Pathways to Management and Leadership

Level 5: Management and Leadership

Unit 5010V1

Planning for Development

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About this workbook

The unit

The main purpose of this workbook is to support you as you study for the Chartered Management Institute Level 5 in Management and Leadership qualifications, so it specifically focuses on the content of the syllabus for Unit 5010V1 *Planning for Development*.

This workbook provides underpinning knowledge and develops understanding to improve your skills as well as to prepare you for future assessment. If you are studying for the Level 5 in Management and Leadership qualifications, then you will be assessed by your approved centre on 'your knowledge and understanding of' the following learning outcomes:

1. Be able to devise a human resource plan for a work area, to meet organisational objectives.

2. Be able to identify and plan for individual development to meet organisational objectives.

3. Be able to initiate a personal development plan for an individual.

4. Be able to evaluate the progress of the plan

The aims of this workbook

This workbook aims to help you learn how to:

- identify and plan the HR requirements of the business

- identify development needs

- plan team and individual development

- assess and improve development activities.

Syllabus coverage

The table below shows which sections of the workbook address each assessment criteria section of the qualification syllabus.

Unit 5010V1 syllabus coverage	Addressed within section:
Human Resource Development	
1.1 Evaluate criteria required to identify human resource requirements for a work area	1
1.2 Evaluate techniques to assess the capabilities of a team to meet objectives	1
1.3 Construct a human resource plan for a work area	1
2.1 Assess ability of staff to meet current and future objectives	2
2.2 Assess capabilities of staff to meet current and future objectives	2
2.3 Develop a personal development plan for an individual to meet current and future objectives	2
2.4 Agree personal development plans with individuals	2
3.1 Identify the support required to initiate the personal development plan	3
3.2 Initiate the plan against required objectives	3
4.1 Review and monitor progress of the plan against agreed objectives	4
4.2 Evaluate the plan on completion	4
4.3 Assess the impact of the personal development plan on organisational objectives	4

Getting started

People are the most valuable resource of any organisation. Making sure that people with the right skills and knowledge are in place at the right time is a key aspect of human resource management.

Within the best organisations — those that have made a serious commitment to their staff — human resource management is not solely the responsibility of the HR department. Instead, the HR department is seen as a resource, with managers taking responsibility for recruitment, performance management and development of their teams. Everyone in the organisation, from the top down, takes responsibility for making sure that staff needs are met through the most effective and most relevant practices and procedures.

This workbook begins by explaining what effective human resource development involves. It then looks at how this translates into identifying both team and individual development needs and to then plan for effective development, ensuring organisational objectives are met. It then explores how individual development activities such as coaching and training can be used as development options and concludes with some ideas on how development should be assessed and evaluated.

How to use the workbooks

The workbooks provide ideas from writers and thinkers in the management and leadership field. They offer opportunities for you to investigate and apply these ideas within your working environment and job role.

Structure

Each workbook is divided into sections that together cover the knowledge and understanding required for that unit of the Chartered Management Institute Level 5 in Management and Leadership. Each section starts with a clear set of objectives that identify the background knowledge to be covered, and the management skills in the workplace that enable you to demonstrate this knowledge. You do not have to complete the sections in the order they appear in the workbook, but you should try to cover them all to make sure that your work on the unit is complete. There are self-assessment questions at the end of each section that allow you to check your progress. You may want to discuss your answers to these questions with your line manager or a colleague.

Activities

Throughout the workbooks there are activities for you to complete. These activities are designed to help you to develop yourself as a manager. Space is provided within the activities for you to enter your own thoughts or findings. Feedback is then provided to confirm your input or to offer more ideas for you to consider.

To get the best from the workbooks, you should try to complete each activity fully before moving on. However, if the answer is obvious to you because the issue is one you have encountered previously, then you might just note some bullet points that you can then compare quickly against the feedback. You may sometimes find it difficult to write your complete response to an activity in the space provided. Don't worry about this — just keep a separate notebook handy, which you can use and refer to as needed.

Try not to look at the feedback section before completing an activity. You might like to cover up the feedback with a postcard or piece of paper while you are working through an activity.

Timings

Timings are suggested for each section and activity, although it is important that you decide how much time to spend on an activity. Some activities may occupy only a few moments' thought, while others may be of particular interest and so you might decide to spend half an hour or more exploring the issues. This is fine — the purpose of the activities is to help you reflect on what you are doing, and to help you identify ways of enhancing your effectiveness. It's always worth writing something though, even if it's brief — the act of writing will reinforce your learning much more effectively than just referring to the feedback.

Scenarios

There are scenarios and examples throughout each workbook to illustrate key points in real workplace settings. The scenarios cover a wide range of employment sectors. As you work through, you might like to think of similar examples from your own experience.

Planning your work

The reading and reflection, scenarios and activities in each section of the workbooks are designed to take around two hours to complete (although some may take longer). This is a useful indicator of the minimum length of time that you should aim to set aside for a study session. Try to find a quiet place where you will not be interrupted and where you can keep your workbooks, notes and papers reasonably tidy. You may also like to think about the time of day when you work best — are you a 'morning person' who likes to get things done at the start of the day, or do you work better in the evening when there may be fewer disturbances?

Preparing for assessment

Further information on assessment is available in the Student Guide produced as part of the *Pathways to Management and Leadership* series. If you have any further questions about assessment procedures, it is important that you resolve these with your tutor or centre co-ordinator as soon as possible.

Further reading

Suggestions for further reading and links to management information are available via ManagementDirect through the Study Support section of the Institute's website at http://mde.managers.org.uk/members. Alternatively, email ask@managers.org.uk or telephone 01536 207400. You will also find titles for further reading in the Bibliography at the end of this workbook.

Section 1 Identifying and planning human resource requirements

Time required: about 1½ hours

Learning outcomes

By the end of this section you should be able to:

1.1 Evaluate criteria required to identify human resource requirements for a work area

1.2 Evaluate techniques to assess the capabilities of a team to meet objectives

1.3 Construct a human resource plan for a work area.

What is human resource planning?

Human resource planning can be defined as:

> *…The comparison of an organisation's existing labour resources with forecast labour demand, and hence the scheduling of activities for acquiring, training, redeploying and possibly discarding labour.*

Hannagan (2002)

Any organisation must have people in place with the right skills and knowledge to enable the business objectives to be met. This means that any business, service or departmental plan needs a corresponding human resources plan that identifies how personnel requirements will be met for both the short and long term.

Fig. 1.1 illustrates that the first step in developing a human resources plan is to identify personnel requirements. This is followed by a process of information gathering and analysis, which reviews:

■ existing internal capabilities and future patterns

■ external factors that will affect meeting personnel needs.
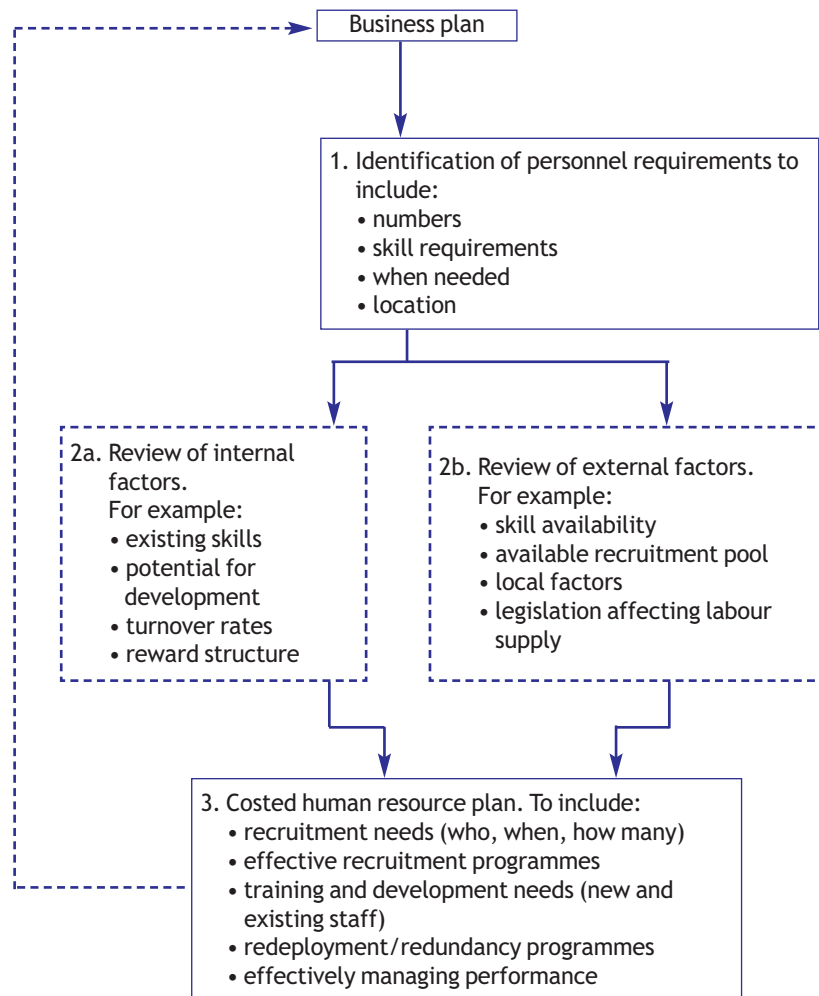
Fig. 1.1: Human resource planning process

The identification of personnel requirements requires detailed implementation plans for any business plans relating to products or services plans. It's essentially a forecasting exercise and therefore any information has to be detailed, up to date and accurate; otherwise any human resource plan will be fundamentally flawed.

A review of internal factors will require access to information such as:

■   current and potential capability of the workforce

■   turnover rates

■   any recurring recruitment issues.

The information will inevitably come from a number of internal sources such as personnel, finance, line managers and the training department.

A review of external factors initially involves searching for factors that *may* impact on any human resource plan. Often referred to as a PESTLE analysis, this requires a systematic review of all political, economic, social, technological, legal and environmental factors. A PESTLE review is most effective when a number of people are involved who can bring a range of

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Section 1 Identifying and planning human resource requirements

perspectives and expertise to identifying factors. For example, a member of the HR department will be best placed to identify effects of employment legislation, whereas a representative from the finance department can identify the likely effects of economic changes on the horizon. A PESTLE analysis will not work unless you involve the relevant expertise.

The review of internal and external factors enables an analysis of strengths, weaknesses, opportunities and threats to be made (SWOT analysis). This will in turn lay the foundations for a costed human resources plan that details activities to ensure that the right staff are in place at the right time. Within any human resource plan, it's important to include an assessment of the costs and benefits associated with the plans. For example, a costed human resource plan that includes a proportion of staff moving to home-based working might include:

- an analysis of cost savings in relation to office space and overheads

- an assessment of the benefits resulting from the predicted increase in staff motivation, costed wherever possible.

(The workbook for Unit 5007V1 *Organisational Financial Management* looks in more detail at the process of compiling a cost–benefit analysis.)

The human resource planning process may trigger a reassessment of the business plan, as the following example illustrates.

Scenario

Reassessment of business plan

A voluntary organisation had been left a large house as part of a legacy and was developing a plan to convert the building into a residential home for older people. However, research into the labour supply of care staff in the local area meant that there were major concerns about availability and cost of staffing. Many existing homes in the area relied heavily on agency staff.

This was a major factor contributing to the decision that the building should be sold and the money raised used to extend an existing residential home. The existing home was located in an area of relatively high unemployment in which the home had built a reputation in the area for being a good employer.

Skills shortages in the UK are affecting business plans.

> *We know that a lack of skills could have an impact on our bottom line if we don't take action. The right mix of skills is vital to ensure that we can innovate, that we can continue to meet our high quality standards and to provide good customer service.*

Bob Lyall, Director of Training, BMW (2004)

Research carried out by Warwick University's Institute for Employment Research and IFF Research Ltd in 2004 showed the following:

- A fifth of job vacancies in England stay unfilled because there's a shortage of skilled applicants.

- More than 20 per cent of employers report skill deficiencies among current staff.

- Forty-four per cent of organisations suffering skills shortages lose business as a result.

Clearly, the case for organisations to develop human resource plans that include strategies for equipping staff with the required skills is strong.

Difficulties in human resource planning

Forecasting human resource requirements accurately in the short term is difficult. The longer the forecast, the more errors can creep in and affect the reliability of the plans.

Activity

Activity 1.1   (about 5 minutes)

What factors may affect the accuracy of any human resource plans in your organisation?

Feedback

You may have included factors such as:

- *new technology can introduce changes to skill requirements and staffing levels*

- *business plans often change, immediately having a knock-on effect on the corresponding human resource plan*

- *new legislation may be introduced, e.g. the 1993 EU directive on working time had an impact on working out shift patterns for many organisations*

- *changes in labour supply, e.g. closures of businesses in the local area may suddenly increase the pool of skilled labour; conversely, the opening of new businesses may severely deplete the labour pool.*

Human resource planning is not an exact science. However, the willingness of an organisation to take these factors into account when business planning can substantially improve its ability to meet its customers' needs.

Activity

Activity 1.2 (about 15 minutes)

Talk to the HR department in your organisation about its approach to human resource planning. You may find it useful to ask the following questions.

- What information is compiled internally to monitor what is happening to the labour force, e.g. are turnover rates calculated? If so, how?

- How is recruitment activity monitored and recorded?

- What benchmarking activities take place (i.e. comparisons with similar organisations)?

- What type of equal opportunities monitoring takes place?

- Is there a human resource plan for the organisation? If so, what does it cover? How is it compiled?

Feedback

Although human resource planning is usually the responsibility of the HR department, it's important that you are aware of the 'bigger picture' so you understand how your recruitment and retention activities fit in.

Recruitment and selection implications

As a line manager you're likely to be involved in human resource planning for your area or department. This should always involve reviewing the business plans and checking that any plans to recruit reflect the business needs. You'll need to answer questions such as:

- What job roles will be needed?

- How many people will be needed?

- What will they need to do? (job description)

- What skills and experience will they need? (person specification)

- When will they be needed?

- Where will they be needed?

Instead of immediately assuming that new staff are required, the starting point should always be to review existing staffing arrangements. There may be an opportunity for reallocating work, developing existing staff, using secondments, or reorganising roles and responsibilities.
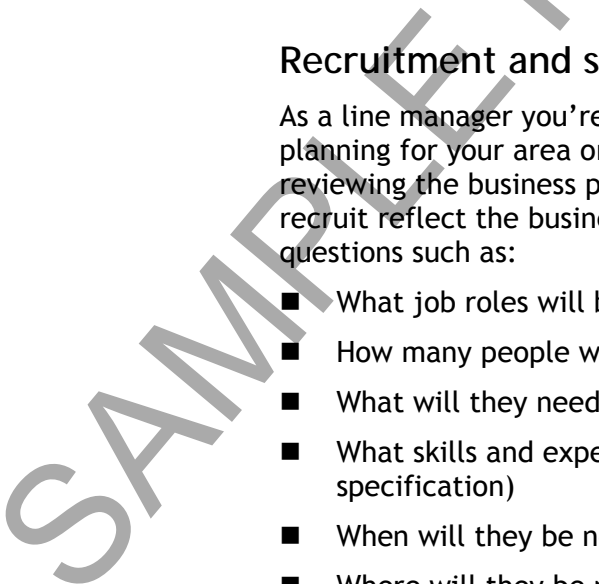
If recruitment is required, you must make sure you:

- follow the organisation's policies and procedures: Many organisations deliver compulsory in-house training for managers who recruit to ensure procedures are followed and legal requirements met

- develop your recruitment and selection skills: You can do this by completing the workbook for Unit 5011V1 *Managing recruitment, selection and induction*.

Managing team performance

As a manager you need to:

- manage the performance of your team

- manage the performance of individual members of the team.

The outcomes of managing team performance feed into managing individual performance and vice versa.
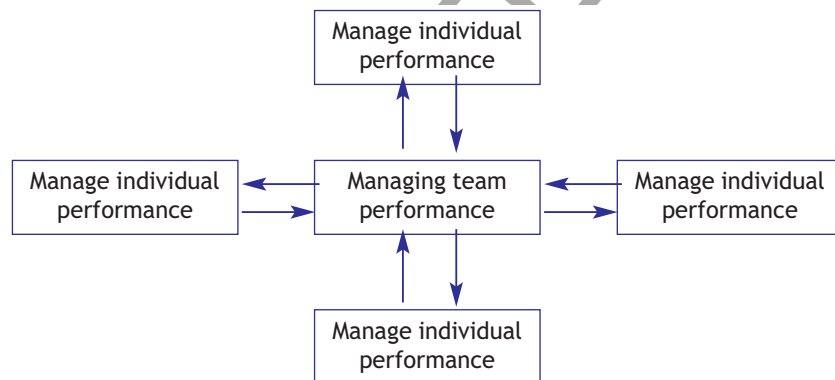
Fig. 1.2: Managing team and individual performance

However, managing a team as a whole entity is often overlooked by managers who are often channelled into managing performance on an individual basis through organisational appraisal systems.

The workbook for Unit 5003V1 *Managing Team and Individual Performance* looks at the performance management of individual members of your team. The principles for managing team performance are similar. However, you should be aware of how:

- the different roles people play affect their team performance

- to manage the performance of the team as a whole.

Recognising the roles played by team members

It's always useful to be able to recognise the roles people play in teams. People at home and at work function in different ways. Some are extroverts and prefer to be with other people, while others are introverts and prefer their own company. Some are neat, tidy and highly organised, while others are careless,

slapdash and very disorganised. This doesn't mean that one is better than the other, although we often approve of those who are more like us and disapprove of those who are not.

The Cambridge psychologist, Meredith Belbin, identified eight different roles that people play when working in a team situation. The term 'team role' describes the way in which an individual will operate and function within a team and encompasses the way they:

■ relate to the other team members

■ communicate with the other team members

■ contribute to the team.

Belbin's eight roles are as follows.

1. **Plant**: This is an 'ideas person' who will generate new ideas and contribute original thought to the team.

2. **Resource investigator**: This is a 'people person' who is diplomatic and a skilled negotiator. Their greatest contribution to the team is energy, optimism and enthusiasm.

3. **Co-ordinator**: This person is controlled, calm and a skilled communicator. They help the team stay focused on the task.

4. **Shaper**: This person is extrovert, energetic, optimistic and gets on with the job regardless of what's happening around them. They are able to shape the team's effort into a practical course of action.

5. **Monitor evaluator**: This is an analytical, cautious person who is thorough. They take an objective view and will save the team from rash and costly errors of judgement.

6. **Implementer**: This person is organised and sensible. Their greatest contribution to the team is their organising ability and their skill of turning ideas into actions.

7. **Completer**: A completer never assumes it will be 'all right on the night'. If they say they will do something, then you can rely on the fact that not only will it be done but it will be done on time to a very high standard.

8. **Team worker**: This is a person who likes people. They are loyal and diplomatic and their greatest contribution to the team is their ability to support everyone.

In an ideal world, a perfect team would consist of at least eight people, each of whom would be comfortable operating in one of Belbin's eight team roles. This perfect mix is, however, quite a rarity. In fact, you are much more likely to find teams composed of unsatisfactory combinations, such as:

■ three shapers and one plant

■ three plants and one implementer.

If you are given a team of people then you simply have to work with the individuals and seek to make the best use of what you've got. But as a manager it's helpful to be able to do all three of the following:

- **Understand the differences between the individual people on the team**: What is this person like? How do they prefer to operate? What does he or she do best?

- **Understand the differences between the team roles**: What strengths and weaknesses does this role bring to the team? What does this team role contribute to the team?

- **Allow people to operate in their own, natural team role strengths**: This is about allowing people to be themselves and to contribute to the team in the way that naturally suits them best. This is really fitting square pegs into square holes, and round pegs into round holes. When the *match* and *fit* are right, people will feel comfortable and at ease. They will feel they are making a genuine contribution to the team because their input will be suited to their temperament and capabilities.

It's important to use Belbin's theory to remind yourself that individual members of your team are very different and to try to tailor activities to their needs and preferences, rather than assuming 'one size fits all'. Belbin's team role questionnaires can be accessed at www.belbin.com

Managing team performance

Managing team performance involves a continual cycle of:

- agreeing objectives
- developing measures
- agreeing roles and responsibilities
- reviewing progress.

¥ Agree objectives
¥ Develop measures
¥ Agree roles and responsibilities

¥ Review progress

Fig. 1.3: Managing team performance cycle

You'll look at each one in turn.