



## THE TIMES 100

### BUSINESS CASE STUDIES

#### Workforce planning

#### Sheffield Forgemasters International Ltd

Sheffield Forgemasters International Ltd (SFIL) is a steel producer and engineering company. It supplies businesses in many industrial sectors, with customers in the defence, nuclear, oil and gas exploration, power generation, marine and construction industries.

Engineering is a highly skilled and specialised profession so SFIL needs well-trained employees. It has been running a highly acclaimed apprenticeship programme since 2005. The company invests £1 million a year into this programme. It allows the company to supply its next generation of skilled workers, trained to its own high standards.



Workforce planning is the process of establishing and meeting a company's labour needs. It needs to take into account the skills as well as the overall number of employees required to conduct the business. It has to consider anticipated future demand as well as current needs. SFIL faces many of the same workforce planning issues as other businesses. It needs to provide staff development, to respond to changes in its external environment and to remain ahead of the competition. SFIL also faces additional challenges due to the highly skilled and specialist nature of its work. SFIL's workforce planning has to take into account many factors. For example, it needs to understand the local labour market. Skilled workers may move in or out of the area. It needs to consider the wider economy. A global economic downturn may reduce demand for its products. Within this ever-changing context, SFIL needs to plan the number of workers it will need in the future. It must assess the skills that these workers will need. By forecasting these future needs of the business, it can produce a plan to ensure that it will have trained staff that can deliver what its customers want.

SFIL strives to be the best at what it does. To achieve this, the focus of its operations is on quality. It believes in continuous improvement and being a leader through innovation in developing new products and processes. So to succeed, it needs a strong skills base. As these are vital features of SFIL's current and future growth, they must also be built into training programmes. This focus on quality is a feature of the apprenticeship programme.

SFIL drives up quality by taking on only the best people as apprentices. In 2010 there were more than 250 applicants for just 30 apprenticeships. This is producing results. According to the local college, the 2011 apprenticeship cohort was the best intake so far. SFIL is currently training 64 apprentices. This is just under 8% of the total workforce. This underscores SFIL's commitment to training the next generation. It will help the company ensure that it has highly skilled workers to meet the needs of the business in the future. The apprenticeship programme has helped SFIL to improve its skills base. This is vital as it increases the company's capacity to handle new and complex projects. Graham Honeyman says:

*'Apprentices have contributed to the organisation's success for many years. They are now engaged in refining work practices and control systems to improve efficiency and productivity across the operation.'*



## THE TIMES 100

### BUSINESS CASE STUDIES

#### Questions

1. What is workforce planning?

---

---

2. Describe the stages in workforce planning.

---

---

---

3. Explain some of the factors that affect the labour market for SFIL.

---

---

---

---

4. Analyse why workforce planning is essential for organisations like SFIL.

---

---

---

---

---

---

---

#### Task

In small groups, carry out an investigation into the labour needs of your school or college. Find out what vacancies there are currently. Consider the changes to the supply and demand and workers over the next few years. How could the school/college prepare for this . training, recruitment, redundancy? Present your findings back to the group

#### What have you learned?

*Find a pair .* work in small groups. Each group should write 6 questions and their answers on to 12 separate squares of paper. They should then shuffle the squares and swap with another group. The squares of paper should be placed face down on the table and each individual should take it in turns to turn over two squares. The aim is to find a question and the corresponding answer. When found, the student should keep that pair of squares. The winner is the student who finishes with the most pairs. *(To make this harder, increase the number of questions and answers)*