

Strategic Staffing Model Plan

The Minnesota Department of Transportation (Mn/DOT) workforce shares characteristics with other public sector agencies: The impending loss of its institutional and technical memory, and increasing private sector competition for qualified employees. The Mn/DOT response was to develop a proactive approach so that it could meet Department and citizens' needs more efficiently, effectively, and with significantly fewer employees. To help managers assess current and future workforce trends and plan realistically for the future operations, Mn/DOT developed the Strategic Staffing Model Plan. The Plan gives managers a structure, tools, and a process for defining and addressing the staffing implications of strategic and operational planning. After piloting the Model for three years in one District, Mn/DOT expanded its use statewide. In February 2002, all Mn/DOT operating entities (a complement of 5,500 employees) adopted the Strategic Staffing Model Plan, with full implementation in June 2002.

The Minnesota Department of Transportation (Mn/DOT) estimates that 85 percent of its para-engineering staff will be eligible for retirement by 2010. This staff represents the institutional knowledge that is the strength of the Department. In the mid-1990s, Mn/DOT began to plan for accommodating projections that future programs would simply have not enough employees available to staff the Department at its current level. The result is the Strategic Staffing Model Plan, which is based on the premise that the future is impossible to predict with any accuracy, but that the Department can help managers plan by making reasonable assumptions about the future. That, and the reality that some form of future strategy is better than none.

The Plan responds to the anticipated shortage of qualified workers, organizational changes driven by lower funding and expanded services, and changes in technology and the customer base. To assist with the project, Mn/DOT retained a workforce consultant who helped the agency frame the challenge and its responses to it.

The Strategic Staffing Model a five-stage plan (see sidebar, page 2) is designed to help managers identify the information that will help them make better-informed staffing decisions. Because it addresses staffing implications, the Model supports the Department's strategic and operational plans by helping

Sustained economic growth, alongside a shrinking pool of new workforce entrants, has created a structural labor shortage in Minnesota — constituting a major challenge both to the state economy and for workforce development policy.

Governor's Workforce Development Plan, February 2000



Mn/DOT Strategic Staffing Model Plan

- **Collect Data and Information.** Examine business plan for human resources implications; conduct internal and external scanning to determine limiting factors such as internal Mn/DOT policies and procedures, and labor market conditions.
- **Forecast.** Project number of employees with appropriate skill sets currently available to meet business needs.
- **Reconciliation.** Identify gaps between staffing needs and available talent.
- **Action Planning.** Create strategies to address gaps and develop specific programs and resources to handle supply-side needs.
- **Feedback and Evaluation.** Establish feedback process to evaluate programs and policies and to develop and apply formal measures to assess the impact of action planning on desired results.

decision makers plan, recruit, manage, redeploy, terminate, and outsource human resources to reflect organizational and environmental needs.

Testing the Model Plan

Mn/DOT has eight regional areas—seven Greater Minnesota district offices that manage most of the Department’s day-to-day operations—and the Minneapolis-St. Paul Metropolitan Area. A Central Office in St. Paul coordinates Department-wide program support, management, and operations policies and procedures, and houses the Mn/DOT’s Corporate Business Group. Before deploying the Model statewide, Mn/DOT Central Office staff felt that the Model should be tested and

refined in a field organization because the district offices manage most of the Mn/DOT operational functions. They chose the District 8 Office in Willmar to pilot test the model. Willmar is the Department’s smallest district, but its managers traditionally welcome opportunities to try new management concepts and procedures.

Crucial components of developing the Strategic Staffing Model Plan were external and internal scans. The scans are similar to the traditional SWOT (strengths, weaknesses, opportunities, and threats) analysis where organizations assess their strengths, weaknesses, opportunities, and threats—internally and externally. Managers use the external scan to assess labor market conditions, competition, role of technology

on jobs and skills, and current and future projections about the economic health of the local area. They use the internal scan to examine issues and trends such as current and future skills sets, turnover trends, employee attitudes, and human resources policies and practices. Together, the scans help managers identify the gap between the demand of meeting departmental obligations and the supply of potential employees to meet the demand.

Tony Cairns is a Management Analyst in District 8; he worked closely with District and Central Office managers throughout the pilot initiative. “The intent of the Model Plan,” he observes, “is to help managers plan based on a broader perspective about issues that affect their ability to manage. The internal scanning process identifies how employees do something, how many employees it takes to do it, and the resources available to support it. The process helps focus on the high-priority work and the skill levels necessary to complete it.”

The theory behind the Strategic Staffing Model Plan is to provide the tools to help managers identify the right people, with the right skills, in the right place, at the right time. During the pilot period, the Model helped managers address the perceived lack of employees available to fill future technical positions and consider alternatives such as reskilling, upgrading skills, or contracting certain technical positions.

At the same time District 8 was piloting the Strategic Staffing Model, it was also involved in a similar initiative to

implement a new classification series. Addressing workforce issues is difficult, but as Mn/DOT looked at its current workforce—and anticipated future needs, the Department began to see some alternatives.

Much of the Department's workload is seasonal, especially for job classifications such as the Highway Technician Series, Highway Maintenance Worker Series, and Bridge Worker. These classifications are distinctly different, yet closely related. Many of these employees are members of AFSCME (American Federation of State, County, and Municipal Employees). Concurrent with the Strategic Staffing Model Plan pilot, District 8 developed a Memorandum of Understanding (MOU) with AFSCME and worked closely with the local union to cooperatively prioritize duties and experiment with cross-functional areas of skills training. This cooperation, and the effort to maximize employee time and skills, lead to a new Transportation Specialist Series that combines construction (project development, materials testing, design, survey, traffic, and contract administration) and maintenance (roadway and roadside maintenance, snow and ice control, and bridgework) skills.

Tony Cairns maintains that it takes three iterations for any new process to become workable. First, managers need to get through the process. Second, they need to go back and address the major issues. Third, they fine-tune the tools. "The fourth iteration," he notes, "becomes the functioning process."

Mn/DOT used the three-year pilot period to refine and redefine the Strategic Planning Model to produce a functioning process that was ready for implementation statewide.

Working the Plan

In August 2001, The Mn/DOT Office of Human Resources convened a train-the-trainer workshop for human resource professionals from the eight regional district offices and the Metropolitan Division to introduce Strategic Staffing concepts and tools. For two and a half days, attendees received in-depth training on the purposes and benefits of strategic staffing. They learned to analyze and evaluate the issues and trends that affect local staffing decisions, and identify short- and long-term staffing needs for essential organizational processes. In addition, there was lots of hands-on work with workload distribution guidelines and developing the strategies to plan, implement, measure, and evaluate the staffing model. The Willmar office presented a case study and participants had homework assignments between sessions.

Participants gave the workshop mixed reviews. Some attendees felt overwhelmed by the complicated worksheets and planning guides. Others felt that the level of detail required would make it difficult to implement in a short time frame. Others were optimistic that they had the tools and processes to help managers think more globally.

Following the workshop, the Department established an

aggressive schedule for implementing the plan:

- November 2001. Deadline for all field operations entities to complete their demand and supply analysis based on workload demand summaries for technical, paraprofessional, and professional engineering positions.
- December 2001. Establish comprehensive supply-side strategy.
- February 2002. All Mn/DOT operating entities (employee complement of 5,500 employees) brought into the strategic staffing process.
- June 2002. Project completed.

Taking It to the State

Regardless of responses to the workshop materials and experience, participants set to work with their district management teams to implement the Strategic Staffing Model Plan. The target audience for the first iteration was Mn/DOT's Program Delivery Group (3,800 employees).

According to Vickie Johnson, Employee Development Specialist for District 1, Duluth, "I felt the August workshop was great and we all came away with good materials. I know some of us were overwhelmed with the complexity of the process, and the implementation schedule was very fast. Most of the districts had never done anything like this, but we went to work, and it's been a remarkable process."

Vickie Johnson worked closely with the district management team throughout the implementation process. Her team found

that the environmental scan helped them get a better handle on conditions affecting hiring and retention. “The process helped the managers identify philosophies and guidelines to address issues such as recruiting, retention, employee development, and outsourcing. Our district hadn’t really done anything like that before.”

She also realized that this was the first time district management team members had looked at their organization as a whole when addressing staffing needs. The managers worked with more than 25 organizational charts for the district.

“The Strategic Staffing Model Plan gave us a framework to view the larger picture. The Workforce Staffing Supply Analysis looks at the number of employees, core activities, activity codes, and skill sets needed to accomplish the current and future workload and the actual number of employees available now and in the future. The exercise was very helpful in determining the ‘gaps and surpluses’ outsourcing versus in-house staffing, and it’s something we hadn’t done before,” recalls Vickie Johnson.

One district now uses the document in the field to establish work plans. The district engineer told her that it was the first strategic planning experience that he felt gave him the tools to accomplish the planning task.

Because districts developed their Strategic Staffing Model Plans at the same time they were involved with work planning and other systems work, it was a complementary effort.

Tony Cairns believes the plan provides a way for districts to do more in-depth needs analysis and adjust resources to help target high-priority work. “There was a clear message that senior management sees this as an important effort,” he says. “Our challenge is to help our districts decide how best to make it work. The August workshop set the stage, and the Central Office has done a lot of after-event coaching in the districts.”

The Strategic Staffing Model Plan is one piece of an integrated puzzle that has various operations, finance, and planning pieces. The good news is that with a lot of integration, “the pieces fit.”

More Refining and Redefining

Trent Weber, Mn/DOT Strategic Staffing Coordinator, concurs. “We’ve learned a lot from the pilot and implementation process. We’re now revising information and collecting additional information,” he says. One of the lessons learned is that the plan focused on too much detail. “We found that it was too easy for staff to get buried in the numbers. The next iteration will be more general and will focus on products and services and core activities rather than activities and distinct skills by separate classifications.”

The Department is also concentrating on integrating its various management initiatives and the systems to support them. For example, managers use an activity-based budgeting system, work planning system, and a business planning system, in addition to the strategic staffing

model. The challenge now is to integrate the systems so that data from one can complement data from the others. The Department has incorporated work planning and strategic staffing plans into its business-planning process. Although still in the initial phases, the integration is helping the Department when it requests legislative funding.

Wayne Brede, Mn/DOT Staffing Manager, has managed development and implementation of the Strategic Staffing Model Plan. He feels that the Model is essential to the future of the Department. “This is absolutely the right step to take,” he says, “if we are to effectively meet the challenges of the future. It builds on the Department’s Core Competencies, and it helps us understand how and where resources should be shifted to accomplish our goal in an era of reduced budgets and increased workloads.”

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