



TOP 10 CHALLENGES CITED IN OPTIMIZING MILITARY “WHITE-COLLAR” ORGANIZATIONS – AND WHAT TO DO ABOUT THEM

Over the course of many organization analyses, hundreds of meetings and even more in-depth conversations, government leaders have continually cited the following challenges associated with manpower planning and white-collar organization performance. [See quotes below.](#)

1. **THERE IS DEEP CONCERN ABOUT THE UPCOMING LOSS OF CRITICAL SKILLS** “Thirty percent of our civilian workforce is eligible for retirement and many people are expected to leave in the next 2 to 3 years.” “It’s very difficult to efficiently backfill some of the key positions. These gaps can take a long time to fill.” This is of particular concern in the Department of Defense, Veteran Affairs and Homeland Security.
2. **KNOWLEDGE MANAGEMENT IS A SERIOUS ISSUE** “There is very limited ability to effectively capture and transfer critical knowledge from those leaving to their successors and colleagues.” “It will definitely impact performance and capability.” “It’s taking us twice as long to do the same job.”
3. **ESTIMATED VERSES ACTUAL MANPOWER REQUIREMENTS ARE OFTEN NOT ACCURATE** “Manpower estimates often do not reflect actual requirements.” “It can be very difficult to make a solid case to Manpower or Command with objective, verified data for additional resources - or to identify where reductions or reassignments should be made.” “Specific skills and competencies aren’t adequately identified or planned.” “This is particularly true when planning for surges and contractors or dealing with changes in mix or work volume.” “Some areas are overstaffed and others understaffed, and it goes on like this.”
4. **THE EXISTING ORGANIZATION STRUCTURE DOES NOT SUPPORT CHANGES IN OUR WORK OVER THE LAST FEW YEARS** “It is difficult to determine if the existing organization structure is enabling or impeding performance.” “We haven’t been able to recalibrate our organization structure properly and believe it is causing diminished capability and resource / cost misalignments.”
5. **WHITE-COLLAR WORKLOAD DEMAND, VOLUME AND MIX ARE BECOMING MORE UNPREDICTABLE** “It’s getting harder to predict or forecast the work that’s coming in, we often don’t know what is coming, or how much, or when. It is very difficult to plan.” “Current manpower planning processes are not sufficiently flexible or accurate to effectively plan manpower.” “We do not really know the right number of people required by key competency - especially with varying workload levels.” This includes contractors.

6. **MISALIGNED PERSONNEL AND CRITICAL SKILLS ARE COMMON.** “Critical resources often spend significant time on noncritical activities.” “This really impacts our effectiveness and usually increases staffing requirements.” “Some people are overloaded and others underloaded.” “Duplicative functions and activities are common.” “We really don’t know how people are spending their time – how much of it is priority work and what isn’t” “Also, are we working on the right things at the right time? It’s only a guess.”
7. **THERE IS LIMITED SITUATIONAL AWARENESS AND ABILITY TO MANAGE PROACTIVELY.** “It is becoming harder to know the status of work, who is doing it, how well it is being done, and if it will be completed as planned. “Managers and supervisors have to walk around and ask associates where things are.” “Surprises are not uncommon.” “Managers and supervisors spend an inordinate amount of time in meetings trying to understand the status of in-process work and why, at times, performance didn’t meet expectations.” “It’s all reactive, and it reoccurs in a near endless cycle.”
8. **IT IS DIFFICULT TO EFFICIENTLY IDENTIFY BOTTLENECKS, IN-PROCESS DELAYS, OR WORK IMBALANCES.** “Work gets bogged down as a result of shifting priorities and personnel.” “It is very difficult to effectively manage timelines even though we have spent all kinds of time and money on enterprise systems.” “It often takes much longer than planned to accomplish work and it can be hard to identify why it happens, or how to permanently resolve it.” “Much of it is repetitive.”
9. **INTERNAL SERVICE ORGANIZATIONS THAT CHARGE FOR WORK PERFORMED IN OTHER AREAS HAVE DIFFICULTY JUSTIFYING THE COST OF OR LEVEL OF SERVICE REQUIRED.** “This is due mainly to a lack of quantifiable data.” “We don’t have an effective way of capturing all we do, which results in undercharging for services, or customer relationship issues and / or suboptimal service levels.” “It is hard to hold our customers accountable, our people are asked to do things that are not in the contract.”
10. **TRAINING AND SUCCESSION PLANNING ARE INADEQUATE IN MANY WHITE-COLLAR AREAS.** “Training is a challenge whether it is management and supervisory training or technical and job specific training.” “We don’t do enough of it because we don’t have the resources or time. In many cases it is simply OJT.” “Consequently, it isn’t always effective or complete.” “It takes people longer than it should to come up to speed and it is often reflected in our service capabilities.” “It’s a problem with all these people retiring – how are they going to learn?” “Succession planning can be difficult both in terms of identifying truly capable successors and finding time to train and properly transition them into the role.” “The requirement for an effective succession planning process is not emphasized enough.”



THE CHALLENGE

These are the Big 10. Taken together, their impact on mission and service capability is clear and unfortunately, pervasive. There have been improvements in systemizing business processes and some functions. However productive, this has not sufficiently enabled overall manpower optimization, work management and organizational capacity. Past and present organizational efficiency and manpower planning initiatives have taken us to where we are, which may be better than before, but there's still a long way to go.

These efforts notwithstanding, most organizations are still dealing with these challenges by adding more people than needed, or conversely, insufficiently staffing some areas and reducing service capabilities. In all cases they are still contending with the same management issues. If nothing changes this will continue, which is ineffective, inefficient and unsustainable. However, there's a better answer. The benefits are clearly very significant and there couldn't be a better time to do it.

PRIVATE SECTOR TRENDS

Large private sector companies are now focused on "White-Collar" or "Information Worker" productivity as the next frontier in performance improvement. Vast sums have been spent on supply chain, project management and manufacturing initiatives. Comparatively little emphasis has been on white-collar workers, even though they can represent 60% to 80% of the company, and often determine overall performance. This will be front-and-center over next 5 to 10 years.

Some private sector improvement initiatives have been successful and others have failed. We believe we know why. The challenges they experience in this area are similar in many ways to the government.

WHAT WE HAVE LEARNED WORKING WITH THE GOVERNMENT AND PRIVATE SECTOR

1. Project management, collaboration and enterprise systems do not adequately enable effective workforce planning or overall workforce optimization; which is why organizations continue to plan resources and manage as they did in the past, and unfortunately, experience most of the same problems.
2. Organization structure can either enable or impede an organization's capability, but it does not by itself determine performance. This requires effective linkages to how work is actually performed. Hence, many reorganizations deliver little in the way of improved performance. Activity linkage is the key.
3. White-collar initiatives that attempt to quantify the level of work and the number of personnel required to complete it tend to be static and unsustainable in most areas. Changes inevitably occur and eventually erode confidence in the numbers and utility by the organization. Also, the data is generally inflexible and is not calibrated to accurately estimate manpower requirements or the specific skills needed when variations of workload volume or mix occur.
4. There is limited ability to proactively manage work in most complex government white-collar departments. To do so requires the capacity to see what is happening, continually and efficiently prioritize work, distribute and balance work across each area, ensure critical skills and personnel are properly deployed, and accurately assess status and productivity on a timely basis. These basic capabilities are sorely lacking in most government organizations, and frankly, aren't much better in many private sector companies, although it is changing.
5. Management practices are generally reactive, and most metrics are "lagging" indicators. There is an inordinate amount of time and effort spent trying to determine work status, identifying bottlenecks and reporting results. There are few tools or metrics used that enable directors, managers and supervisors to manage proactively vs. reactively. Consequently, it is very difficult to improve performance.
6. Moving beyond the current state requires specific capabilities that enable having the right number of people, with the right skills, in the right place, at the right time. It also requires the ability to continually prioritize and manage workload with in-process visibility, so that the work is balanced properly, bottlenecks are reduced, and work can be efficiently reallocated as required.

From a planning perspective, there has to be a way to accurately and efficiently relate white-collar personnel to work demand so that various workload forecasts can be efficiently translated to manpower requirements. This has to include critical skills along with general workforce population by position and job series. It should inform training requirements, recruiting needs, knowledge management and employee retention strategies.

THE OPPORTUNITY

Given the size, cost and impact of white-collar areas in government agencies, this is clearly a very significant opportunity. The challenges cited above, which can and should be resolved, have become institutionalized and accepted as normal. They are not. As long as this perception remains, it will be difficult, if not impossible, to change. *Is this the best we can do?*

We think not. We know that with the right approach, processes and tools it is possible to affect a 5% to 15% increase in productivity in most white-collar areas. This is defined as the ability to accomplish more priority work with the same number of people, or the same amount of work with fewer people, or some mix of both. All organizations are different, but it is fairly easy to determine the potential financial benefit by reviewing a department's white-collar personnel cost and applying the percentage estimates.

Perhaps more important, is having greater responsiveness and flexibility in meeting mission or service requirements, whether the customers are internal or external. This is a little harder to quantify, but certainly doable. In many cases this is far more valuable than the productivity benefits. The key thing is productivity and customer service improvement are quantitatively measurable and with the right process will pay for itself.

ALTERNATIVE APPROACHES

1. The first and most prevalent choice is to use existing manpower planning and work management practices. The deficiencies are commonly well understood and organizations usually live with them for lack of a better approach. Typically, there is little time to come up with more effective processes internally, especially since it has to span the total organization. Improvement is slow, if at all, but the process and results are accepted and most shortcomings, though sometimes significant, are generally known.
2. Realign the organization for greater efficiency. Estimate work-to-time relationships for all activities, then calculate manpower requirements based on the time estimates. Consultants are often used for this approach, which alleviates some of the work associated with it but at a cost.

Most white-collar initiatives resemble some variation of this approach and there can be benefit to it. However, it is only sustainable in organizations with little variation in work demand, volume or mix. Ongoing effort and departmental coordination are required to maintain data accuracy and usability. Nevertheless, this approach can be beneficial for organizations with minimal change.

3. Validate the “Missions and Functions”. Calibrate the organization along with the missions, functions and activities to provide greater focus. Reduce duplication of effort and realign critical skills and personnel. Develop and deploy a manpower planning that application automatically determines manpower requirements given variations in work demand, volume and mix. Include a methodology to efficiently identify critical skills and determine the level of difficulty and risk in attracting or replacing them. Depending on the size and level of complexity, some departments should be supported with a workload management process to effectively distribute work and efficiently determine status.

This “closed-loop” approach includes some of the elements in Point 2 above, however, it is far more robust with respect to handling white-collar workload variation and organizational changes. As a result, it is far easier to use, flex and sustain.

The main challenge here is there is a very limited number of sources that have the processes and capabilities required to implement it. However, if properly executed, this approach provides the answer to most manpower planning and workforce optimization challenges. It may also be the most effective path forward for optimizing organizational performance at an affordable cost. Centris is at the forefront of white-collar workforce planning and productivity innovation.

SUMMARY

1. There are some major challenges - and opportunities - related to white-collar manpower planning and optimization that current and past organizational improvement initiatives have not adequately captured. We estimate there is a 5% - 15% improvement in productivity / efficiency potential available to most white-collar organizations.
2. The potential benefit of addressing these opportunities is achieving major and lasting improvements in organizational planning, capability, efficiency and cost. Basically, the result is that organizational performance goes up and relative cost goes down. This can be easily quantified.
3. The risks associated with these challenges, if not confronted, will be more of the same white-collar planning, performance and cost issues - assuming there is not a significant increase in demand or loss of skills. Should this occur, there will be far more pressure on the organization. It is highly likely that cost will go up and performance will go down. This can be very hard to turnaround when there is stress on the organization. Performance inevitably suffers.

4. With the right approach and processes it is entirely possible to address these issues and realize the potential benefits. Current methods for improving white-collar organization performance is insufficient, which is why it has been so difficult. For example, it is very common to accurately align, staff and right-size an organization for particular in point in time. However, when changes in organizational focus occur, or when dealing with unplanned variations work demand, volume or mix, effectiveness wanes quickly. This has been a source of deep frustration for leaders and managers everywhere. Getting it right isn't so difficult – making it last is.

There is now an integrated methodology consisting of processes and automated tools that enable effective and highly flexible manpower planning, deployment and work management. What's more, it can be easily be calibrated to support variations in focus, demand, volume and mix.

It is now possible to forecast, justify and position the right number of white-collar personnel, with the right skills, in the right place at the right time – and it can be done efficiently and continually. In addition, scenario planning and organization alignment processes can be combined to best position the organization for a variety of possible futures and proactively strategize how to exploit on what's coming. Centris is the leading innovator in this approach.

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