

Employer Resource Kit

A guide to workforce planning and development

Overview

This booklet has been developed to help you prepare a simple workforce plan using the My Business Workforce Plan template. Work through the 5 stages of workforce planning and development with the templates provided to fill in your own workforce plan. Identify actions to bridge from where your workforce is now to where you want to be in the future. Included in this booklet are the following templates:

- MY Business Workforce Plan
- Current Workforce Profile
- Future Workforce Profile
- Current Workforce Skills
- Future Workforce Skills

An Introduction to Workforce Planning and Development

For many businesses including Small and Medium Sized Enterprises (SMEs), undertaking workforce planning and development must have business benefits and outcomes. Most businesses find they need to undertake workforce planning and development for one or more of the following reasons:

- Growth in: sales demand (local, interstate or international), new markets, new products/services.
- Decline in: sales demand from existing clients, number of new clients, supply chain.
- Changes in: market preferences, competitors, the economy (local, interstate and international), SME strategic plan, technology and equipment, productivity, job requirements, finance costs.

The key is not to over complicate the process and to see workforce planning and development as a way to get a better understanding of:

- your current capability and capacity
- what is required into the future
- what the gaps are.

Workforce planning and development will help you to achieve your business goals over the longer term. Workforce Development is the planned development of staff in a business to improve the ability to meet changes in:

- business or job requirements
- client and customer demands
- market conditions.

Simply put workforce development is about:

- getting the right people
- growing the right people
- keeping the right people.

Workforce planning is the process of forecasting your staffing needs and working out the range of ways you can create and maintain the workforce in line with your business goals. There are 5 stages in building a workforce plan as outlined in the model below:

Building your Workforce Plan

Ask yourself and your staff the following questions to get them involved in building your workforce plan. Fill out the My Business Workforce Plan template as you go.

Stage 1 – Context and Environment

First things first – you need to be clear in your own mind why you need to undertake workforce planning. The reasons need to be directly related to your business's strategic plan and understood by everyone involved. Where is the business heading, for example are you growing, downsizing, transitioning, shifting skills, introducing new technology or wanting to maintain your position. Find out what is going on in your region, industry sector and markets and how this may affect your workforce. Consider what is going on internally and how this could impact on your workforce.

Consider the workforce implications of your strategic plans (This includes reviewing your vision, mission, goals, the current position of your business and assessing capability and capacity of your workforce to support your strategic plans into the future.)

Introduction: Why do we need to undertake workforce planning? Why is it important? What are our goals for this Workforce Plan? What are the performance measures for our Workforce Plan?

Links to strategy: What are our strategic objectives (link to strategic plan)? How does this affect our workforce? What will we focus on?

External environment: What is happening in the external environment (at an industry or regional level)?

What policies and initiatives (national, state, local) are being implemented? What challenges are being faced? (For example skills/labour shortages, attraction and retention, funding.)

Internal environment: What is happening in the internal environment? What is your business planning process? What are the links between business planning and workforce issues? What current initiatives, projects and services are being provided? What funding sources are accessed? What is the structure of the business? What is the current capability and capacity to deliver products and services?

Stage 2 – Current Workforce Profile

So what do you know about your current workforce profile? The demographics and generational mix, workforce issues and skills profile – perhaps your current workforce has hidden potential that your business could capitalise on. Gain a clear picture of your workforce's strengths and development needs by undertaking a skills stock take, analysing patterns in workforce data and asking your employees for feedback on any problems, concerns or areas for improvement through consultation or undertaking an employee survey. Mirror your business's structure when looking at aggregated information about your workforce.

Current Workforce Profile: What is your current workforce profile? What are the current skills and competencies of your workforce? What are the strengths and development needs? What is the consultation with your current workforce telling you regarding workforce issues? What is working well or what could be improved? What are the current workforce priorities, based on your workforce profiling and analysis?

Stage 3 – Future Workforce Profile

Based upon the strategic direction of the business, where are you likely to be in 3-5 years time? Think about your future products and services; markets; partnerships; stage of the business cycle and needs of your workforce.

Forecast what may happen to your workforce over 3-5 years considering demographics, the aging workforce, generational expectations, development needs and changes in job roles. What is likely to shift and change? What are the possible (3-5) scenarios that might emerge in the future? What does the ideal or desired workforce look like?

Future Workforce Profile: What future products and services will be provided by the organisation (link to strategic plan)? What will the future environment require? What are the workforce implications and issues? What is the workforce supply and demand? What future skills and competencies are required? What is the consultation with your workforce telling you regarding future workforce issues? What are the future workforce priorities, based on your workforce profiling and analysis?

Stage 4 – Gap Analysis and Closing Strategies

Take what you know about your current workforce and what you want your desired workforce to be like and compare the difference. What are the areas that need to be managed and developed? Identify and prioritise strategies related to attraction and recruitment; workforce management and development; retention and transition; and general Human Resource issues. Fill in your workforce plan allocating responsibilities and timeframes to bridge the gaps.

Gap Analysis and Closing Strategies: What are the key areas of need/action to move from where the organisation is now to where it wants to be? NOW...Prioritise the 'issues' and develop an action plan to address the gap.

Consider the following areas:

- Attraction “strategies” – ways to attract the right people, from the widest possible sources (This strategy will include HR activities such as defining organisation and job structures, recruitment, and selection.)
- Development “strategies” – ways to get people working most productively for you (This includes having effective induction processes, training processes, developing your talented people, planning for succession, regularly reviewing how you deploy people, and managing and improving performance.)
- Retention “strategies” – ways to ensure that you meet a diverse range of employees’ needs and have a productive culture in which people want to work. Ways to keep talented, valued employees, even during a downturn.

Stage 5 – Review and Evaluation

What are the key outcomes of your workforce action plan? How will you evaluate the strategies in your workforce plan? What are the next steps for implementation of your workforce action plan?

My Business Workforce Plan Template

Stage 1 – Context and Environment

1. Why undertake workforce planning? Why is it important?

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2. What are our goals for this Workforce Plan?

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3. What are our strategic objectives (link to strategic plan – introduce new products/markets or marketing techniques etc)?

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4. How will this affect our workforce?

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5. What challenges are being faced? (or likely to be faced, for example skills/labour shortages, attraction and retention, funding, economic conditions).

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6. What is the business planning process? What are the links between business planning and workforce issues?

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7. What is our current capability and capacity to deliver products and services?

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Stage 2 – Current Workforce Profile

1. What is our current workforce profile?

**Complete Current Workforce Profile Template (page 11)*

- What is the average age of our staff?

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Conclusions: Are there any risks made obvious from our profile, ie ageing workforce, several employees with long tenure etc?

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2. What are the current skills and competencies of our workforce?

**Complete Current Workforce Skills Template (page 12)*

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Conclusions: What are the strengths and development needs made obvious by the skills profile?

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3. What are the current workforce priorities, based on the skills and workforce profile analysis?
List the top 3.

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Stage 3 – Future Workforce Profile

1. What future products and services will be provided by the organisation (new/more/less services and products)?

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2. What are the workforce implications and issues (more/less staff or different skills or qualifications)?

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3. What is the workforce supply and demand?

**Complete Future Workforce Profile Template (page 13)*

- What are the outcomes from the template and what implications will that have on competition for and availability of good staff?

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4. What future skills and competencies are required?

**Complete Future Workforce Skills Template (page 14)*

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5. What are the future workforce priorities, based on the supply and demand and future skills analysis? List the top 3.

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Stage 4 – Gap Analysis and Closing Strategies

- 1. Using your Current Workforce Profile Template and the Future Workforce Profile Template, what are the gaps and priorities evident for workforce planning?

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- 2. Using your Current Workforce Skills Template and the Future Workforce Skills Template, what are the gaps and priorities evident for workforce development?

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- 3. What are the key areas that require action to move from where the organisation is now to where it wants to be following your analysis?

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Stage 5 – Review and Evaluation

- 1. Priorities these ‘issues’ and develop an action plan to close the gaps for at least your top 3.

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- 2. What are the next steps for implementation of a workforce action plan, and in what time frame?

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Now that you are done, fill in the following Workforce Action Plan.

You may also want to consider setting a time to review and evaluate the strategies in your workforce plan to make sure everything is on track.

Workforce planning links

Developing a workforce plan doesn't have to be a complex or time consuming task. Tools, templates, support and resources will help you to find information that suits your business, and the size, scale and scope of your workforce plan.

Researching industry, skills and demographic information

Department for Manufacturing, Innovation, Trade, Resources and Energy (DMITRE) www.southaustralia.biz

Industry, employee and professional associations and Industry Skills Boards <http://www.skills.sa.gov.au/for-employers-business/industry-associations/workforce-industry-associations>

Industry Skills Councils' Collective Website www.isc.org.au

Planning to meet your skilled workforce needs

Skills Connect offers workforce planning resources including some templates to help you develop a plan <http://skillsconnect.gov.au/home/workforce-development-and-planning/workforce-planning-documents/>

Skills in the Workplace provides government funding and subsidies for skills urgently needed by South Australian industries and enterprises <http://www.skills.sa.gov.au/for-employers-business/funding-for-training>.

Workforce Wizard helps with workforce planning by creating up-to-date workforce information in reports and data tables. You can create your own reports, and compare information on different industries, regions and occupations <http://staging.skillsforall.cdaadev.com.au/for-employers-business/planning-your-workforce/workforce-wizard>

Standards Australia & SA Government, Training and Skills Commission. *HB 299 Workforce Planning. A Standards Australia Guide for Organisations*. March 2008.

<http://infostore.saiglobal.com/store2/Details.aspx?ProductID=996804>

Recruiting staff

Skills Connect offers help for employers to employ new workers: connecting with new workers support network <http://skillsconnect.gov.au/home/finding-and-attracting-staff/connecting-with-new-workers-support-network/>

Skills Connect offers help for employers to employ a diversified workforce: finding and attracting staff <http://skillsconnect.gov.au/home/finding-and-attracting-staff/diversifying-the-workforce/>

Australian Apprenticeships Training Information Service www.natinfo.com.au

General information about valuing Australia's older workers in employment and some related tools <http://www.valuingolderworkers.gov.au/>

Work health and safety resources and links for employers www.safework.sa.gov.au

Skilled migrants

Immigration SA www.immigration.sa.gov.au

Migrant Resource Centre of South Australia www.mrcsa.com.au (For information on settlement services, community development, advocacy and welfare support available to support migrant workers)

Skills Recognition Services can help get overseas qualifications recognized <http://www.skills.sa.gov.au/training-learning/recognising-skills-and-overseas-qualifications/recognition-of-overseas-qualifications>

Current Workforce Skills Template

CORE SKILLS

What are the core skills in our business?

FUNCTIONAL SKILLS

What are the main functions of our business?
What are the common skills required for each function?

JOB SKILLS

What are the main job roles in our business?
What are the specific skills required for the job role?

What are our current strengths and development needs?

Future Workforce Skills Template

CORE SKILLS

What will be the core skills required for everyone in our business in the future?

FUNCTIONAL SKILLS

What will be the main functions of our business in the future?

What will be the common skills required for each function?

JOB SKILLS

What will be the main job roles in our business in the future?

What will be the specific skills required for the job role?

What are the gaps between our current workforce profile and future needs?