

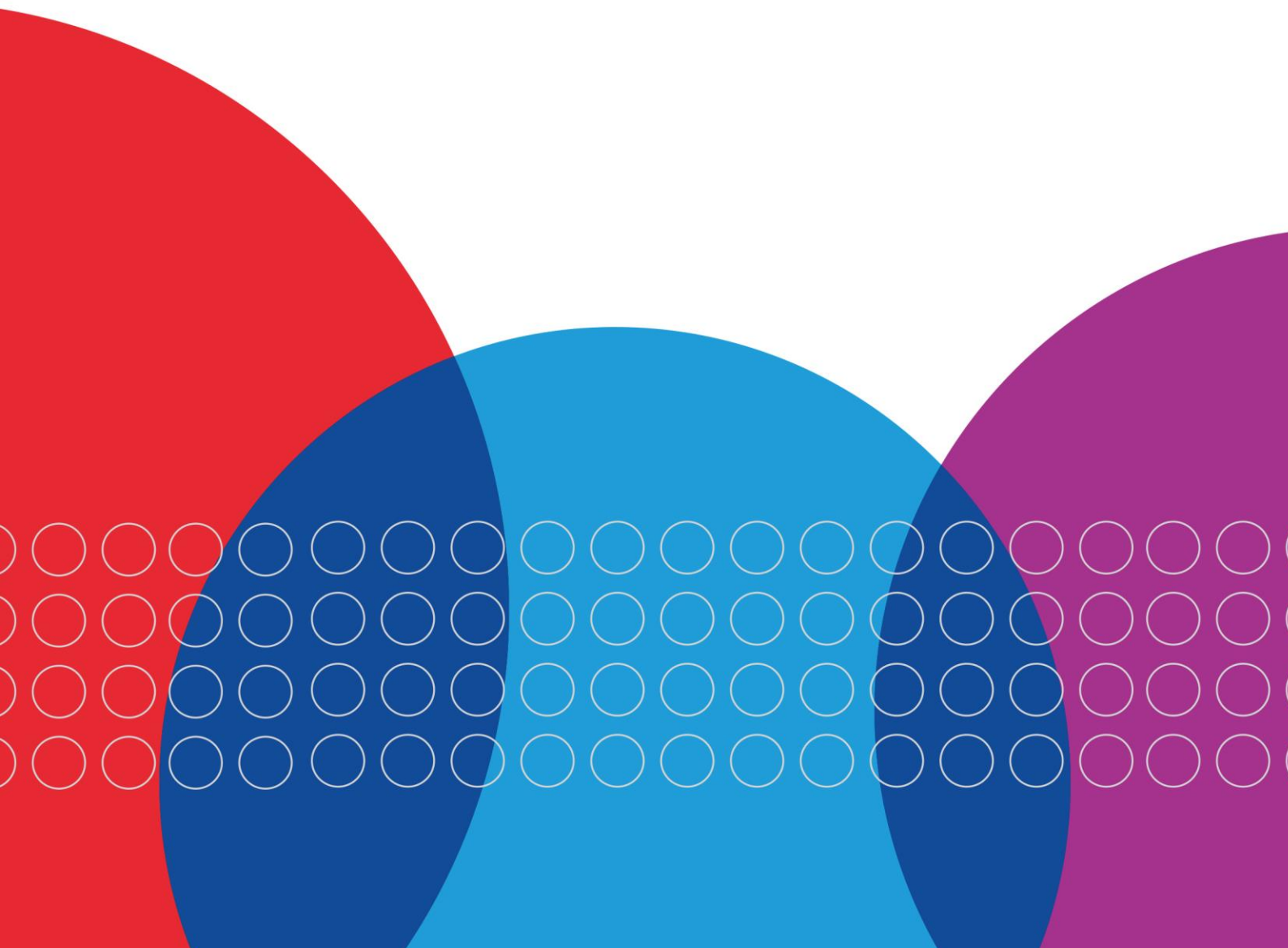


Government
of South Australia

Office for the Public Sector

WORKING IT OUT

A WORKFORCE PLANNING GUIDE



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Introduction

This Workforce Planning Guide has been developed to assist agencies to build workforce planning capability so they are better positioned, and more proactive, in implementing Government initiatives such as the 'Flexibility for the Future' job creation strategy.

The Guide has been designed to be user-friendly and transferrable across agencies of all sizes. Importantly, it is based on the International and Australian Workforce Planning Standards. (Details appear in the Appendix section 'Documents'). The International Standardization of Organizations (ISO) Standard has been developed and agreed by subject experts in more than 20 countries participating on the ISO HRM TC 260 committee. The Australian Standard has been published by the Standards Australia Human Resources Management MB009 committee. This committee represents Australian industry, Government, private sector, industry peak bodies, academia and small and medium enterprises.

What is Workforce Planning?

A systematic approach to workforce planning across the South Australian Government begins with consistency of language and definitions.

Workforce Planning is '**The systematic identification, analysis and planning of organisational needs in terms of people**'¹ It is an *active and continuous* process used to generate business intelligence to inform organisations about the current and future impact of the external and internal environment on their business, and in the process, to become resilient to structural and cultural changes and better positioned for the future. Two separate but interrelated tasks, requiring different knowledge and skill sets, define workforce planning:

- **Strategic workforce planning:** which covers a defined period, aligned to organisational strategy e.g. 3 – 5 years.
- **Operational workforce planning:** which covers a defined period, aligned with the organisation's planning cycle e.g. 12 months.

¹ International Standardization of Organizations (ISO) Human Resource Management Standard: Workforce Planning ISO 30409:2016

Australian Standard: Workforce Planning AS5620:2015

Workforce planning is not about predicting the future but should be future focused and based on identifying and exploring a range of alternative future scenarios. The response to the scenarios is what matters – guided by the question: What is the potential impact on application of the scenarios?

It helps you think about:

- the workforce you need to deliver your services (**demand**)
- how the workforce you need now and in the future, compares with the workforce you have at present (**supply**)
- how well these are aligned with the strategic directions of the agency.

DIFFERENTIATING WORKFORCE PLANNING FROM WORKFORCE DEVELOPMENT

Workforce planning and workforce development are commonly linked and these terms are sometimes used interchangeably. They are both fundamental to the executive of business strategy. They are, however, not the same thing. Workforce planning is the driver of workforce development. Workforce development can be *one* outcome of workforce planning. *Workforce development refers to the range of activities undertaken to address the gaps and risks identified through workforce planning, these may include succession planning, knowledge management and/or job redesign.* Workforce planning and workforce development go 'hand in hand' as there is little point in planning without then executing, just as it can be a risk to execute without planning first.

MAKING USE OF RELEVANT STANDARDS

In addition to the ISO Workforce Planning Standard it is recommended you access the ISO Human Resource Management Standard on Vocabulary: ISO 30400:2016. This Standard offers internationally agreed definitions of Human Resource Management (HRM) terms which you may find useful for both workforce planning and broader HRM requirements e.g. talent, talent management, capability, competency.

Why is it important?

Workforce planning is important because we live and work in an environment of uncertainty and constant change and in a global knowledge economy that is highly connected and interrelated. We need to gain greater understanding of our workforce and engage them in the identification of opportunities which are beneficial to them and to our service responsibilities.

Workforce planning enables the identification of *current, transitional and future* workforce demand and supply and, in doing so, makes explicit the human resource requirements of a workforce at agency and at whole of Government level.

Workforce planning applies to organisations of all sizes, industries, sectors and regions. It applies to any organisation that has a paid or voluntary workforce. Although the objectives and outcomes of each plan are often consistent, the complexity varies with the nature and size of an organisation and the level of financial and leadership investment made.

Workforce planning enables you to tell a *workforce demand and supply 'data' story* on:

- what is happening now
- what could happen
- what should happen.

Workforce planning can position your organisation to be more resilient to structural, economic, environmental, social and technical change, and to better position your organisation to compete for the workforce required now and in the future. It helps all stakeholders, including and especially the workforce, to understand the challenges, opportunities and options for change.

To meet the challenges of the coming decades, innovation in workforce engagement, job design and workforce retention are essential. Workforce planning can help achieve innovation through:

- sharing knowledge through research and workforce planning networks
- analyzing current workforce planning models to find opportunities for improvement
- strengthening internal processes, documents and systems to support evidence based workforce planning used to inform decision making
- building capability at all levels of management

- continued exploration of a wide range of future focused business scenarios
- engaging, informing and energizing the workforce through integrated communications and engagement activities implemented from the start to enable successful change
- monitoring and assessment of the impact and return on investment of workforce planning initiatives.

Where does it fit?

Workforce planning is intrinsically linked with strategic and business planning and should be part of the normal business planning process, enabling you to identify the workforce implications (current and future workforce) of strategic and business planning. The Workforce Plan will help your organisation identify, and ideally put in place, the human resources you need to deliver your strategic and business plans. It will expose the information gaps you need to address on priority workforce segments, location, roles, functions and capabilities. It will provide the evidence to justify the adoption of workforce risk management and risk mitigation strategies.

Workforce planning and human capital reporting are integral to management responsibility and accountability. Both overlap with other disciplines including *Human Resources, Finance, Policy and Information Technology*. It is therefore important that:

- roles and associated responsibilities are clearly defined within the agency
- data capture, analysis reporting and communication avenues are systematic and consistent and
- data is *reliable and trusted* to inform decision making across all disciplines to enable comparable reporting.

What to expect

Workforce planning is a very interesting and rewarding discipline. It brings multiple benefits to the organisation, to you and your career, to the current and future workforce, and most importantly, to the quality of service delivery.

It is, however, a complex task and you should therefore spend time engaging with stakeholders about:

- its importance for your agency
- the capability building opportunity
- what's inside and outside of scope

- establishing a consistent approach to the design, method, HR analytics and reporting, timeframe and stakeholder expectations
- future focused demand scenarios
- the communications and workforce engagement opportunities
- measuring the return on investment of workforce planning.

It is essential to seek endorsement and resources before you start. It takes time and has significant responsibility which should be shared across the organisation.

A 'good' workforce planning team will include HR, Operations, Organisation Development, Finance, IT and Policy.

Getting started

There are a few core elements of a Workforce Plan that need to be established and clarified before proceeding. To assist with application of these steps, example tables have been provided to assist with some of these stages in the **Resources** section of this Guide.

- ***Governance and Leadership*** – it is important that your agency leadership is genuinely committed to establishing and resourcing a sustainable workforce planning structure that is consistent with the strategies and governance of your agency and the South Australian Government.
- ***Resources*** – the workforce planning structure must be appropriately resourced with timeframe, budget and workforce planning capability (skills and systems) to enable it to progress and be measured for the return on investment.
- ***Workforce planning responsibility*** – can be designated to any or all the following directorates HR, IT, Policy and Finance. What is important is that these disciplines are active and collaborative contributors to the workforce planning process. Once the workforce planning structure is established workforce planning responsibility is best integrated into manager and leadership accountabilities, with responsibility for agency wide aggregated analysis and reporting delegated to the lead directorate.

- *Demand business scenario* – regardless of whether you are undertaking strategic or operational workforce planning, your Plan needs to be based on a future focused demand scenario which is aligned with the strategic plan.

Futures thinking is designed to challenge current assumptions and images about the future. It enables the examination of the external and internal environment for change and to envision a preferred future state. It enables you to test the current workforce strategy ideas across a range of plausible futures.

The scenarios are best kept to a minimum and can be as simple as – growth, decline or status quo (no change) demand scenarios. Demand scenarios will and should vary across the organisation for different workforce segments. It is good to explore a range of futures for the whole organisation and for the nominated workforce segment priorities. A workforce plan includes workforce demand and supply analysis of the *current state* and exploration of a range of ways these might change into the *future state*. Futures thinking on plausible demand futures opens the opportunity to have a structured conversation about uncertainty and to consider the impacts of this uncertainty in relation to service delivery and workforce planning.

- *Workforce segmentation* - Segmentation is used to classify the different types of job families, functions, roles, locations and capabilities and workforce characteristics. It is used to focus workforce planning on *the most critical* of these segments for the business capacity to deliver its services.
- *Metrics and analytics* – HR analytics and reporting are crucial. Larger organisations may have an analytics team or individuals who are supported with systems and knowledge to access data. Smaller organisations may not. Even those with analytical capabilities may not have anyone with the skills to make sense of the data they have and/or have the data gathering and analysis under different divisional reporting lines. Sometimes data is gathered only because of legacy practices and sometimes unnecessary data is gathered and reported on which is not directly relevant to the questions that matter. The analytics are fundamental to workforce planning and it is equally important to have the skills to demonstrate the link between workforce data and organisational data in a *common sense* and *useful* way.
- *Basic to complex data gathering and reporting systems*: -investment in expensive tools is not essential as generally workforce planning data is available in existing HRM systems. *The key is knowing what questions need to be answered*. When this is clear, you can upskill on the

capabilities of your existing HRM systems to maximise output, you can tailor and present your reports using whatever reporting platforms you have, or you can build or buy what you need.

- *Monitoring and evaluation* – it is important that agencies and the South Australian Government can measure the return on investment of strategic workforce planning.

Method

There are four recommended steps in strategic workforce planning:

1. Getting Started

- a. confirming governance and leadership
- b. Recognising organisational maturity and readiness for workforce planning
- c. establishing the structure, multi-disciplinary team and resources
- d. aligning the strategic, business and workforce plans
- e. engaging the workforce through an ongoing communications plan
- f. segmenting the workforce – by role, employee, location and/or core and non-core capabilities
- g. reviewing demand and supply information gaps
- h. identifying future focused business scenarios for critical and priority workforce segments
- i. confirming the data gathering criteria, metrics and systems to be used.

2. Capturing and analysing the data

- a. workforce data systems
- b. data collection and maintenance processes
- c. forecasting techniques and metrics
- d. reporting methods and templates
- e. forecasting and reporting tools – scaled from low to high complexity against mature requirements and level of investment
- f. determining demand and supply gap against strategic objectives and timeframes
- g. assessing workforce supply risk.

3. Risk management and mitigation

- a. identifying risk management strategies
- b. identifying risk mitigation strategies
- c. establish methods for planning, transitioning and implementing strategies.

4. Implementation

- a. establishing methods for monitoring and measuring the sustainability of strategic and operational workforce planning output and return on investment.

More details follow in the next section.

See also the 'Self-assessment checklist' against Australian Standard in the *Useful Resources* section at the end of this Guide.

Some of the more complex steps

Workforce planning is best kept as straight forward and simple as possible. However, depending on the level of investment involved, it can and will become more complex as it evolves.

The most complex steps are:

1. Workforce segmentation by criticality, aligned with the strategic plan
2. Demand and supply gap analysis
3. Future focused business scenarios
4. HR Analytics and Systems capability
5. Applying evidence based workforce planning to the risk management and mitigation strategies.

1 WORKFORCE SEGMENTATION BY CRITICALITY

Segmentation is used to classify the different types of job families, functions, roles and capabilities within an agency or Government. It is used to focus workforce planning on **the most critical job(s)**, roles, functions, capabilities, locations, characteristics and other nominated demographics.

Role-based and employee-based segmentation

Traditionally, there are two basic workforce segmentation approaches:

- *Role-based* where jobs are segmented by value or the type of work performed.
- *Employee-based* where jobs are segmented by demographic, other observable or inferred characteristics.

In response to changes in the labour market, the global workforce and dynamic business environment in which we work, **location and core and non-core capabilities** are increasingly nominated as priority workforce segments. This may be the location of service provision and/or location of workforce supply; and/or the core and non-core capabilities required against a project or strategic objective.

Vertical and horizontal integration

Taking into account the size of the respective occupations, there may be a need to consider vertical or horizontal integration of these groups.

- *Vertical integration* involves combining different levels i.e. graduates, senior staff from the same occupation e.g. civil engineer into a single group.
- *Horizontal integration* involves combining similar occupations (electrical, electronic and systems engineers) at the same level of qualification into a single group.

Depending on the level of complexity and maturity within the agency, either approach may be valid.

Consistent application

It is important that the segmentation model applied is consistent across the agency. It should cover all employee working arrangements in that segment – full time, part time, contract, trainee, graduate, contingent, volunteer – anyone who is delivering the agency services. Note however, the volunteer workforce data story should be offered as a separate but related data story as it is often linked to the risk mitigation strategy.

Determining criticality

To determine criticality of the workforce in order to segment by priority, consideration should be given to the following. It is recommended you give each a **score** to assist in a quantified segmentation outcome.

Consider if the role, function, capability, location, characteristic or demographic features:

- drive a disproportionate share of the key business outcomes
- influence the agency's value chain significantly
- impact on the agency's budget
- are in short supply in the labour market– globally, nationally, state-wide, regionally
- are essential to meet regulatory or legislative requirements
- are linked across the agency or Government
- have specific links to agency elements – e.g. location, diversity, linked to policy targets
- are linked to core, strategic, specialist, non-core, or other policy contained in the strategic plan
- are likely to impact on external and internal stakeholders.

Segmenting by priority

The next step is to then consider and score the following:

- future importance of the segmented priority
- current capability (not current headcount but capability to meet agency requirements for that segment)
- desired capability (against the strategic plan and ideally timeframe).

From these assessment methods, a change magnitude score can be determined and workforce segments by criticality, by directorate, by agency and by whole of government can be validated against strategic timeframes.

DETERMINING WORKFORCE SEGMENTATION: AN EXAMPLE

The following table is useful when determining workforce segmentation. Ask managers to complete this assessment of their nominated segmented priorities then aggregate the whole of agency responses, establish the whole of agency list as per outcomes and then validate with executive.

Table 1: Tool for determining workforce segmentation

QUESTION: WHEN THINKING ABOUT THE WORKFORCE COHORT NOMINATED AS A PRIORITY SEGMENT, SCORE THE FOLLOWING	SCORE 1 (LOWEST)-10 (HIGHEST)
Do they drive a disproportionate share of the key business outcomes?	

QUESTION: WHEN THINKING ABOUT THE WORKFORCE COHORT NOMINATED AS A PRIORITY SEGMENT, SCORE THE FOLLOWING	SCORE 1 (LOWEST)-10 (HIGHEST)
Do they influence the organization value chain significantly?	
Are they in short supply in the labour market in South Australia, regionally and/or nationally?	
Are they essential to meet regulatory or legislative agency requirements?	
Are they a core part of the supply chain across your sector or industry?	
What is the current skills capability with the cohort?	
What is the future importance for skills capability of the cohort?	
What is the capability gap for this cohort?	
What is the change magnitude requirement to meet capability gap?	
Other criteria specific to your agency e.g. location, diversity, link to policy targets	

You can extend this assessment process by identifying if these nominated segments are core, strategic, specialist, non-core flexible or other in relation to the strategic plan and associated timeframes.

WORKFORCE SEGMENTATION DATA STORY: AN EXAMPLE

The Table below is an example of a workforce segment data story.

Table 2: Identifying critical workforce capability requirements: an example

Critical workforce role, skills and/ or capability requirements at 2017/2020	Associated classification	Status at June 2017
Leadership/change management	ASO7-PO3+	Confirmed critical role and capability in 2016 strategic plan
Community engagement/customer focus	All classifications	Capability built in 2017 Learning and Development initiative
Workforce planning capability	Senior management	Capability building initiative to commence late 2017
Technical skills	PO's and TGO's	Critical workforce segments requiring technical skills identified

2 DEMAND AND SUPPLY GAP ANALYSIS

Once the segmented workforce priorities are confirmed it is important to know what information is available on that segment, the reliability of the information and any information gaps. If there are information gaps, nominate them in your reporting. In other words, if you don't gather data in the format needed to answer the workforce planning questions, or if you manually manage the data but recognise it would be more efficient to be captured and reported on through a system.

Understanding what is meant by workforce demand and supply is important. Here are some examples of the type of demand and supply data you need for workforce planning.

DEMAND

Current workforce demand: this is based on business requirements and should be aligned to current business plans and strategic objectives. Data relating to this demand should be used as a baseline for the approved size, skills and competencies of the agency to deliver business outcomes. As a minimum, the current workforce demand should be confirmed for the key job families or roles. This is normally expressed in terms of FTEs. The nominated critical workforce segments may or may not be allocated to job families. If not, they should still be included in the current workforce demand analysis.

Aggregated demand: this refers to the total size of the agency. If your agency has segmented its workforce using a structural or geographical approach, then an aggregate current demand should be derived. However aggregated demand may not show sufficient granularity to show difference by job families or roles and therefore can present challenges for workforce planning. If aggregate demand figures are used, then it should be assumed that all job families and job roles behave in a similar manner in terms of retention, learning, development and recruitment – which is not often the case!

Demand by job families or job roles: this is the preferred approach as it enables the agency to focus on critical or priority job families or roles and to access associated demand and supply information through Australian Bureau of Statistics (ABS) ANZSCO data.

Demand by competency and or capability: this adds another layer of information to workforce planning. As agencies increasingly operate with more mobile and contingent workforces, demand by competency and or capability will be integrated with demand by job families and job roles.

Unapproved demand: (not commonly seen in Government sectors) refers to additional workforce that has not been approved for the agency, but is likely to be approved within the current planning period. These figures should be presented in the same way as approved demand figures. Like demand by

competency and or capability it is recognized that unapproved demand will become more important in the future focused demand analysis.

Guiding questions

Some questions to be answered in a workforce plan about demand are:

- What is the agency required to deliver in terms of outcomes, outputs and services over the strategic and the operational workforce planning time frame?
- Are all the demands, outputs and services being delivered on time and within budget? If not, why is this? Is it because of workforce supply shortages, capability is lacking, FTE is insufficient?
- Can the additional workforce demand be reduced by job re-design, technology, workplace structure, employment regulations?
- If the business area could be redesigned to meet current and projected demand with any of the nominated barriers, how could it be structured, what would be the impact on the budget, capabilities, and location of service provision?

SUPPLY

Current workforce supply: should be used to identify the baseline size of the workforce. It should be compared to the approved demand which enables vacancies to be determined.

Current workforce supply should include all working arrangements (full time, part time, casual, contract, traineeships, graduate appointments, outsourced functions and, if relevant, volunteers – whoever is providing your services.

The *contingent* workforce is generally the supply 'feeder' workforce. The contingent workforce planning should be undertaken as a separate task from the primary workforce planning and then linked when telling the aggregated workforce data story.

Aggregate supply: this refers to the total size of the agency's workforce. An aggregate level supply presents challenges for workforce planning because it does not have sufficient granularity to show the difference by job families or roles. If aggregate supply figures are used, then it should be assumed that all job families and job roles behave in a similar manner in terms of retention, learning and development and recruitment – which (as with demand data) is not often the case.

Supply by job families or job roles: this is the preferred approach as it enables the agency to focus on critical or priority job families or roles and to access associated demand and supply information through Australian Bureau of Statistics (ABS) ANZSCO data.

Supply by competency and/or capability: this adds another layer of information to workforce planning. As agencies increasingly operate with more mobile and contingent workforces, supply by competency and/or capability will be integrated with supply by job families and job roles. For example, an agency may have a projected growth in demand for IT programmers over a nominated timeframe and these programmers will need to be competent in the latest (at each timeframe) programming language and systems.

Guiding questions

Some questions to be answered in a workforce plan about supply are:

- What is the demographic profile of the current workforce e.g. gender, age, cultural background, classification, location, tenure and other nominated diversities?
- What is the leadership ratio by these diversities?
- How reliant is the agency on the contingent workforce (e.g. temporary workforce, consultants, casuals) to meet workforce demand?
- What do we learn from past workforce trends in relation to the segmented critical workforce e.g. mobility and retention trends, tenure patterns?
- What is the workforce supply data story for the current workforce in terms of work life stage – new entry, early-mid and end-career workers?
- What is the workforce supply data story for the future workforce, based on strategic and business plans?
- What is the workforce supply data story for the transition to the future workforce? What is known? What is unknown?
- Is supply distribution a more important issue for the agency than under or over supply?

DEMAND AND SUPPLY DATA STORY

The **current state of the agency** and its workforce should be portrayed through interesting and succinct data analysis and reporting, including a combination of graphs, figures, tables and descriptive statistics.

The demand and supply data story should be relevant and reflect common sense, reporting on the questions that matter to the business and show how the data story can help answer important questions and inform decision making.

Workforce planning generally includes history from the previous 1 to 3 years to show trends and patterns such as, current and projected retirement, or turnover by job family, role or location.

- It should include information 'flags' on impact of new business proposals or project, contract and project completions and associated exit projections for the reporting period.
- It should include information on other relevant internal or external influences on demand and supply.

Insight reports on demand and supply: are generally prepared monthly and should be extracted using the same protocols i.e. same time each month. The quality of Insight reports will be impacted by the maturity level of the agency HR Analytics and Reporting.

Environmental and labour market scans: can add value to a workforce planning demand and supply story. This is best done by desktop research on academic and industry reports. Labour market quantitative data is not often at the granular level required for workforce planning on targeted segmented workforces, but some industry wide data on trends and labour supply will add value to the demand and supply analysis.

Workforce profiling: if there are significant information gaps in the supply analysis it may be that a workforce profile is required to capture more detailed information about the segmented workforce priority jobs, roles and capabilities. When profiling a workforce national privacy principles should apply, and de-identified data gathering and analysis is recommended.

The following tables show examples of reporting on quantitative and qualitative data source, topics analysed, and data gaps. More examples are available in 'Useful resources':

Table 3: Analysis of data source and topics: an example (quantitative data)

Quantitative data accessed from CHRIS 21 HRM system	Definitions and comment
FTE and Head count	Budgeted FTE, Actual FTE and Head Count
FTE Variance	Difference between actual and budgeted FTE
Leave liability (Recreational and Sick)	Staff with 20+ days recreational leave Sick leave liability by Division
Total exits	Turnover – separations by head count by reason
Total entries	<12 months since entry into agency (head count)
Intra agency churn	Workforce mobility across agency and or South Australian Public Sector including secondments, transfers (short and long term).

Table 4: Analysis of data source and topics: an example (quantitative data)

Qualitative data accessed through South Australian Public Sector workforce surveys	Definition and comment
Working life intentions in SA Government	Annual SAPS workforce survey
Working life intentions in Department	Annual SAPS workforce survey
Working life intentions of employees in critical workforce segments	Data currently unavailable

Table 5: Workforce planning data gaps: an example

Issue	Status	Timeframe	Responsibility
Exit data by critical workforce segments	Currently undertaken manually	2018	Senior leadership team to determine exit data metrics and reporting criteria
Agency baseline data consistency and comparability	Low maturity level data gathering, analytical and reporting	2017-2018	Risk mitigation strategy to build agency baseline data, systems and management capability
Future focused demand scenarios	No executive agreed future demand scenarios available on which to determine demand and supply gap analysis	2017-2018	Learning and Development initiative to be developed and offered to senior leadership

DEMAND AND SUPPLY GAP CALCULATIONS

Demand and supply gap calculations do not require sophisticated or expensive systems. They can be undertaken using simple excel or similar program spreadsheet methodology. Undertaking the gap calculations is where the importance of the inter-disciplinary approach and shared responsibility for workforce planning is evident. If the team responsible in the agency includes Finance, IT and HR skills the gap calculations will be determined with more accuracy.

The core elements of the calculation are:

- Funded FTE
- Vacancy
- Gap
- Net mobility (Entries -Exits)
- Quantified demand

The data is best presented as a table with aggregated supply (agency wide) and segmented workforce supply easily comparable.

Projections and Forecasts are quantified calculations of the workforce demand and supply in the near future, based on specified variables and assumptions. These can be used to calculate short term supply status. Both start from a current baseline measure.

- A **projection** is the calculation of either workforce demand or supply into the near future. It assumes that current and historical trends and influencing factors will continue to affect demand and supply in the same way into the future. It is often referred to as the baseline or no-change scenario. For example, a workforce supply projection uses historical turnover rates and calculates workforce attrition over the short term – assuming the historical turnover rates will stay the same.
- A **forecast** also starts from a current baseline measure. However, it calculates what the workforce demand and supply would be given a specific set of variables. For example, a workforce supply forecast might calculate the future workforce supply if turnover rates were to increase for new starters with a concurrent increase in long tenure staff working part-time.

Once the current workforce demand baseline is established, future workforce demand can be projected based on historical trends continuing, or forecasted based on a specific set of variables or assumptions. Comparing your workforce supply projections and forecasts with your workforce demand projections or forecasts allows you to see whether and how these are aligned.

- Don't forget to explain the **assumptions** that underpin your calculations so that they are correctly interpreted.
- Once you have established this in your demand and supply calculations you can undertake **sensitivity testing** to see how much your forecasts are influenced by the change in a variable.

The change magnitude answer is one to seek in workforce planning. For example, if you take one or all of your critical workforce segments and quantify the current and future capability requirements, you can also quantify the **change magnitude** which will inform your workforce risk management and mitigation strategies.

The following table provides an example of current state demand and supply reporting. More examples are available in 'Useful resources'.

Table 6: Segmented workforce priority – current state workforce data story: an example

Pressure points in strategic and workforce planning timeframe (2017-2020)		Department (all employees) including excess/unlaced unless otherwise stated	Number / %
Core capabilities: Leadership, Technical expertise, strategic and operational workforce planning		FTE (Budgeted)	106
Future focused workforce demand scenario not yet determined		FTE Actual	86.9
No credible information on work life stage and work life intention with agency of employees in critical workforce segments		FTE Variance	19.1
Funded vacancies by critical workforce segments and time to fill data not currently available through HRM system		Funded vacancies	Information only available by division
Mobility trends (intra agency and intra public sector) not available		Leave liability (total staff with 20+ days recreational leave)	8
Demand and supply gap calculations for critical workforce segments		Net mobility (total entries – total exits)	7.6%
Entries and Exits by type – contract renewal, new contract, internal and external churn, secondments and graduates not easily available through HRM systems		Quantified demand scenario	+2.3% (2017-2018) -1.5% (2018-2019) Status quo (2019-2020)

3 FUTURE FOCUSED BUSINESS SCENARIOS

Future focused business scenarios should be succinct and firm - they are not statements of aims or goals. They are not predictions. They are realistic alternative business scenarios that reflect these underpinning questions:

- What is going to be different for the segmented workforce and why?
- What is going to be the same for the segmented workforce and why?
- What is the preferred future for the segmented workforce and why?
- What 'wild cards' could matter for the segmented workforce?

There are different methods of developing scenarios, each with different benefits. Scenarios can be based on a pre-determined structure i.e. best case, worst case or preferred future, or archetypes – growth, decline, no-change – business as usual. Future focused scenario planning is currently a very popular process with many resources available to strengthen your knowledge (see Useful Resources section of this Guide for links to resources on developing alternative future scenarios). Future focused scenarios help identify workforce planning strategies.

In workforce planning it is recommended that future focused business scenarios be simple. For example, will the agency, or the nominated workforce segment or cohort, be delivering services in a growth, decline or no-change scenario?

It is also best to quantify these scenarios. For example:

- The business strategy for Division A indicates service demand growth of 3.5% in the first year followed by incremental growth up to 12% for the following 4 years.
- However, Division B will be in systematic decline over the next two years due to program completion and funding withdrawal.
- All other directorates will generate steady growth in demand in line with the strategic plan
- However, digital disruption is anticipated in all divisions along with associated job redesign to meet demand.

Guiding questions

Some questions to be answered in future focused business scenario planning are:

- What is the workforce impact of the agency strategic plan?
- What new services will be included?
- What existing services will be modified or closed?
- What impact will technology have on future demand and supply?
- Who are the internal and external stakeholders impacted by or influencing the future business scenarios?
- What is the role, function, location, capability change requirement for the workforce segments impacted by these scenarios?

4 HR ANALYTICS AND SYSTEMS CAPABILITIES

There are **four** levels of HR Analytics that are useful as a guide to the HR analytics maturity level you have currently, or to which your agency aspires:

- 1) **Reactive** which is generally operational reporting based on legacy practices and provided on request for information. It describes what's happened and what's happening.

- 2) **Proactive** which is more advanced reporting generated to pre-empt executive requirements. It predicts what could happen.
- 3) **Strategic analysis** which is generally linked to organisational and business strategy.
- 4) **Predictive analysis** which predicts what should happen based on range of scenarios.

It is important your agency establishes a HR analytics and reporting environment that:

- defines the HR metrics that are required to inform decision making on issues that matter
- offers meaningful and accurate reporting to management
- provides useful and regular insights
- is credible and reliable
- is consistent with or an influence whole of government workforce data capture, analytics and reporting.

Guiding questions

Consider the following guiding questions when establishing your strategic workforce planning structures:

- Is the data you are currently capturing accurate?
- Is it important to the agency today and for future planning?
- What questions do you need to answer?
- What data and information gaps do you have?
- How can the information gaps be addressed?
- Who else requires this information?
- Are they a potential partner with you in accessing and reporting on the data?
- What information identifies opportunities and risk for internal stakeholders?
- What information identifies opportunities and risk for external stakeholders?

Workforce Planning Metrics are intrinsically linked with agency and Whole of Government Human Capital reporting. It is important that your agency aligns its HR metrics with Human Capital data capture, measurement, reporting and analysis requirements of Treasury and Finance.

A standardized approach to the data captured and analysed should be consistent with the agency's strategic and leadership direction. It should be proportionate and practical to the agency's business and operating model, regulatory, political and social contexts.

It is equally important that agencies contribute to and influence Government Human Capital reporting metrics to enable an accurate measure of the return on investment (ROI) on people, their skills, knowledge and availability.

Future focused workforce planning will value the Human Capital impact on an organisation's long term performance as well as the competitive advantage it generates through maximising productivity and efficiency. The measurement of Human Capital facilitates an organisation's ability to manage its most critical resource.

Human Capital reporting should be based on cost and non-cost (e.g. time investment) inputs and provide a benefits analysis (financial and/or non-financial value). The quality of the reporting and the reliability of a 'return on investment' measurement of Human Capital depends on the following principles:

- **Materiality:** this principle identifies the aspects sufficiently important for the organisation and for internal and external stakeholders that they should be captured and reported.
- **Reliability:** the data captured and reported is verified and trustworthy.
- **Completeness:** the data includes all agreed areas of Human Capital.
- **Comparability:** the metrics used are comparable across the agency and Government.
- **Inclusiveness:** the reporting should include the extent to which the agency leverages the benefits of diversity and other Government priorities through inclusiveness.

Core Human Capital reporting areas

The following are internationally recognised as core Human Capital reporting areas for organisations and businesses of all size:

- **Availability** i.e. absentee rates, working arrangements, external, contract, contingent
- **Compliance** i.e. grievance, disciplinary actions
- **Cost** i.e. total costs, internal/external labour, recruitment, cost per hire
- **Diversity** i.e. employee characteristics and demographics
- **Leadership** i.e. succession readiness, depth, leadership development rate
- **Occupational health and safety** i.e. injury-related lost time, accidents, deaths, training hours
- **Organisational culture** i.e. engagement, exit, retention
- **Productivity** i.e. ROI

- **Recruitment** i.e. quality per hire, time to fill, transition to future
- **Mobility and Turnover** i.e. internal fill, external fill, succession
- **Skills and capabilities** i.e. internal mobility, training, time to competence.

Maturity levels

Consider the *process and implementation maturity levels* at which you are currently operating and use the information above to identify where you want to be with your approach to HR Analytics:

- *disparate approach* (general HRM information and insight reporting)
- *system wide approach* (information integrated predictive capability)
- *strategic, operational, tactical integration* (complete and high integrated data)
- *fully integrated, scalable and measurable* (internal and external data integrated, optimal balance of workforce mix and productivity can be clearly defined, decisions made in real time, scalable, agile delivery framework).

Mature HR Analytics and trusted reporting enable *insight, decision and impact* outcomes. They will position you to demonstrate the ROI of the agency investment into the workforce.

For example, if you demonstrate the cost of retaining employees in critical workforce segments against the cost of recruitment and learning and development for new entry workers, this information should support cost benefit decision making for job creation initiatives such as 'Flexibility for the Future' which require consideration of economic benefits for both the exiting workforce (i.e. transition to retirement employees) and new entrants (i.e. graduate employees plus loss of knowledge costs and succession planning investment).

Assessing HR Analytics Maturity levels

The Chart below can be used to assess your agency's HR Analytics Maturity level.

Table 7: Assessing HR Analytics Maturity

MATURITY LEVEL	AGENCY CAPACITY, CAPABILITY, AND HR ANALYTICS	YES WE CAN	NO WE CAN'T	STATUS
REACTIVE/DISPARATE APPROACH	Describe what's happened and what's happening			
PROACTIVE/SYSTEM WIDE APPROACH	Predict what could happen			
STRATEGIC/OPERATIONAL/TACTICAL INTEGRATION	Demonstrate link to organisational and business strategy			
PREDICTIVE/FULLY INTEGRATED/SCALABLE/MEASURABLE	Describe what should happen based on range of scenarios			

5 APPLYING EVIDENCE BASED WORKFORCE PLANNING TO THE RISK MANAGEMENT AND MITIGATIONS STRATEGIES

It is at this step that many fall back into the comfort zone of legacy workforce development strategies of attraction, recruitment and retention. There is so much more to workforce risk management and mitigation.

- It is important to regard workforce planning as a hard science and only offer evidence based information in your reporting.
- Aim to demonstrate the ROI of workforce planning e.g. report on the cost implications of workforce exits from segmentation priority or critical job groups, the economic benefits of job and role redesign and or succession planning.
- Include where you can proactive or ideally predictive HR analytics that support your strategy – *what is happening, what could happen, what should happen?*

Workforce risk assessment

A workforce risk assessment should reflect the agency's appetite for risk. Risk is determined when there is likelihood of a prejudicial or harmful event that happens and may produce a negative effect on the performance of the organisation. The objective of good risk management is to ensure optimal, balanced and sustainable organisational performance. The risk management process should be simple and flexible.

Risk can come from two main sources:

- *Inside the organisation:* e.g. the business strategy, inefficient processes, resources, culture, capabilities, competency, structure, leadership, finance, technological, demographic, health and well-being, diversity and inclusion, innovation.
- *Outside the organisation:* e.g. political, economic, technological, sociological, demographic, labour market, industry trends, customers, competitors, supply chain, legislation, regulation, innovation, pandemic events.

Agencies need to understand their workforce supply risk exposure and the level of supply risk they are willing to accept to meet performance goals and objectives.

QUANTIFYING RISK ASSESSMENT

Examples of a quantified risk assessment for workforce planning include:

- **Extreme** (above 50%): Factor poses a very significant level of risk to agency service capability: *Management attention is urgently required* to address the issue.
- **High** (36-50%): Factor poses a significant level of risk to agency service capability: *Management attention is required* to address the issue.
- **Medium** (16-35%): Factor poses some risk to agency service capability: *To be monitored over the next reporting period.*
- **Low** (below 15%): Factor poses a low level of risk to agency service capability: *Currently there is no action required to address the issue.* Managed by routine procedures.
- **N.A.** Risk cannot be defined or other

RISK ASSESSMENT IN WORKFORCE PLANNING: AN EXAMPLE

An example of a risk assessment in workforce planning is:

<i>Segmented priority workforce:</i>	IT capability Level 3
<i>Demand projection:</i>	IT Division to grow by 2.5% each year for next two years
<i>Risk assessment of supply:</i>	Extreme as evidenced by industry labour market scan
<i>Likelihood rating:</i>	Almost certain as evidenced by internal workforce profile and supply gap calculations

Applying workforce planning to Human Resource Management initiatives aimed at managing and mitigating workforce risk

Workforce planning informs decision making on workforce risk. It produces the evidence required to identify risk level and nominate risk mitigation strategies.

Workforce risk management and mitigation strategies should be underpinned by evidence based workforce planning and are commonly grouped in context with the following topics:

- Organisational change
- Human governance
- Workforce design
- Workforce adaptability
- Workforce capability
- Workforce location
- Succession planning
- Knowledge Management
- Workforce development
- Job redesign
- Retention
- Attraction
- Outsourcing
- Exiting/redeployment.

THE SIX BS

Another useful approach is to apply the 6Bs² approach **Build, Bind, Buy, Boost, Borrow** and **Bounce**.

Existing Whole of Government and/or individual agency HR policies to manage workforce risk can be grouped under these headers enabling easy assessment, additions and withdrawal of risk strategies as they evolve or are discontinued. When an agency is operating at a reasonable level of workforce planning maturity, with manager responsibility and accountability for workforce planning embedded into the normal planning process, managers should be approaching HR with **quantified** workforce demand and supply assessment and clarity around their proposed risk management strategy. e.g. Manager A approaches HR with supply gap of 5 people all in a 2017-2019 priority workforce segment and nominates a risk management scenario of 3 Builds +1 Bind + 1 Borrow to manage the risk.

The following table provide examples of risk mitigation and management strategies using the 6Bs approach– add your existing strategies to this format to identify the current and future state risk focus in your agency.

² Ross School of Business, University of Michigan

Table 8: Risk mitigation and management strategies using the 6Bs: an example

6B's Model	Examples
Build	<p>Grow your own capabilities</p> <p>Formal and informal learning and development initiatives (legacy, established and new)</p> <p>Mentoring and coaching and individual development plans</p> <p>Build Whole of Government mobile workforce planning capability team to guide agency's in implementing and delivering systematic approach across Government.</p> <p>Build Whole of Government 'specialist skills teams' in known future demand skill sets such as critical thinkers, cyber security, digital literacy</p>
Bind	<p>Improve retention of knowledge and key employees</p> <p>Identify where you are most at risk through exit interviews, surveys and retirement intentions surveys</p> <p>Targeted retention strategies</p> <p>Offer special project engagement opportunities to transition to retirement and former employee with required skills and knowledge</p>
Boost	<p>Credibility and reliability of employee baseline data</p> <p>Establish succession plans for workforce in critical workforce segments and for all levels across agency</p> <p>Provide promotion and advancement opportunities for workforce in critical workforce segments</p> <p>Engage workforce in job redesign</p> <p>Create new jobs to attract graduates</p> <p>Create flexible opportunities for transition to retirement employees</p>
Borrow	<p>Establish cross industry and private sector partnerships and alliances to access required skills and knowledge</p> <p>Encourage intra agency mobility and inter SA Public Sector mobility and career development opportunities</p> <p>Re-engage former employees with required skills and knowledge</p> <p>Establish special short-term project and consultancies to address skill and knowledge information gaps and capability</p> <p>Establish innovative and plausible phased retirement initiatives to encourage job creation opportunities</p>
Buy	<p>Engage new employees with skills required</p> <p>Strengthen partnerships and build recruitment agency understanding of agency skills and knowledge gaps</p> <p>Create alternative pathways to employment</p> <p>Review agency branding and employment value proposition</p> <p>Improve efficiency of recruitment and time to fill process</p>
Bounce	<p>Manage poor performance and exit</p> <p>Agency restructuring and job redesign to manage over supply</p>

Table 9: Additional Human Capital reporting metrics which can strengthen risk management and mitigation strategies

Reporting areas	Metrics
Workforce availability	Absenteeism, number of temporary workforce, working arrangements e.g. full or part-time
Costs	Total labour costs, external workforce costs, total cost of employment, cost per hire, recruitment cost, learning and development
Diversity	Age, gender, culture, disability, job family, qualification requirements, job classification
Leadership	Succession readiness, learning and development rate, retention
Organisational culture	Engagement/satisfaction, exit, turnover, reasons for exit
OH&S	Loss time for injury, training hours, occupational accidents
Recruitment, mobility and turnover	Recruitment, number of qualified candidates per position, quality per hire, time to fill vacancy, transition and future workforce capabilities assessment (talent pool), internal and external mobility, regrettable turnover, voluntary turnover
Skills and capabilities	Average training hours and training costs, time to competence, multi-skilling, cross-training

'Flexibility for the Future' – an example of how to apply workforce planning to a risk management strategy

Table 10: Applying workforce risk management to *Flexibility for the Future*: an example

Initiative:	Job creation initiative aimed at increasing graduate employment in the South Australian public sector
Workforce planning driver:	To create more employment opportunities in SA Government and to increase flexible workforce practices across the SA Government.
Your agency's top six critical workforce segments:	<p>As identified in your current strategic and workforce plans and validated by executive:</p> <ul style="list-style-type: none"> • Leadership team succession plan • Project management capabilities • ASO 8 – MAS 1 • Mature age workforce • Graduates • Regional workforce.
Future focused demand scenario:	Create 25 new jobs in the agency across diverse job groups and classifications while maintaining budget and retaining high demand knowledge and skill.
HR analytics:	<p>42 employees have indicated interest in participating in initiative.</p> <ul style="list-style-type: none"> • 12 are in strategic workforce planning validated critical job groups • 28 are in ASO1-7 classification categories • 5 in regional locations • 9 in senior leadership roles • 36 are female and 6 are male.
Risk assessment:	<i>High risk</i> (30%-35%). Factor poses a significant level of risk to agency service capability. Management attention is required to

Initiative:	Job creation initiative aimed at increasing graduate employment in the South Australian public sector
	address the issue. Risk includes: loss of skill and knowledge, reduction in diversity targets (women in leadership and regional targets). Predictive data indicates average graduate retention at 15 months.
Risk mitigation and management:	<ul style="list-style-type: none"> • <i>Boost:</i> Whole of workforce awareness of and access to the Flex for the Future program and its opportunities. • <i>Bind:</i> 12 employees in critical workforce segments to the agency through SAGE³ (Senior Advisor Government Employee) program. • <i>Bind:</i> 13 employees in non-critical workforce segments to the agency through SAGE or another retention program. • <i>Bind:</i> 25 new graduates to agency for agreed timeframe and aligned with agency workforce segmented priorities. • <i>Build:</i> 25 new graduate capabilities through mentoring and coaching program linked to knowledge management and succession plans and SAGE program. • <i>Build:</i> Current workforce capabilities through targeted succession plan for critical workforce segments. • <i>Borrow:</i> Mobile skill teams e.g. creative, policy, workforce planning skills to meet short term demand and supply gap until agency capability achieved.
Implementation:	Formative evaluation for monitoring and measuring ROI of this workforce planning initiative.

³ This is not an established SA Government program. It is a concept used in this guide as an example.

'Knowledge Management' – an example of how to apply workforce planning to a risk management strategy

Table 11: Applying workforce risk management to a *Knowledge Management* initiative: an example

Initiative:	Knowledge Management initiative aimed at retaining required agency knowledge
Workforce planning driver:	To reduce agency risk of loss of critical knowledge through labour market competition for people with the required expertise and through projected mature age worker exits
Your agency workforce segments with knowledge retention requirements:	<p>As identified in your current strategic and workforce plans and validated by executive.</p> <ul style="list-style-type: none"> • Leadership • Project management capabilities • Procurement capabilities • HR analytics and reporting
Future focused demand scenario:	Best practice knowledge and retention strategies are implemented and valued for return on investment to agency
HR analytics:	<ul style="list-style-type: none"> • 12.5 employees with required specialist knowledge and experience in the agency have indicated their intention to leave the agency and or government in the next 2-3 years. • 6 employees with specialist knowledge and experience in the agency critical workforce segments have indicated their intentions to leave the agency and or government in the next 12 months. • 8 are in leadership team and 2 are in 'hard to fill' jobs due to labour market and location (i.e. rural South Australia) shortages.
Risk assessment:	<i>Extreme risk</i> (above 50% assessment) for 6 proposed employee exits (4 metropolitan region 2 rural). Factor poses very significant

Initiative:	Knowledge Management initiative aimed at retaining required agency knowledge
	<p>level of risk to agency service capability. Management attention is urgently required to address this issue.</p> <p><i>Medium risk</i> (16-35%) for remaining 6.5 proposed exits. Risk includes: loss of knowledge and experience critical to service delivery quality control.</p>
Risk mitigation and management:	<ul style="list-style-type: none"> • <i>Boost:</i> Whole of workforce awareness of agency valuing of expertise and intention to implement knowledge succession strategies which include knowledge – capture, documenting, and transfer. • <i>Bind:</i> the 6 employees who have indicated intention to leave in next 12months to knowledge succession projects. • <i>Bind:</i> 6.5 employees who have indicated intention to leave in next 2-3 years to projects which support knowledge succession. • <i>Bind:</i> new graduates to agency into knowledge succession projects. • <i>Build:</i> employee capabilities through mentoring and coaching program linked to knowledge management and succession plans.
Implementation:	Formative evaluation for monitoring and measuring ROI of this workforce planning initiative.

'Job redesign' – an example of how to apply workforce planning to a risk management strategy

Table 12: Applying workforce risk management to *Job Redesign* an example

Initiative:	Job redesign aim at reducing 'time to competency' levels in critical workforce segments
Workforce planning driver:	To create more employment opportunities in SA Government, to increase flexible workforce practices across the SA Government and to reduce 'time to fill' and 'time to competency' in critical workforce segments.
Your agency's top six critical workforce segments:	As identified in your current strategic and workforce plans and validated by executive: <ul style="list-style-type: none"> • Leadership team succession plan • Project management capabilities • ASO 8 – MAS 1 • Mature age workforce • Graduates • Regional workforce.
Future focused demand scenario:	12 existing jobs are redesigned in 2017. Two in each of the top 6 critical workforce segments through the SA Government initiatives in job creation, succession planning and knowledge management.
HR analytics:	<ul style="list-style-type: none"> • 4 employees have self-nominated to participate in job re-design - releasing 4 jobs for re-design in the agency critical workforce segments. • 18 roles/functions and associated positions have been identified by HR for possible re-design – these are in non-critical workforce segments.
Risk assessment:	<i>Medium risk</i> (16-35%) for 4 jobs in critical workforce segments. Factor poses some risk to agency service capability – to be monitored over the next reporting period for impact on critical workforce segments. <i>Low risk</i> (below 15%) for 18 roles/functions and associated positions in non-critical workforce segments.

Initiative:	Job redesign aim at reducing 'time to competency' levels in critical workforce segments
Risk mitigation and management:	<ul style="list-style-type: none"> • <i>Boost:</i> Whole of workforce awareness of and access to the Flexibility for the Future – job redesign program and its opportunities. • <i>Bind:</i> 4 employees in critical workforce segments to the job re-design initiative. • <i>Bind:</i> Employees in non-critical workforce segments identified by HR as potential job re-design through information and engagement strategies. • <i>Build:</i> HR knowledge and evidence on reasons for resistance to job re-design by transition to retirement employee. • <i>Build:</i> Office for the Public Sector information on outcomes of this initiative including challenges and opportunities arising.
Implementation:	Formative evaluation for monitoring and measuring ROI of this workforce planning initiative.

'Succession Planning' – an *example* of how to apply workforce planning to a risk management strategy

Table 13: Applying workforce risk management to *Succession Planning*: an example

Initiative:	Establish succession planning against all critical workforce segments
Workforce planning driver:	Data analysis on exiting workforce in critical workforce segments and high mobility (intra -government) trends within these segments.
Your agency's top six critical workforce segments:	<p>As identified in your current strategic and workforce plans and validated by executive:</p> <ul style="list-style-type: none"> • Leadership team succession plan • Project management capabilities • Policy and report writing • Mature age workforce • Regional workforce • Procurement capabilities
Future focused demand scenario:	Succession planning embedded in agency against all critical workforce segments and succession planning transparency across Agency
HR analytics:	<ul style="list-style-type: none"> • 80% management commitment to transparent succession planning in all critical workforce segments. • 10% management resistance to transparent succession planning • 10% management indifference to transparent succession planning • 50% succession planning in leadership roles targeting women • 10% succession planning in leadership roles targeting indigenous employees • 10% succession planning in leadership roles targeting other diversity

Initiative:	Establish succession planning against all critical workforce segments
Risk assessment:	<i>High risk</i> (30-50%). Factor poses a significant but not extreme level of risk to agency service capability. Management attention required to address the issue. When implemented risk will reduce to Low.
Risk mitigation and management:	<ul style="list-style-type: none"> • <i>Boost:</i> whole of workforce awareness of and access to the succession planning methods and status against all critical job groups. • <i>Bind:</i> employees in critical workforce segments to the agency until succession planning is embedded into normal planning practice. • <i>Boost:</i> whole of workforce awareness of and access to information on the link between career path and succession opportunities. • <i>Build:</i> agency capability to use evidence based workforce planning to underpin succession plans. • <i>Build:</i> management capability in succession planning.
Implementation:	Formative evaluation for monitoring and measuring ROI of this workforce planning initiative.

Useful resources

SAMPLE REPORTING TABLES


In addition to the tables included in this Guide, the following are *examples* of other useful tables for telling the workforce data story – note you don't need to include all topics, these are just a guide to help you consider some of the core elements of your data story; to build a systematic approach to reporting across your agency and across whole of Government, and to strengthen analysis.

Example: What is known and unknown about the critical workforce segment

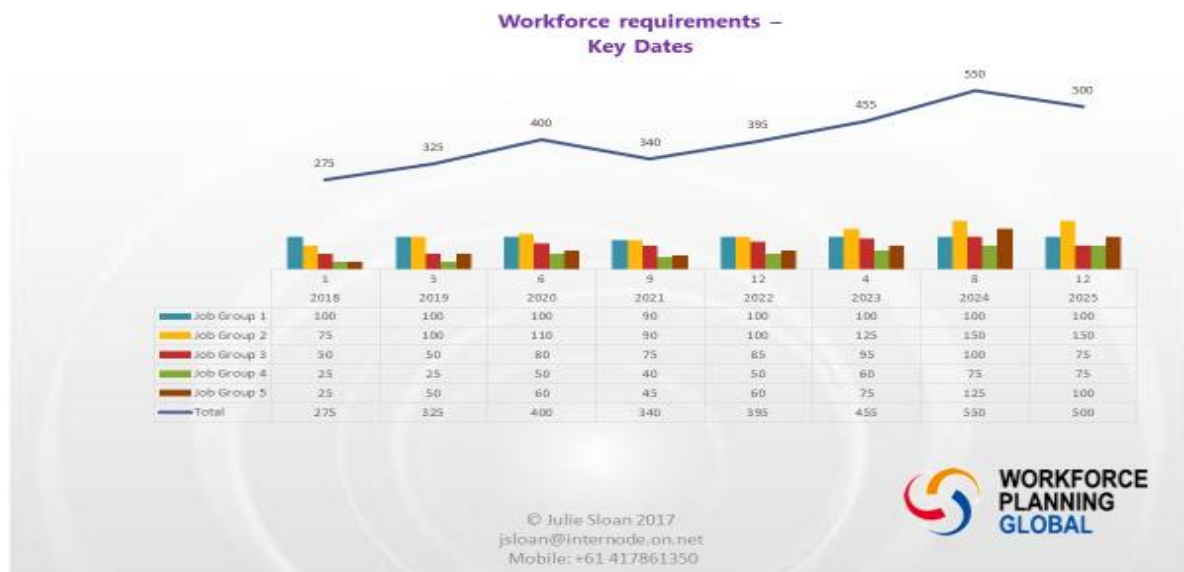
Leadership team	SA Public Sector	In your agency
Average age		
% of employees in this cohort aged over 60 years		
% of employees in this cohort aged under 35 years		
% of employees in this cohort in executive team		
% of males		
% of females		
% of employees in the cohort working part time		
% seeking transition to retirement		
% of total agency dollar value of Training & Development allocated to this cohort		
% of total agency dollar value of Training & Development relating to leadership to this cohort		
% of employees in this cohort with diversity and inclusion characteristics or requirements		
% of employees in this cohort who have indicated intention to exit SA Public Sector in next 12mths to 2 years		



Sample: Risk mitigation for critical workforce segment

Division	Critical workforce segmented priority	Risk assessment of demand and supply	Risk mitigation current Workforce 2017-2018	Risk mitigation transition workforce 2018-2020	Risk mitigation future workforce 2020+
Human resources	Strategic Workforce Planning	High	Build capability	Build/Boost/Borrow/Bind HR analytical and reporting skills. Build leadership capability	Boost strategic workforce planning capability
All divisions and directorates	Innovation	Medium	Borrow required skills from within Govt or through exchange with private sector	Build/Boost/Bounce to meet workforce demand and supply requirements	
All divisions and directorates	Leadership	High	Bind, Build, Boost, Borrow	Bind, Build, Boost	

Mock data example: Telling the supply and demand risk 'data story'



Sample: The future of workforce planning in the Department

Current	Future
Reactive - no systematic departmental wide approach to Strategic Workforce Planning	Clear and active human governance and leadership for Strategic Workforce Planning
Minimal governance and leadership on the topic	Clearly defined role and responsibilities for Strategic Workforce Planning in all Directorates and Divisions
Limited workforce planning capability	Proactive workforce planning: Describing what has happened, what is happening; Predicting what could happen; and Prescribing what should happen with the workforce
Immature HR analytics	Agreed workforce planning data gathering definitions and analytical methods
Gaps in baseline workforce data	Readable, user friendly, trusted analysis and reporting and regular insight reporting on workforce risk areas
No dedicated workforce planning systems or templates	Segmented workforce – pivotal/critical job groups within agency and by Directorate identified by pertinent timeframe
Inconsistent data gathering and reporting methods	Comprehensive analysis at departmental and directorate level reflecting: workforce pressure points by strategic plan timeframes, agreed demand scenarios for growth, stabilization and/or reduction, and workforce supply gap calculations
Role/function approach	Risk assessment/mitigation strategies targeted at specific job groups to address workforce gaps
No workforce data for critical workforce segments	External supply & demand labour market analysis available
Limited external environment analysis	Workforce planning 'pressure point' alerts to Executive using predictive and prescriptive analytics.
Commitment to building systematic approach to workforce planning	Workforce engagement in workforce planning process evident and supported
Commitment to building workforce planning capability across Department	Measurement of impact of strategic workforce planning on performance and productivity undertaken
	Mature strategic and operational workforce planning capabilities in Department
	Workforce planning integrated into normal business planning cycle



SELF-ASSESSMENT CHECKLIST AGAINST AUSTRALIAN STANDARD

STAGE	SUMMARY OF STEP	AGENCY STATUS –E.G. PLANNED, ACTIONED, IN DEVELOPMENT, ESTABLISHED, IMPLEMENTED, EVALUATED.
Stage 1: Getting started	Establishing interdisciplinary workforce planning team	
	Build business case, secure resources to proceed	
	Link strategy, business and workforce plans – current and future workforce requirements	
	Identify external and internal influences on plan	
	Implement communications strategy to engage workforce in workforce planning	
	Segment critical workforce	
	Identify information gaps - Review quality and reliability of existing workforce data	
	Conduct environmental scan if required e.g. labour market trends	
	Identify future focused demand scenarios	
Stage 2: Analyse the numbers and determine risk	Undertake demand and supply gap calculation on segmented workforce	
	Describe demand	
	Describe supply	
	Undertake workforce risk assessment	
Stage 3: Risk management and mitigation strategies	Identify risk management and risk mitigation strategies	
	Action strategies	
Stage 4: Implementation	Embed workforce planning into business planning cycle	
	Map, measure and monitor progress	

Documents

ISO HRM Workforce Planning Standard ISO 30409:2016

Standards Australia Workforce Planning Standard AS 5620:2015

ISO HRM Vocabulary Standard ISO 30400:2016

ISO HRM Guidelines on Recruitment Standard ISO 30405:2016

ISO HRM Guidelines on Human Governance ISO 30408:2016

ISO HRM Standards in development due for publication 2018: Knowledge Management, Workforce Management
Information Systems, Diversity and Inclusion, HRM competency

KNOWledge SUCCESSION - *Sustained performance and Capability Growth Through Strategic Knowledge Projects*
Arthur Shelley (2017)

Deloitte Access Economics 'Soft skills for business success' DeakinCo. May 2017

University of South Australia Report by Justine Irving on Age discrimination in the workforce

Australian Human Rights Commission 2016 report– age discrimination in the workforce

Work, Ageing and Retirement Journal – life stage and maturity differences

Futures Thinking: Anticipating and Timing by Sohail Inayatullah

Future Studies Theories and Methods by Sohail Inayatullah

Horizon Scan portal: Centre for Workforce Intelligence, Big Picture Challenges and Ideas Bank

Australia 2030 – CSIRO scenarios

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