

# SKILL MIX: REPROFILING THE NORTH WEST WORKFORCE

## SUMMARY

The financial constraints brought about by the current economic environment will mean continuing growth in demand for NHS services; this will need to be met through reduced resources available in the financial budget - "Doing more with Less".

This paper summarises the workforce metric 'Grade Mix' within the benchmarking service on the eWIN portal and the use of this metric. The Grade Mix tool is a key resource for organisations to help plan and model future workforce configurations and calculate potential cost savings.

The national Quality, Innovation, Productivity and Prevention (QIPP) agenda focuses on tackling health inequalities to drive down demand and release cost savings in the system through increased operating efficiencies.

Through skill mix re-profiling, organisations are able to evaluate and understand the availability of the skills and

## What is Skill Mix?

*"the mix of posts in the establishment; the mix of employees in a post; the combination of skills available at a specific time; or the combinations of activities that comprise each role, rather than the combination of different job titles"*

*(Buchan et al. 2001:233)*

competencies of their current workforce. Such intelligence is imperative for organisations to understand the workforce challenges they face in delivering world class services in financially constrained times. It is not only the numbers but the health, well being, learning and development of the workforce which will contribute to meeting the required efficiency targets in the near future.

With the potential for reduced capacity in the system, the workforce will need to be innovative in ensuring the continuity of high quality patient care through periods of transition due to Transforming Community Services, NHS re-organisations and re-structures.



## HOW CAN eWIN PROVIDE SUPPORT?

The benchmarking service on eWIN reports on the workforce profile by Agenda for Change for level Staff in Post and Paybill data. Within the tool, you are able to input figures at a High Level, and input a % increase or decrease in total staff.

To supplement the grade mix metric in the benchmarking service, NHS North West have developed a Grade Mix Modelling tool in an excel format, allowing users to download and input their own staffing and paybill figures at a high level, directorate or ward level.

This tool is valuable in helping to communicate, calculate and project potential cost savings and realise the impact of re-profiling the workforce at a local level.

Figures 1 and 2 show detailed views of the Grade Mix Modelling tool, with North West level Staff in Post and Paybill data. Within the tool, you are able to input figures at a High Level, and input a % increase or decrease in total staff.

The results are displayed in the form of a grade mix graph and new total staff costs and numbers.

You are also able to view the senior, Middle and Low levels of staff within your workforce.



For a more detailed analysis, the detailed level modelling page provides the facility to input a % increase/decrease of staff at an Agenda for Change Band level.

The tool then displays the current staff profile alongside the modelled staff profile in the form of tables and graphs.

Figure 1: Grade Mix Modelling Tool – High Level

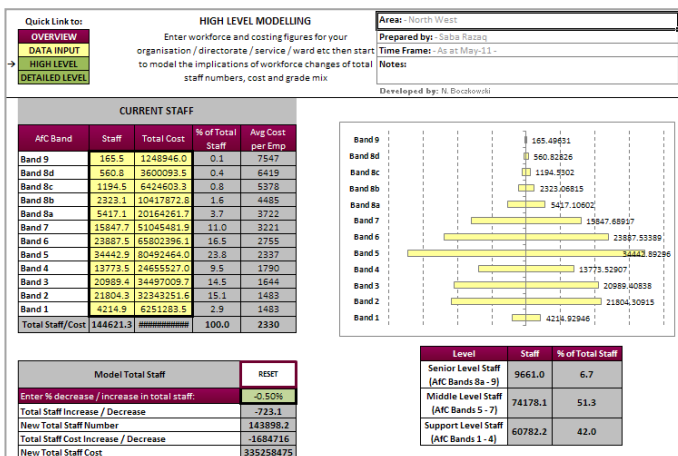
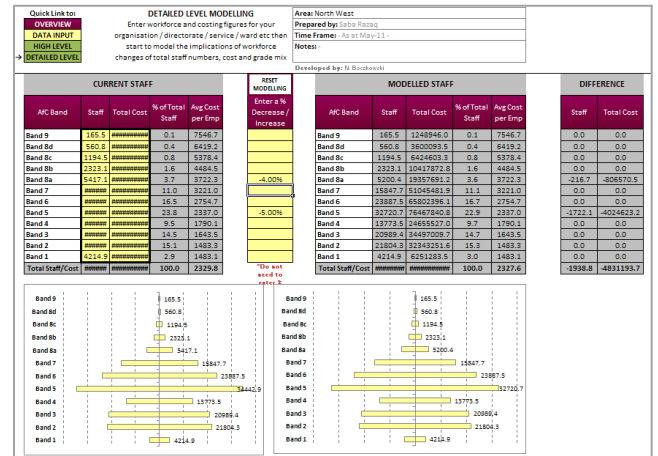


Figure 2: Grade Mix Modelling Tool – Detailed Level





## MAKING USE OF THE MODELLING TOOL

At a strategic level, NHS North West has used this same tool to calculate the potential costs reductions and savings achievable through re-profiling of the North West workforce.

Data within the modelling tool has been used as a primary source to inform other workforce modelling which has contributed to the narrative sections of the North West Integrated Plans 2011.

## SUMMARY OF NORTH WEST FINDINGS

A reduction of 5% (or 1735 FTEs) in the Band 5 workforce reduces costs by approximately £48.6m across NHS North West. However, if the Band 4 workforce is increased by the same number of staff, this costs approximately £37.2m. Overall, there is a potential cost saving of £11.4m.

Similarly, if a reduction of 4% (or 1388 FTEs) is applied to the Band 5 workforce, this reduces costs by approximately £38.9m. The cost of increasing the Band 4 workforce by 1388 FTEs is £29.7m, resulting in an overall potential cost saving of £9.1m.

Figure 3: New roles and skill-mix: drivers, issues and possible interventions

DRIVER	ISSUES	POSSIBLE INTERVENTIONS
Skill shortages	Respond to shortages of staff in particular occupations or professions	Skill substitution; improve utilisation of available skills, develop new role
Cost-containment	Improve management of organisational costs, specifically labour costs	Reduce unit labour costs or improve productivity by altering staff mix or level
Quality improvement	Improve quality of care	Improve utilisation and deployment of skills of staff through achieving best mix of staff and roles
Technological innovation; new medical interventions	Achieve cost effective use of new medical technology and interventions	Re-training of staff; new skills; different mix or new type of role or worker introduced.
New health sector programmes or initiatives	Maximise the health benefits of the implementation of the programme through having appropriately skilled workers in place	Assess cost effective mix of staff required; skill enhancement of current staff; introduction of new roles
Health sector reform	Achieve cost-containment, improvements in quality of care and performance and responsiveness of health sector organisations	Re-profiling, "re-engineering"; labour adjustment; new roles; new workers.
Changes in legislative/regulatory environment (Note, can also be a possible intervention)	Scope for changes in ( or constraints on) roles of different occupations, professions. Changes in legislative environment. <i>E.g.</i> Increase in medical indemnity costs	Role change or enhancement; new skills required; introduction of new workers

Source: adapted from Buchan and Dal Poz, 2002

Alternatively, a reduction of 5% (or 276 FTEs) in the Band 8A workforce reduces costs by £12.3m across NHS Northwest. If the Band 6 workforce is increased by the same number of staff, this costs approximately £9.2m. Overall, there is a potential cost saving of £3.1m.

If a reduction of 4% (or 221 FTEs) is applied to the Band 8A workforce, this reduces costs by approximately £9.8m. The cost of increasing the Band 6 workforce by 221 FTEs is £7.3m, resulting in an overall potential cost saving of £2.5m.

## HOW CAN I USE THIS TOOL?

At a local level, organisations can utilise this tool to gain quantitative intelligence to inform a variety of business plans.

Some key examples are:

- Providing assurance around the achievement of cost improvement plans.
- Supporting business cases submitted to the Workforce Modernisation Hub for Assistant and Advanced Practitioners.



### DATA SOURCES

North West modelling was carried out using staff in post and paybill data as at February 2011 taken from the Electronic Staff Record Data Warehouse standard dashboard reports.

Organisations are able to source staff in post and paybill data from a number of sources including

- **Electronic Staff Record (ESR):** Full Time Equivalent (FTE) and Headcount (HC) figures from your local ESR staff in post standard dashboard report.
- **iView (Information Centre):** Source Full Time Equivalent (FTE), Headcount (HC) figures and staff earnings information from the iView Benchmarking Tool. The tool is available to NHS users only and requires registration to the system.
- **Information Centre Census:** Source Full Time Equivalent (FTE), Headcount (HC) figures and staff earnings information from the annually published Census, detailing the Medical and Dental, Non-Medical and GP workforce in England and provides further breakdowns by region, trust, demographics (age/ethnicity/gender). Information available at the following web address:  
<http://www.ic.nhs.uk/statistics-and-data-collections/workforce>
- **General Ledger:** The pay section of the general ledger provides salary costs by Agenda for Change Band and Full Time Equivalents in post.

### WHERE CAN I FIND THIS TOOL?

The Grade Mix tool is available to eWIN members who subscribe to the portal. The Grade Mix tool can be found in the Benchmarking service, go to the Calculate Potential Savings section.

<http://www.ewin.northwest.nhs.uk/benchmarking/calculator>

The link to download the file can be found on the left hand side of the page.

### REFERENCES

**Buchan J, Ball J and O'May F (2001)** If changing skill-mix is the answer, what is the question?, Journal of Health Service Research Policy, 6 (4) 233-238.

**Buchan J and Dal Poz M (2002)** Skill-mix in the health-care workforce: reviewing the evidence, Bulletin of the World Health Organisation, 80 (7) 575-580.

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