

STATE OF ALASKA

Agency Workforce Planning Guide

Division of personnel
FY 2006

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Background

The State of Alaska is facing significant challenges in recruiting and retaining a government workforce capable of delivering efficient, quality services to the state's citizens. The state anticipates significant increases in turnover, intensified competition for qualified employees, and fast-paced changes in how work is accomplished.

With more than 50% of state employees at age 45 or older, the state is experiencing higher turnover due to retirement. Depending on the agency, by the year 2005, up to 27% of PERS Tier 1 employees will be retirement-eligible, and up to 38% of PERS Tier 1 and 2 employees will be eligible. This higher retirement turnover, coupled with other attrition, will mean a significant loss in workforce skill and knowledge, with certain occupational areas hit harder than others.

At the same time, the State of Alaska is challenged to compete successfully with other employers for quality employees. Both nationally and in this state, there is a major labor market shortage. State government's compensation and civil service restrictions pose certain limitations that must be overcome to recruit and retain a productive, competent workforce.

To address these challenges before they become problems, agencies should be carefully preparing workforce plans and implementing creative strategies to ensure necessary staff levels and competencies are in place to carry out agency missions. This Agency Workforce Planning Guide is a reference document for that purpose. It offers basic workforce planning steps, issues to consider, resources, and tools.

This Guide is written for agency managers, organizational specialists and others who have a shared responsibility to ensure successful implementation of the workforce planning process. The processes described in this Guide are derived from considerable research on workforce planning in other jurisdictions and the available literature.



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Department	Total # of Employees in	Eligible for Retirement	% Eligible for Retirement	Eligible for Retirement In	% Eligible for Retirement In	Eligible for Immediate	% Eligible for Immediate
Administration	900	244	27.1%	89	9.9%	51	5.7%
Commerce, Community and Econ Dev	427	137	32.1%	56	13.1%	40	9.4%
Corrections	1272	384	30.2%	155	12.2%	121	9.5%
Education	316	95	30.1%	44	13.9%	33	10.4%
Environmental Conservation	422	119	28.2%	45	10.7%	31	7.3%
Fish & Game	1333	310	23.3%	161	12.1%	119	8.9%
Governor's Office	130	36	27.7%	16	12.3%	12	9.2%
Health and Social Services	2854	707	24.8%	272	9.5%	199	7.0%
Labor and Workforce Development	893	283	31.7%	103	11.5%	72	8.1%
Law	458	103	22.5%	48	10.5%	32	7.0%
Military and Veterans Affairs	259	68	26.3%	30	11.6%	21	8.1%
Natural Resource	867	276	31.8%	111	12.8%	71	8.2%
Public Safety	707	160	22.6%	60	8.5%	53	7.5%
Revenue	457	111	24.3%	43	9.4%	32	7.0%
Transportation and Public Facilities	3091	893	28.9%	378	12.2%	276	8.9%
Statewide	14386	3926	27.3%	1611	11.2%	1163	8.1%

** Retiree Workers, employees in the Marine Engineers, Beneficial Association and some employees on approved leave without pay on June 30, 2005 are not included in this calculation

Immediate retirement is defined as a retirement eligibility date of August 1, 2005 or earlier

Calculations are based on normal retirement dates

What is Workforce Planning?

In its simplest terms, workforce planning is getting *the right number of people with the right competencies in the right jobs at the right time*. This is a shorthand definition for a management framework for making staffing decisions and related investments based on an organization's mission, strategic plan, budgetary resources, and desired workforce competencies.

The National Academy of Public Administration (NAPA), an organization chartered by Congress to improve government at all levels, identified three key elements to workforce planning in its May 2000 document titled *Building Successful Organizations: A Guide to Strategic Workforce Planning*, the three key elements are:

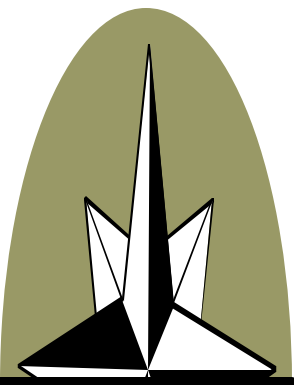
- An integrated, methodical and ongoing systemic process;
- Identification of the human capital required to meet agency goals. Determining the number and competencies of needed workers and where and when they will be needed;
- Development of the strategies to meet these requirements. Identifying actions that must be taken to attract and retain the number and types of workers the agency needs.

Many organizations, both public and private, have developed models for workforce planning. Putting aside variations in terminology, the processes are all very much alike. All rely on an identification of staffing levels and competencies needed in the future; an analysis of the present workforce (demographics, retirement projections, competencies, etc); a comparison of the present workforce to future needs to identify gaps and surpluses; the development of strategies for building the workforce needed in the future; and an evaluation process to assure that the workforce plan remains valid and that objectives are being met.

Why is Workforce Planning Important?

The "why" of workforce planning is grounded in the benefits to managers. Workforce planning provides managers with a strategic basis for making human resource decisions. It allows managers to anticipate change rather than being surprised by events, as well as providing strategic methods for addressing present and anticipated workforce issues.

Organizational success depends on having the employees with the right knowledge, skills and abilities at the right time. Workforce planning provides managers the means of identifying the competencies needed in the workforce - not only in the present but also in the future - and then selecting and developing that workforce.



Workforce Planning Benefits:

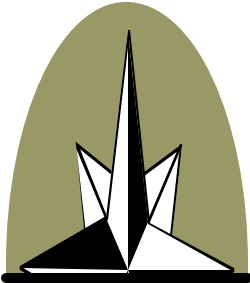
- Allows more effective and efficient use of workers
- Helps ensure replacements are available to fill important vacancies
- Provides realistic staffing projections for budget purposes
- Ensures recruitment resources are used more efficiently and effectively
- Provides better focused investment in training and retraining, development, career counseling, and productivity enhancement
- Helps maintain or improve a diversified workforce
- Helps an agency prepare for restructuring, reducing, or expanding its workforce

Strategic Planning & Workforce Planning

A Cooperative Effort

Strategic planning sets organizational direction and measurable program objectives. These goals and objectives not only provide the basis for determining necessary financial resources, but also provide the basis for workforce needs. If the right people with the right competencies sets are not in place, it is difficult to effectively achieve the organization's strategic goals and objectives. The workforce plan highlights *the people factor* in achieving results.

Workforce planning requires strong management leadership and cooperative supportive efforts of staff in several functional areas. Strategic planning, budget, and human resources are key players in workforce planning. Human resources provides tools for identifying needed competencies and for building the future workforce through strategic recruitment, training, development, and retention techniques.



As the problems facing society and state government become continually more complex, and risks associated with solving them grow, the importance of attracting and retaining state employees with necessary competencies and commitment increases.

Achieving results in government, probably more than any other business, is highly dependent upon the quality, judgment, and motivation of its workforce. Maintaining that workforce today requires careful management planning to be an attractive, competitive employer.

Managing for Results:

The People Factor

<p><u>Strategic Plan and Scorecard</u></p> <ul style="list-style-type: none">• Vision, Mission, Goals, and Objectives• Performance Measures• Key Future Functions	<p><u>Workforce Planning</u></p> <ul style="list-style-type: none">• Present and Future Staffing Profiles and Projections• Gap Analysis• Workforce Strategies
<p><u>Human Capital</u></p> <p>Recruitment, development and retention of critical competencies.</p>	<p><u>Results</u></p> <ul style="list-style-type: none">• Value and Benefit• Customer• Financial• Key Business Process• Internal Capacity

Getting Started

Build Support

Gaining and maintaining management and staff commitment to the workforce planning process is key to developing an effective workforce plan. Therefore, agencies should work hard to gain commitment at the beginning of, or very early in, the workforce planning process. The following techniques can be used to build support for the workforce planning process:

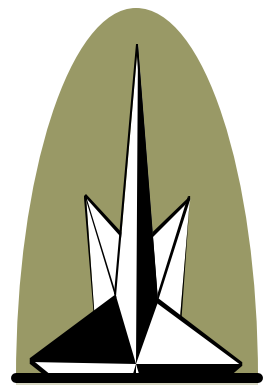
- **Obtain support from senior leaders within the agency.** It is important that the head of the agency and other top leaders understand the value of workforce planning. Their commitment can determine its success or failure. Understanding the factors that affect the agency's future operations and competition will help convince senior leaders of the need for workforce planning.
- **Communicate benefits and results of workforce planning to managers and workers.** Management should be involved in understanding the link between workforce plans and the budget, and workers need to understand how workforce planning affects them and the agency.
- **Establish a workforce planning team consisting of dedicated and knowledgeable employees from different functional areas and organizational levels.** Trust for the workforce plan can be achieved by involving employees in the planning process.
- **Automate the process so data can be easily stored and retrieved, thereby simplifying the process.** The more simple the process is, the more participation and acceptance agencies will have from those who are participating in the process.
- **Develop and implement a plan to ensure accountability within each participating division of an agency.** This will help ensure success of the strategies within the plan and hold those who are not meeting the goals accountable.
- **Solicit feedback for improvements to the process.** The workforce planning process should be continually reviewed and refined to ensure effectiveness and continuous improvement.

Take Some Important First Steps

Workforce planning does not need to be a time consuming and cumbersome process. Nevertheless, regardless of how complex or simple an agency decides the workforce planning process should be, it will require a variety of input from cross-functional areas and levels within the organization. Before people assigned to participate in the workforce planning process conduct their analyses, they should:

- Clearly understand the purpose of workforce planning.
- Determine the timeframe.
- Identify the available resources.
- Adapt models, strategies, tools, and processes specific to the agency's culture and needs.
- Identify planning outputs that are meaningful to the organization and that support agency objectives, budget requests, staffing requests, and strategic plans.

The capacity to perform effective workforce planning will take time to develop. It is critical to begin carefully and not take on too much too soon. Agencies might find it helpful to begin planning for a subset of the workforce and then extend planning through the remainder of the organization. Another method is to have the workforce plan occupationally focused, such as one dealing with engineering positions.



A Helpful Tool

The U.S. General Accounting Office developed a discussion draft titled *Human Capital, a Self-Assessment Checklist for Agency Leaders*. It is an excellent tool for capturing leaders' views of their agencies' human capital practices and policies. The framework of this tool includes five parts:

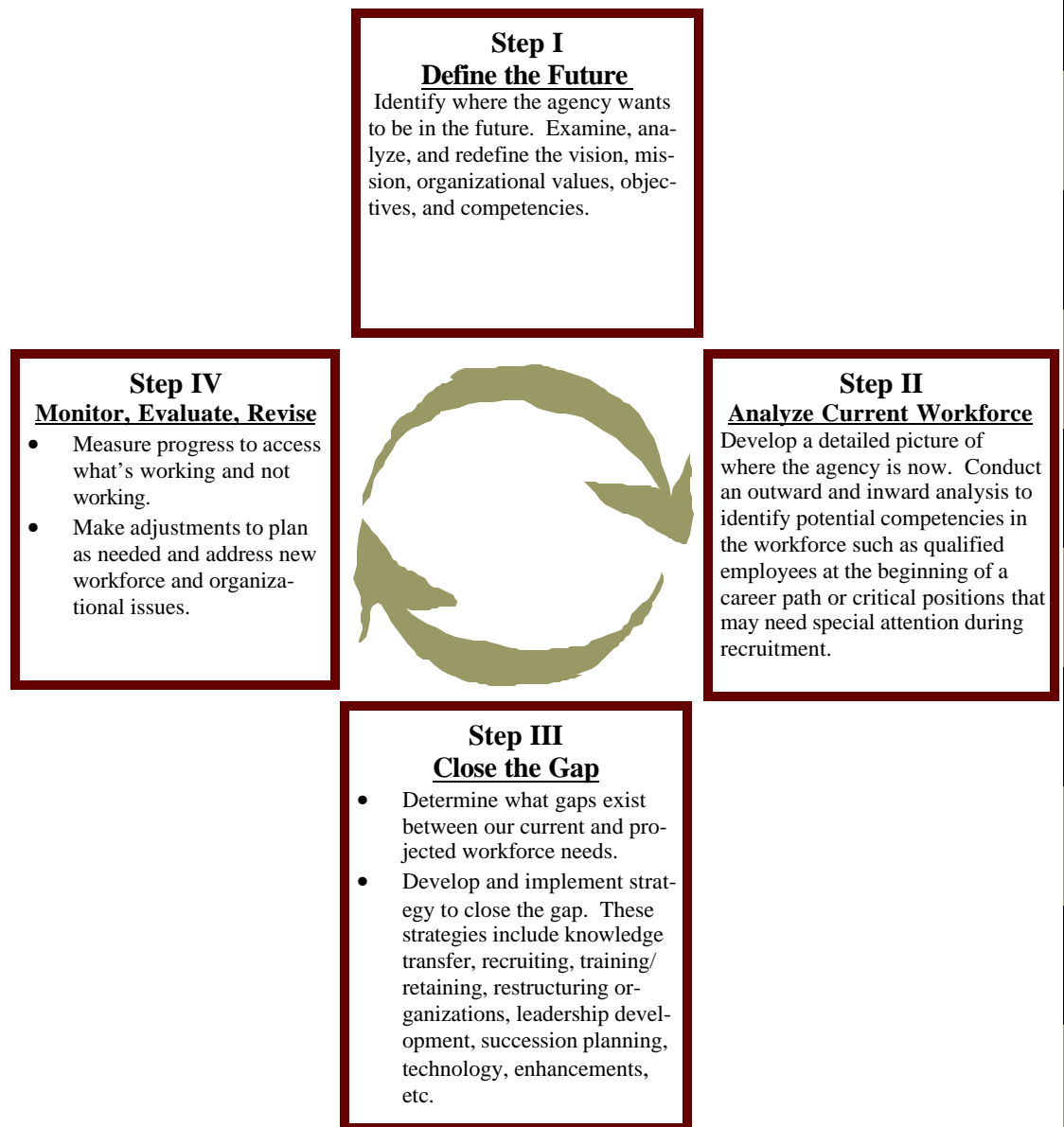
1. Strategic planning and workforce planning
2. Organizational alignment
3. Leadership
4. Talent
5. Performance culture

This tool can be found at: <http://www.gao.gov/special.pubs/gg99179.pdf>

Workforce Planning Model

The Division of Personnel has adopted a four-phase Workforce Planning Model as a suggested approach for agencies to follow. A summary of the model is depicted in the diagram below. It was derived from research of models used in a variety of public and private sector organizations, and adapted for applicability to the State of Alaska.

Each state agency has unique operating cultures and business needs. Therefore, it is fully expected that this model and its associated considerations, strategies, and tools will be modified by each agency to address its unique needs.



Step 1—Define the Future

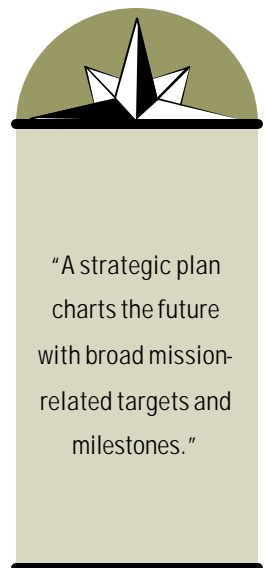
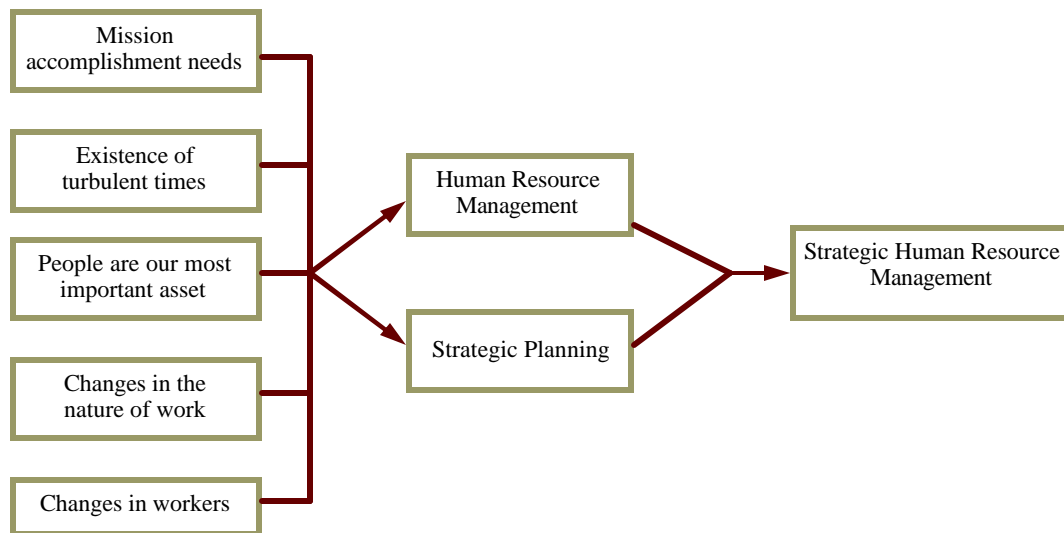
Workforce planning is a natural complement to strategic planning since it is through the workforce that the objectives of the strategic plan will be achieved. Workforce planning cannot be effectively accomplished unless a meaningful strategic plan has been prepared for the organization.

One of the main purposes of workforce planning is to ensure that an agency has the necessary workers to support its mission and strategic plan. In Step I, those responsible for workforce planning should identify the agency’s mission and the key goals and objectives of its strategic plan.

A strategic plan charts the future with broad mission-related targets and milestones. The agency’s vision, mission, and measurable goals and objectives drive the identification of what type of work needs to be accomplished. A workforce plan translates strategic thinking into concrete action in the area of workforce staffing and training needs. It attempts to answer the following questions:

- How many and what types of jobs are needed in order to meet the performance objectives of the organization?
- How will the agency develop worker competencies?
- What strategies should the agency use to retain these competencies?
- How have retirements, reductions in force, and/or hiring freezes affected your agency’s ability to get the work done?

The following illustration published in NAPA’s *Building Successful Organizations: A Guide to Workforce Planning* outlines the forces that drive the merger of strategic planning and human resources management.



Answering the questions below will help you define the future for your agency:

Vision— Where does the agency want to be in 5, 10, or 20 years?

Mission— Why does the agency exist?

Organizational Values— What beliefs in the agency drive employee and manager behaviors and performance?

Objectives— To what course of action is the agency committed?

Competencies— What competencies are needed in agency employees to ensure success?

Step 1—Define the Future, cont.

Planning Levels

What is an appropriate organizational level for developing a workforce plan? While there is no single answer, a useful guideline in determining planning levels is to ensure the outcomes of workforce planning will relate directly to the organization's strategic plan, and preferably be carried out at the program-level basis where the front-line effects will be felt.

Demand Forecast

The Demand Forecast deals with the workforce that will be needed to accomplish future functional requirements and carry out the mission of the organization. Based on the strategic plan, a visionary staffing assessment against future functional requirements is conducted. The result is a forecast of the type of competencies, numbers, and locations of employees needed in the future (e.g., 1 to 5 years out). This makes up the future workforce profile, the Demand Forecast.

An important part of the demand analysis process is examining not only what work the organization will do in the future, but how that work will be performed. Some possible considerations include:

- How will jobs and workload change as a result of technological advancements, economic, social, and political conditions?
- What are the consequences or results of these changes?
- What will be the reporting relationships?
- How will divisions, work units, and jobs be designed?
- How will work flow into each part of the organization? What will be done with it? Where will the work flow?

The future workforce profile created through the Demand Forecast analysis will display a set of competencies that describe the ideal workforce of the future. This set of competencies provides management and staff with a common understanding of the skills and behaviors that are important to the organization. Therefore, it plays a key role in decisions on recruiting, employee development, personal development, and performance management.

Agencies should make the Demand Forecast analysis as inclusive as possible. Employees will have a greater understanding and ownership of the model if they are involved in the process. It will also give them a clearer idea of what the organization expects of successful employees. In addition, since developing the model is a visionary process, organizations should take care to include diverse viewpoints to avoid tunnel vision.



Step 1 – Define the Future: Inventory

Key Questions:

- Has the agency been affected by or do you anticipate any new legislation (Federal/State) that will impact your workforce or agency operations?
- Does the agency anticipate any expansion of current programs and activities that impact the workforce?
- Is the agency planning for any de-emphasis or discontinuance of agency activity that would impact the workforce?
- What new competencies will your workforce need by occupational category and what is the availability of those skill sets?
- What is your agency IT strategy and how will your workforce be prepared for newly planned innovations?
- What specific training and development requirements will be needed and what are the projected costs?
- How will the workforce of the future impact the agency capital and financial plans?

Seek:

- National, State and Local industry trends that may indicate possible legislative action and movements.
- Increases in competition for employees that may affect recruiting efforts.
- Planned attrition and the impact it will have on maintaining an experienced and skilled workforce.
- Possible skill deficiencies and the impact on services.
- Establish staffing benchmarks and determine best practice approaches to plan for costs and return on investment.

Tips:

- Ensure agency succession planning efforts are accurate for the future.
- Plan new program implementation to maximize and project necessary resources.
- Target and constantly scan the environment for indicators of change and alignment with agency mission.
- Benchmark similar states and organizations for organizational structure and the use of employee assets.

Step 2—Analyze Current Workforce

Analysis of workforce data is the key element in the workforce planning process. Workforce analysis frequently considers information such as occupations, competencies, retirement eligibility, diversity, turnover rates, and trend data. Questions agencies should consider include:

- Are there certain occupational groups with increasing worker turnover?
- Can factors influencing turnover be identified?
- Has turnover reduced the competencies of a certain occupational group?

Answering these questions should help agencies develop plans for stable staffing levels, succession planning, and skill development.

Supply Projection

Supply Projection involves: (1) developing the present workforce profile and, (2) projecting that profile into the future as if either no management action was taken to replace attrition or develop existing staff, or if only the normal course of action continues.

The result, at a minimum, should show the projected workforce supply in terms of staff numbers and competencies.

There are a host of factors that can be included in the present workforce profile, including:

- Number of employees
- Skill assessment of employees
- Job classification/occupation
- Salary level
- Age, gender, race
- Location
- Educational level
- Appointment status (permanent, temporary, etc.)
- Retirement eligibility statistics

Next, agencies should look at trend data, which provides a picture of what occurred in the past. It can also help an agency predict the supply of competencies that may be available in the future. Examples of trend data include:

- Workforce Report from the Division of Personnel
- Hiring patterns (time required to fill vacancies, average number of vacancies in a year, etc.)
- Retirement patterns
- Employee turnover statistics

It may be helpful to break down the trend analysis by agency divisions or by occupational groups. Looking at trend data will help an agency project future workforce supply. It will also help an agency apply assumptions about how the variables listed above will influence the future workforce. Trend information combined with the current workforce profile is an essential building block for forecasting workforce supply.

Once the current workforce profile has been prepared, project it out into the future as if no special management action was taken to replace attrition or develop existing staff. This projection can be accomplished by determining attrition rates for the organization and/or



Supply Projection:
The present staffing and competencies profile projected out if no management action was taken to replace attrition and develop staff.

Step 2—Analyze Current Workforce, cont.

occupational areas and applying those to the present profile.

Assessing Competencies

There are a number of ways to assess competencies. Assessment methods vary in degrees of precision, complexity, and time and effort to administer. Before you can assess competencies you must understand what they are; competencies are the knowledge, skills, abilities, attitudes, and behaviors necessary to perform a job.

One relatively simple assessment method is to infer what the competencies are from the employees' job class specifications and position descriptions. This would give a very general idea of the number of employees who are presumed to have certain knowledge and competencies.

The problem with this approach is its lack of precision. For example, because it doesn't look at the employee, it will not identify available competencies that are not represented in the existing class specification. As such, the organization could miss some good opportunities for selecting and developing from within.

Nonetheless, as a first cut of where the organization has limited workforce planning capability, this may be the approach to take in the beginning.

A more precise approach is to conduct an actual assessment of employees' competencies levels. An actual assessment will provide more useful information for determining the number of those available and capable of fulfilling future functional requirements. It will give good information as to what recruitment, training, and other strategies need to be deployed to address workforce gaps and surpluses.

One way of determining actual competencies is to conduct a general assessment of employees using a checklist of the future desired skill sets that have been identified through the Demand Forecast. The checklist might also include a rating of skill set level, such as: advanced, intermediate, beginning or none. This information would be helpful for identifying succession planning or training strategies.

Conducting an actual assessment can get very complicated depending on what approach is taken. For example, some organizations conduct thorough job analyses and individual employee assessments by multiple sources, including the employee. The degree of precision needed by the organization, its culture, and time and resource availability are some of the key factors influencing which approach to take.

Step 2 – Analyze Current Workforce: Inventory

Key Questions:

- Does the agency have a comprehensive workforce planning program that is linked to the agency's strategic plan?
- Does the agency gather and analyze demographic workforce indicators; for example, critical information such as turnover, years of service, educational levels, age, race, and sex?
- Does the current workforce have the adequate competencies to efficiently accomplish objectives?
- Has the agency been able to recruit and retain talent competitively?
- Does the agency maintain a formal succession plan that identifies key agency positions and potential successors?
- Are agency structure and HR practices appropriately aligned for achieving goals and objectives?

Seek:

- Key components of workforce planning in the agency's overall strategic plan.
- Direct correlations of employee performance and agency outputs and outcomes.
- Excessive agency or unit turnover which could indicate workload problems or other organizational issues.

Tips:

- Review workforce data to analyze staffing, projected attrition and replacement needs. Agencies should consider the scarcity or abundance of the competencies required.
- Maintain an employee competency inventory and monitor systematically to support developmental initiatives and match against internal competencies requirements.
- Review recruiting efforts and identify hard to fill positions.
- Review employee exit interview data for trends or other possible interventions.
- Interview agency executives and key managers to get feedback on the effectiveness of organizational structure.

Step 3 – Close the Gap

This phase of workforce planning is comprised of three primary functions: (1) gap analysis; (2) strategy or action plan development; and (3) plan implementation.

Gap Analysis

Gap analysis is the process of comparing the workforce supply projection to the workforce demand forecast. An analysis should consider the composition of the workforce, including demographic characteristics, geographic location, size, and employee competencies level. The agency will eventually establish workforce strategies based on the results of this analysis. Analysis results will show one of the following:

- A **gap** (when projected supply is less than forecasted demand), which indicates a future shortage of needed workers or competencies.
- A **surplus** (when projected supply is greater than forecasted demand), which indicates a future excess in some categories of workers and may require action. The surplus data may represent occupations or competencies that will not be needed in the future or at least not needed to the same extent.

Examples of strategies to fill a gap include outreach, recruitment, training, and succession planning.

Examples of strategies to address surplus situations include retraining, transfers, or separation incentives.

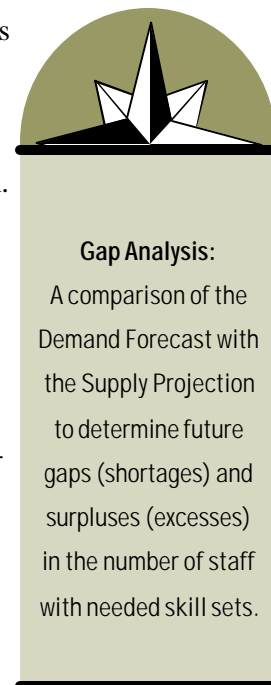
Strategy or Action Plan Development

A wide range of strategies to address future gaps and surpluses exists. Strategies include the programs, policies and practices that assist agencies in recruiting, developing and retaining the critical staff needed to achieve program goals.

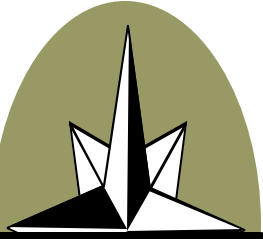
Once an agency identifies a workforce gap, it needs to develop and implement effective strategies to fill the gap. Critical gaps should be analyzed with care to ensure that timely action is taken before these gaps become a problem for the organization.

Several factors influence which strategy or, more likely, which combination of strategies will be most effective. Some of these factors include, but are by no means limited to, the following:

- **Time.** Is there enough time to develop staff internally for anticipated vacancies or new competency needs, or is special, fast-paced recruitment the best approach?
- **Resources.** The availability of adequate resources will likely influence which strategies are used and to what degree, as well as priorities and timing.
- **Internal depth.** Do existing staff demonstrate the potential or interest to develop new competencies and assume new or modified positions, or is external recruitment needed?



Step 3 – Close the Gap, cont.



Strategy Development:

Appropriate recruitment, development, and retention strategies and timelines to address gaps and surpluses to ensure that the organization will have appropriate staffing to meet its future functional requirements and carry out its mission.

- **“In-demand” competencies.** How high the competition is for the needed future competencies may influence whether recruitment versus internal development and succession is the most effective strategy, especially when compensation levels are limited.
- **Workplace and workforce dynamics.** Whether particular productivity and retention strategies need to be deployed will be influenced by workplace climate (e.g., employee satisfaction levels), workforce age, diversity, personal needs, etc.
- **Job classifications.** Do the presently used job classifications and position descriptions reflect the future functional requirements and competencies needed? Does the structure of the classification series have enough flexibility to recognize competency growth and employee succession in a timely fashion? Does it allow compensation flexibility?
- **Reorganization.** Will some divisions need to be reorganized to meet business needs and strategic objectives?

Plan Implementation

Implementation brings your workforce plan to life. You may need a separate action plan to address the implementation of each strategy in the workforce plan. Before implementing the plan, agencies should consider:

- Ensuring organization buy-in and support
- Allocating necessary resources to carry out workforce strategies.
- Clarifying roles and responsibilities in implementing strategies. This includes identifying who is involved in implementing what, and where coordination among different parts of the organization or with different agencies is needed.
- Establishing timelines.
- Determining performance measures—milestones and expected end product.
- Communication of plan. The basis of the plan, as well as its elements, should be communicated to all employees. That is, why and how it was developed, how it will be applied, and how it will affect staff.

The Workforce Plan should be implemented in connection with the requirements of the organization’s strategic plan. If the strategic plan timetable changes due to unanticipated customer, leadership, or legislative changes, adjustments to the Workforce Plan strategies may be needed.

Step 3 – Close the Gap: Inventory

GAP ANALYSIS

Key Questions:

- How will the anticipated demand for the agency services impact the size and competencies of the current workforce?
- Does the current or future labor market indicate the appropriate availability of talent for which the agency is competitive?
- Is the agency currently or projected to experience losses due to retirement, normal attrition or contraction?
- How will the agency workforce plan impact the agency business activity, technology, capital, and financial plans?

Seek:

- Deviation from normal operating procedures and the impact on agency service delivery.
- Changing morale and work-life issues that may impact organizational performance.
- Structural barriers, systems, policies and procedures that inhibit efficiency and change adaptability.
- Insufficient budget and resource allocations.
- Changing competencies requirements and the impact on current and future workforce.

Tips:

- Identify and plan for short and long-term competencies sets that are necessary to meet future objectives and distinguish unique gaps.
- Determine and create workplace culture plans that value individual and group contributions.
- Plan and anticipate “current status” transitions to meet multiple and changing “to be status” environments.
- Examine total compensation in today’s environment versus total compensation in the future.
- Examine factors that impact the ability to compete for necessary resources and develop a plan to address them.

Step 3—Close the Gap: Inventory, cont.

STRATEGY OR ACTION PLAN DEVELOPMENT

Key Questions:

- What strategies should the agency develop and implement to eliminate the gaps in your workforce planning program?
- Are key stakeholders and agency leadership apprised of the concrete need for change and action?
- Have the necessary resources or implementers of change been given the opportunity to provide input in the action planning process?
- What is the appropriate timeline to implement the agency workforce plan?

Seek:

- Efforts by the agency's senior leaders to build teamwork and reinforce a shared vision for eliminating the workforce gap.
- Agency alignment of performance management with goals in action plan.

Tips:

- Involve all levels of agency employees in the action planning process.
- Define performance criteria and appropriate measures for evaluation.
- Coordinate with the groups formulating the capital and financial plans.

Step 3—Close the Gap: Inventory, cont.

PLAN IMPLEMENTATION

Key Questions:

- Has the agency allocated the necessary resources to ensure an appropriate response?
- Has the agency assigned responsibilities and provided role clarity in carrying out the plan?
- Does the agency have a plan to conduct periodic monitoring to measure progress?
- Has the agency designed and planned a comprehensive communications program to augment implementation efforts?

Seek:

- Indications that the agency is making flexible use of its workforce, putting the right employees in the right roles across organizational boundaries.
- Understanding of action plan by all levels of employees.

Tips:

- Develop a project plan that establishes responsibilities with major milestones.
- Conduct periodic meetings with key staff to discuss progress and phases of implementation.
- Provide feedback to all levels of the organization.

Step 4—Monitor, Evaluate, Revise

Evaluation and adjustments are implicit in workforce planning or any good planning and project management process. If an organization does not engage in systematic review of its Workforce Planning efforts, it runs the risk of not responding to changes that occur incrementally from within or unanticipated external impacts.

Leaders should ensure that a process and schedule is in place to regularly review Workforce Plan implementation progress in order to:

- Review performance measurement information
- Assess what's working and not
- Make needed adjustments to the plan and strategies
- Address new workforce and organizational issues that might occur

Helpful Hints:

- Develop a method to validate the workforce plan's milestones. This step will help an agency identify accomplishments and determine which goals have not been met.
- Prepare annual reports of the workforce plan to share with management.
- Reprofile strategies annually to address new priorities and readjust strategies to maximize results.
- Use data collection tools, such as customer satisfaction inventories and program progress reviews, to measure how workforce planning contributes to organizational results.

Agencies should ask themselves the following questions to determine whether or not the plan needs revisions:

- Have agency strategies changed?
- Are the assumptions used in both the demand and supply models still valid?
- Have there been changes that would cause the strategies to need revision?

Organizations that have already been using workforce planning have found the following data collection tools to be helpful in determining whether or not the workforce plan is achieving results:

- Customer satisfaction inventories
- Program progress reviews
- Standardized questionnaires

Step 4—Monitor, Evaluate, Revise: Inventory

Key Questions:

- Have all major milestones in the agency plan been completed?
- Did the agency make the appropriate investments in education and training to help its employees build the competencies needed to achieve the agency's shared vision?
- Has the agency recruiting and hiring strategy supported short and long-term goals?
- Does a review of the agency competencies inventory indicate the elimination of gaps previously identified?
- Has the agency deployed its workforce appropriately to maximize effectiveness and efficiency?
- What did the agency learn from the workforce planning process?
- What changes need to be made?
- How will the agency implement what was learned?

Seek:

- An explicit link between competency improvement and agency performance.
- An increase in the quality of hires and their associated performance.
- Testimonial evidence from employees and management that necessary training and development is relevant and encouraged.
- Indications of integrated work unit coordination and communication.
- Strategies that worked well in this planning cycle as well as those strategies that did not work as well as intended.
- Key staff that played major roles in those areas.
- Process and structural improvements that enhance the agency's ability to accomplish goals and objectives.

Tips:

- Get feedback from managers and staff on the effectiveness of the performance management system and its return on investment.
- Analyze and review performance appraisals and progress in employee development.
- Review agency's operating budget spent on training and compare industry benchmarks.
- Review recruiting efforts and look for reduced cycle times (from requisition to hire).
- Review succession-planning efforts and determine effectiveness.
- Ensure that workforce planning efforts are adjusted based on learning's and are again integrated into the agency strategic plan.
- Review agency performance measurements and adjust to accommodate greater organizational efficiency.

Glossary

At Risk Occupations – Occupations where projections indicate the demand for the occupations will decline at a rate greater than normal attrition are potentially “at risk”. These occupations will be reflected as surpluses when data from the demand forecast and supply projection are compared.

Competencies – The knowledge, skills, abilities, attitudes, and behaviors necessary to perform a job.

Critical Skill Gaps – Gaps in those competencies essential to the organization in order for it to carry out its mission and accomplish its strategic objectives. Whether a competency is critical or not is determined by its inherent significance to the organization, not by its external availability. Not all gaps from the comparison of demand forecast and supply projection data will be critical skill gaps.

Demand Forecast – The future workforce profile of staffing levels and competencies needed to meet future functional requirements.

Effectiveness – A measure of the success of strategic workforce plans based on achieving desired results.

Efficiency – A measure of the success of strategic workforce plans based on time, speed, cost, and volume.

Gap Analysis – A comparison of the Demand Forecast with the Supply Projection to determine future gaps (shortages) and surpluses (excesses) in the number of staff with needed competencies.

Gaps – The amount by which needs, as expressed by the demand forecast, exceed resources, as expressed by the supply projection.

Human Capital – Simply stated, “people” and their competencies. Human capital embodies

two key principles. First, people are assets whose value can be enhanced through investment. Like any investment, the goal is to maximize value while minimizing risk. As the value of an agency’s people increases so does the performance capacity of the agency and, therefore, its value to clients and other stakeholders. Second, all human capital policies and practices should be designed, implemented, and assessed against the standard of how well employees help the agency achieve its shared vision.

Shared Vision – The mission, vision for the future, core values, goals and objectives, and strategies that define the agency’s direction and expectations for itself and its people.

Strategic Staffing – Addressing the staffing implications of strategic and operational plans. Similar to workforce planning, this approach also considers other HR activities such as employee classification and development.

Strategy Development – Appropriate recruitment, development, and retention strategies and timelines to address gaps and surpluses to ensure that the organization will have appropriate staffing to meet its future functional requirements and carry out its mission.

Succession Planning – The process of 1. pinpointing key needs for intellectual talent and leadership throughout the agency over time, and 2. preparing people for present and future work responsibilities.

Supply Projection – The present staffing and competencies profile projected out if no management action was taken to replace attrition and develop staff.

Glossary Cont.

Surpluses – The amount by which resources, as expressed by the supply projection, exceed needs, as expressed by the demand forecast.

Talent Management – The ongoing effort of succession planning that covers all positions within in an agency.

Workforce Planning – The process of ensuring that the right people are in the right place at the right time to accomplish the agency’s mission. A systematic process for identifying and addressing the gaps between the workforce of today and the human capital needs of tomorrow.

State of Alaska
Department of Administration
Division of Personnel

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Additional Resources

Introduction to Workforce Planning

Knowledge Transfer Tools

HR Solutions – <http://dop.state.ak.us/index.php?id=91>

Management Service Consultants

We're on the web!
WWW.DOP.STATE.AK.US

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Management Services Contact

Division of Personnel's Management Services staff are ready to assist you with your Workforce Planning efforts. Management Services staff may be contacted at the numbers listed below:

- **Resources Group**, serving the Departments of Fish and Game, Natural Resources and Environmental Conservation can be reach at 465-2409.
- **Public Protection Group**, serving the Departments of Corrections, Public Safety and Military and Veteran's Affairs can be reached at 465-4365.
- **General Agencies Group**, serving the Departments of Law, Administration, Commerce Community and Economic Development, Education and Early Development, Labor and Workforce Development and Revenue can be reached at 465-1457.
- **Transportation and Public Facilities Group**, serving the Department of Transportation and Public Facilities can be reached at 465-4045.
- **Health and Social Services Group**, serving the Department of Health and Social Services can be reached at 465-3962.