



Strategic Workforce Planning Framework

NSW Government Sector



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Strategic Workforce Planning Framework for the NSW Government Sector

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1. Purpose

Technological advances, increasing customer expectations and demographic shifts are just some of the challenges facing agencies in the NSW Government sector. Having a capable, agile and diverse workforce is critical to ensuring agencies are able to respond to those challenges and deliver the services the people of NSW expect from government, whether they be education, health care, transport, infrastructure, law enforcement or social services.

Strategic workforce planning is critical to achieving this goal, as it aligns longer-term workforce requirements with an agency's strategic objectives.

The Strategic Workforce Planning Framework (the Framework) has been developed to assist agencies across the NSW Government sector to better understand and prepare for their future workforce needs.

The Framework outlines a practical, principles-based approach to implementing strategic workforce planning, which can be easily adapted to meet the particular circumstances and workforce needs of individual agencies.

The Framework can be used when undertaking workforce planning in all areas of an agency, and may facilitate cross-sector workforce planning to achieve the best outcomes for the people of NSW.



Having the **right people**
in the **right roles**
at the **right time**,
to meet the longer-term
strategic objectives of
the organisation.

Overview of the Framework

The Framework outlines the core requirements and provides examples of better practice to support each of the five stages of the strategic workforce planning cycle.

- 1. Align** Align organisational strategy and strategic workforce planning priorities. Understand the strategic direction of the organisation and how this will impact the workforce.
- 2. Compare** Compare options to achieve outcomes. Understand the current and future workforce needs and create scenarios.
- 3. Identify** Identify gaps. Conduct gap analysis to understand future workforce capability needs.
- 4. Implement** Develop and implement the plan. Develop strategies to address workforce gaps and align the workforce with future needs.
- 5. Review** Monitor, evaluate and revise. Implement strategies, evaluate their success and revise as needed.

High-Level SWP Approach

Informed by organisational strategy and data



Figure 1. The Strategic Workforce Planning Cycle

The Framework also includes definitions, guidance about getting started for each stage, and tips for developing a strategic workforce plan, as well as a summary of strategic workforce planning 'on a page' within the additional guidance section.

Why use the Framework?

The Framework has been developed to assist Departments and agencies in the NSW Government sector with their strategic workforce planning, so they can have the right people in the right roles at the right time.

There are also legislative requirements for workforce planning. Section 63(2) of the *Government Sector Employment Act 2013* provides that a head of a NSW Government sector agency is responsible for workforce diversity within the agency, and for ensuring that workforce diversity is integrated into workforce planning.

Workforces with greater gender and cultural diversity have been proven to be more innovative, productive, and better able to understand their customer base.

Intended audience for the Framework

The intended audience for this Framework is any person or function involved in strategic workforce planning within an agency.

Intended audience includes:

- senior executives and managers
- workforce planners
- human resources function
- finance function
- service planners.



2. Benefits and Challenges

One of the most common obstacles to implementing strategic workforce planning is the view that an agency does not have all the necessary information for the process to be successful – for example when the available workforce data is either limited or unreliable.

This is not the case. Even starting strategic conversations about longer-term workforce needs can provide significant benefits to an agency.

Benefits

Improves employee mobility and provides more job security

Helps to achieve State and organisational strategic goals

Mitigates risks from future capability gaps and critical, hard-to-fill roles

Identifies and prepares pipelines for future required workforce capabilities

Encourages active consideration of organisational workforce diversity goals

Facilitates transitions to other models of service provision

Provides greater agility and flexibility to deal with change

Enables more efficient and cost-effective use of resources

Challenges

Trying to do too much at once instead of starting with what is manageable

Senior leadership not valuing or supporting strategic workforce planning

HR and business units being siloed, so they do not collaborate effectively

Not using talent management to really know the workforce

Getting caught up in the data and analytics, instead of starting with what is available

Focusing only on day-to-day operations, budgeting and headcount

Not thinking about potential broader macro impacts on the workforce when planning

Treating the strategic workforce plan as a static document and not revisiting it throughout the planning life cycle



“Start with what you’ve got to get the ball rolling, then proceed and keep iterating. The conversation is one of the most valuable outputs – once people start talking, the planning evolves from there.”

Director Talent and Workforce
NSW Department of Justice



3. What is Strategic Workforce Planning?

Strategic workforce planning is about understanding and proactively preparing for changes that may impact the workforce.

For the purpose of the Framework, strategic workforce planning is defined as longer-term planning – often covering a 3 to 5 year period. Strategic workforce planning is separate from operational and tactical workforce planning, although strategic workforce planning informs the other two processes. Figure 3 outlines the key characteristics of strategic workforce planning.

✔ **Strategic workforce planning is:**

Focused on the longer-term

Iterative and regularly reviewed

Aligned with organisational strategy

A collaborative process involving multiple parts of the organisation

Sponsored by senior leaders across the organisation

Providing direction without too much detail

Using talent management to identify, develop, support and mobilise individuals to meet strategic needs

Based on data and evidence

Considerate of internal and external supply and demand factors

Used to create forecasts of future workforce requirements and action plan

An opportunity to review and address diversity and inclusion

Guided by the assumption that change is a certainty

Considering feasible scenarios, rather than extremely long-term or blue sky conceptual thinking

✘ **Strategic workforce planning is not:**

Resource management to fill immediate operational needs

Project planning

A form of financial forecasting

However, it can provide valuable input into these processes

Operational workforce planning

Operational workforce planning enables the organisation to achieve outcomes in the short term. Keeping on track day-to-day, forecasting to prepare for immediate operational or resource needs and addressing ad-hoc changes are all part of this form of workforce planning. Operational workforce planning is largely driven by HR and individual team managers, and produces documentation including procedures, processes and rosters. Preparation for the recruitment life cycle and seasonal workforce changes are other typical examples.

Tactical workforce planning

Tactical workforce planning involves concrete actions that facilitate the delivery of goals identified in an organisation's strategic workforce plan. Tactical planning is often organised around a fiscal year, and prioritises delivering work on time and on budget. Each work area within an organisation should undertake tactical planning. Chief Financial Officers, HR Directors and Senior Leaders are typically involved in this process. Policies that cover specific work areas, marketing strategies, succession planning and workflow arrangements are examples of tactical planning components.

OPERATIONAL

Operational workforce planning ensures **daily work is done effectively.**

TACTICAL

Tactical workforce planning specifies **how work should be done** in a specific area to efficiently achieve goals outlined in the strategic workforce plan.



STRATEGIC

Strategic, tactical and operational workforce planning approaches should not be viewed as linear, but as **interactive pieces** that **inform and impact** one another.



4. The Strategic Workforce Planning Cycle

Having a systematic approach to strategic workforce planning is recommended to optimise the benefits of the process. However, as strategic workforce planning is an iterative and continuous process, there is always the option to revisit earlier stages.

The following section outlines the core requirements and better practice for each of the five stages of the strategic workforce planning cycle. It also provides sample evidence to inform the process, suggested questions to ask and examples of potential approaches at each of the five stages.

The core requirements for each of the five stages of the strategic workforce planning cycle





Core Requirement 1: Align

Align organisational strategy and strategic workforce planning priorities

Goal: To identify longer-term organisational priorities and goals, and assign responsibility for associated strategic workforce planning.

Questions to support alignment of organisational strategy with SWP priorities:

- How may the organisation's work change in the future due to political, economic, social, technological, legal and environmental (PESTLE) factors?
- What are the key organisational business objectives for the next 2-5 years?
- What are the 3-4 large-scale challenges that may affect the achievement of these objectives?
- What are the implications of the organisational objectives for different parts of the organisation?
- What are the specific initiatives required to execute the organisational objectives?
- What is the time frame available to execute each of the initiatives?
- What are some of the strategic resources (e.g. talent capabilities, market understanding) the organisation has to support achievement of the initiatives?

Possible sources of evidence:

- The organisation's strategic objectives and key business drivers
- Relevant and validated internal data (e.g. HR and finance reports)
- Relevant and validated external data (e.g. Workforce Profile reports, People Matter Employee Surveys)
- Stakeholder consultation

Suggested actions:

- Obtain a clear statement from the senior leadership team on the workforce themes that are relevant to the organisation's strategic plan
- Determine the business units, programs, activities etc. that are critical to achieving the organisation's strategic objectives
- Establish clear links between the organisation's needs, financial assets and workforce planning
- Establish clear timelines for workforce planning
- Encourage the organisation's senior executives to sponsor a cross-functional team with clear roles and responsibilities who develop, implement and monitor strategic workforce planning
- Organise the workforce with consideration of its workforce requirements both now and in the future (e.g. how important a role is to organisational imperatives)
- Identify the capabilities required to achieve desired outcomes over the period
- Consider workforce diversity requirements



Core Requirement 1: Additional Guidance

Align organisational strategy and strategic workforce planning priorities

Snapshot 1 below provides a 'big picture' view of where an agency's strategic workforce plan may fit into overarching organisational strategy.

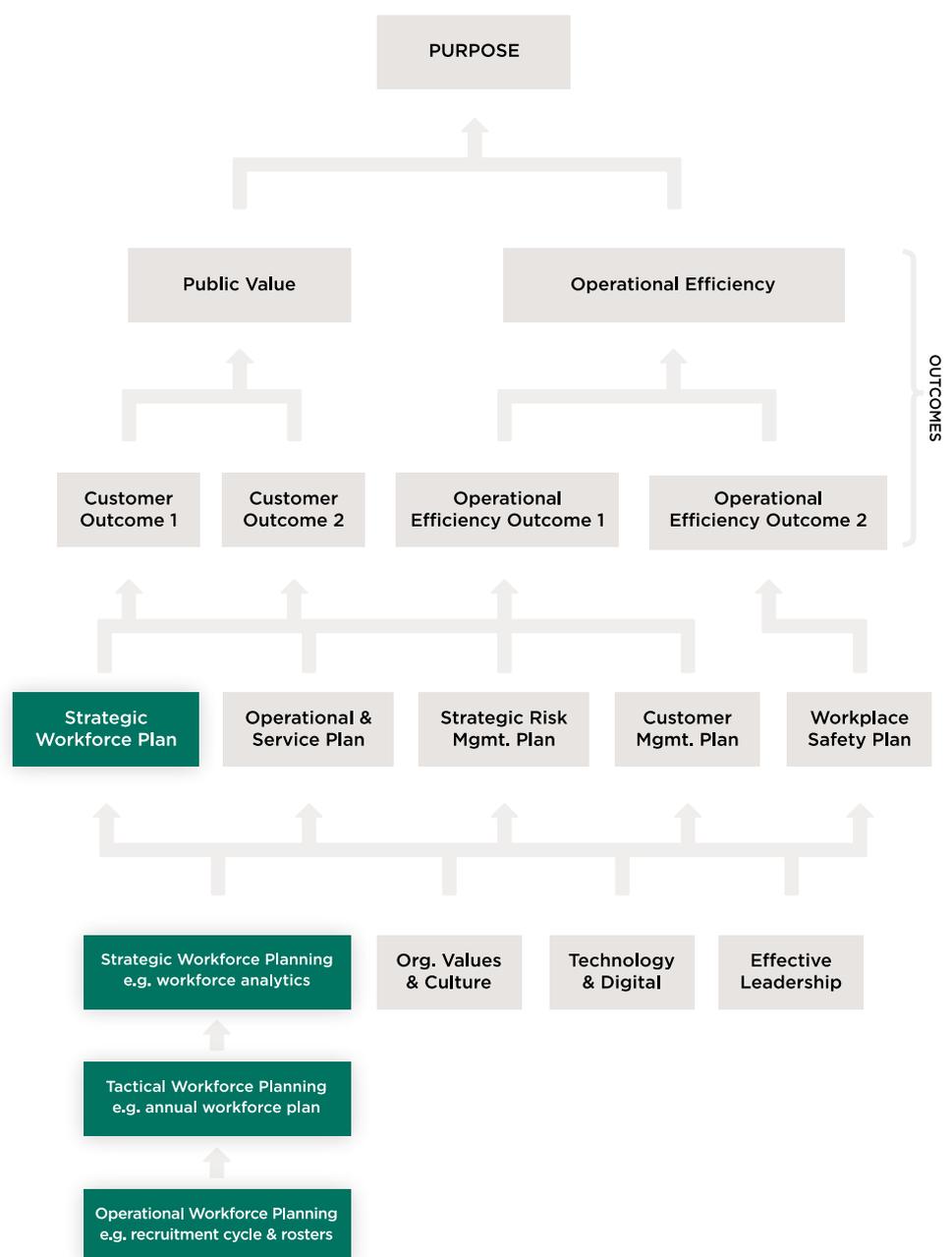
The purpose depicts the vision and mission of the organisation. It starts with legislation and ministerial/parliamentary direction, but expands to include customer/community requirements.

The public value perspective describes the outcomes the agency will deliver for its customers: the organisation's end users, stakeholders and community groups.

The operational efficiency perspective describes how the organisation will deliver its public value and customer outcomes efficiently and effectively.

The strategic plans and priorities perspective relates to the critical organisational processes and activities required to deliver customer and operational efficiency outcomes.

The organisational capability perspective relates to intangible business mechanisms, such as skills, knowledge, culture, systems and data. These factors underpin the organisation's strategic plans and priorities, and its ability to deliver desired outcomes and achieve its purpose.





Core Requirement 1: Additional Guidance

Align organisational strategy and strategic workforce planning priorities

Diagnosing current state

Organisations may be at different stages of maturity in implementing strategic workforce planning. The maturity level is driven by a combination of factors including:

- organisational priorities
- organisational readiness
- data availability and quality
- internal capacity and capability to undertake the strategic workforce planning

Figure 4 may help organisations assess their current maturity level.

	Building	Consolidating	Integrating
Alignment	No alignment between strategic and workforce planning	Strategic planning includes some workforce planning themes	Strategic business planning is fully aligned with workforce planning
Understanding	Some understanding of strategic workforce planning in pockets of the organisation	Limited understanding of and commitment to planning for system wide issues and changes	Strategic workforce planning is used as a strategic business tool
Approach	Workforce plans are developed by HR only	Siloed approach to looking at workforce planning across the organisation	Stakeholder engagement is high and provides meaningful input into process and outcomes
Resources	Often little or no dedicated resources	Some senior sponsorship and top-down input into workforce plan at points in time	Business units, HR and Finance work together to implement, monitor and adjust the plan
Data	Workforce planning decisions are not based on meaningful and informed data	Workforce planning decisions are based on some basic meaningful and informed data	Workforce planning decisions are based on sophisticated, meaningful and informed data

Figure 4. Maturity of Strategic Workforce Planning



Core Requirement 2: Compare

Compare options to achieve outcomes

Goal: Identify different work and workforce scenarios to deliver organisational goals and the estimated cost of each scenario.

Questions to support comparing options to achieve outcomes:

- How are current employees divided into useful workforce segments, and have groups for development, retention and mobility been identified?
- Are the required capabilities readily available within the organisation or the labour market?
- How well does the current workforce align/support the organisational plan/strategy?
- What employment arrangement types are present within the current workforce (e.g. ongoing, temporary, casual, contingent, volunteers, contractors, interns, cadets, trainees etc.) and what is their contribution?
- How many employees are at each organisational level and location?
- What are the diversity statistics for each workforce segment, and are there opportunities to target the recruitment of diverse groups?
- How flexible is the workforce? Does the organisation make use of non-full-time appointments such as job sharing?
- What is the grade structure (distribution) and is it fit for purpose?

Possible sources of evidence:

- Relevant and validated internal data (e.g. recruitment data, organisational structure analysis)
- Relevant and validated external data (e.g. wider industry trend predictions, workforce supply and demand data)

Suggested actions:

- Compare different operational models to determine the best fit for delivering desired outcomes
- Analyse the composition of the existing workforce and benchmark across all labour types internally and with the external labour market
- Consider future ways of working, taking into account the impact of emerging technologies and the need for organisational and work redesign
- Determine the most cost-effective way forward
- Forecast the demand for workforce capacity and capability over the defined period
- Define the culture and conditions needed to effectively meet workforce requirements
- Complete scenario planning to identify plausible future events and their workforce size and cost implications



Core Requirement 2: Additional Guidance

Compare options to achieve outcomes

Talent management is a key component of strategic workforce planning. Talent management is an organisation's approach to identifying, developing, supporting and mobilising individuals to meet strategic business needs. The three components of talent management are shown in figure 5 below.

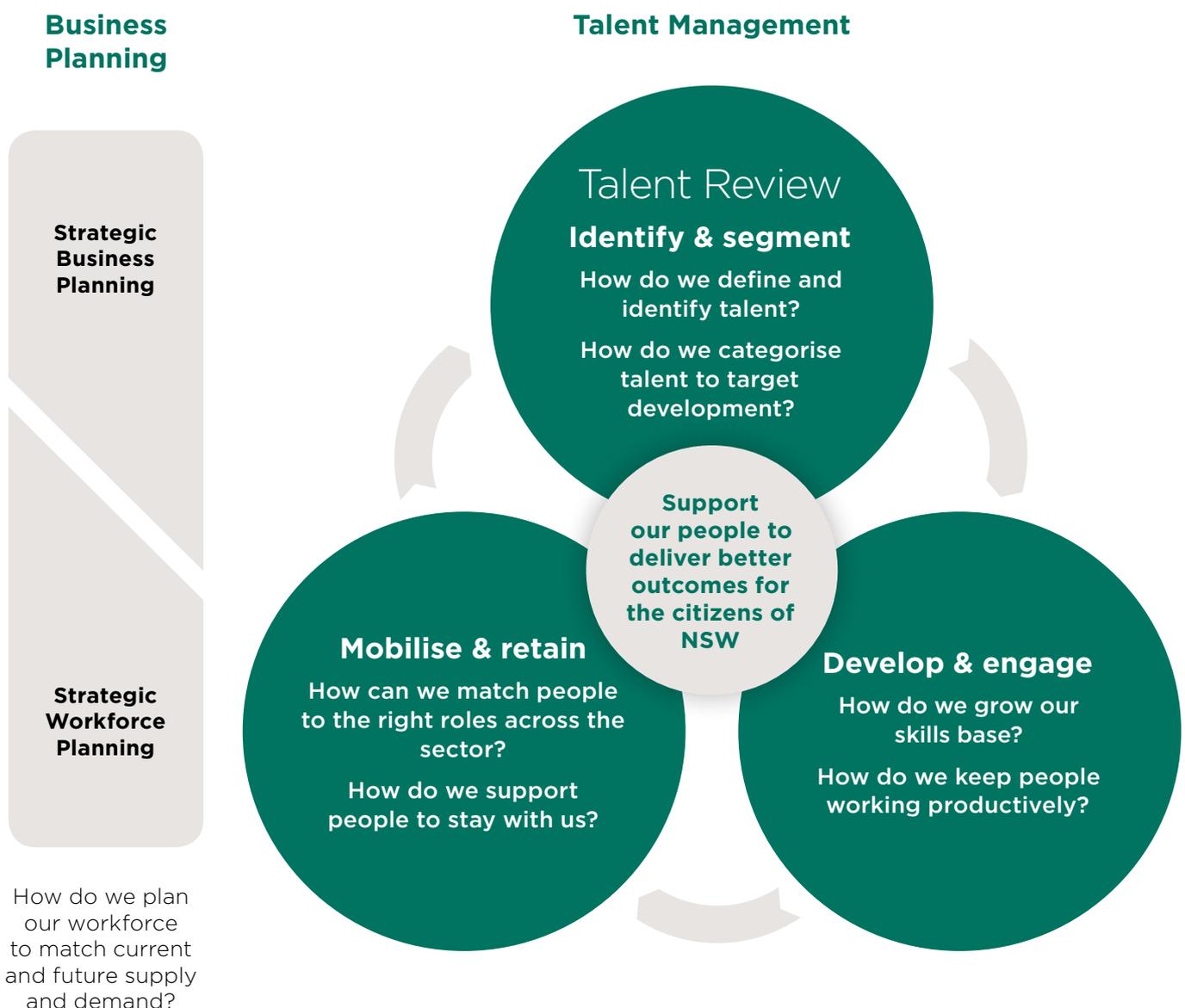


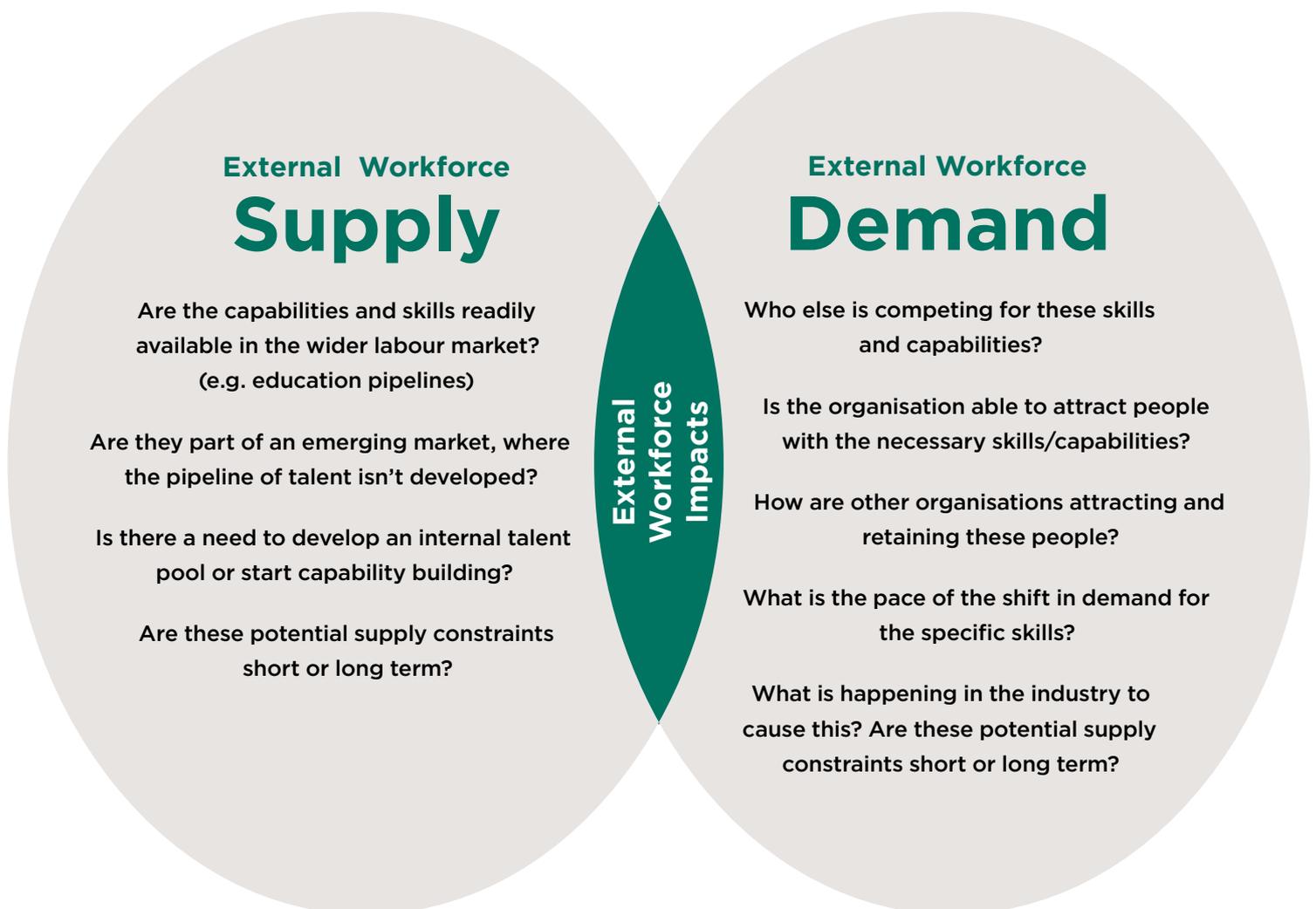
Figure 5. Talent Management - a Key Component of Strategic Workforce Planning



Core Requirement 2: Additional Guidance

Compare options to achieve outcomes

It is important when undertaking strategic workforce planning to take into account the external labour market. An organisation may have a clearly defined strategic vision and business strategy, but not taking into account constraints in external workforce supply or demand creates significant operational risk. Figure 6 offers questions that can be asked during an in-depth analysis of the external labour context.





Core Requirement 2: Additional Guidance

Compare options to achieve outcomes

The following snapshot highlights some of the potential issues that arise when agencies fail to consider the composition of their workforce.

Snapshot 2. Using Contingent Labour vs. Robust Workforce Planning

Contingent labour is the employment of people through a labour hire arrangement and can be a valuable approach for solving labour supply issues or temporarily filling capability gaps. However, the engagement of employees under any type of employment arrangement, whether that be ongoing, temporary, contingent, or contract labour, should be carefully considered as part of a robust workforce plan.

Contingent labour may seem like a good solution to resourcing issues, but when it becomes a default hiring strategy in place of considered workforce planning, agencies can face a number of risks.

Some key issues when there is an over reliance on contingent labour:

Cost – “government spending on contingent labour has increased significantly over the last five years, from \$503 million in 2011-12 to \$1.1 billion in 2015-16.”

Knowledge transfer – “...agencies’ offboarding guidelines did not always provide for knowledge transfer. This was identified as a key risk by staff because it is important to ensure that critical skills and knowledge are retained.”

Understanding and addressing critical skills gaps – use of contingent labour is not frequently monitored or analysed to determine “how it is being used to address any skills gaps”.

Contingent labour should only be used when it is the most efficient and effective option available to respond to an organisation’s business needs. It should inform, and be informed by, strategic workforce planning.

Strategic workforce planning helps hiring managers make “decisions on the best resource strategy to meet their business needs”, and contingent labour “should only be engaged after considering all other recruitment options”.

A strategic workforce plan can help organisations avoid these obstacles by supporting them to use their existing workforce more effectively and hire more strategically for the long-term. Using the existing workforce and getting the right people in the right roles at the right time will assist in reducing use of contingent labour, in turn reducing costs and retaining organisational knowledge.



Core Requirement 3: Identify

Identify gaps

Goal: Consider what capabilities the organisation has now and compare these to future requirements.

Questions to support identifying gaps:

- What new capabilities will be needed and at what level?
- Are new capabilities available?
- What are the characteristics of the desired workforce within the next 3-5 years?
- What current capabilities will not be needed in coming years?
- How will jobs and workloads change as a result of disrupters such as technological advancements, industry changes, and other PESTLE considerations introduced in Core Requirement 1?
- What are the likely consequences of these changes?
- How could different employment types (e.g. ongoing employees, contractors, etc.) be utilised within the future workforce?
- What culture change will be required to keep the future workforce engaged?

Possible sources of evidence:

- Relevant and validated internal data (e.g. recruitment data, organisational structure analysis, supply and demand forecasts)
- Relevant and validated external data (e.g. wider industry trend predictions)

Suggested actions:

- Determine external labour market trends and the potential impact on workforce requirements
- Compare the strengths and weaknesses of the existing workforce with what is needed for the optimal workforce
- Complete workforce gap analysis, comparing the existing internal and external workforce with future workforce requirements, culture and conditions to identify potential shortages, surpluses and areas of risk



Core Requirement 3: Additional Guidance

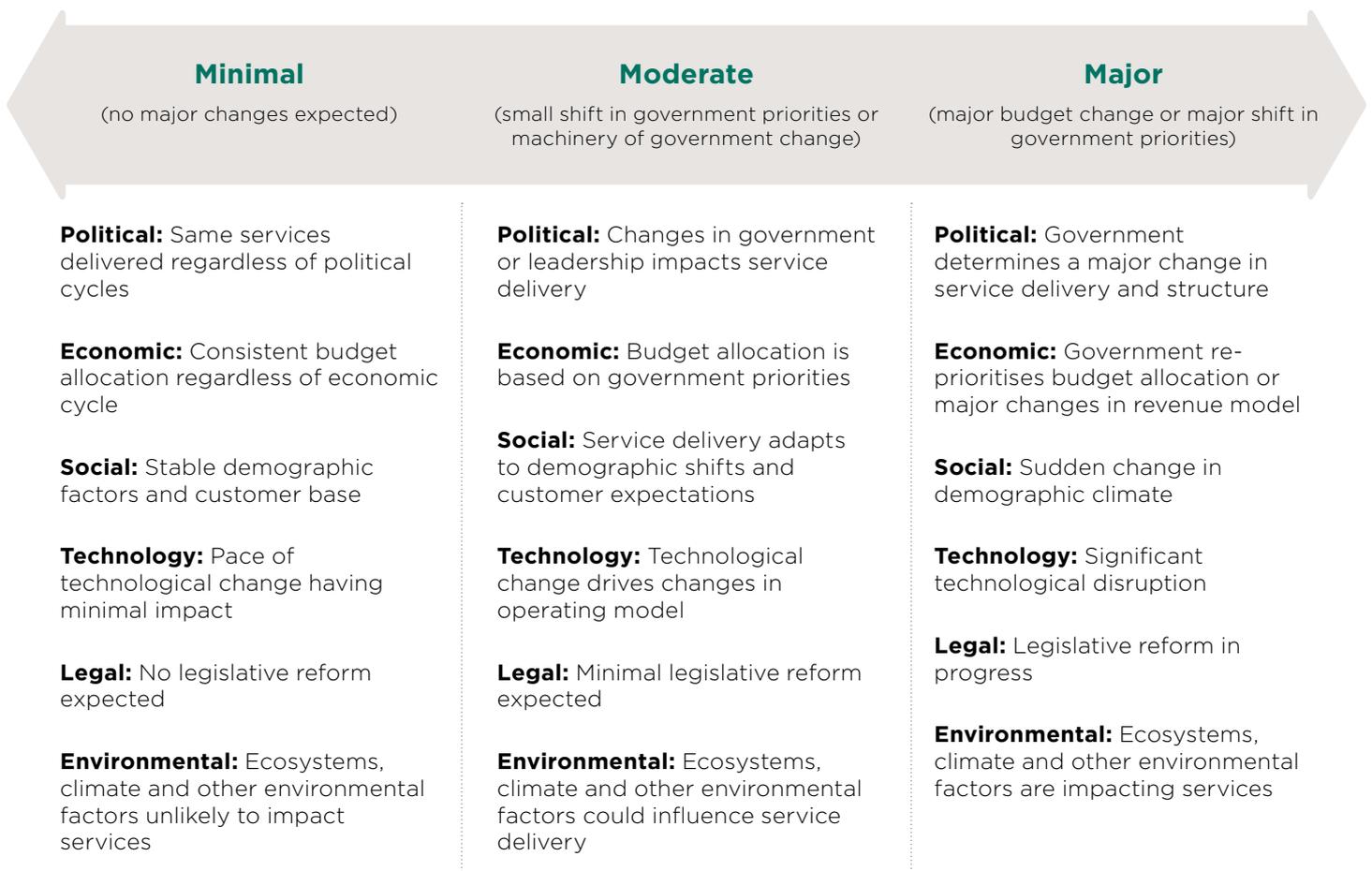
Identify gaps

Considering external factors

The steps to be taken in implementing a strategic workforce plan will depend on organisational context. Organisations expecting major changes will be required to undertake different types of activities than organisations anticipating a business as usual environment.

Conducting an environmental scan and considering PESTLE factors will ensure the strategic workforce plan prepares the organisation for the future. Figure 7 offers examples of factors to be considered.

Scale and impact of change



Regardless of the scale or impact of change expected, strategic workforce planning is needed to ensure the right people are in the right roles at the right time.



Core Requirement 3: Additional Guidance

Identify gaps

It is likely that every agency will face challenges with obtaining data at some stage during their planning process. The snapshot below illustrates how strategic workforce planning can lead to positive outcomes without having access to 'ideal' data.

Challenge	Action	Successes
<p>An organisation had embarked on a strategic workforce planning program, but was struggling with data accuracy and access.</p> <p>They were concerned that without collecting large amounts of data they wouldn't get the benefits from the process.</p> <p>This roadblock had raised the risk of the project stalling and ultimately being stopped.</p>	<p>Instead of waiting for all the data, they brought together the right group of stakeholders (HR and unit managers) and used the operational and workforce data available.</p> <p>This enabled them to start building a picture of strategic workforce requirements and gaps.</p> <p>They also substituted some data with external data (e.g. workforce trends and skills availability) to help shape the workforce plan.</p>	<p>The project team were able to deliver a strategic workforce plan which aligned with the organisation's strategic goals, identified critical skill and capability gaps, and created an action plan to address them.</p> <p>The team identified opportunities to improve quality of service due to the data analysis undertaken and workforce planning initiatives.</p> <p>By focusing on the top 10 critical roles, the organisation addressed more than 70% of the workforce gap and realised a \$200,000 saving in contingent labour spend. They were able to reallocate those funds to upskill existing employees in customer service and safety.</p>



Core Requirement 4: Implement

Develop and implement the plan

Goal: Identify actions to meet work and workforce requirements to achieve organisational goals and manage any associated risks.

Questions to support developing and implementing the plan:

- What needs to be done to achieve the desired future state and who will do what?
- What is the plan for bridging the gap between the current and future workforce in the next 3-5 years?
- Will current positions need to be recruited and what will change in future positions?
- How will a pipeline be developed to identify and recruit high performers?
- Has a strategy for recruiting a diverse group of candidates been developed?
- How will essential organisational knowledge and key personnel be retained within the workforce?
- How will the organisation ensure that all employees are receiving an opportunity to participate in career, professional and leadership development?
- What development opportunities exist and how will they be utilised?
- How will current employees be developed to achieve future requirements, succession and individual success?
- Who will be responsible for implementation of each part of the plan?
- Which senior leaders will champion/sponsor the plan?

Possible sources of evidence:

- Cost vs. benefit of workforce planning actions
- Scenario planning outputs from Core Requirement 2
- Gap projection outputs from Core Requirement 3

Suggested actions:

- Develop comprehensive options to close workforce gaps and evaluate options in order to select strategies that effectively address the gaps with the appropriate level of risk
- Strategies may include acquiring external talent, developing the existing workforce, leveraging contingent labour, reorganising teams or uplifting performance
- Identify how the plan will be integrated into other workforce management practice areas as part of planning implementation
- Agree on ownership for implementing action plan activities and resource the planned changes with executive support
- Take a coordinated approach to managing changes to the work environment and supporting existing employees to transition to the new arrangements



Core Requirement 4: Additional Guidance

Develop and implement the plan

Building the plan

Developing a strategic workforce plan that appropriately identifies strategies to manage workforce needs can take between 3-6 months, depending on stakeholder accessibility and data availability.

Plans should be reviewed at least annually to align with other planning cycles, or as significant changes occur that would impact workforce requirements within these periods.

A good strategic workforce plan should:

- be informed by the organisation's strategic business plan
- be specific, measurable, achievable, realistic, timely (SMART)
- consider budget requirements
- plan the resources that the organisation will need in the future
- demonstrate investment in staff development and preparing critical talent pipelines
- demonstrate commitment to a diverse and inclusive workforce at all levels
- be iterative – addressing all the core requirements prescribed above.

Figure 8 further examines the qualities of a good strategic workforce plan.



Core Requirement 4: Additional Guidance

Develop and implement the plan

Understand organisational imperatives

Work closely with organisational leaders to understand strategic and operational imperatives

Use this to translate organisational strategy into workforce implications and understand the impact of workforce changes

Plan the future workforce, keeping in mind internal transformations and macro disrupters (e.g. digitisation, artificial intelligence, robotics etc.)

Identify critical workforce segments

Identify basis for workforce segmentation (e.g. roles, titles, capabilities)

Prioritise workforce segments

Understand existing roles, compare to future roles

Undertake preliminary analysis of supply factors to inform scope, definition, planning and design

Understand internal and external supply and demand

Conduct deeper analysis and review of internal workforce supply and demand factors against the identified workforce segments

Prioritise workforce segments and identify external supply/demand drivers

Identify assumptions for future workforce to be accounted for in action planning

Workforce gap prioritisation

Develop framework parameters to assess and evaluate gaps

Prioritise gaps across identified scenarios

Develop strategies to minimise/close gaps in conjunction with relevant HR and organisational stakeholders

Conduct workshops to explore the impact of these strategies

Action planning against the employee lifecycle

Prioritise and select gap closing actions accordingly

Consolidate the strategies into action and implementation plans

Add additional detail to gap closing action plans as required

Assign owners to relevant actions

Agree on milestones and measures of success for the actions within the plan

Embed, measure and review

Develop a narrative of identified implications and recommended strategies

Implement the strategies and actions in accordance with the strategic workforce plans

Establish a governance framework to continually evaluate the action plan and implementation of the strategic workforce plan



Core Requirement 4: Additional Guidance

Develop and implement the plan

To be effective, strategic workforce planning should not be seen as just an HR function. It is essential to have support and participation from everyone involved in the process including leaders, all levels of management and the workforce. Once stakeholders are identified, organisations can customise how they engage and involve them in the process. Below is an example of who could be responsible, accountable, consulted and informed during each stage.

“You can’t underestimate the level of consultation you need... We spend a lot of time getting numerous different parties who have common interests into a room talking to each other, to help build our strategic workforce plans.”

(Director, NSW Ministry of Health)

R Responsible | **A** Accountable | **C** Consulted | **I** Informed

Core Requirement	Goal	Business	HR	Finance	HR SME*
1. Aligned Align organisational strategy and SWP priorities	Identify longer-term organisational priorities and goals, and assign responsibility for associated strategic workforce planning	A	R	C	I
2. Compare Compare options to achieve outcomes	Identify different work and workforce scenarios to deliver organisational goals, and the estimated cost of each scenario	R	A	C	I
3. Identify Identify gaps	Consider what capabilities the organisation has now and compare to future requirements	A	R	I	C
4. Implement Develop and implement the plan	Identify actions to meet work and workforce requirements to achieve organisational goals, and manage any associated risks	R	A	I	A
5. Review Monitor, evaluate and revise	Monitor progress and the impact of the strategic workforce planning actions and revise as needed	A	R	R	C

Note: Responsibility between HR and Business may be shared and/or interchange depending on individual agency.
* HR subject matter experts including Recruitment, L&D etc.



Core Requirement 4: Additional Guidance

Develop and implement the plan

As suggested by the previous example, assigning responsibility for actions is crucial to the success of strategic workforce planning. The snapshot below further demonstrates the need for accountability to achieve goals.

Snapshot 4: Assign Actions to Achieve Outcomes

Creating an action plan with clearly defined roles and responsibilities for its implementation is critical following the development of a strategic workforce plan. This is where the results from understanding the business drivers, workforce supply and demand, segmentation and workforce gaps are included in a plan to address the required capabilities over the 3-5 year planning horizon.

To ensure that this occurs and that the effort to get there is not wasted, business units and HR need to work collaboratively to determine which actions are most vital to achieving the organisation's goals. These critical actions must then be assigned to an individual to follow through, with the sponsorship of senior leadership.

Once actions are assigned, it is important to ensure continued measurement, tracking and reporting against agreed criteria to ensure accountability and success.

It is not uncommon that this is where the process breaks, with organisations failing to assign actions to implement. This results in a failure to shift the workforce mix, so the organisation does not have the right people in the right place at the right time.



Core Requirement 5: Review

Monitor, evaluate and review

Goal: Monitor progress and the impact of the strategic workforce planning actions and revise as needed.

Questions to support monitoring, evaluating and reviewing the strategic workforce plan:

- How will the organisation monitor the success of strategic workforce planning in delivering business objectives?
- How should actions be monitored and reported?
- How will progress towards outcomes be monitored?
- How will progress be communicated to stakeholders (e.g. leadership, employees, etc.)?
- Who will own the post implementation review process?
- How will the implementation be continually evaluated and revisited to ensure strategic workforce planning reflects any significant internal or external changes?

Possible sources of evidence:

- Implementation KPIs set by the organisation
- Strategic workforce plan and implementation roadmap

Suggested actions:

- Use an evidence based approach to develop, implement and monitor workforce plans by analysing operational, financial, workforce and external data
- Define KPIs and success metrics
- Report to the organisation head at least annually on the plan's impact and any needed adjustments
- Monitor the expected impact of the changes on business objectives, and take corrective action if needed
- Assess the expected impact of the changes on organisational outcomes, and revise the organisation's strategic planning as needed
- Monitor the expected impact of changes on organisational objectives, and use feedback in future strategic workforce plan iterations



Core Requirement 5: Additional Guidance

Monitor, evaluate and review

The success of strategic workforce planning can sometimes be monitored through feedback from an organisation's customers. The snapshot below provides an example of how strategic workforce planning can directly improve service delivery.

Snapshot 5: Benefits of Ensuring Alignment

Challenge	Action	Successes
<p>A service delivery organisation was embarking on a digital transformation that would have implications on its large call centre workforce.</p> <p>There was a lack of alignment in the pace of the digital roll-out and the shift in operating model, varying its expected impact on the workforce.</p> <p>It was unclear how the workforce would shift to support this change and what capabilities would be required.</p>	<p>A detailed strategic workforce planning process was undertaken to identify the workforce and capability gaps.</p> <p>Discussions around the strategic imperatives and timelines amongst senior stakeholders were held during the exploration phase to facilitate alignment.</p>	<p>The team highlighted workforce gaps within critical roles/ segments.</p> <p>The team identified the need for development of internal digital, user experience, analytic and technological capabilities to achieve the initial timeline.</p> <p>They achieved endorsement from senior leaders on organisational strategy and the workforce capabilities required to achieve goals.</p> <p>The clearer view of supply and demand factors and workforce capability needs delivered a saving of \$7 million in labour and operational costs.</p>

5. Additional Tips for Implementation

Strategic workforce planning should be a collaborative 'top down - bottom up' planning process. The below figure recaps the suggested process for developing a strategic workforce plan.

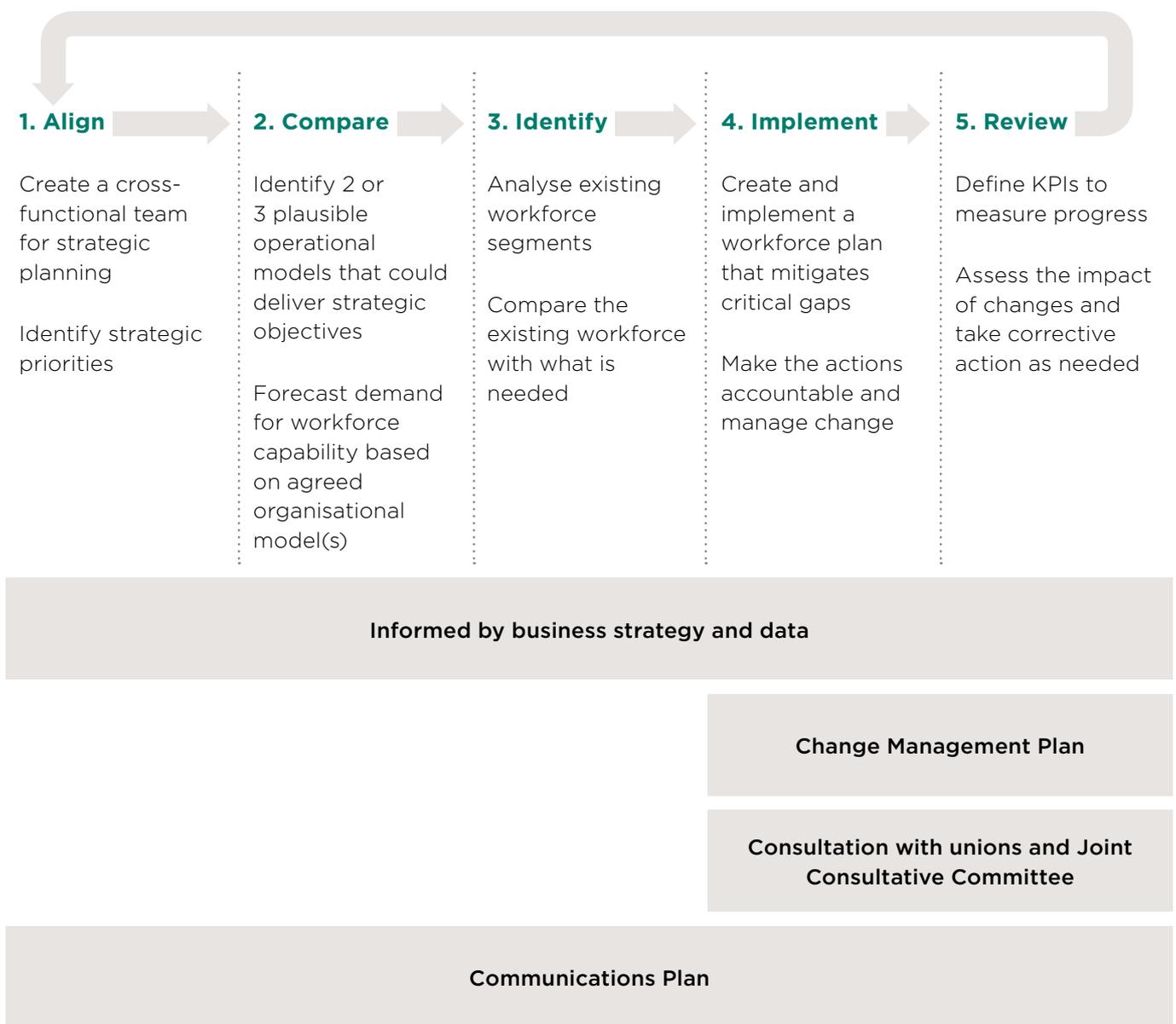


Figure 9. Developing the Strategic Workforce Plan

The process for implementing strategic workforce planning is continuous and iterative, the key is to get the conversations started. Figure 10 provides tips for implementation.

Implementation Tip	Description
Emphasise the Process	Workforce planning can be successful simply by surfacing assumptions and issues even if problems aren't fully resolved
Organise Effectively	Decide how workforce planning will integrate with your broader planning and organisational goals
Skill Up	Understand your organisation's requirements to make sure you are asking the right questions
Understand Demand	Understand how your workforce requirements might change due to internal and external factors
Standardise Data	Agree on definitions and quality standards to ensure data is collated as easily and accurately as possible
Build Analytical Capability	Develop skills to understand, manipulate and present data
Identify Key Groups	Understand the key workforce segments that will deliver the greatest organisational uplift
Deal with Uncertainty	Use scenario planning rather than forecasting to deal with the high level of complexity and uncertainty
Analyse Capability	Understand workforce changes in terms of skills, competencies and capabilities
Educate Senior Management	Emphasise the time and resources required to hire, train or redeploy staff to meet changing business needs, factoring in staff aspirations, development and retention (time to competency)

Figure 10. Practical tips for implementing SWP

6. Additional Resources to Inform Strategic Workforce Planning and Organisational Change

Data

[Workforce Dashboard](#)

A visual analytical tool that draws data from various collections run by the PSC including the Workforce Profile, People Matter Employee Survey, 'I work for NSW' recruitment data and the Agency Survey.

[Workforce Profile Report](#)

The annual Workforce Profile Report provides in depth statistics and analysis on the characteristics of the NSW public sector.

[Workforce Profile Specifications](#)

The Workforce Profile Specifications provide in depth definitions for the components of the Workforce Profile Report and may be useful in understanding the data.

[State of the Sector Report](#)

The annual State of the NSW Public Sector Report provides a time-series assessment of the key factors that influence the shape, performance and behaviour of public sector agencies and the people who work in them.

[People Matter Employee Survey](#)

The annual People Matter Employee Survey provides attitudinal data on employee demographics and experiences in their Departments/agencies.

Diversity and inclusion

[PSC Diversity & Inclusion resources](#)

The PSC website collates information and resources on the Aboriginal workforce, age diversity, cultural diversity, disability and accessibility, gender equity, LGBTI equity and flexibility.

[NSW Public Sector Aboriginal Strategy](#)

This strategy sets out the key initiatives to be implemented across the NSW public sector as a whole, and within Departments and agencies over the period 2014 to 2017. This strategy introduces an aspirational target of 1.8% by 2021 for each of the sector's salary bands.

[NSW Aboriginal Employment and Development Program](#)

The AEDP is a structured employment and development program that offers successful applicants an 18 month employment placement with a NSW Government agency, working across a variety of projects.

[Mandatory Annual Reporting Guidance](#)

Under the *Annual Reports (Departments) Regulation 2015* and the *Annual Reports (Statutory Bodies) Regulation 2015*, agencies are required to include workforce diversity information in their annual reports.

Flexible working

['Works for Me. Works for NSW.' Campaign](#)

The NSW Government has committed to ensuring that all government sector roles can be flexible on an 'if not, why not' basis by 2019. The 'Works for me. Works for NSW.' strategic framework and communications campaign provides resources to help drive the implementation of this policy.

[Make Flexibility Count Strategic Framework](#)

The Make Flexibility Count Framework is designed to shift the sector from its current 'ad hoc' state to 'embedded' flexible working.

[Policy Guidance](#)

This policy guidance and the supporting documents help government agencies implement flexible working.

Mobility

[Assignment to Role Guidelines](#)

The Assignment to Role Guidelines provide guidance on mobility through assignment within the Public Service under the provisions of the *Government Sector Employment Act 2013* (GSE Act), enabling movement of non-executive employees within a public service agency and of executives across all public service agencies.

[Transfer and Secondment Guidelines](#)

The Transfer and Secondment Guidelines provide policy guidance on the application of two key mobility provisions in the GSE Act: section 64 (Employee transfers and secondments between government sector agencies) and section 66 (Secondments of staff between government sector agencies and other relevant bodies).

[Public Sector Mobility Pathway](#)

The Mobility Pathway is supporting FACS staff impacted by NDIS changes to take up employment opportunities within the public sector, by matching them to vacant roles at their current level.

[Workforce Transition](#)

Workforce transition is the management of staff through organisational changes. This section of the Employment Portal provides guidance on areas including managing excess employees and change management plans.

Workforce capability

[NSW Public Sector Capability Framework](#)

The NSW Public Sector Capability Framework provides a common foundation for creating roles, recruiting to roles, managing performance, capability development, career planning and, more broadly, workforce planning.

[Talent Review Framework](#)

The NSW Public Sector Talent Review Framework is designed to drive continued improvement in identification of talent across the sector. Talent reviews help leaders and organisations better understand their people and make decisions that best support the future needs of their organisations.

[ICT Career Pathway Framework](#)

The ICT Career Pathway Framework is a tool to assist employees plan their career and helps managers plan development opportunities for their teams.

[Occupation Specific Capability Sets](#)

Occupation/profession specific capability sets have been developed for job families that are common in the sector, and where functional capability building has been identified as a critical need.

[Senior Executive Fundamentals](#)

SEF provides key information to Senior Executives on a broad range of matters including: the NSW Government context, key government priorities, the ethical framework, working with ministers' offices, conditions of employment, collaboration across government, developing policy, dealing effectively with the media, the budget process, delegations and procurement.

[Sector Role Description Library](#)

The Sector Role Description Library, developed in consultation with the sector, is a practical resource to create consistency, support employee mobility, improve clarity around work expectations and enable more effective workforce planning.

Workforce strategy

[Strategy Mapping for the NSW Public Sector](#)

This tool drives organisational performance by helping leaders to define clear, customer-focused outcomes and objectives; communicate strategy and vision with employees, stakeholders and customers; and clarify for employees how their work fits into the bigger picture.

[Premier's and State Priorities](#)

The Department of Premier and Cabinet routinely provide updates on the priorities of the Premier and State more broadly.

[Contingent Workforce Management Guidelines](#)

The Contingent Workforce Management Guidelines will enable government sector agencies to improve contingent workforce planning, management and governance.

[NSW Government Commissioning and Contestability Policy](#)

The NSW Government Commissioning and Contestability Policy outlines the Government's vision, guiding principles and mandate for NSW Government agencies to drive customer-centric service reform and explore ways to create better service outcomes.

Core Requirement	Goal	Elements for Consideration
 1. Align Align organisational strategy and SWP priorities	Identify longer-term organisational priorities and goals, and assign responsibility for associated strategic workforce planning	<ul style="list-style-type: none"> There is a clear statement from the organisation leadership team on the workforce themes that are relevant to the organisation's strategic plan The business units, programs, activities etc. that are critical to achieving the organisation's strategic objectives have been determined Clear links between business needs, financial assets and workforce planning are established Clear timelines for business, financial, asset and workforce planning are established The organisation's senior executive sponsors a cross-functional team that has clear roles and responsibilities for developing, implementing and monitoring strategic workforce planning The workforce is segmented on an understanding of the workforce requirements needed for both current and future roles The required capabilities to achieve organisational outcomes over the period have been identified Workforce diversity requirements are addressed
 2. Compare Compare options to achieve outcomes	Identify different work and workforce scenarios to deliver organisational goals, and the estimated cost of each scenario	<ul style="list-style-type: none"> Different operational models are considered to determine best fit for delivering desired outcomes The composition of the existing workforce is analysed and benchmarked across all labour types, and against the external labour market Future ways of working, including the impact of emerging technologies, and the need for organisational and work redesign, are considered and compared, and the most cost-effective way forward is determined The demand for workforce capacity and capability over the defined period has been forecasted The culture and conditions required to effectively meet workforce requirements are defined Scenario planning is completed to identify plausible future events and their workforce size and cost implications
 3. Identify Identify gaps	Consider what capabilities the organisation has now and compare with future requirements	<ul style="list-style-type: none"> External labour market trends and the potential impact on workforce requirements are determined The strengths and weaknesses of the existing workforce are compared with what is needed for the optimal workforce Workforce gap analysis is completed, comparing the existing internal and external workforce with future workforce requirements, culture and conditions, to identify potential shortages, surpluses and areas of risk
 4. Implement Develop and implement the plan	Identify actions to meet work and workforce requirements to achieve organisational goals, and manage any associated risks	<ul style="list-style-type: none"> Comprehensive options to close the work and workforce gaps are developed and evaluated in order to select those strategies that effectively address the gaps with the appropriate level of risk. This may include acquiring external talent, developing the existing workforce, leveraging contingent labour, reorganising teams or uplifting performance Integration with other workforce management practice areas is identified in the implementation plan Ownership for implementing action plan activities is agreed upon and the planned changes are resourced with executive support A coordinated approach is used to manage the changes to the work environment and to support existing employees to make the transition to the new arrangements, if applicable
 5. Review Monitor, evaluate and revise	Monitor progress and impact of strategic workforce planning actions and revise as needed	<ul style="list-style-type: none"> An evidence-based approach is used to develop, implement and monitor workforce plans by analysing operational, financial, workforce and external data Key performance indicators and success metrics are defined Report to the organisation head at least annually on the Plan's impact and any needed adjustments The expected impact of the changes on business objectives is monitored, and corrective action is taken if needed The expected impact of the changes on organisational outcomes is assessed, and the organisation's strategic planning is revised as needed The expected impact of changes on business objectives is monitored and fed back into future strategic workforce planning



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