



A GUIDE:

To income generation  
opportunities for HR  
services in Local  
Authorities.

# Contents

INTRODUCTION	3
STAGE 1	5
STEP 1 – DEVELOP YOUR STRATEGY	5
STEP 2 – STRATEGIC OPTIONS	12
STEP 3 – EVALUATE AND SELECT OPTIONS	15
STEP 4 - GAIN APPROVAL	16
STAGE 2 – IMPLEMENTATION	17
STEP 1 – TRAINING	17
STEP 2 – COMMUNICATION (INTERNAL)	17
STEP 3 – PROMOTION (EXTERNAL)	18
STEP 4 – SERVICE LEVEL AGREEMENT (SLA) DEVELOPMENT	18
STAGE 3 – OPERATIONAL CONSIDERATIONS	19
STAGE 4 – REVIEW	20
REFERENCES AND BIBLIOGRAPHY	22
APPENDIX 1: TYPICAL COMMERCIAL STRATEGY ( <a href="https://mindtools.com">HTTPS://MINDTOOLS.COM</a> )	23
APPENDIX 2A: EXAMPLE SERVICE OFFER FROM PRIVATE SECTOR COMPANY 1	25
APPENDIX 2B: EXAMPLE SERVICE OFFER FROM PRIVATE SECTOR COMPANY 2	27
APPENDIX 3: EXAMPLE EVALUATION TOOL – DECISION-MATRIX	29
APPENDIX 4: EXAMPLE MARKETING PLAN	31
APPENDIX 5: EXAMPLE SERVICE LEVEL AGREEMENT	33

## Introduction

Government's austerity measures has seen years of reducing public sector spend which in turn has resulted in local government authorities suffering successive budget cuts. During the early years of the austerity measures the authorities were able to deal with the deficits by reducing budgets, offering employees early retirement or voluntary redundancy schemes and using their financial reserves. However, as each annual budget settlement shrinks the opportunity to further reduce costs becomes limited and the choices more stark. Reducing or stopping non-statutory services are now on the agenda of local authority meetings.

In parallel the cost cutting measures focus has turned to the possibility of local authority services generating new or more income. Income generation opportunities are being considered across all services and the Human Resources function is no exception.

At the very least, the Human Resources function is expected to justify its value to the organisation. It is inevitable that this will include consideration of outsourcing the function or exploring the possibility of inter-authority shared services.

### **Is there an opportunity for the HR function within a local authority to become an income generating function, bringing in new funds from outside of the organisation?**

The purpose of this guide is to take you through the initial stages of identifying income generating opportunities; assessing the culture, skills and competencies within the HR function; developing the list of services available; and operational considerations to support effective implementation of the plan. Income generation in this context is seen as introducing new money to the Council from within the public sector. This is not a guide to full commercialisation however it will provide a foundation to further explore commercial opportunities in the future.

The tips you will see throughout the guide are based on the experiences of HR Directors in Welsh Local Authorities, one Shared Service company in England and those of the project group. The guide focuses on Human Resources however it could be applied against other Local Government service areas.

### **Is it legal for local authorities to generate income?**

As the main purpose of this guide relates to trading with other public sector bodies the relevant legislation is the Local Authority (Goods and Services) Act 1970. This allows public bodies to trade with other public bodies relatively freely. This does not have to be on a cost recovery basis only and as a result it is permissible to make a surplus from such an arrangement.

In Wales, charging and trading with private companies or members of the public is contained within the Local Government Act 2003. The power allowing a local authority to charge for discretionary services was introduced in Section 93 of the Local Government Act 2003 but this can only be on a cost recovery basis. Section 95 of the same Act allows local authorities, if determined

by the National Assembly for Wales; to trade in function related activities for a commercial purpose providing (i) that they do not have an obligation to provide the service; and (ii) this must be done through a company.

Local authorities have a number of options when deciding which form of company they wish to set up to trade commercially. These include a company limited by shares, a company limited by guarantee, an industrial and provident society (IPS), or a service delivery company. Many local authorities who have entered the commercial arena will set up a service delivery company with a view to delivering a service back to the local authority. Such a vehicle will allow trade with external organisations subject to the limitations of the Teckal exemption, i.e. a limit of 20% of turnover from external trading activity.

## STAGE 1

### STEP 1– DEVELOP YOUR STRATEGY

In order to achieve your business objectives you need to know how you are going to get there. To determine your strategy you must understand fully the internal and external environment in which you operate so that you can identify your clear advantages and use these to be successful. From there, you can make informed choices and implement your strategy effectively.

A typical strategy will consider three elements (see Appendix 1):

- Analysing the context in which you are operating
- Identifying strategic options
- Evaluating and selecting the best options

(<https://mindtools.com>)

In order to explore these aspects (in particular analysing the context) and to see whether we could offer any insights from a Local Government HR perspective we ran a guided workshop.

#### Tip

Run a guided workshop with individuals across the service that have a good understanding of the areas they work in, in order to build a true picture of your department.

This proved invaluable in helping us gain a greater understanding and identifying our strengths and we will share our key findings with you below.

#### 1. Analyse your Organisation:

##### Key Questions to Consider:-

- What functions make up your HR department? Are any of these currently charged for?
- What's good about Local Government Human Resources?
- What skills do the HR team currently possess? (Break down into hard and soft skills)
- What skills may be missing?
- What are the Unique selling Points (USP)

Our workshop findings:-

- **What functions make up your HR department?**

**Core functionality:**

Recruitment  
Policy development  
Disciplinary advice  
Grievance/resolution  
Sickness management  
Safeguarding/DBS  
Training

**Additional functions for some authorities:**

Change management  
OD & workforce planning  
Equalities  
Health & Safety  
Recruitment agency  
Occupational health

- **Are any of these functions currently paid for?**

Currently only charged through SLA's (i.e. with schools and Directorates)

There was a big realisation for us at this point that HR currently lacks a commercial culture and a commercial mind set. At present, the income from the SLA is a given .... What happens when it is not?

A small number of schools have opted out – so what can we do to attract them back and retain all other schools?

- **What's good about Local Government Human Resources?**

- Experience of managing difficult conversations
- Broad expertise of the HR function
- Experience – Team and Individual
- Experience of broad range of job types – contracts/shifts/term-time
- Relationship management– customers / unions / staff
- Understand or operate under the Welsh laws / administration
- Good people skills / Soft skills
- Embrace change
- Employment law expertise / TUPE etc., Equal Pay, Equality, Data Protection
- Qualified Staff (CIPD)
- Make up representations (ethnicity / gender) Understand the Operational needs of relationship management. Wide range of services. Welsh speaking (Welsh Language Act), Language (Polish)

- **What skills do the HR team currently possess (Break down into hard and soft skills)?**

<b>Hard</b>	<b>Soft</b>
Time management	Communication skills
Workload Management	Influencing Skills
Project management	Stakeholder Management
TUPE	Building Relationships
Employment Law	Building Trust
Create Vision	Shared Vision
Knowledge	Compassion
Data Protection & confidentiality	Patience
Confidentiality	

- **What skills may be missing?**

In our experience **Coaching and Mentoring** skills are required for HR Officers to Coach and Mentor managers to carry out their people management responsibilities. This might then free up capacity to then be able to take on income generating work.

Officers require a clear **understanding of the business needs** of the service being supported.

As we enter further financial uncertainty, employees need a **commercial mind set** to support new ways of working.

### **Key finding**

HR officers currently lack coaching and mentoring skills, the commercial mind set and a clear understanding of the business needs of the service being supported.

### **Tip**

Carry out a training needs analysis before you embark upon an income generation exercise.

## Conduct a SWOT analysis

Workshop findings:

### Strengths

Size of Teams  
Knowledge and Experience  
Specialists  
Awareness of Political Agenda  
Council Brand = Strength  
Wide range of services

### Weaknesses

Bureaucratic  
Non- Commercial Mind-set  
Lack of Succession Planning  
Pockets of resistance to change  
Employee Age profile not mirroring demographics  
Risk Averse  
Political Change

### Opportunities

Succession planning  
Change recruitment practices to attract wider demographics  
Develop staff to be more customer care focussed  
Develop Commercial Awareness  
Develop Commercial Culture  
Meet internal demands  
Invest in current and new staff – Commercial motivator  
Keep money in Public Sector – Like minded public bodies

### Threats

Private sector Operators / Competitors  
Budget Cuts  
BREXIT – Employment Law  
Change in Political Direction

Quote from Giles O'Halloran:

"In a risk based mind set of focussing on threats think differently - play to your strengths"

### Key finding

We identified that if the culture of the organisation doesn't embrace a commercial mind set the process is less likely to succeed. The first step should therefore be to address that. However to change a culture is a serious undertaking which may take many years.

Customer Service has been identified to underpin the commercial mind set.

Customers / Clients = ££ = Job protection.



## Key Questions to Consider:

- Who is the Competition?
- What do Competitors offer?
- What are the challenges of the external environment?

## 2. Analyse the external environment

Our workshop findings:-

- **Who are your competitors?**

Other Local Authorities

Ex LA workers who have set up consultancy firms

Private operators

- **What do our competitors Offer?**

Typically these tended to consist of a HR support package (choice of level), HR consultancy services (around more specialist services such as employee satisfaction surveys, employee contracts and handbooks, restructures and redundancies etc.) and training. Examples provided in Appendix 2.

### TIP

Take the time to go online and look at the 'offers' from private sector HR consultants. It helped us realise that we needed to 'up our game' if we were to compete with them within the market place for SME/large organisation business. It re-focused us to look at income generation opportunities within the public sector rather than a fully commercial venture.

- **What are the challenges of the external environment?**

Here you would conduct a PESTLEE analysis. Exampled below is our workshop version:

**Political**

- Wellbeing and Future Generations Act
- Election - Potential Change in leadership
- BREXIT
- Welsh Assembly Government
- Devolution (Scotland)
- City Deal

**Technology**

- Digital First / Inclusion
- Staff App
- Connectivity and Broadband issues
- Agile Working
- Artificial Intelligence
- Virtual Services
- Contactless
- Sector specific Technology
- Ageing Workforce
- Transport system – METRO
- People access / ability

**Economic**

- Financial Pressures / Budget / Funding limitations
- Interest rates
- Austerity
- Minimum / Living Wage
- Pension Changes
- City Deal
- BREXIT

**Legal**

- Wellbeing and Future Generations Act
- Legislation – Employment law / Apprenticeship levy
- Local Welsh and Central Government Regulations
- Data Protection (May 2018 revamp)

**Social**

- Ageing Workforce
- Poverty – Communities First
- Digital Inclusion and Access / Social Media
- Generation Z – Technology led
- Customer Needs / Experience / Transparency
- Living Wage
- BREXIT

**Ethical**

- Accountability / Transparency – The Council seen to be doing the right thing
- Living Wage
- Digital Inclusions
- Outsourced services – not considering

**Environmental**

- Paperless Office – Effects on Environment
- Agile Working
- Rural / Urban
- Interest rates
- Recycling Targets
- Climate Change
- LDP
- BREXIT
- Corporate Social Responsibility

## Key Finding

In our opinion we found the PESTLEE analysis to be of limited value at this point in time, however, we recognise that if (for example) significant legislative changes were to be introduced, the impact of this would need to be considered.

### 3. Stakeholder Analysis

The process of stakeholder analysis is a valuable process and not something which should be overlooked. This process determines whose interests should be taken into account as part of the proposed income generation plan and how any negative impacts can be addressed. The HR function will already have in place a number of internal and external stakeholders who have certain expectations of the current service. This analysis will produce an assessment of how any new activity will impact on the current stakeholders and, depending on their influence, whether any further strategies are required to address these.

A basic stakeholder analysis matrix can be used to identify stakeholders and rate their importance to the plan. An example from the workshop is given below:

<b>Stakeholder Group</b>	<b>Impact</b> <i>How much does the plan impact on them (Low, Medium, High)</i>	<b>Influence</b> <i>How much influence do they have over the project? (L, M, H)</i>	What is important to the stakeholder?	How could the stakeholder contribute to the project?	How could the stakeholder block/disrupt the project?	What is the strategy for engaging the stakeholder?
<b>INTERNAL</b>						
HR Staff						
Service Managers						
Councillors						
<b>EXTERNAL</b>						
Town Councils						
Governing Bodies						

Typical stakeholders of a local authority will include, but are not limited to:

- Internal
  - i. Trade union
  - ii. Current staff
  - iii. Senior management
  
- External
  - i. Other local Authorities in Wales
  - ii. Other public service organisation's
  - iii. TUPE'd out services
  - iv. Local media
  - v. Current external / linked organisations

## STEP 2 – STRATEGIC OPTIONS

### Key Questions to Consider:-

- What is our offer?
- What impact does the 'DO NOTHING' option have?
- Consider staff capacity

Our workshop findings:-

- **What is our offer? (I.e. What would our service look like?)**

In order to start considering what our offer might look like, we used a customer service model called the KANO model which looks at the basic needs, performance needs and delighters which we re-termed:

Basic Satisfaction (**BRONZE**) – HOW TO - Telephone Advice / Workshop

OR

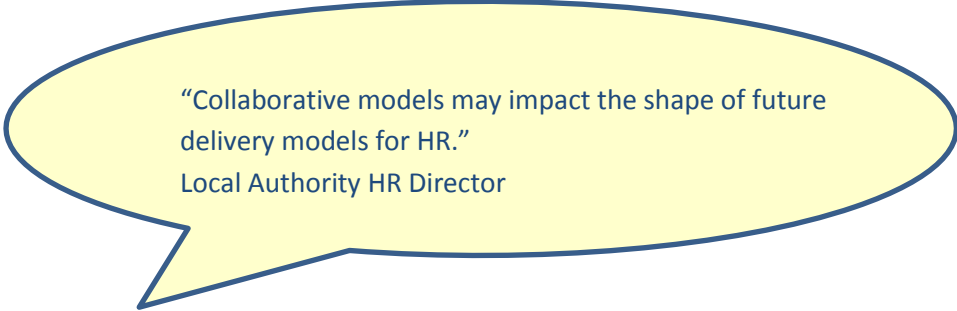
Satisfied (**SILVER**) – HOW to PLUS templates / checks

OR

Outstanding (**GOLD**) – Consultancy (Full Service)

Whilst the package we discussed in our workshop may be the ultimate goal your strategic options may also include a more gradual approach to generating income and start by isolating the HR functions that are more likely to generate income e.g. one local authority has started off by giving their training department an income target. Common income generation avenues identified by Local Authority HR Directors included: training, health & safety, occupational health, DBS, policy development, employment advice, mediation.

Another consideration in your strategic options is whether you are able to join up with other local authorities and co-deliver a service/services in order to share the risk e.g. one local authority has a SLA with another local authority to deliver their Health & Safety training.



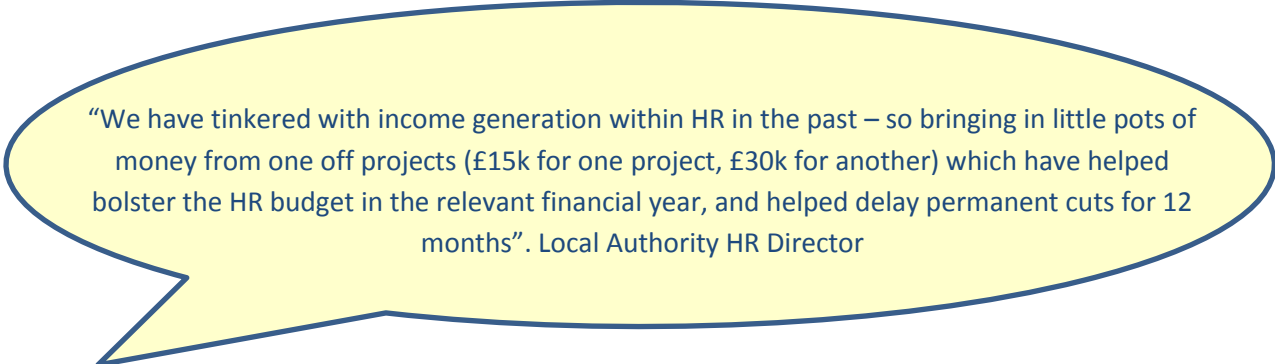
“Collaborative models may impact the shape of future delivery models for HR.”  
Local Authority HR Director

Other successful ventures within Local Authority settings include:

- Delivering schools SLA's for a neighbouring Local Authority
- Delivering transactional services and health & safety to a not-for profit charitable organisation providing services on behalf of the Council
- Providing HR services to an organisation operating across the region

- **What impact does the 'DO NOTHING' option have?**

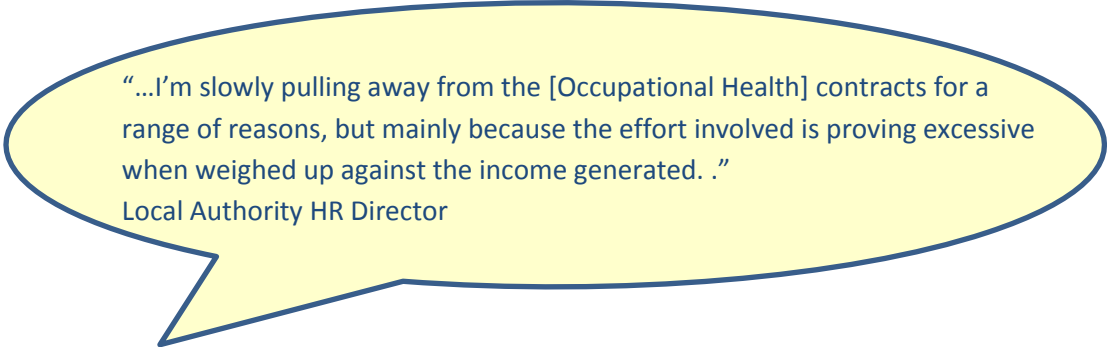
The answer to this lays in the principal reason for seeking additional income. If the main driver for additional income is to address a potential budget deficit or cut then not introducing a new income generating plan will mean that the budget deficit needs to be made through other means, most likely a reduction in staffing numbers. If the main driver is to fund a new post or training programme then this will not be able to proceed if the expected income does not materialise and the plans will need to be shelved.



“We have tinkered with income generation within HR in the past – so bringing in little pots of money from one off projects (£15k for one project, £30k for another) which have helped bolster the HR budget in the relevant financial year, and helped delay permanent cuts for 12 months”. Local Authority HR Director

- **Consider staff capacity**

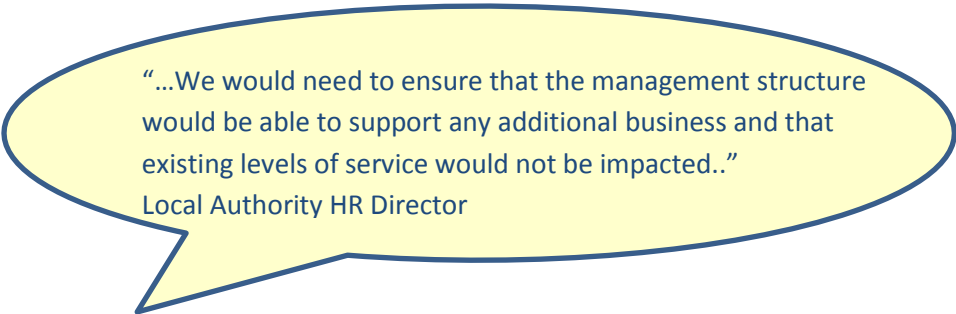
It is to be expected that HR staff will have significant reservations about their capacity to take on additional workload.



“...I’m slowly pulling away from the [Occupational Health] contracts for a range of reasons, but mainly because the effort involved is proving excessive when weighed up against the income generated. .”

Local Authority HR Director

The anticipated additional workload will be dependent on the level of service being offered (see The Offer above) as to which group of staff will be affected. A bronze-level telephone advice service would only likely impact on the HR Officer group whilst a gold-level service would impact on each group within the HR Service. An assessment of the required staff commitment to a new income generating model will need to be an early consideration in any offering as this will form the initial basis of the price charging strategy.



“...We would need to ensure that the management structure would be able to support any additional business and that existing levels of service would not be impacted..”

Local Authority HR Director

The stakeholder analysis process will have highlighted the current staff as being one of the influential groups which will require a specific engagement strategy.

There is unlikely to be a commitment to providing any additional capacity until a review of the service in operation is conducted. This is likely to be a minimum of six months from the start of the project but more likely to be after the first twelve months. It is therefore essential to the success of the project that a clear strategy is in place which indicates how the new client’s needs will be met and by whom. This may be a dedicated team within the HR function, a group of officers who share responsibility or an existing team wide sharing of the additional workload.

HR staff should be part of the process from its early stages and provide input on how any additional services demands can be met within the current structure.

## STEP 3 – EVALUATE AND SELECT OPTIONS

### Key Questions to Consider:-

- What is your ambition?
- What are your success criteria?
- What risks are involved?

It will be important for you to define your ambition (and therefore your success criteria) from the outset. Each one of your options can then be measured against the criteria.

Examples of the criteria you may choose to use may include:

- Low risk
- Must generate new money (rather than moving money around the authority)
- Must be able to work within existing staff capacity
- Must be able to generate £xx income
- Service to internal customers must not be affected

There are numerous tools that can be used to evaluate your option – one example, the Decision Matrix, is supplied in the appendix 3.

A risk analysis may also need to be conducted particularly if you are aiming for a low risk option.

Examples of the typical risks you may consider include:

- Human (e.g. loss of a key individual)
- Operational (e.g. disruption to operations, loss of access to essential assets)
- Reputational (e.g. loss of customer/employee confidence, damage to market reputation)
- Procedural (e.g. failures of accountability, internal systems or controls)
- Financial (e.g. business failure, non-availability of funding)
- Technological (e.g. advances in technology or technology failure)
- Political (e.g. changes in government policy, changes in administration, public opinion)

### TIP

Don't rush this step. Gather as much information as you can so that you can accurately estimate the probability of an event occurring, and the associated costs. Use past data as a guide if you don't have an accurate means of forecasting.

Risk value (£) = probability of event (% chance of happening) x cost of event

For example:

A small training team losing a key member of the training team and needing to cover the cost of buying in an external trainer to deliver scheduled training events until the position can be filled.

Risk value = 0.75 x £1,000 per day  
= £750 per day

Once you have identified the value of the risks you face you can then start to look at ways of managing them or (if appropriate) avoiding them.

## **STEP 4 - GAIN APPROVAL**

Any venture such as this will need the agreement of your Senior Management Team. You will need to present a Business Case.

This will consist of:

- Executive summary
- Finance
- Project definition
- Project organisation

(ref <https://resources.workfront.com/project-management-blog/how-to-write-a-business-case-4-steps-to-a-perfect-business-case-template> )

Risks will be further mitigated by gaining Cabinet/Councillor approval.

### **Tips**

As one local authority said "as part of any business case it would be key to understand if there would be any conflict of interest in providing a service to a particular organisation".

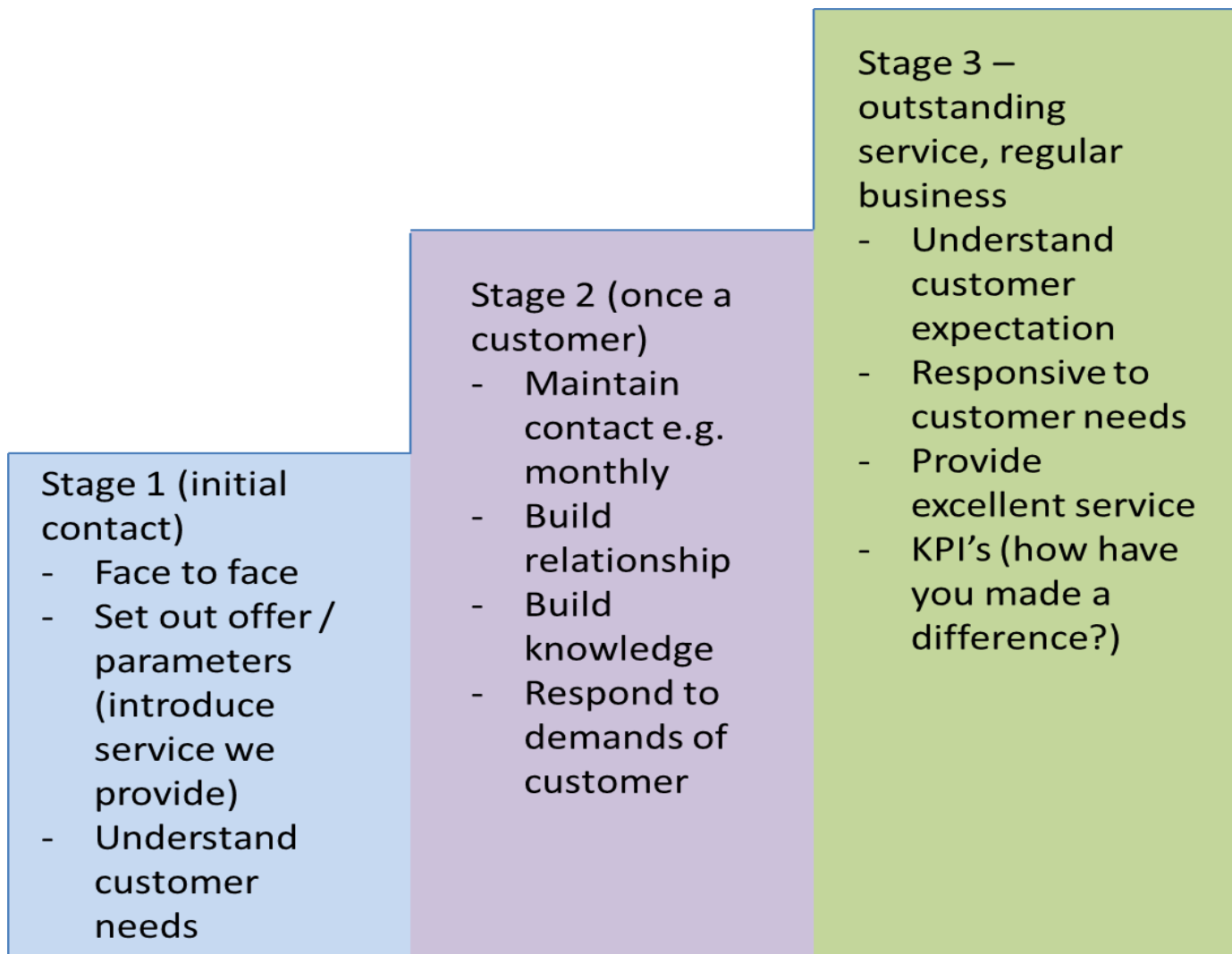
"Play to your strengths....Make sure your service is scaleable. Do once, but deliver many times"  
Shared service venture

"Make sure you specify a budget for marketing expenses – you want to have the funds to be able to adequately promote your service" Local authority manager.



## STAGE 2 – IMPLEMENTATION

During the workshop we considered what elements would constitute the Customer Journey Map – from initial contact with a potential customer through to an established customer. Below is an example of our initial thoughts:



The key purpose of this Customer Journey Map is to **retain** customers. It is more cost effective to retain existing customers than to attract new ones. Customer satisfaction levels are significantly improved by weekly contact and responding to customer need.

This in turn can then influence your implementation plan, which will need to take into account:

### STEP 1 – TRAINING (IDENTIFIED FROM SKILLS GAPS IN STAGE 1)

- E.g. customer service, commercial skills, coaching and mentoring

### STEP 2 – COMMUNICATION (INTERNAL)

- Who needs to know what and how? (e.g. apprise unions, consultations, briefings)

### **STEP 3 – PROMOTION (EXTERNAL)**

When asked, Local Authority HR Directors anticipated future income generating business to potentially come from; town and community councils, housing associations, smaller public service bodies, community projects, SME's, schools and volunteers. Depending on your potential customer base this may or may not include things like:

- Face to Face meeting
- Agenda item at network meeting or business community meetings
- Leaflet/flyer
- Telephone conversation
- Website
- Videos
- Social media

You will need to ensure that you have secured a budget for marketing purposes. The more professional your marketing material looks the greater attention it will be given. Ideally you would develop a marketing plan to identify marketing activities you will undertake and when they will take place (an example is provided in Appendix 4).

### **STEP 4 – SERVICE LEVEL AGREEMENT (SLA) DEVELOPMENT**

A typical SLA will include:

- Period of agreement
- Details of the agreed service provision
- Basis of charges (including retainer)
- Frequency of collection of charges
- Notice period of cancellation
- Procedures for variation
- Client responsibilities

A sample is included in the Appendix 5.

## STAGE 3 – OPERATIONAL CONSIDERATIONS

In addition to the overall implementation plan you may need to take into account certain operational considerations.

### Tip

“In order to succeed you need to be sure that you have a good case management system in place and HR systems that can cope with the variations in client needs”.

Large shared service venture.

### Key Questions to Consider:

- How will you allocate responsibilities?
- How will you advise employees on different policies?
- How will you deal with service failure and complaints?

One local authority created a ‘schedule of differences’ which employees can refer to when a customer contacts them to ensure they are giving the correct policy advice for that organisation. Regular review meetings should be held in the first instance to identify where issues are starting to emerge early on, so that the necessary adjustments can be made to prevent them from happening again in the future (this will be covered more in the next stage). A robust complaints process also needs to be in place so that customers can show their dissatisfaction and be assured of some form of response.

## STAGE 4 – REVIEW

### Step 1 – Plan / Do / Check / Act

The completion of the implementation phase and servicing of the new arrangement is only the beginning of what must be a cycle of continuous improvement. The initial engagement may be at the lower service offering which allows plenty of scope, should the client be pleased with the quality of the provision, for a higher service offering to be procured.

By applying a Plan, Do, Check, Act approach to any new income generating arrangement continuous improvement should be a natural outcome.

#### **PLAN** (*links to Stage 1 of the Guide*)

- Identify where you are now and where you need to be
- How will performance be measured

#### **DO** (*Links to Stages 2 and 3*)

- Identify risks and how they can be managed
- Organise activities to deliver the plans
- Implement the plan
- Measure performance

#### **CHECK**

- Assess the measurements of performance against agreed specifications
- Monitor and evaluate processes and results

#### **ACT**

- Decide on any changes needed to improve the process
- Review all steps starting at **PLAN**
- Consider whether you are ready for further income generation/commercial opportunities



Following completion of the above you may determine an alternative route be more appropriate for you needs e.g. Teckal. If so consider the following tips from one shared service venture we approached:

### **Tips:**

- Make sure the Council does not lose all its relevant strategic posts to the business venture. The Council needs to remain an 'intelligent client' if it is to purchase its services. We found the Council started to re-recruit into the strategic posts and the very savings that the business case had been based upon had now been lost.
- We had too much of a scatter-gun approach. We had so many customers with lots of different needs. There was no asking what we were good at and sticking to that.
- Generic HR 'makes business sense' – do once but deliver many times.
- Make sure you clarify the needs of clients of clients early on.
- Make sure you have good HR systems and good case management systems in place.
- Large shared service venture

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## APPENDIX 1: Typical Commercial Strategy (<https://mindtools.com>)

To determine your strategy, you must understand fully the internal and external environmental factors that affect you. With that understanding, you can identify your clear advantages and use these to be successful. From there, you can make informed choices and implement your strategy effectively.

Strategy creation follows a three-stage process:

- Analysing the context in which you're operating.
- Identifying strategic options.
- Evaluating and selecting the best options.

### Stage 1: Analysing your context and environment

#### a) Analyse your organisation

Firstly, examine your resources, liabilities, strengths and weaknesses. You can use a tool such as the **SWOT analysis** in order to do this. You are more likely to achieve the objectives of your strategy by using your strengths rather than exposing your weaknesses.

It may also be helpful to analyse your **Core Competencies**. These highlight your unique strengths and help you to think about how you can set yourself apart from your competitors.

#### b) Analyse your environment

Examine your current operating environment to predict where things are moving. What future scenarios are likely in your area and how will these impact the work that you do?

Useful tools in helping you do this are: **PESTLEE analysis** and **Porter's Five Forces**. These external factors are often beyond your control so it can be helpful to align your strategy with changes in your operating environment, rather than working against them.

#### c) Analyse your customers and stakeholders

You will need to carry out a **Stakeholder Analysis** to identify your customers and stakeholders. This can be used to identify what they want and the amount of power/influence they hold.

**Market segmentation** can also be used to divide your customer base into groups of people with similar needs. This means that you can meet each segment's requirements in a more focused way, or indeed, identify which segments already operate in a saturated market.

#### **d) Analyse your competitors**

You must understand how your service compares with competitors and what your competitors' competencies are.

- What is out there?
- How easy or difficult is it to enter your market?
- What alternatives do customers have?

Analysing and understanding your **Unique Selling Points (USPs)** can help give you the competitive edge by seeing how you can add value to existing markets. Once you understand this you also need to think about how you will defend and build on that USP so that you stay ahead of the curve.

### **Stage 2: Identifying strategic options**

In this stage we look at the different things that you can do to create a clear advantage and meet your objectives. The following activities may help you in making this decision:

- Creativity tools such as Brainstorming or Starbursting to explore which areas you can develop competitive advantage in. This will help you decide what your 'offer' is. You may decide that not all aspects of the HR function are commercially viable.
- Examine Opportunities and Threats as identified in your SWOT analysis

### **Stage 3: Evaluating and Selecting Strategic Options**

By this stage you have probably identified a number of functions/areas which you think may be commercially viable. You now need to evaluate those and then choose the best strategic options.

Start by evaluating each option in the light of the contextual factors you identified in stage 1. You may wish to use tools such as:

- **Risk analysis**
- **Cost-benefit analysis**
- **Decision-trees**
- **Decision Matrix Analysis** can bring together financial and non-financial criteria

Once the evaluation is complete you are now in a position to choose the best strategic option(s) – ensuring it is still in line with the organisation's vision and values.

You can use tools such as the **Ladder of Inference** to check your assumptions and confirm the soundness of your reasoning.

Once you have decided upon your strategy you can now work on implementation. There will be some other things that you need to take into consideration at this point such as:

- What mode of delivery will you use (so you need to consider alternative service delivery models, or can you operate within existing parameters)?
- Marketing your service



## **APPENDIX 2a: Example service offer from Private Sector Company 1**

### **HR Consultants**

We provide a wide range of affordable and expert HR Consultancy services across Wales and England.

Whether you have a HR department or not, there are times when additional help can be invaluable. Our highly experienced HR Consultants have the expertise to help you and your business, adding real value and helping you manage and grow your business. We cover everything your business needs, from offering specialist advice to deal with a specific issue, to advising on and implementing HR strategies.

Our HR Consultancy services can also be combined with our wide range of support and training services to provide a truly bespoke service to suit your exact business needs.

### **Our HR Consultancy Services**

- Employee contracts and handbooks
- Employee satisfaction surveys
- HR Audits
- Performance management
- Restructure and redundancies
- Reward frameworks
- Organisational development/transformation
- Employee relations
- Absence management
- Equality Impact Assessments
- Project Management

### **HR Support Packages**

Getting to grips with the legalities of managing employees can be quite daunting, and with legislation changing all the time it is essential that your HR policies / procedures and people management processes are robust and legally compliant in order to deal with issues effectively and reduce the risk of a costly claim.

Our range of affordable and expert HR support services start from as little as £80 (+vat) per month, and can be tailored to suit your exact needs. Whatever the size and requirements of your business, whether you have on-site HR staff or not, we can help

## **Key Benefits**

- No tie-in to long term contracts
- Tailored service
- Save time and money

## **HR Advanced Support**

Providing a personal service, ensuring your HR requirements are in safe hands, keeping you compliant and providing expert advice and guidance to assist you in managing any issues / questions that arise.

- Audit of your existing HR documentation.
- Template Contract of Employment, tailored to suit your requirements.
- Staff HR Handbook, tailored to contain the policies and procedures you need.
- Updates to the above documents in line with legislation changes.
- Online access to over 100 template HR Forms and Letters.
- Unlimited off-site support, via our advice help-lines.

## **HR Optimum Support**

Providing a full on and off site service to cover all of your HR requirements.

- Audit of your existing HR documentation.
- Template Contract of Employment, tailored to suit your requirements.
- Staff HR Handbook, tailored to contain the policies and procedures you need.
- Updates to the above documents in line with legislation changes.
- Online access to over 100 template HR Forms and Letters.
- Unlimited off-site support, via our advice help-lines.
- On-Site presence, providing additional face-to-face support to both Managers and other staff, and also providing strategic support for the growth and development of your business.

Training Offered on:

- Managing Discipline & Grievance
  - Managers Guide to handling stress
  - Influencing styles and persuasive negotiating
  - Managing conflict
  - Managing performance
  - Managing attendance
  - Managing recruitment & selection
- £295 per person on a 1 day course

## APPENDIX 2b: Example service offer from Private Sector Company 2

████████████████████ provide a service tailored to the needs of our clients. We aim to provide a personal service based on the needs of your organisation. Services include:

- Audit of your existing HR policies and procedures
- Development of a bespoke Employee Handbook and provision of Contracts of Employment
- Support in the recruitment process
- Face to face HR support at your place of a work
- HR support via telephone and email
- Employment Law Updates as appropriate

### Specialised HR Support

At ████████████████████ we provide services in the following areas:

- Discipline and Grievance issues – a qualified workplace investigator is able to undertake independent investigations for your organisation. We are also able to provide advice to management during the case and at any subsequent hearings
- Attendance Management – we can develop a bespoke attendance policy and support you in the implementation of the policy, advising on management of short term and long term absence. We can provide support at any subsequent hearings
- Performance Issues - we can develop a bespoke capability policy and support you in the implementation of the policy and provide support at any subsequent hearings
- Change management – we can support your organisation with the employee issues associated with restructuring and provide action plans and documentation to ensure appropriate consultation with employees and, if appropriate, trade unions
- Redundancy – we can provide advice and support on managing redundancies
- Mediation - we can provide a mediation service from qualified workplace mediators with experience of successful resolution of workplace issues

### Training

We have extensive experience of providing training on HR issues and can provide training in the following areas:

- Recruitment and Selection
- Discipline and Grievance Issues
- Attendance Management
- Capability Issues
- Redundancy

## **EDUCATION HR SERVICES**

████████████████████ have a combined experience of 28 years' of working with schools. We have expertise in Welsh Education HR legislation and guidance along with other relevant national legislation, including the Staffing of Maintained Schools (Wales) Regulations 2006, School Teachers Terms and Conditions Document and Burgundy Book.

We have case-work experience within schools in the following areas: disciplinaries, grievances, capability, sickness absence, restructures, and redundancies. We also have experience of policy development for schools in the full range of HR policies and can offer:

- Independent investigations
- Redundancy and restructure support for schools
- Governor training

## APPENDIX 3: Example Evaluation Tool – Decision-Matrix

Significant benefit can be gained from using a decision matrix, where the potential idea should be simultaneously assessed against criteria of differing dimensions.

For example, the **feasibility** of the solution; and the **capability** of the organisation to implement it.

Here are some suggestions for the assessment criteria under each dimension:

### Feasibility

1. Ease of implementation
2. Compatible with existing organisational structure
3. Able to generate £xx income
4. Able to bring in new money
5. Low risk

### Capability

1. Staff resources available within the organisation
2. Existing staff skills
3. Financial resources available to the organisation
4. IT systems/processes available within the organisation
5. Effectiveness of monitoring and control systems

### Steps to making a decision:

1. Rate each option against each of the criteria under each dimension and give a score out of 10
2. Calculate the average score for each option  
E.g. option x scores 4/10 for each of the criteria under feasibility. Therefore the average score is  $\frac{4+4+4+4+4}{5} = 4$   
5 (number of criteria)  
Enter this score onto the matrix and repeat the process for the capability dimension.
3. When both scores are entered onto the matrix, identify the co-ordinates at which both scores cross
4. The options with the highest scores are chosen for further consideration.

Decision Making Matrix for Evaluating Ideas

		Feasibility Rating					
		0	< 4	4	< 7	7	10
Capability Rating	< 4	Idea: Discard	Idea: Very Unlikely	Idea: Unlikely	Unacceptable		
	4	Idea: Very Unlikely	Idea: May Work	Idea: Need to improve Capability	Acceptable		
	< 7	Idea: Unlikely	Idea: Need to enhance Feasibility	Idea: Best possible solution	Totally Acceptable		
	10						
		Unacceptable	Acceptable	Totally Acceptable			

## APPENDIX 4: Example Marketing Plan

<b>Pitch Perfect (internal)</b>	
<b>Marketing Activity</b>	<b>Timescale</b>
Focus on <b>Cardiff Motor Cross</b> <ul style="list-style-type: none"> <li>• Showing how Pitch Perfect can help to generate income for the Council.</li> <li>• Innovative approach to Income Generation.</li> <li>• Help to recruit participants to October Training course</li> <li>• Marketing activity to include:               <ul style="list-style-type: none"> <li>○ Intranet</li> <li>○ Social Media</li> <li>○ Newsletter</li> <li>○ Videos</li> <li>○ Interviews (written)</li> </ul> </li> </ul>	July – Aug 17
Organised event at Cardiff Motor Cross Track <ul style="list-style-type: none"> <li>• Showing how prize money has been used</li> <li>• Feature on Academy website</li> </ul>	Sept 17
Pitch Perfect Training (October) – pre-publicity <ul style="list-style-type: none"> <li>• Roadshows to be supported by RA/CT/CS</li> <li>• Presentations to Manager Forums/Ambassador Roadshows</li> <li>• Training to include ILM accreditation/recognition</li> <li>• Invites to be sent to potential external clients and marketing packs prepared.</li> <li>• Weekly Comm’s activity needed</li> <li>• Feature on developing Entrepreneurial Skills</li> </ul>	Aug – Sept 17
Pitch Perfect Training <ul style="list-style-type: none"> <li>• Features on participants</li> </ul>	Oct/Nov 17
Pitch Perfect Final <ul style="list-style-type: none"> <li>• Feature on winning entry</li> <li>• Sign up for January training course</li> </ul>	Dec 17
Pitch Perfect Training (January 18)	
<b>Pitch Perfect (external)</b>	
<b>Marketing Activity</b>	<b>Timescale</b>
Target PSP Partners	
Presentation to PSB Partners – Prize for winning entry = x hrs of Project Manager and/or Business Analyst time to assess Business Plan(s)	Aug – Sept 17
Training Scheme & Event for PSB Partners	Oct – Dec17
Signpost participating partners to other relevant training	Dec17 – Jan18

<b>Cardiff Manager Programme</b>	
Produce CMP Leaflet/Newsletter	July – Sept 17
Video CMP success stories (made a difference to my day job)	July – Aug 17
Attend Cardiff Manager Forum (CMP/Pitch Perfect/Health & Safety)	July 17
Attend Ambassador and Network Meetings	Monthly
Submit article to July Core Brief (Dates/CAVC Involvement/Assignment)	Quarterly
Presentation to PSB partners	
<b>ILM Accreditation</b>	
<b>Marketing Activity</b>	<b>Timescale</b>
Refresh ILM Accredited modules <ul style="list-style-type: none"> <li>• Problem Solving</li> <li>• Innovation &amp; Change</li> <li>• Managing Performance</li> <li>• Presentation Skills</li> </ul> (Stephen to check – Creativity & Innovation in the Workplace/Team Building/Customer Care/Obtaining Information for Successful Management)	Sept 17
Email details to PSB Partners	Sept 17
<b>Health &amp; Safety</b>	
<b>Marketing Activity</b>	<b>Timescale</b>
Email quarterly schedule to all Service Area H&S reps.	Quarterly
Email Expression of Interest Form to Service Area H&S Reps to identify top 5 training needs.	Quarterly
Email Catalogue, Training Schedule, Pricelist and Expression of Interest Form to PSB partners.	Quarterly
Arrange contact visits to PSB Partners	Quarterly
<b>Room Hire</b>	
<b>Marketing Activity</b>	<b>Timescale</b>
Create links with City Hall Events Team	Quarterly
Email Room Hire Leaflet to PSB Partners	Quarterly
<b>Events</b>	
Children in Need/Red Nose Day/Sports Relief	17 <sup>th</sup> Nov 17
Christmas Special	Dec 17 – Jan 18
National Learning Week	June 18



## APPENDIX 5: Example Service Level Agreement

THIS AGREEMENT IS MADE BETWEEN

XXXXXX

AND THE

HUMAN RESOURCES DEPARTMENT of

XXXXX

1. **Period of Agreement**

1<sup>st</sup> April 20XX – 31<sup>st</sup> March 20XX.

2. **Introduction to the Service**

Human Resources is a department within the Directorate of XXX. The responsibilities of the department cover Human Resources Personnel, XX, XX.

3. **Aims and Objectives of the Service**

- To provide a comprehensive human resource management service as determined by XXX.
- To set standards of excellence in employment policy and practice.
- To help XXXX to continually improve its services to citizens.
- To enable employees to make their maximum individual and collective contribution to the organisation.
- To develop a culture of learning and performance that will enable XXX to maintain the drive as a modern and improving local Council.

4. **Description of the Service and Staff**

**Human Resources**

The Head of Human Resources can be contacted via e mail and by phone (Tel: XXXX ).

The Section currently has X fully qualified experienced Business Partners who will provide a comprehensive human resource function to you, giving hands on support and advice on issues relating to employee resourcing, management information, development and employee relations.

5. **Basis of Charges**

Charges will be levied on the basis of the employee(s) hourly rate, including all on costs, plus 20% administration charge, all travel/subsistence as appropriate and VAT at the prescribed rate. In addition to draw down charges, XXXX will be required to pay £XX annual fee to retain the services of the Human Resources Department. This fee will cover any enquiries of XXX, telephone calls and meetings of 5 minutes or less, to a maximum of 20 enquiries. All courses, DBS Disclosures, material, occupational health referrals will be payable by XXX.

**6. Notification of Charges**

The charge to XXXX will be made in accordance with paragraph 5 above as frequent, as determined by the XXXX.

**7. Services**

The services provided at the request of XXX and those necessary for the Authority to fulfil its statutory duties of an employer.

**Signed By:**

[on behalf of the Human Resources] .....

**and**

[on behalf of the XXX] .....

**Dated:** .....

**HUMAN RESOURCES - CONTACTS**

<b><i>Name of Officer</i></b>	<b><i>Directorate Supported</i></b>	<b><i>Contact No:</i></b>

**DETAIL OF SERVICES TO BE PROVIDED UNDER THIS AGREEMENT**

**CONTACT OFFICER FOR SERVICE LEVEL AGREEMENT:**

**XXX**  
**Head of Human Resources**  
**Tel: XXX**

**1. Introduction to the Service**

The Human Resources department is a constituent of the XXX Directorate. It is primarily based at XXXX. The services cover:

- Human Resource and training issues [including XXX].

The following list of services is not intended to be exhaustive. It gives an indication of the services that are provided. We will be pleased to discuss any gaps in the existing provision.

**2. Recruitment: The Service**

The service is available to assist in drafting advertisements, checking advertising copy, placing advertisements in appropriate journals, negotiating discounts.

Assist/Attend at Selection Panel; issue interview/unsuccessful letters, appointment letters, including associated documentation, references, DBS checks etc. as required.

**3. Selection: The Service**

We are available to assist in ensuring that a suitable candidate is sourced and that unsuccessful candidates find the recruitment and selection process a positive experience.

The Human Resources service can offer advice on appropriate processes for short listing and appointment and on the appointment itself, taking into account of equal opportunity legislation and policy. Undertake all documentation checks relating to the contract of employment. We are able to implement and monitor recruitment and selection processes as set out in the DBS Disclosure Regulations and provide advice to organisations accordingly.

**4. Health and Safety at Work: The Service**

To ensure that you are equipped to meet your responsibilities under the Health and Safety at Work Act and related regulations. You are able to request:

- i.) Advice ensuring the health and safety at work of employees and fulfil your duties to users of your services.
- ii.) Questions on your compliance with the law in relation to the reporting of accidents to the Health and Safety Executive.

- iii.) The Service can provide a Risk Assessment and customise it to meet your needs.
- iv.) Provide training on health and safety responsibilities and how they should be fulfilled.
- v.) Supply policies and procedures on request in respect of health and safety related issues, such as stress management, asbestos management and violence at work, which we can help you to apply.

## 5. **Employment Relations: The Service**

To ensure that your dealings with employees not only meet the standards prescribed in law and their terms and conditions of employment, but also meet standards of best employment practice.

We will do this by providing you with advice when you need it over the telephone or on site.

We will assist you in the application of good employment practice developed by the Council and encourage and help you to measure and improve performance in this area by employee surveys.

Assist at attendance at meetings with the trade unions to ensure XXXX consultative requirements are achieved and maintain harmonious relations.

Attend and support managers in progressing disciplinary, grievance and associated issues, including issuing draft letters, attending interviews, advising on similar cases and outcomes and support if an appeal is forthcoming.

## 6. **Disciplinary Action: The Service**

To ensure that the Disciplinary code succeeds in its primary purpose of encouraging good conduct on the part of employees and where this purpose is not fulfilled provides clear and reasonable procedures within which sanctions may be applied.

We will be available to advise and assist you on the application and interpretation of the Disciplinary code and most specifically upon what would compromise a reasonable response in all the circumstances and to undertake the documentation of any sanctions that may be agreed upon.

## 7. **Training: The Service**

To assist XXXX to train and develop its employees towards its stated objectives.

Including offering a variety of courses and development policies, this is part of meeting the national standard of developing staff e.g.: personal development initiative to support XXXX.

## 8. **Expertise**

All employees of the Division are professionally and/or vocationally qualified to undertake the level of service required of them.

**9. Accessibility**

The service is available during office hours, which are 8.30 a.m. to 5.00 p.m. Monday to Thursday and 8.30 a.m. to 4.30 p.m. on Fridays (excluding Bank/National Holidays). Contact numbers are available outside normal office hours for emergencies and can be supplied following request from the Head of Service, Human Resources.

**10. Confidentiality**

The Division's employees are under instruction to respect the confidentiality required in all matters dealt with on behalf of customers. Whilst issues may be discussed within the division, they will not be divulged outside of the division without the express consent of the customer or their representative. The service will remain compliant with the Data Protection Act and adhere where appropriate with the Freedom of Information Act.

**11. Response Times**

We will respond to letters within ten working days of receipt in the absence of any indication that a response is required more urgently. Telephone calls will be answered within twenty seconds.

**12. Accountability**

Individual customers will always be given the name of the employee dealing with their request for service.

**13. Procedures for Variation**

The Head of Human Resources will be prepared to discuss any variations to this agreement.

**14. Dealing with a Dispute**

The Chief Executive of the XXXX will be the final arbiter of any dispute in relation to the terms of this agreement.

**15. Client Responsibilities**

XXXX will be responsible for co-operating with the Human Resources department in providing all information relevant to the service requested. Delays in providing information will obviously prejudice the time-related targets contained in this agreement without liability on the part of the department.