

Strategic Advisory Service  
for Human Resources

# Strategic Staffing

Concept Note



The Strategic Advisory Service for Human Resources (SAS-HR) works to strengthen the human resources network of the Consultative Group for International Agricultural Research (CGIAR). It devises strategies that recognize the diversity and autonomy of each participating CGIAR research center, define short- and long-term needs with staff and management, create solutions, and help establish a virtual community of human resources professionals in CGIAR centers, donor agencies, and partner institutions.

SAS-HR is sponsored by the Consultative Group on International Agricultural Research (CGIAR) and five CGIAR research centers: the International Center for Tropical Agriculture (CIAT), International Maize and Wheat Improvement Center (CIMMYT), International Plant Genetic Resources Institute (IPGRI), International Water Management Institute (IWMI), and the WorldFish Center.

© CGIAR Strategic Advisory Service for Human Resources (SAS-HR) 2004. All rights reserved. The designations employed in the presentation of materials in this publication do not imply the expression of any opinion whatsoever on the part of SAS-HR or its contributory organizations concerning the legal status of any country, territory, city, or area, or of its authorities, or concerning the delimitation of its frontiers or boundaries. SAS-HR encourages fair use of this material. Proper citation is requested.

**Correct citation:** Rajasekharan, N.P., and K. Kamborian Baldini. 2004. *Strategic Staffing*. Strategic Advisory Service for Human Resources Concept Note. Mexico, DF: CGIAR Strategic Advisory Service for Human Resources.

**Abstract:** This paper is intended to facilitate the development of a consistent, common approach to strategic staffing that is tailored to the needs of the CGIAR and its research centers. After describing the concept and goals of strategic staffing, the authors present options and pose questions that will help centers develop a long-term staffing strategy and implementation plans to support their strategic organizational goals. The authors present a process for developing a long-term staffing strategy, discuss the steps involved in developing and implementing a staffing plan, and discuss how to monitor progress and assess impact.

Printed in Mexico. Layout and production by CIMMYT design team: Miguel Mellado E., Marcelo Ortiz S., Eliot Sánchez P., Antonio Luna A., and Wenceslao Almazán R.

Strategic Advisory Service  
for Human Resources

---

# Strategic Staffing

C o n c e p t N o t e



CGIAR

# Contents

<b>3</b>	<b>Why This Paper?</b>
<b>3</b>	<b>The Business Case</b>
<b>4</b>	<b>What is Strategic Staffing?</b>
4	Definition
4	Objectives
5	Outputs
5	Critical success factors
<b>6</b>	<b>Process to Develop Strategic Staffing</b>
6	Identify critical issues
7	Define gaps and surplus
9	Develop staffing strategy and implementation plans
9	Implement and monitor
9	Evaluate impact
<b>10</b>	<b>Bibliography</b>
<b>11</b>	<b>Annex 1: Example of the Strategic Staffing Process for a Research Center</b>



## Why This Paper?

The CGIAR centers participating in the SAS-HR Program have identified the need to have a long-term strategic staffing framework and process. A strategic staffing plan is considered essential to ensure that staffing actions are not reactive but deliberate and planned over a long period to support the realization of each center's vision and strategy.

The purpose of this paper is to:

1. Present a framework to describe the strategic staffing concept and an approach suitable to CG centers
2. Provide options and strategic questions to help evaluate the scope of the initiative to be launched to develop and deploy the system
3. Present models and options based on personal experience and the literature.
4. Facilitate the development of a consistent and common understanding and language for centers participating in the SAS-HR program.

## The Business Case

There are several compelling reasons to develop a long-term strategic staffing plan.

- Staff costs account for over 50% of CGIAR operating costs. The effectiveness of the CGIAR cannot be enhanced without a long-term improvement in ensuring that the right people are available at the right place, time, and cost.
- The centers have very successfully developed strategic plans for periods of five years or more. Similar analytical rigor has not been dedicated to developing long-term staffing plans to support such strategies. The annual budgeting process is primarily used to cope with short-term staffing requirements.
- As knowledge-based organizations that depend heavily on partnerships, the CGIAR centers ought to place much more importance than other types of organizations on the role of people in achieving their mission.
- A strategic staffing plan would allow the centers to attain superior performance and maintain their competitive advantage, which is critical in an increasingly complex and competitive environment.
- The centers' new strategic plans often require new ways of working that will have major impacts on staffing into the future:
  - \* A drive towards greater decentralization, devolution of responsibilities, and geographical coverage.
  - \* Increased project-based research to meet the higher demand for delivering results and demonstrating impact. This trend is driven partly by the increase in targeted funding.
  - \* The need for stronger partnerships with an increased number of external stakeholders and with other CGIAR centers.



- \* A move to a system orientation and away from a crop or disciplinary focus, requiring greater teamwork among researchers from a range of disciplines and across centers and other partner organizations.
  - \* A fluctuation in funding that requires more flexible employment practices.
  - \* The need for new skills, driven by tremendous advances in research tools, particularly in biotechnology and information technology.
  - \* Major initiatives such as the Challenge Programs, which require new modes of sharing resources and accountability.
  - \* Greater emphasis on creating a performance culture with clear performance indicators.
  - \* The demand for higher levels of equity, inclusiveness, and transparency in the workplace, as exemplified and defined in the OneStaff approach, requires everyone in the center to understand the strategic staffing directions.
  - \* The need to mainstream diversity and knowledge management principles in the centers' operations.
- A long-term strategic approach to staffing is critical to address these trends in a planned manner. Such an approach would define a context, with clear values, principles, and broad objectives, within which effective short-term decisions can be made. It would also facilitate targeted investments, foster the development of an appropriate HR policy framework, and align skills more precisely with new needs in the centers.

## What is Strategic Staffing?

### Definition

Strategic Staffing is a systematic planning process that maps and meets the short and long-term staffing implications of centers' business strategies.<sup>1</sup> The emphasis would be on those aspects of business strategy that necessitate changes in the staffing strategy.

The strategic staffing process involves making choices and setting desired goals to be achieved during the planning horizon. The process assists an organization in analyzing and determining its staffing requirements based on five dimensions:

- Quality: Knowledge, skills, attitudes, performance standards, and other desirable traits and standards.
- Quantity: Number of staff, mix of categories (IRS, RRS, NRS, consultants), and outsourcing.
- Time: When certain skills must be built up or replaced based on new needs, attrition rates, and succession plans.
- Cost: The current and desired costs based on the mix of permanent and flexible types of employment needed to align staffing with the center's projected long-term cost structure.

---

<sup>1</sup> The term "business strategy" is used in this paper in a generic sense to indicate the research and management strategies articulated in the centers' long-term plans.



- Location: Where the skills are needed, as influenced by decentralization, geographic coverage, outsourcing, the move to lower-cost locations, and similar factors.

## Objectives

- Create a long-term staffing strategy to eliminate critical gaps/surpluses across planning periods.
- In the context of each center's long-term strategy, create a plan for effective short-term staffing decisions.

## Outputs

A Strategic Staffing process will provide two outputs: a **strategy** and **implementation plans**.

**Staffing Strategy:** This long-term plan lays down a clear direction over the length of the planning horizon. The planning horizon is the same as that used for long-term business planning. Implied in such strategies are the values and principles that the center uses to manage its people.

**Implementation Plans:** These short-term, detailed, and tactical action plans address immediate needs consistent with the strategy. The planning period is usually the same as the short-term budgeting period.

## Critical Success Factors

Strategic Staffing is a resource-intensive and creative process. It is important to focus clearly on needs and problem solving. The process should be targeted to areas that give major returns.

The following factors are critical to success and should be taken into account while designing the system.

### *Focus*

One of the main reasons for the failure of traditional approaches to strategic staffing is that the scope of the process is too large. Instead of focusing on a prioritized set of issues or themes that are most critical to an organization's business, they have attempted to do too much. Organizations often do not have the data, knowledge, and skills to predict long-term needs for all categories of staff, and it is not a prerequisite for developing a staffing strategy.

### *Action orientation*

The focus of the process must be on action, not on analysis and reporting. The objective is to solve problems and not to create models and capability.

### *No standardized master plans*

The process should be tailored to address the specific issue or problem that needs to be resolved. The three dimensions of the plan (targeted population, planning horizon, and the factors to be analyzed) will vary for different problems.

### *Willingness to make tough choices*

While the benefits of a good strategic staffing plan can be substantial, the choices are very sensitive and tough. Often they lead to fundamental changes in the way human resources are managed. The process could challenge existing structures and belief systems and lead to deep cultural changes. In this difficult process, it is essential that:

- \* Management commits to a long-term plan and related resource requirements
- \* Staff members are regularly consulted to ensure that their views and suggestions are obtained.
- \* The HR data capture and analysis capabilities are enhanced and automated to support the data requirements of an effective staffing strategy.

## **Process to Develop Strategic Staffing**

1. Identify critical issues
2. Define gaps and surplus
3. Develop staffing strategies and implementation plans
4. Implement and monitor
5. Evaluate impact

### **1. Identify Critical Issues**

Many internal and external issues can influence strategic staffing. An environmental scan to identify the strengths, weaknesses, opportunities, threats, and current trends in employment markets is the starting point. The availability of high quality data is very important for the success of this step. Considerations like the following could guide the process to identify critical issues:

- Changes in vision, stakeholder base, business focus, objectives, activities, or structure.
- Plans for business expansion or contraction.
- Difficult issues that need long-term, proactive action, such as key or large succession gaps, needs for new critical skills, and large turnover in certain staff categories.
- The inability to attract the best candidates to fill vacancies, as evidenced by recruitment failures.
- The large cost of a function or process.
- A general shortage of a given skill in the market.
- Very large fixed staff costs.
- Career paths that do not deliver good successors for critical positions, as evidenced by the need to resort to external recruitment all the time.
- Units that need to go through significant change.
- The need to tap non-traditional sources of skills.
- The projected (assumed) funding pattern and the alignment of employment practices to that pattern.
- Changes in locations.

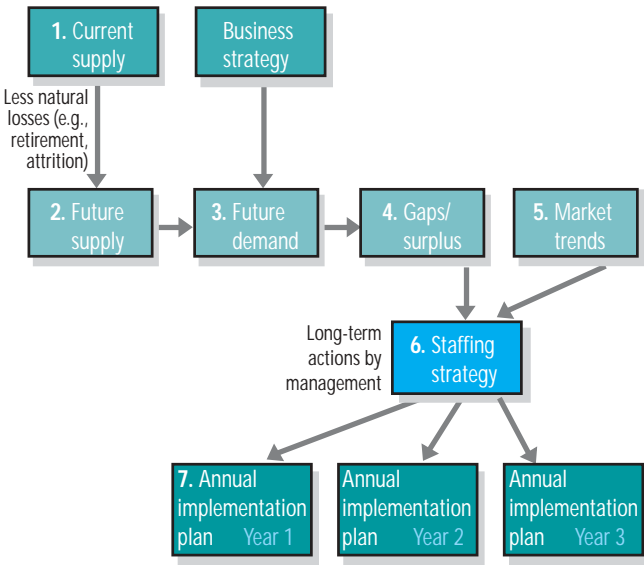




- Capital expenditures/projects.
- Productivity improvement or cost containment goals.

## 2. Define Gaps and Surplus

Once the critical issues are identified, the next step is to estimate the demand and supply to quantify the gaps. The process would follow this broad pattern:



**Current supply to future supply.** This analysis starts with the current human resource base and first applies the natural and known loss of staff to create the future scenario. The natural losses include normal attrition, historical turnover, planned redundancies, and outsourcing. The result of this process would be a clear picture of the natural future supply during the planning horizon, if no actions were taken.

**Future demand.** It is always more difficult to forecast demand. For a model to be effective, it has to have the same level of detail on both the supply and demand sides. The information available tends to be more at an aggregate level rather than specific on the demand side. So the level of detail available on the demand side usually becomes the baseline for planning. When competency models are available, they can be used as effective tools to detail the quality aspects of the demand side. There are tools that can be used depending on the need and data available to estimate the *number* of positions required—either as persons or as FTE (Full-time Equivalents). Use of FTE helps to look at various alternate ways to meet the need. For example, one FTE of an economist could be supplied as four quarters of input from different economists with different specializations. The techniques normally used for quantitative estimation are multiple regression, ratios, project-based estimations, Delphi techniques, structured interviews, and standard work unit definitions.

**Gaps and surplus.** This stage requires substantial analysis and interpretation of the data. Because identified gaps form the basis for strategic staffing, it is very important to look at the data from the perspectives of quantity, quality, time, cost, and location. It is also important to review the impact of these gaps on other factors like diversity, gender, loss of knowledge and experience, and succession. The staffing strategy should also address how surplus staff will be managed.

This process identifies gaps that could be prioritized based on their impact on leadership, technical skills, diversity, gender, location, and other factors.

This analysis might also expose patterns and trends. The better the understanding of the gaps, the more precise and effective will be the strategies to address them.

**Market trends.** While gaps and surpluses give a clear indication of the internal needs of a center, the other part of the equation required to create a strategy is the reality and trends in the market. Some of the essential elements to look at are:

- Factors affecting the availability of required skills, competition for talent, alternative recruitment channels, suppliers, new technology, social and labor trends, unemployment rate, anticipated changes in employment policies, changes to host-country arrangements, and political considerations.
- New sources of talent acquired through alliances with universities and other partners, including funding organizations.
- Competitiveness of the compensation system in relation to market trends, inflation, and other factors.
- Outsourcing, offshoring, and outplacing opportunities.

### 3. Develop Staffing Strategy and Implementation Plans

**Implementation strategy.** The staffing strategy is a long-term, directional approach that the center will take to address the gaps identified over the long-term planning horizon.

- A planning horizon longer than the one to which management is prepared to allocate resources should not be developed.
- Strategies have a center's values implicit in them. Making them explicit is very effective in creating expected attitudes and behaviors.
- All assumptions used to develop the strategy must be documented.
- The past effectiveness of the career development process should be reviewed to decide the extent to which succession strategies can be based on internal successors.



Some examples of strategies would be'

- Ensure a regular intake of young postdoctoral fellows in anthropology.
- Identify and outsource processing activities in support functions.
- Strengthen researchers' project management and fundraising capabilities.
- Develop flexible employment practices to align employment commitments to funding commitments.
- Meet succession needs in management by 50% internal promotions and 50% external recruitment.
- Develop a redundancy policy in consultation with staff.

Each of these long-term directional statements could drive the development of short-term implementation plans.

**Implementation plans.** Implementation plans are tactical operational plans of shorter duration, normally annual, designed to coincide with the budgeting cycle. They are specific with regard to actions, accountability, time frames, resource needs, and so forth. The plans must be consistent with the staffing strategy to ensure that current actions contribute to the desired long-term direction of the center.

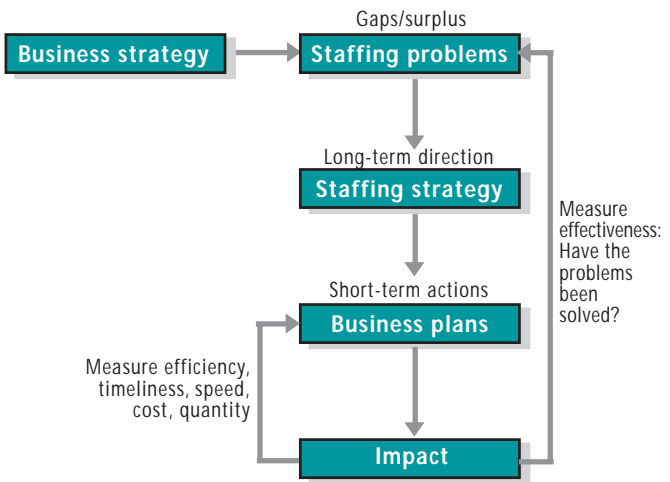
#### 4. Implement and Monitor

Implementation must take into account the impact and extent of the initiative. Impact refers to the degree to which the problem has been solved. Extent refers to the scale of applicability—i.e., to a small group of staff or to the whole organization.

High impact implies that the problem has been solved. As the suggested model is focused on problem solving, it is important to focus on achieving impact by deciding the appropriate scope of the staffing plans. It is much better to completely solve a part of the problem than to try to solve the entire problem and ultimately solve nothing completely. Sometimes implementation is piloted in a small area and scaled up or implemented in several phases. Especially when resources are limited, it is essential to narrow the extent so that the impact can be achieved. Such an approach will build credibility and provide learning and experience in implementation, both of which make implementation of the next phase easier.

#### 5. Evaluate Impact

It is important to evaluate the efficiency with which the staffing plans are implemented (short-term: lead factor) and the effectiveness of the strategy in meeting the identified gaps (long-term: lag factor). The efficiency measures for the short term would be based on timeliness, cost, quantity, and quality considerations. The long-term assessment would measure the extent to which the gaps have been met and the problem solved. Figure 1 summarizes the process.



**Figure 1. Process for developing and implementing a staffing strategy.**

Source: Adapted from Bechet (2002).

## Bibliography

Bechet, T.P. 2002. *Strategic Staffing: A Practical Toolkit for Workforce Planning*. New York: American Management Association.

Jacobs, C., and A. Acosta. 2002. *Gender and Diversity in Times of Change: Staffing Trends and Organizational Change Strategies in the CGIAR*. Working Paper No. 35. Nairobi: CGIAR Gender and Diversity Program.

Morfeld, C. 2002. *Workforce Planning: The Strategy Behind "Strategic Staffing"*. Affinity Business Communications, LLC.



# Annex 1

## Example of the Strategic Staffing Process for a Research Center

### Staffing Strategies Adopted

- Strengthen decentralization (the extent to which work is done and led from locations).
- Mainstream diversity and set measurable targets.
- Mainstream knowledge management.
- Strengthen strategic staffing.
- Develop flexible staffing policies and mechanisms.
- Strengthen first-level leadership.
- Attract high-caliber postdoctoral fellows in economics and biotechnology from leading schools.
- Develop accelerated development programs for the high-performing staff to meet the identified succession gap.
- Increase the depth and breadth of the project management pool.
- Increase the link between reward and performance.
- Invest 2% of total expenditure in staff training and development; increase to 3% by Year 3.
- Provide an average of five days training per staff member per year.

### Recruitment Principles for the Planning Horizon

- All project hires will be on co-terminus contracts.
- Because of the low diversity and gender ratio, proficiencies being equal, women and Part II nationals will be given preference during this planning period.
- Proficiencies being equal, internal candidates will be given higher preference over external candidates.

### Annual Implementation Plans

#### (An example based on strategy “Develop flexible staffing mechanisms”)

The first step is to review the problem analysis that led to the adoption of this strategy. The analysis described the problem as follows:

- Based on shifts in funding patterns, it has become difficult to make a long-term commitment to employment, although many older staff members are on indefinite contracts.
- The need for highly specialized skills in certain projects for short periods has increased.



- There are no clear policies on flexible staffing arrangements, so they are inconsistent, which is frustrating to the project leaders, to the staff being hired, and to the HR function.
- The center has not tried to identify mission-critical or core positions that require long-term stability and positions that can be filled on a short-term basis. So recruitment is reactive and ad hoc with no long-term view.

## Implementation Plan

### Year 1

- Conduct a full review of all types of flexible employment, compare with the practices of other centers and best practices, and develop clear policies to cover all flexible types of employment. This will be done in consultation with staff. The proposed policies will be submitted to the Board for approval in September 2004. A consultancy budget of US\$ 25,000 is approved for this initiative.
- Develop a strong communication campaign to explain the need for such policy changes to all staff members.

### Year 2

- Revise personnel policies to incorporate the changes. Make the new policies available to all staff.
- Develop a methodology and identify the mission-critical core positions for the center by mid-2005.
- Develop separate compensation packages and contractual arrangements for core positions to facilitate retention. Present proposals to the Board in September 2005.
- Recruit for non-core positions on fixed-term contracts from the second half of 2005.

### Year 3

- Review the new flexible employment policies implemented in Year 1 for their effectiveness in reducing costs, improving the quality of recruits, and improving the timeliness of recruitment. Make necessary changes.



