

Best Practice Cases of the Quality Conference for Public Administration in the EU - Long Case Description

<p style="text-align: center;">1. Title of the Case:</p> <p style="text-align: center;">Greater Manchester Fire and Rescue Service <i>“Changing Working Patterns”</i></p>
<p style="text-align: center;">2. A General description of the organisation and/or project:</p> <p>Greater Manchester Fire and Rescue Service (GMF&RS) is the second largest fire and rescue service in England covering an area of over 500 square miles, serving a population of approximately 2.5 million people and employing 2600 people. New duty systems and flexible employment contracts have been developed to change the way that firefighters are rostered for duty matching employee availability more closely to risk and demand.</p>
<p style="text-align: center;">3. The main content of this case</p> <p>The primary aim of this project was to maintain or improve emergency response service delivery standards and achieve efficiency savings by introducing flexible contracts and new duty systems as part of a major modernisation programme. This was to be achieved by replacing the fixed fire cover provision with one that matched the variable profile of risk, providing sufficient flexibility to support ongoing incremental improvement and change. This has resulted in:-</p> <ul style="list-style-type: none">◆ Significant reduction in salary costs of £2.3 million.◆ Improved service delivery performance standards.◆ Additional benefits and incentives for employees.
<p style="text-align: center;">4. The reasons behind the case</p> <p>When the current Labour Government came into power it was committed to reform of the public sector and commenced a major programme of modernisation. The Fire and Rescue Service remained virtually immune from these changes but during 2002 and 2003 Firefighters in the United Kingdom embarked on industrial action in support of a claim for a significant pay increase. As a result of this action, the UK Government launched an inquiry which highlighted much inefficiency in working practices. The existing duty systems and contracts of employment were inflexible and inefficient, with a number of barriers to effective management and were unable to support modernisation of the Service.</p> <p>After a long and bitter dispute, agreement was reached where Firefighters would receive a significant pay increase in return for changes that were collectively referred to as “modernisation of the fire and rescue service”. The challenge for the Fire and Rescue Authorities was to produce efficiencies to fund the increase in wages without any increase in overall expenditure. However, Government also expected that service standards should not suffer</p>

as a result.

There was also a strong desire within GMF&RS to meet the expectations of the workforce by providing a new duty system that could deliver opportunities for individual choice and flexibility to achieve a good work/life balance.

5. The actors behind the case

A project team was established by GMF&RS to undertake research and produce a human resources modernisation strategy. A Senior Fire Officer with experience in workforce planning and management was appointed to lead the Project supported by a small team consisting of serving Fire Officers and Human Resource Management specialists. The task was to redesign duty systems and negotiate new contracts of employment that would change the way that firefighters were rostered for duty.

A consultation and communications strategy was developed identifying the key stakeholders and delivery methods for communication. The key stakeholders were:-

- *Government Officials.* To obtain clarity on Government policy associated with modernisation of the Fire and Rescue service.
- *The Audit Commission.* To identify how they would measure success on behalf of Government.
- *Elected officials from the Fire and Rescue Authority.* To obtain political direction and set down parameters for negotiation with representative bodies.
- *Employees on all fire stations.* Face to face consultation to identify the aspirations and fears of employees.
- *The Fire Brigades Union.* A collective agreement was regarded as being the only real option and a clear negotiating strategy was required.

Methods of delivering the key messages included:-

- *Newsletters.* To provide regular updates of progress.
- *An Intranet web site.* As a supplement to information in the newsletters and a clearer means of showing roster designs with spreadsheets.
- *A help line.* To provide direct one to one communication and additional information. This also proved valuable for informing the content of the newsletters and web site.
- *Employee Seminars.* Where employees could interact with senior officers and debate their concerns and expectations and raise questions with the project team.
- *A Focus Group.* Consisting of a number of workforce representatives who would contribute to the development of the new duty system.
- *Minutes of Meetings.* Minutes of all negotiating meetings and management board meetings were published and widely circulated to ensure all employees and managers were aware of developments.

6. The process leading to success

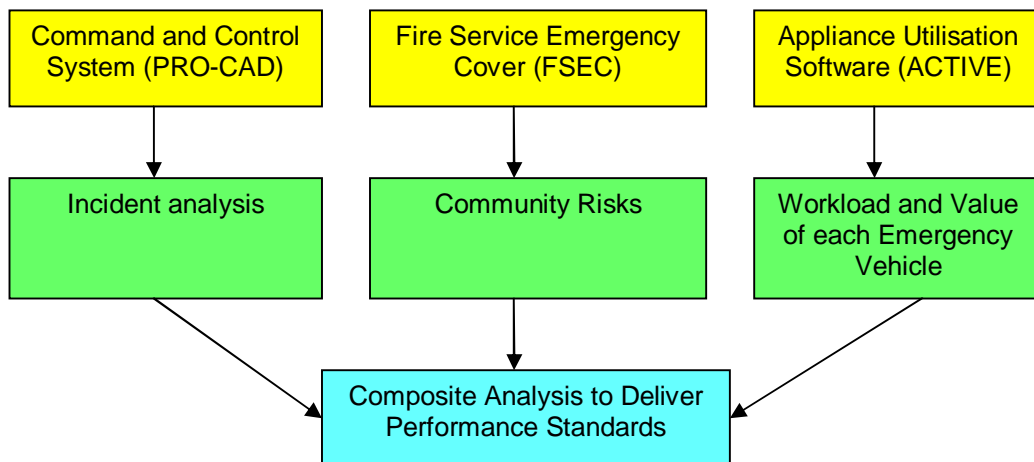
A workforce utilisation model that could be applied to any work group to meet demand was developed from best practice in the private sector. This model includes a number of factors for consideration:-

- **The Integrated Risk Management Plan.** Outlines the service standards based on analysis of risks.
- **Emergency Response Standards.** Measured by the speed and weight of emergency response (how many fire engines and firefighters we send to deal with an incident and the time it takes to arrive).
- **Resource Location.** To provide the best geographical cover.
- **The Demand Profile.** Which varies quite significantly by hour of day and days of the week.
- **Availability of Resources.** When they should be available to meet the service standards.
- **Roster Design.** To match duty systems and employee rosters to meet this variable demand.
- **Emergency Resilience.** To deal with major emergency incidents, which are less predictable in nature in terms of size, complexity and the time they occur.

It was essential to acknowledge that employee concerns regarding the proposed changes were genuine and needed serious consideration even though some of their expectations were unrealistic. The seminars and focus groups provided valuable input and in some cases innovative solutions to problems arising during negotiations. Ongoing dialogue with the Fire brigades Union was a key factor of the process, ensuring they were regularly briefed on emerging issues and ideas. Formal meetings took place every two weeks and informal meetings also continued in between the formal meetings. This facilitated the development of trust and understanding allowing for the big issues to be addressed early in negotiations.

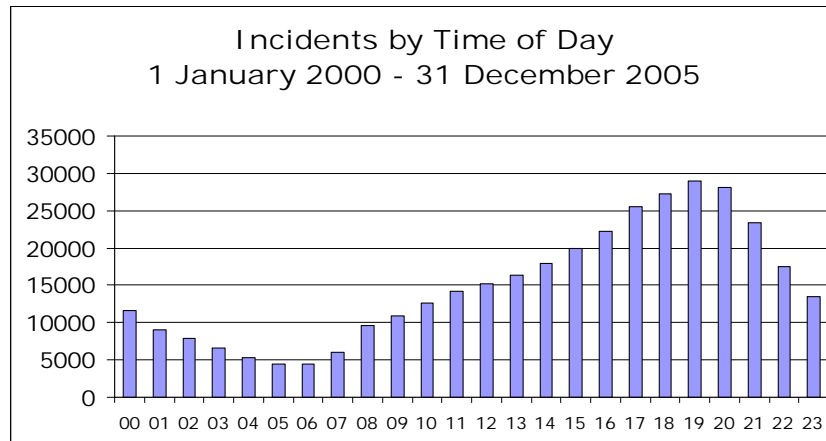
Methodology and Evidence for the Changes

We utilised three software tools to determine the most appropriate allocation of emergency response resources to meet our service standards.



This provided strong evidence to support a decision to reduce the number of fire engines and firefighters on duty at night without affecting our attendance time performance standards. A new duty system needed to be designed to

match employee work patterns and availability to this variable demand profile.



The table above shows how the demand profile changes in any 24hr period. There was also strong evidence that supported variations to the locations of resources on each the night of the week due to the changing risk and demand profile.

The next stage was to commence negotiation with the Fire Brigades Union on the duty system that would be the closest match to this demand profile. This required a very pragmatic approach and there were many revisions to the original roster design prior to agreement. The Chief Fire Officer maintained significant personal interest in the project and was involved from design stage through the negotiations and on to full implementation. This top level leadership and direction was a critical factor in the success of the project.

Work on the Roster Design and associated contract changes commenced in August 2004. Workforce management consultants were contracted to produce a roster that met our organisational requirements. The proposed solution was a five watch duty system using an annual flexible contract where Firefighters would be rostered to work a percentage of their contracted hours, with the remainder held in reserve to cover absences.

Procurement of the ICT Roster Management Software

A powerful rostering software solution was required to manage the complex roster design and this presented a challenging procurement project that required production of a detailed output specification, a comprehensive evaluation process and significant capital outlay. This was a high risk strategy because the negotiations with the Fire Brigades Union were still ongoing, the outcome was by no means certain and there were a number of significant barriers to overcome during the project.

Due to the financial risks and a strong desire to maintain focus on the project go live date, the negotiating strategy incorporated the ultimate option of termination of existing contracts and re-engagement of all firefighters on new terms and conditions. This raised tensions but had the ultimate desire of ensuring all parties remained committed and focused to achieve a negotiated settlement within the project timescales.

Remodelling the Workforce

The new duty system changed from four groups of employees (watches) to five. In addition, there was to be a reduction of 87 employees and one layer of management removed. This required the relocation of a significant number of employees across the 35 fire stations affected and was successfully achieved with very few compulsory transfers.

7. Results indicating the success

Evaluation of the project is undertaken by a number of methods, for example:-

- ' *An initial review completed two months after implementation* This highlighted areas for refinement and improvement and a number of challenges for employees and managers were evident.
- ' *Quantitative Indicators.*
 - A reduction in salary costs of £2.3 million.
 - Reduction in the number of employees without redundancies
 - Emergency Service Response standards maintained or improved
 - Sickness absence levels reduced.
- ' *Qualitative indicators*
 - Results from staff surveys indicate a significant reaction to the changes.
 - Complaints received from the public remain at a very low level.

8. The main obstacles of the case

Firefighter's conditions of service had remained virtually unchanged for over thirty years and the resistance to change was significant. By the time the project commenced, Firefighters were already in receipt of a significant pay rise from the national agreement, so the bargaining position of the employers was weakened somewhat. Even before the project implementation commenced, there were a number of significant barriers and constraints to overcome:-

- ◆ Very tight timescales - For financial reasons the target date for implementation was fixed on 1st January 2006.
- ◆ Firefighters National Scheme of Conditions of Service – The solution had to comply with the new scheme which was still quite restrictive.
- ◆ Matching as many employee expectations as possible.
- ◆ Target Savings of £2.3 million - to fund the pay increase
- ◆ Targets for Service Standards - to maintain or improve standards
- ◆ Reduce sickness absence levels

During implementation of the project there were a number of significant issues that emerged from the negotiations with the Fire Brigades Union:-

- ◆ Shift start and finish times – A strong desire for them to stay the same!
- ◆ Shift Patterns – A strong desire for them to stay the same!
- ◆ Strong objections to redundancies.
- ◆ Pay protection for employees.

- ◆ Fundamental resistance to a reduction in employees!
- ◆ Strong objections to any reduction in the number of fire engines available at night.

Throughout the project there were a number of negative reactions and significant resistance to change. This manifested itself in a number of ways:-

- ◆ Misinformation and deliberate lies were being circulated within the organisation in an attempt to undermine negotiations.
- ◆ Very poor attendance at the employee seminars arranged to explain the new duty system.
- ◆ Strong resistance to transfers from four watches to five from a small number of employees.

There were also a number of organisational changes taking place at the same time as the new duty systems were being introduced. These presented challenges in themselves but combined with the new duty system proposals they resulted in further employee dissatisfaction, for example:-

- ◆ Introduction of new work routines to generate more productivity.
- ◆ Firefighters sleeping facilities (beds) removed.
- ◆ Layers of management removed.
- ◆ Changes to firefighters pension arrangements.
- ◆ Implementation of a new training and development system

In this environment there was clearly a need for positive industrial relations to support delivery of the project and relationships between senior negotiators on both sides were developed at an early stage. Despite the time and effort invested there was still the requirement for an extension of the deadlines for agreement and this significantly increased the risk of the planned go live date. This delay, although worthwhile, was a contributing factor to many of the problems identified.

ICT Procurement

The procurement and implementation of the new rostering software also presented some significant challenges. In the early weeks of implementation the new system was falling short of delivering the expected performance standards (although performance was still higher than with the old system!). The reasons for this were quite complex but included:-

- ◆ The number of firefighters required to run the new system had fallen below the design figure due to the decision to freeze recruitment (due to the financial implications of the new firefighter's pension scheme).
- ◆ The recruitment of crew managers to new positions for the five watch system was not completed within the project timescales, leaving a significant number of people in temporary roles.
- ◆ Delays in implementing the new training and development system resulted in reductions in the number of competent people to crew all appliances
- ◆ Insufficient time was allocated to undertake detailed testing before the system went live.
- ◆ Delays in recruiting key staff to operate the new rostering system

who were then not fully conversant with the new system and the organisation.

- ◆ Delays to the procurement of other key ICT systems, most significantly the new human resources system, including Payroll.

There were also some obstacles that were less predictable. The reduction in the overall number of employees also meant that managers now had less people to crew fire engines which required greater focus on the most efficient methods for delivering training and increased pressure to reduce sickness and other absences. Some key managers, many at senior levels, had some difficulty accepting the changes and actively resisted.

9. Main sources of inspiration behind the case

The main inspiration for the project came from the private sector where approaches to workforce utilisation were far more advanced than most of the public sector. The retail sector particularly had examples where they were optimising employee costs by matching employment contracts to customer demand. The only organisations in the public sector that appeared to be adopting a truly demand led approach were some of the emergency Ambulance Services

10. The most important lessons learned

From a positive perspective, the most important learning point from this project is the need to be very clear on the required organisational performance outcomes and then be open and honest with employees about proposals for change. Only by setting clear performance standards at the outset can you hope to convince all stakeholders that your efficiency targets can be realised and, perhaps more importantly justified. This provides a sound base from which to approach industrial relations. This will also give other key stakeholders some trust in the project because the success or failure can be measured. It also helps managers to keep their nerve when difficulties are encountered, as they will be!

From a negative perspective and in hindsight, the timescales for implementing the project were over ambitious. The most significant impact of this was that delays in reaching a collective agreement with the Fire Brigades Union impacted on the implementation of the rostering software. A further three months of testing and configuration work would have resulted in far fewer problems and more time to communicate the changes and the opportunity to improve understanding would have been most welcome. However, the project was ultimately delivered on time and within budget and, most importantly, in spite of some initial difficulties, is delivering the efficiencies promised at design stage without compromising service standards.