Public Sector Advisors
Introduction to Strategic Workforce Planning:

What is it?
Why is it important?
Can it help my jurisdiction?

Steven B. Miner, Ed.D., Vice-President
What is Strategic Workforce Planning?

• SHRM: ‘An ongoing process to identify the workforce needs for the future. Identification of the gap between demand and supply for staff – workforce numbers, job roles and skills – and the resultant degree of business risk. A critical part of corporate planning and a driver for high impact HR strategy. A PLAN to inform business decision-making (action and accountability)’

• IPMA-HR: ’The strategic alignment of an organization's human capital with its business direction.’
What is Strategic Workforce Planning, Cont’d?

It’s a **rational process** using strategic and analytic techniques, that **anticipates, identifies and addresses** gaps between current and projected future workforce requirements and provides a **business basis** for prioritizing, developing, and funding the HR practices to support business objectives.
A Common Phrase Regarding the Goal of Strategic Workforce Planning

To Place the Right Number of People with the Right Skills, Experiences and Competencies In the Right jobs at the Right Time
How Does SWP Differ from Traditional Manpower Planning?

• Whereas traditional manpower planning has mainly considered how to sustain the current organization - or to advance incrementally - Strategic Workforce Planning concerns itself with the future conditions in which the organization will operate.

• It links to, or is the cause for, substantial strategic thinking, discussion and analysis about the trends affecting your operations, the expectations of citizens and the critical skills and capabilities needed and how you might best develop the talent to meet tomorrow’s workplace needs and requirements.
Why is Strategic Workforce Planning Important?

• Changes to the workforce – loss of skills/difficulty finding skills/attracting and keeping talent is sometimes difficult.
• Changes within the environment in which we work – different skills are needed. Different challenges arise.
• Data collection and related technology has made it easier to use more complex tools to analyze those conditions.
• Failure to take strategic staffing needs into consideration can lead to a series of avoidable errors by pressing ill-prepared or overworked staff into roles and duties for which they are not prepared.
More Succinctly, Strategic Workforce Planning Serves . . .

To develop a Human Resource strategy by understanding the impact of the organization’s strategic direction on its human skill and competency needs through a purposeful and vital exercise rather than an afterthought.

It is a purposeful human resource planning process.
Steps to Strategic Workforce Planning

• Important to recognize that there are different levels of SWP efforts
  – Strategy and concern for the future needs of the organization is the common element across all levels
  – Data analysis and analytics are increasingly complex as the organization investment in the process and access to data goes up.
Establish Planning Team

Identify Strategic Areas of Growth/Need

Perform Gap Analysis

Productivity Improvements (Lean/(BPM)

Approve and Execute Workforce Plan
Strategy Development

• **Scan your Environment:**
  - Give it some time, Involve Front-line and Department level staff, others who are plugged in
  - Consider
    • The Economy
    • Labor markets/unions
    • State law initiatives (Unfunded mandates)
    • Technological Changes
    • Competition for Labor
    • Demographics
    • Other
Environmental Scanning, Cont’d.

– Look at trends
  • Any trends that come to mind that might affect your operations?
  • Technology/software/data increasingly a part
  • Ask, ‘What are the HR implications?’

– The most successful strategies are visions, not plans, reflecting a spark of creativity which questions assumptions. (Donald Martin, 2014)

– Must have support from leadership
Understand Organizational Factors

- Mission, strategic goals
- Operational Goals, budgets
- HR policies
- Organizational structure
- Worker KSAs, competencies, expectations
- HRMS level of development
- Culture, climate job satisfaction
- Job analysis
Strategic Insights

• Ask:
  – What are our organization’s mandates/imperatives?
  – What are the talent implications of those mandates/imperatives?

• Consider:
  – Demand scenarios for critical service or work areas
  – Ask how competitive these areas will be for talent in the future

• Don’t:
  – Get lost in the strategy process – think, then plan!
“Real strategic change requires inventing new categories, not rearranging old ones.”

Henry Mintzberg

“Strategic planning is not strategic thinking. One is analysis and the other is synthesis… Real strategic change requires inventing new categories, not rearranging old ones.”

Mintzberg, HBR 1994


Bryson, 2011
Next Step – Gap/Risk Assessment

• Based on Talent/Implications
  – What is the talent/capability demand?
  – What is the talent supply?
  – What are the workforce gaps and risks?
  – Do you have a succession plan for key positions?
  – Are you aware of what lies ahead and do you have a staffing plan to deal with it???
  – What competencies/skills do your need to meet the future?
Stages of Forecasting

1. Identify Goals
2. Identify Demand
3. Assess Internal Supply
4. Determine Demand
5. Develop Strategy
Tools/Approaches for Gap Analysis

- Trend Analysis – Quantifies using historical data
- Delphi Technique – Using Separated Expert Opinion
- Impact Analysis – Trends analyzed by experts and given probabilities
- Regression Analysis – Projects dependent variable (HR demand) based on independent (causal) variable (activity/service requirements, etc.)
- Scenario Analysis – Building future scenarios by extrapolating present trends (may be optimistic/pessimistic)
- Nominal Group Technique -
_Varieties of Analytics - From Intuition to Knowledge_

<table>
<thead>
<tr>
<th>Levels of Analysis</th>
<th>What it asks?</th>
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<tbody>
<tr>
<td>Anecdotes</td>
<td>What happened (maybe)?</td>
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<tr>
<td>Reactive Checks</td>
<td>Learning from ‘Whoops’ Moments</td>
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<tr>
<td>Ongoing Reports</td>
<td>Monitoring current status</td>
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<tr>
<td>Benchmarks/Dashboards</td>
<td>How do we compare?</td>
</tr>
<tr>
<td>Correlations/surveys</td>
<td>Why did it happen?</td>
</tr>
<tr>
<td>Simulations and forecasting</td>
<td>Scenario planning</td>
</tr>
<tr>
<td>Predictive Analytics</td>
<td>What is likely to happen?</td>
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</tbody>
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### Develop Matrix Showing Change Priorities

<table>
<thead>
<tr>
<th>Desired Skills/Characteristic</th>
<th>Future importance</th>
<th>Current proficiency</th>
<th>Desired proficiency</th>
<th>Change Priorities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creativity/Intelligence</td>
<td>5</td>
<td>2</td>
<td>5</td>
<td>15</td>
</tr>
<tr>
<td>Collaboration</td>
<td>4</td>
<td>2</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td>Economic Development</td>
<td>5</td>
<td>3</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Job Training</td>
<td>5</td>
<td>2</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Program Management</td>
<td>4</td>
<td>2</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>IT/Automation</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>4</td>
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</tbody>
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Workforce Improvements (optional, but great!)

• Not all include this, but . . .
  – If you are going to perform a Strategic Analysis, consider business process improvement (time spent) and service quality enhancement (Lean) components
    • Looks for savings/efficiencies
    • Should lower manpower costs
    • Promotes quality enhancement
    • Reduces process time and related delays and manpower costs
Model Talent Management Options into a Workforce Development Plan

• You know your current strengths and future needs, now consider your choices:
  – Develop Internal Talent
  – Hire New Talent
  – Contract Talent
  – Retain Talent
  – Address Changes to Strategy
Act!

• Use all the tools in the HR Toolbelt
  – Attract, Retain, Engage, Develop, Reward

• Make your government a great place to work by giving your employees meaning in their jobs.
  – Consider replacing the career ladder with a ”climbing wall”.
  – Consider making your organization a “Highly Effective Workplace”
Employees in highly effective workplaces are more than twice as likely to be highly engaged, satisfied with their jobs, and likely to remain with their employers than employees in workplaces with moderate or low levels of effectiveness in the development and utilization of talent.

Some components of the Effective Workplace Index are more important than others, notably Job Challenge and Learning Opportunities, Work-Life Fit, and Satisfaction with Wages, Benefits and Opportunities to Advance.
SHRM’s Recommendations for an Effective Workforce

1. Provide learning opportunities as a part of everyday work life.
2. Create a culture where supervisors support the job success of their teams.
3. Be mindful of the positive and negative repercussions of autonomy.
4. Foster workplace belongingness.
5. Support a culture of work-life fit.
6. Improve advancement systems (climbing wall?)
7. Recognize and reward the importance of supportive co-worker relationships.
Parting thoughts on change and our need to adapt . . .

• Peter Vaill called it “permanent whitewater” – to signify that change in our world has become rapid, turbulent - and permanent.

• Adapting to change is now a near constant as other levels of government are affected by the ebb and flow of the many events now shaping our future.

• This has critical impacts on everyone – large or small.
Recent McKinsey Report

• While doing this outline, the McKinsey Global Institute released a report in which it indicated that approximately 70 million US workers will be displaced by 2030 (that’s just 13 years away) by the “rising tide of automation”.

• That’s a third of all US jobs – a scale of change equaling the move from agriculture to manufacturing at the turn of the 19th century.

• You are running the governments that will provide many of the services needed by these people. Are you ready?
Other Changes

• Robotics/AI
  – Boston Robotics - - Big Dog, 2005, walked on all fours; to Atlas, 2017, a bipedal humanoid style robot that does back flips.

• Self-driving cars
  – Google’s Waymo started in 2009. By 2014, they had a prototype vehicle without a steering wheel and, by the end of 2016, have driven over 2 million miles.

• Uber
  – First displaced taxis, next drivers.
What does it mean?

• There’s an ongoing dialogue about what this means – good or bad – but suffice to say, we stand on the vanguard of change the likes of which has never been seen before.

• To meet the challenges ahead, strategic talent acquisition and development will remain a key competency for the success of your organization as you adapt to the world of tomorrow and the services you will need to provide.
In Closing

‘HR needs to move beyond the present and the purely informational into the predictive and insightful. This is the essence of a genuine paradigm shift in the way HR functions create value and how they are beginning to view their role in collecting, connecting and sharing data that will influence decisions about the future direction of the business.’ KPMG
Workforce Management Software

## Appendix of HR Metrics

1. Headcount
2. Job Type Census
3. Salary and Headcount Rollup
4. Age Ratio
5. Gender Ratio
6. Ethnic Diversity Ratio
7. Terminations and Separations
8. Employee Benefit Participation
9. Open Requisitions
10. Performance
11. Tenure
12. Average Salary Metric
13. Turnover Ratio
14. Succession Planning
15. Retirement Eligibility
16. Work Experience
17. Key Employee Identifier
18. Training Ratio
19. Span of Control
Questions and Comments?

Thank you!

Sminer@Springsted.com

804-240-9760

Springsted.com