**How to build a workforce plan**

Workforce Planning is the process of taking stock of the current workforce, forecasting future workforce requirements and identifying gaps or issues.  Workforce Development relates to strategies and activities that bridge those gaps.

A workforce plan captures the current workforce profile, training and development programs, forecasts the future workforce profile, compares the current and future picture and identifies priority gaps to be bridged with workforce development strategies.  So, how do you maximise your workforce productivity and develop a workforce plan?

The following table outlines the parts in the system that can be worked through in a logical order and the high level actions that occurs at each step.

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| **System** | **Actions** |
| The full picture | Begin with the problem – why do you need a workforce plan?  Collect all existing evidence, information, reports and research  Understand current context, processes, scope, systems and timeframes as well as impacts on the workforce– global, national, industry based and regional including economic development priorities at national and divisional levels. |
| At this time (current workforce) | Analysis of current workforce profile – critical job roles and capabilities  Identify current workforce issues and gaps |
| Know what you want (future workforce) | Flip the problem into a preferred future workforce scenario using this 8 step approach with stakeholders:  1.     The scenario question – Part of this stage involves picking a year from which the scenarios will look back. How long a time frame do we care about?  2.     The proximate environment – depict the environment in which the decision will be made i.e. how far into the future is the scenario?  3.     Driving forces – consider the economy, industry sectors, labour market and regional needs  4.     Judging importance and uncertainty – For each driving force, we ask three questions: Is it predetermined (unchanging)? How uncertain are we about our ability to predict its importance into the future? Is this particular driving force among the most important drivers of the future — will it make a difference that makes a difference?  5.     Composing the stories – A major rule: check continually to make sure that none of these stories are redundant with each other—that they truly represent different ways that the future might unfold.  6.     Sub-groups and Reality Checks – They always ask: Is the internal plot logical? Can we really get from point A in the plot to point B, C, D, or E? What plausible chain of events, actions, and counter reactions could lead to this future? What kind of economy is consistent with this scenario? What political reactions would have to take place to make it plausible?  7.     Implications – what are they for each scenario and on different stakeholders?  8.     Strategic Visions and Oracles – We have set the scenarios up as competing oracles. It is important to know which oracle is closest to the actual course of history as it actually unfolds.  Also ask: “What kind of world do I want to help create?”  Decide the preferred workforce scenario or vision for the workforce, critical job roles and capabilities.  Forecasting demand vs. supply for each critical job role may be appropriate. |
| Evaluate the gaps | When comparing what we have at this time and knowing what we want into the future, identify all the gaps and issues including critical job roles and capabilities. |
| Address the gaps (workforce development strategies) | Theme and/or cluster the gaps and issues, prioritise and/or risk rate them, summarise key findings  Populate the Workforce Action Plan with workforce development strategies covering analysis and planning of skill demand (with critical job roles and capabilities) to improve the match and implications for skills development funding with targeted investment |
| Co-design solutions (with stakeholders) | To achieve results and using an action-plan model for implementation:   * Demand-driven skill development plans prepared at an industry level using the TAKE ACTION system underpinned by a capability building approach with stakeholders, industry and partnerships * Inclusion Strategy particularly for women and people with disabilities * Identify requirements for providers and system change with demand-driven priorities |
| Timelines and targets | Agree timelines for the implementation of Workforce Action Plan |
| Inspire (for implementation) | With the implementation of the Workforce Action Plan, co-design of the solutions with industry, employers, employees, training providers, government, and the Ministry. |
| Ongoing review | Progress on implementation and the achievement of outcomes and outputs for the Workforce Action Plan will require ongoing review with a governance structure involving stakeholders.  This includes monitoring of any scenarios that may not be preferred with any early warning signs and managing accountabilities. |
| Next workforce (next plan) | An iterative, dynamic approach will enable participants to move beyond the gap of the current and future workforce, to the next workforce say 5, 10 or 15 years out.  This could provide an opportunity to develop 21st Century capabilities understanding where career and job opportunities will be across employment and entrepreneurship, the country/region and globally. |

You and your team can work through the TAKE ACTION system, summarised by 5 steps and answer the following questions:

***Step 1- Context and Environment***

***Why?*** 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?

***Strategic Objectives*** What are our organisation’s strategic objectives (link workforce plan 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 international, national, industry, regional or local 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 our 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 organisational structure? What is the organisation’s current capability and capacity to deliver your products and services?

***Step 2 – Current Workforce Profile***  What is your current workforce profile?  What are the current skills and competencies of your workforce? What are your strengths and development needs? What is the consultation with your current workforce telling you regarding workforce issues and what is working well or what could be improved? What are the current workforce priorities, based on your workforce profiling and analysis?

***Step 3 – Future Workforce Profile***  What future products and services will be provided by the organisation (link workforce plan to strategic plan)? What will the future environment require? What are the workforce implications and issues? What is the workforce supply and demand for priority job roles? 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?

***Step 4 – 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 especially priority job roles? NOW…Prioritise the ‘issues’ and develop an action plan with strategies to address gaps.

***Step 5 – Conclusion, review, evaluation strategy and next steps***  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?

**Workforce Development Strategies**

Incorporate existing workforce development strategies into your plan and identify new strategies, for example **#1 Priority = Retention and #2 Priority = Attraction and Recruitment.**