



# STRATEGIC WORKFORCE PLANNING

# TAKING A STRATEGIC APPROACH TO WORKFORCE PLANNING

---

With an ageing workforce and shortages of technical and engineering-related skills in the labour market, forecasting future demand and supply of talent is one of the most critical strategic challenges facing organisations within the energy and utilities sector today. A longer-term, strategic approach to talent management is required, to make effective and efficient use of all available talent pools.

## MAXIMISING THE EFFECTIVENESS AND EFFICIENCY OF YOUR TALENT ACQUISITION

A more proactive approach to long-term recruitment planning can help you reduce short-term 'fire-fighting'. Strategic workforce planning gives you an increased ability to develop recruitment and talent plans, minimising the risks to delivery associated with talent availability.

## SCIENTIFIC APPROACH TO FORECASTING RESOURCE NEEDS

Using our unique approach and statistical model, we can take your existing workforce data and create new insights – working smarter, not harder. This will enable you to make better informed decisions, with greater confidence, relying on facts developed using an established and rigorous approach.

## OPTIMISE YOUR APPRENTICESHIP STRATEGY AND MAXIMISE LEVY RETURNS

We can help you understand the future demand for talent in your business, alongside any constraints in supply. With a significant skills gap in the energy and utilities sector, you can optimise your apprentice intake to grow the talent your business needs and to maximise Apprenticeship Levy returns.

## SUPPORT BIDS FOR SKILLS INVESTMENT

We can support your organisation in identifying the right people strategies based upon a range of internal and external factors. We will provide you with a 360° view of the talent challenges facing your business and a comprehensive plan to meet them head on, to support business planning – and securing the investment needed.

## FUTURE-PROOF YOUR TALENT STRATEGIES

The UK's energy and utilities sector and labour markets are changing. Sector boundaries are blurring and new technologies are changing the skills of the workforce. Developing government policy, legislation and regulation also impacts the way that organisations interact with their local, national and international labour markets. We can create a range of future scenarios, meaning no matter what the future holds, you will be prepared with a fully costed recruitment plan at your fingertips.

## Energy and utilities sector is facing a skills and workforce renewal challenge:

---

- ▶ 221,000 new recruits needed over the next 10 years
- ▶ An ageing workforce, with 20% of engineers due to retire in the next decade
- ▶ 36% jobs are hard to fill due to skills gaps – higher than any other sector
- ▶ Skills are becoming increasingly transferable, leading to losses out of the sector
- ▶ 31,000 new roles needed to support key initiatives, including major infrastructure projects

**“We were able to make a case to double the size of our planned apprentice intake using the forecasts provided by Energy & Utility Skills.”**

SSE

# GIVING YOU A 360° VIEW OF THE TALENT CHALLENGES

---

Our approach to workforce planning data analytics is based on an established resource planning model that is built around your workforce structure. For more than a decade, we have been producing high-quality and robust labour market intelligence that can give you a real sense of the wider supply and demand for talent. We recognise that each company is unique and that you need a workforce planning solution that fits in with your plans, timescales and budget.

## TRIED AND TESTED METHODOLOGY

Utilising our robust analytical framework we can develop fully-costed recruitment plans that will deliver the talent you need at the time you need it. Using your current workforce data as the starting point, we will help you assess the impact that retirement, staff turnover and headcount changes could have on each job role in terms of vacancy creation over the next five, 10 or even 20 years. We will help you develop the optimum resourcing strategy to deliver the talent you need when you need it. We'll assess the timing and budget implications of different approaches (by varying the extent to which different entry routes could be utilised).

## REGIONAL AND SECTOR CONTEXT

To really get a sense of the size and nature of the talent challenges facing your business, it is important to look outside of your business at the bigger picture. This can help put your own talent challenges into perspective. With access to the UK's leading skills and employment datasets, we can provide you with detailed analysis of the external factors that may affect your ability to deliver your optimum recruitment strategy. We can also help you access relevant supply-side data relating to the talent emerging from schools, colleges and universities in your areas. Our aim is to help you answer the question – is our preferred recruitment plan deliverable, given the wider context?

## DIVERSITY AND INCLUSION TARGETS

Benchmarking your workforce characteristics, and demand and supply requirements, can be a useful exercise to assess the overall health and diversity of your workforce. With unrivalled access to statistics covering a range of topics, we can help you establish benchmarks in areas around workforce diversity and inclusion (gender, ethnicity, etc.) that can contribute to your CSR strategy.

**“Significant value has been created for our organisation over this eight-year period by getting Energy & Utility Skills involved with National Grid’s price control submission”**

National Grid

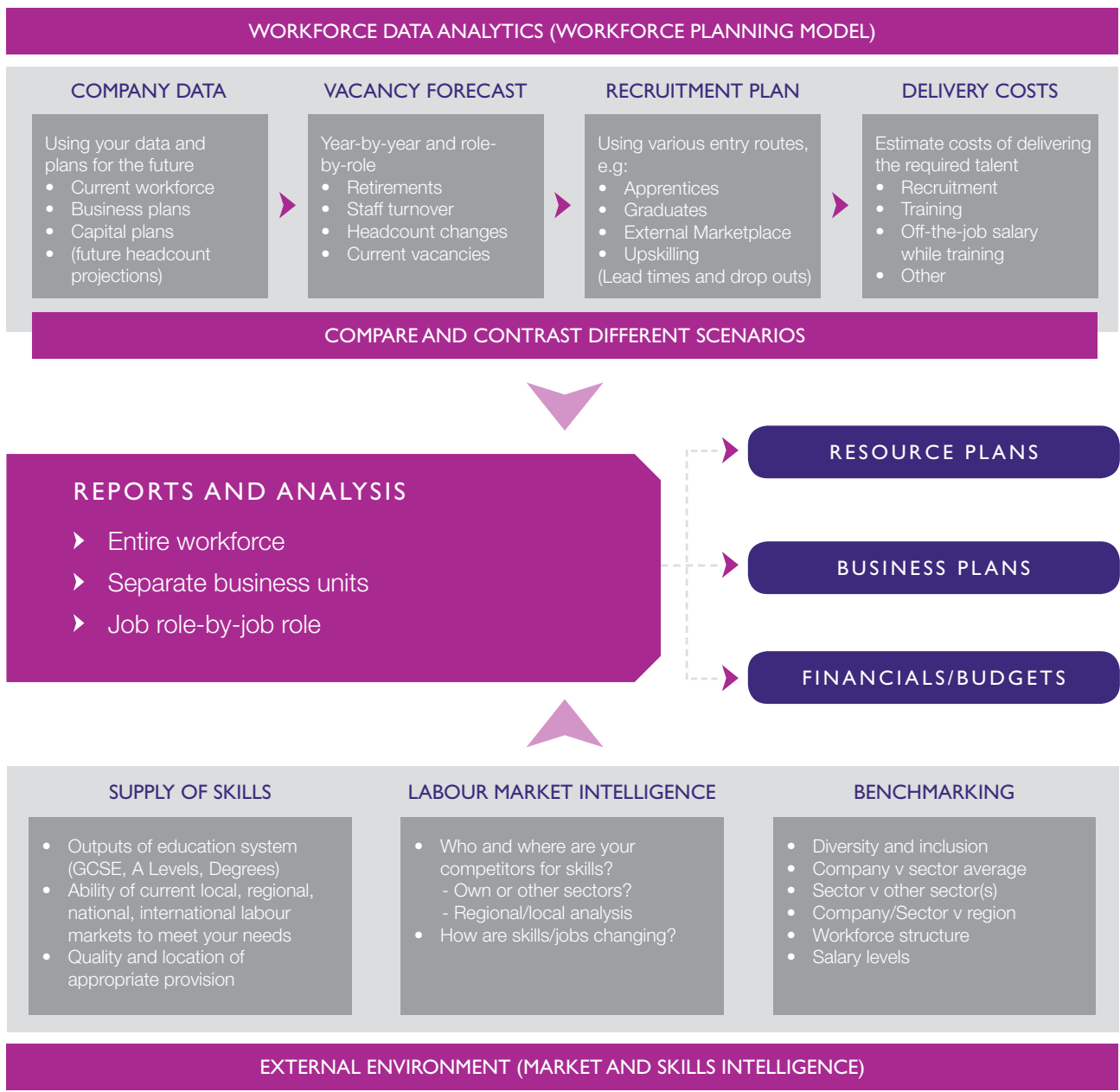
## KEY FEATURES OF OUR MODEL

---

- ▶ Export data straight from your HR system so it uses your established job roles and grades
- ▶ Look at the whole workforce as a single entity or break it down by business unit, department or site
- ▶ Create a range of scenarios to forecast vacancies and plan recruitment
- ▶ Estimate the cost of your recruitment strategy, factoring in recruiting, training and off-the-job salary costs
- ▶ Receive a range of outputs to suit the needs of your target audience – from detailed statistical analysis to headline presentations



# Our Approach to Strategic Workforce Planning



# FORECASTING FUTURE DEMAND AND SUPPLY OF TALENT

We can develop a workforce planning solution to meet your organisation's specific needs – now and for the future. Utilising a decade's experience of supporting the UK energy and utilities sector in determining workforce renewal requirements, we offer a tried and tested framework that can help your business achieve its strategic objectives and outcomes.

## CASE STUDY: SEVERN TRENT WATER

### THE OBJECTIVE

Severn Trent Water was seeking to establish whether its current level of apprentice in-take was sufficient to meet short-term requirements. It was also seeking statistical evidence of the likely future requirement for apprentices over the medium-term.

### THE SOLUTION

We produced statistical analyses of the likely demand for new recruits under various scenarios of retirement rates and growth expectations. Also included in these analyses were recruitment plan scenarios based on various levels of reliance on apprentice, graduate and internal upskilling entry routes.

### THE OUTCOME

The analysis provided robust statistical evidence of the need to increase its annual apprentice intake for forthcoming years. As a result, the organisation took the decision to triple its apprentice intake.

**“I gained the statistical evidence of the need to increase our apprenticeship programme over the next few years. This has resulted in us committing to triple our apprentice in-take”**

Severn Trent Water

## CASE STUDY: OFGEM RIIO PRICE CONTROL SUBMISSIONS

### THE OBJECTIVE

Ofgem required all six of the UK electricity Distribution Network Operators (DNOs) to submit a business plan as part of their regulatory price control review process for 2015-2023 (called RIIO-ED1). This includes details of their workforce renewal strategies and cost estimates for each of the 14 distribution areas.

### THE SOLUTION

All six DNOs came together to use our workforce planning model to produce estimates of their labour and skills demands over the next two price control review periods (through to the end of 2033). These estimates were produced for each of the 14 distribution areas.

Taking each DNO's current workforce as the starting point, a series of assumptions were applied relating to how and when vacancies might be created over

the coming years (e.g. through retirement, staff turnover or headcount increases/ reductions). A fully-costed recruitment plan was developed to meet the labour demands of each distribution region. These recruitment plans took full account of how the different DNOs relied on different entry routes depending upon their own business strategies and local labour markets.

### THE OUTCOME

This unique analysis helped shape the workforce strategies of the individual employers and has been used to influence the activities of other stakeholders in the sector, including government departments and training providers. It was submitted as part of the regulatory price control review process, ensuring that the DNOs could fund the millions required for recruitment and training.

# DELIVERING FOR YOUR BUSINESS

---

Here are some of the organisations Energy & Utility Skills has worked with:

The logo for Centrica, featuring the word "centrica" in a bold, blue, sans-serif font.The logo for Electricity North West, with "electricity" in green and "north west" in blue, both in a sans-serif font.The logo for Northern Powergrid, featuring a red triangle icon to the left of the text "NORTHERN POWERGRID" in a bold, black, sans-serif font.The logo for ScottishPower, featuring three stylized water droplets in green, blue, and yellow above the text "SCOTTISHPOWER" in a bold, green, sans-serif font.The logo for Severn Trent Water, consisting of three horizontal bars: a blue bar with "SEVERN", a green bar with "TRENT", and a blue bar with "WATER", all in white, sans-serif font.The logo for Wales & West Utilities, featuring an orange circular icon with a grey segment to the left of the text "WALES&WEST UTILITIES" in a bold, orange, sans-serif font.

To find out more about Workforce Planning, please call **0845 077 99 22**, email **[workforceplanning@euskills.co.uk](mailto:workforceplanning@euskills.co.uk)**, or visit our website **[www.euskills.co.uk](http://www.euskills.co.uk)**

 Follow us on Twitter **[@EUSkills](https://twitter.com/EUSkills)**

 Join our **[LinkedIn Network](#)**

The logo for Energy & Utility Skills, featuring a stylized star icon composed of purple and white geometric shapes to the left of the text "ENERGY & UTILITY SKILLS" in a bold, purple, sans-serif font.