stand-alone method and can disadvantage certain groups such as those lacking in technological skills. Assessment centres are a good option if recruiting for a number of roles and can allow for a variety of tasks to be completed by applicants, giving employers a good overview of their capabilities, however some applicants might be disadvantages for example if they lack confidence in groups. (CIPD,2021c)

Good practice in relation to dismissal, redundancy and retirement.

It is unlawful to retire an employee when they reach a certain age, employers should have ongoing discussions with employees about future intentions and be aware that it can be a sensitive subject so training line managers on how to deal with it is key. There should be a phased and flexible approach available to all workers with considerations such as decreasing of hours gradually or working part time, moving into a role with less responsibility or retiring from the permanent role but providing consultancy. If an employee is no longer capable of the job due to age related factors, the performance management process should be followed. Dismissal is a form of involuntary employee turnover and requires a valid reason relating to conduct such as breaking of company rules, or capability whereby the employee is unable to do the job due to competence or health. Employers should follow the ACAS Code of practice when managing dismissals, as set out within the code of practise employers need to ensure they establish the facts, inform the employee of the problem, allow the employee to be accompanied to the meeting, decide an appropriate action, give them an opportunity to appeal (ACAS, 2015) Another form of involuntary employee turnover is redundancy which comes into play when there is a •Closure of business, workplace or reduction in work of a certain kind (s139(1) of the ERA 1996). Employers should try and consider alternative options to compulsory redundancy such as voluntary redundancy or retirement, reduced days or hours, and recruitment and or overtime freezes however if redundancy is the only option organisations need to ensure they have a fair selection criteria) and provide all employees with communication and transparency throughout. (Wilkinson & Taylor, 2016)

Bibliography

ACAS (2015) *Acas Code of Practice on disciplinary and grievance procedures*
www.ACAS.com

Australian Bureau of Statistics (2022) *Monthly labour force survey results*. www.abs.gov.au

Callum Pickering (2021) *Australia's Bumpy Recovery Set to Shift Into Higher Gear in 2022*. Accessed via <https://www.hiringlab.org/au/blog/2021/12/10/australia-2022-labour-market-outlook/>

CIPD (2019) *The Many Methods of Workforce Planning*. [Podcast] Chartered Institute of Personnel Development. London

CIPD (2021) *Workforce Planning*. Chartered Institute of Personnel Development. London

CIPD (2021a) *Employee turnover and retention*. Chartered Institute of Personnel Development. London

CIPD (2021b) *Competence and Competency Framework*. Chartered Institute of Personnel Development. London

CIPD (2021c) *Selection methods*. Chartered Institute of Personnel Development. London

CIPD (2020) *Succession Planning*. Chartered Institute of Personnel Development. London

CIPD (2020a) *Labour Market Outlook Winter 2019-2020* Chartered Institute of Personnel Development. London

CIPD (2018) *Workforce Planning Practice*. Chartered Institute of Personnel Development. London

Employment Relations Act (1996) section 139. www.legislation.gov.uk

Forbes (2019) *Find Out Why Employees Are Really Leaving* www.forbes.com

Harvard Business Review (2022) *How to Attract Top Talent in 2022* www.hbr.org

NAB Group Economics (2022) *The Forward View – Australia*: February 2022. Accessed via <https://business.nab.com.au/the-forward-view-australia-february-2022-51275/>

Office for National Statistics (2022) *Labour Market Overview UK*. www.ons.gov.uk

Rahman.M (2022) *Advantages and Disadvantages of reward systems*. www.howandwhat.net

Randstad (2019) *Different recruitment methods, advantages and disadvantages*. <https://www.randstad.co.uk/market-insights/attracting-recruiting-talent/different-recruitment-methods-advantages-disadvantages/>

Ross Seychell *5 Steps To Building An Effective People Strategy* accessed on 04.04.22 via <https://www.personio.com/hr-lexicon/5-steps-to-building-an-engaging-effective-people-strategy/>

Steckerl.S. *Pros and Cons of Recruiting Methods*. Accessed via <https://www.linkedin.com/pulse/pros-cons-recruiting-methods-shally-steckerl>

Waugh.R (2022) *What lies ahead for the UK job market*. www.telegraph.co.uk accessed via <https://www.telegraph.co.uk/business/future-of-recruitment/uk-job-market/>

Wilkinson. K & Taylor.S (2016) *Chapter 3. Resourcing and Talent Planning in Taylor & Woodhams Human Resource Management: People and Organisations*. 2nd Edition. Chartered Institute of Personal Development, London.