

RES-SKILL

**Reskilling coal industry workers for
the renewables energy sector**

**O4-T2: Operational Plan for
the Joint Competence
Centres**

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Abbreviations

EU	European Union
RES	Renewable Energy Sector
VET	Vocational Education and Training
WBL	Work-Based Learning
GR	Greece
DE	Germany
AT	Austria
RO	Romania
BG	Bulgaria
PL	Poland

1. Summary

This document is deliverable O4-T2 “Operational Plan for the Joint Competence Centres”, as described in the RES-SKILL Application Form. The main precedent of this report is the deliverable O4-T1 “ Strategic Plan with Statutory Provisions”.

The main purpose of this document is to deliver guidelines in terms of management, financial and sustainability for the efficient operation of a Joint Competence Centre. The plan will include financial considerations for setting up the Centres, management suggestions and Human Resources (HR) profiles for staff, as well as guidelines for the sustainable operation of the Centre. The plan will define the management structure and will set clear objectives for each department, defining the roles of each team member, the goals each team has to better support the Strategic Plan (O4-T1) of the Centre and the budget and resources it needs to make it happen.



2. Introductory notes

The decarbonisation of the EU27 is expected to result in the loss of ~76k workers' jobs in coal mines & plants until 2025 (154k until 2030). Partnership countries (GR, DE, AT, RO, BG, PL) will be particularly affected, currently representing 81% of the total EU coal workforce (190k). At the same time, a surge of jobs in the Renewable Energy Sources (RES) sector is already happening and expected to continue and perhaps grow. VET education & the labour market are expected to be challenged by a) the spike of coal workers seeking reemployment in the near future, b) the surge in unfilled positions in RES.

RES-SKILL aims to strengthen VET provision in the energy sector aimed at coal workers for compatible RES sector jobs, to increase their reemployment opportunities & cover at the same time RES sector's skills demand. The project's specific objectives are to:

1. Develop a novel curriculum & tailored training content to facilitate coal workers' reorientation to the RES industry.
2. Support VET providers to integrate the RES-SKILL materials into their VET & WBL offerings.
3. Improve cooperation between VET providers & businesses to provide opportunities that will enable coal workers to transition to the RES sector.

3. What is a Joint Competence Centre

In the framework of European entities there is a category of competence centres. According to the European Commission, these are *"centred on analytical tools which can be applied to any policy area, bringing together in one place extensive expertise in this field. They offer training courses in the use of the tools for policy-making, advise on the choice of tools and also work directly with the Commission policy Directorates-General to apply the tools to the policy problems in hand."*

Close to this term, RES-SKILL project promoted the establishment of a competence centre for RES sector which will act as an important first point of contact for companies and VET organisations especially in the partnership countries (Germany, Greece, Romania, Bulgaria, Austria, Poland) but also around Europe. The centres will act both as repositories of knowledge and resource pools for the focused sector.



The characteristic that distinguishes the competence centre that RES-SKILL will provide guidelines for its establishment, is the joint dimension. Gathering know-how and resources from the partnership countries the approach is in European level and this can provide the opportunity to stakeholders to combine strengths and establish a competence centre that will focus on regions around EU that need this service and create cooperatives.

4. What is an operational plan

An operational plan outlines the key objectives and goals of an entity and how to reach them. It is a well-crafted document that ensures team members know their responsibilities and have a clear understanding of what needs to be done. In this regard, an operational plan includes specific actions and resources needed to reach certain milestones of a work plan.

Operational planning is the process of the day-to-day work to execute the strategy. It ensures that all the resources and staff necessary to get work done efficiently are available. In addition, operational planning is the process of turning a strategic plan into a detailed map that outlines exactly what action a team will take on a weekly, or sometimes even daily, basis. An operational plan will include action items and milestones that each team or department needs to complete in order to execute the strategic plan.

Below are three levels to who should create an operational plan:

- **Scope:** The operational plan will capture the who, what, and when of each activity. It should be laser-focused on a team or initiative.
- **Timeline:** Depending on how fast an entity/organization moves, the operational plan should span a quarter, six months, or a fiscal year.
- **Stakeholders:** Make sure the people involved in operational planning are close to the work, so they can accurately project and predict what work should be included in the plan.

The following questions are helpful for potential stakeholders that would like to establish a Joint Competence Centre:

1. What do we need to accomplish? This information should come from the strategic plan or yearly goals.
2. What daily tasks do we need to complete in order to hit our goals? These can be daily tasks you're currently doing or new work that needs to be kicked off.
3. Who are the people responsible for those tasks? Make sure each task has one owner so there's no confusion about who to go to for questions or updates.



4. What are our metrics for success? If you haven't already, make sure your goals follow the SMART framework.

5. Financial considerations

In general, the financial section is one of the most important and decisive sections in an operational plan. Here the centre's historical financial state (if applicable) and future financial projections should be described. In case there is need to develop a business plan with the view to get financing from lenders or investors you should have a financial section to make your case as a financial roadmap.

There are a few financial considerations to make at the start of a new competence centre:

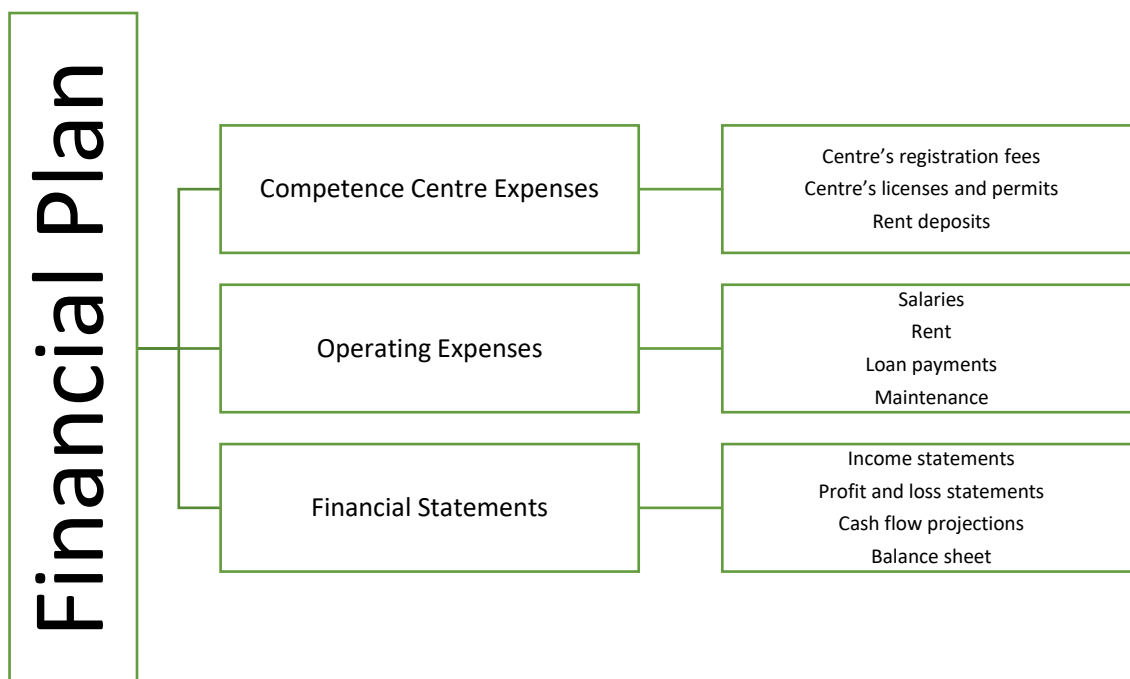
- **Minimize Overhead:** Everything you spend eats your profits. Prioritize purchases to minimize costs.
- **Track and Monitor Spending:** You need to know where every single euro is coming from and where every single euro is going. If you don't stay on top of your cash flow, you are going to put your business in a very dangerous position.
- **Financial limits:** Whatever you plan, it must be carefully pencilled out to make financial sense.
- **Determine where your funds will come from:** Once you do the prep work and assess your current cash flow and resources, determine if you can or should finance the business yourself or will need outside capital.
- **Consider Cash Flow Management and Forecasting:** Consider how to manage your cash flow, the anticipated amount, and when that cash flow will actually create a revenue stream to support growth.
- **Plan for your personal finances:** It's important to consider how to manage cashflow for your personal financial situation, not just what you'll need to operate your business and cover work expenses. When you have a variable income, it is even more important to have an emergency fund in place. Your emergency fund should contain at least 3-6 months of non-discretionary expenses.

All of the above considerations require careful planning and sharp monitoring.

The financial section of an operation plan is critical for moving beyond as only with a well thought out plan businesses are able to forecast the future finances, budget expenses, get financing from lenders or investors and grow.



A financial plan template to add your financial information is needed to present in an operational plan:



6. Management suggestions

To run more efficiently, the competence centre may implement a management structure in the workplace. By structure we mean, the framework around which the staff and the members are organized and are accepted, how leadership is chosen and decisions are made.

Management structure is important as it provides an explanation on human resources issues, such as managerial authority, workflow and responsibilities, a guidance for employee tasks, interactions and reporting and it also helps members to understand where they need to go for help or answers for specific issues.

While building the management structure, first of all, it is essential to take into consideration three elements:

1. **Governance:** a person or a group of people who will make the decisions within the organization
2. **Rules:** it is important to have rules by which the competence centre will operate
3. **Distribution of work:** which will help the competence centre to increase the efficiency and productivity



Recruitment strategy should exist to attract and hire the right job candidates and identify workforce gaps in the competence centre. It should be detailing the positions, timescales, and explain why and how it will be conducted. A good strategy makes the whole process clearer, quicker, and helps to achieve the goal, which is employing the best candidates for the competence centre which will act as career reorientation hub for coal workers.

Departmentalization is another important topic to be focused on. It refers to when the organization divides its employees and activities into departments to meet its needs and solve problems. Each department specializes in different functions. The best way to create departments within a new structure is to evaluate the resources and the needs and after that the objectives for each of them are being set.

A Competence Centre, if organized and staffed properly can help:

- Define standards across departments and the organization.
- Integrate the requirements and priorities of departments and the organization.
- Enable skills and knowledge transfer.
- Streamline, implement, and support cross-functional projects.
- Reduce conflicts between departments and across the organization, as a whole.
- Reduce redundancy and increase effectiveness.
- Ensure that information and best practices are communicated and shared so all staff can benefit.
- Empower business users through coaching and training.

The Competence Centre can follow the business model below:

Key Partners	Key Activities	Value Propositions	Stakeholders	Customer Segments
	Key Resources		Channels	
Cost Structure		Revenue Streams		

There are eight different management structures as listed below. The management team of the competence centre should decide which one they would like to adopt by taking into consideration all the advantages and disadvantages listed below.



Organizational structure	Centralized or decentralized	How it works	Main advantages	Main drawbacks
Hierarchical	Centralized	Chain of command starts with board of directors and flows downward from CEO through a staff director	Higher-quality, more specialized work	Potential lack of independence
Functional	Centralized	Each department head is the staff director	Specialized, self-sufficient teams	Silos departments
Divisional	Centralized	Each product or service team has full autonomy	More autonomous departments	Competition internally rather than externally
Flat	Decentralized	Almost all employees have equal power, with executives perhaps slightly more powerful	More independent, engaged employees	Lack of mentorship or supervision
Matrix	Centralized	Employees can move between departments	Dynamic employees with diverse skill sets	Potential for constant changes and conflicts of interest
Team	Decentralized	Supervisors can borrow from other departments	Productivity, growth and transparency	Employee confusion and disorganization
Network	Decentralized	Organizes relationships	Clarifies chains of command in large,	Potentially vague on decision-making processes



		across several locations	multilocation businesses	
Projectized	Centralized	Assemble teams for projects and disassemble teams upon project completion	More urgency, engagement, flexibility and versatility	Potentially stressful for employees, with fewer opportunities for professional developmen

7. Guidelines for sustainable operation

Operational sustainability is a method of evaluating whether a business can maintain existing practices without placing future resources at risk. Sustainability can refer to any one of a variety of areas, though it is often linked to ecological resources. Operational sustainability is also focused on social or economic resources.

- Operational sustainability from the ecological standpoint refers to a company's ability to use natural resources at its current pace without depleting the resources it relies upon. Ecological sustainability looks at a company's use of natural resources, recycling and waste reduction through the production and sales process.
- Social sustainability refers to the ability of all persons in a community to access equal or similar resources.
- Long-term strategies of business development and growth must consider economic sustainability.

Based upon the aforementioned, a newly established competence centre can follow some points in order to operate sustainably.

1. Keeping beneficiaries front and centre as they will be the ones who will determine the net profitability of the centre.
2. Training employees/members as they are the biggest asset and resource. Investing in employee training and education programmes can net massive gains to the centre.
3. Embracing change for restructuring, reshaping and overhauling if it is needed.
4. Using the latest technology can help the competence centre to keep tabs on multiple processes and employees remotely. With automation a big part of the work can be speed up.



5. However, technology is excellent for number crunching, simple machine operations, and data gathering. It can't replace skilled human labor for complex operations and is never a substitute for a well-oiled, streamlined work process.

The secret to success for sustainable operations management is to constantly keep improving and evolving.

8. Annex

A template example you should include in an operation plan:

Title
Competence Centre Name
Created by
Executive Summary: Describe the overall plan in a few sentences.
Strategic Context: Describe the competence centre mission, vision, reasons this plan is important.
Company Objectives: What is the competence centre trying to accomplish over the next year? What are the major goals & milestones that support the need for this operational plan.
Key Performance Indicators: Provide proof of the importance of the operational plan by sharing key number that support the ideas in this document.
Financial Summary: Give an overview of the financial breakdown and projects during the course of this plan. Ensure there is enough capital to execute upon this plan.
Hiring Plan: How many team members will be hired across different departments on a monthly/quarterly basis.
Key Assumptions & Risks: It's important to share what the risks to the business are and what could go wrong. Also address how the company could work towards mitigating those risks.
Goals: What KPIs will be improved as a result of this operational plan
Next Steps: Share what the next steps are. If there are approval processes needed, updates and reporting time frames, etc.