National Association of State Personnel Executives
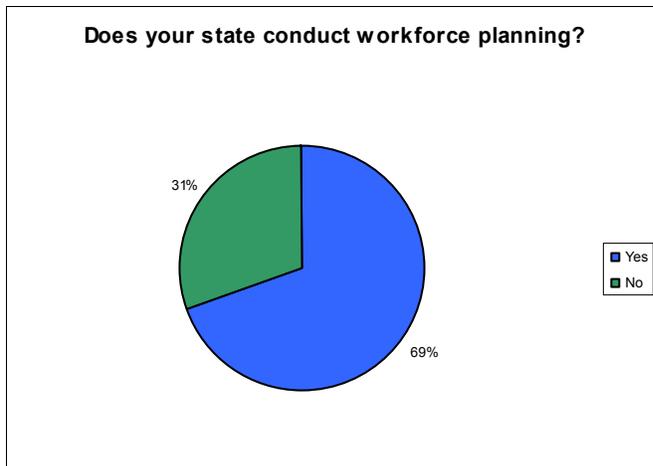**2005 Workforce Planning Survey**
Executive Summary

The NASPE 2005 Workforce Planning Survey surveyed state central human resource management offices for the third consecutive year on the status of their workforce planning programs. The survey covers the existence of workforce planning programs in state government, their budgets and executive support as well as utilization of a number of workforce planning components. This effort was spearheaded by NASPE's Workforce of the Future Taskforce chaired by Sara Redding Wilson, Director, Virginia Department of Human Resource Management.

Thirty six states responded to the survey in spring 2005. There was little change to the survey instrument from 2004 to 2005, so results from the 29 states that responded in both years are compared later in this document to identify workforce planning trends.

This report provides an analysis of the trends and practices in state government workforce planning efforts based on the data collected. State-by-state responses are available to the NASPE membership at www.naspe.net/members.

States responding to the 2005 survey are: Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Georgia, Idaho, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, Oklahoma, Pennsylvania, South Carolina, South Dakota, Texas, Utah, Virginia, Washington, Wisconsin, and Wyoming.

States conducting workforce planning

Does your state conduct workforce planning?

31%

69%

Yes
No

Twenty-four states (69 percent) indicated they conduct workforce planning, 11 states do not (31 percent). Of the states that do not conduct workforce planning, five indicated they are in the planning stages of implementing a workforce planning program and this was the primary "reason" states indicated they do not conduct workforce planning. These states are Kentucky, Massachusetts, North Carolina, Wisconsin and Wyoming.

Nine states (25 percent) indicated they have been involved with their current workforce planning initiatives for 3-5 years. This is followed closely by 8 states (22 percent) with 1-

2 years. New York indicated its initiatives have been in place for 11+ years, while Pennsylvania notes its workforce planning efforts have been in effect for 8-10 years.

A June 2005 NASPE Teleconference on Workforce Planning included conversation on the importance of executive-level support on the effectiveness of workforce planning efforts. Twenty-two states (61 percent) responded that there is agency HR and EEO Director support for workforce planning; 20 states (56 percent) said agency directors had given support, while 17 states (47 percent) indicated support for the governors' office, and 13 (36 percent) indicated other types of support.

Support in the form of an executive order or statute requiring workforce planning in state government occurs in six states – Connecticut, Georgia, Minnesota, New York, Texas and Wisconsin. In three of these states, specific formats and contents for workforce planning are set out – Georgia, New York, and Wisconsin.

Statewide and agency-wide workforce plans
Twenty eight states (78 percent) indicated they do not have statewide workforce plans. Only 7 states (22 percent) have statewide workforce plans. These states are Georgia, Missouri, New Jersey, Pennsylvania, South Carolina, South Dakota and Virginia. It appears most states encourage workforce plans at the agency level, with 24 states indicated that some agencies of agency-wide workforce plans and six states, primarily the states with statewide workforce plans, indicating that all agencies have agency-wide workforce plans. These six states are Georgia, Minnesota, New Jersey, South Dakota, Texas, and Virginia.

Thirteen states indicated they have workforce plan templates available for agency use.

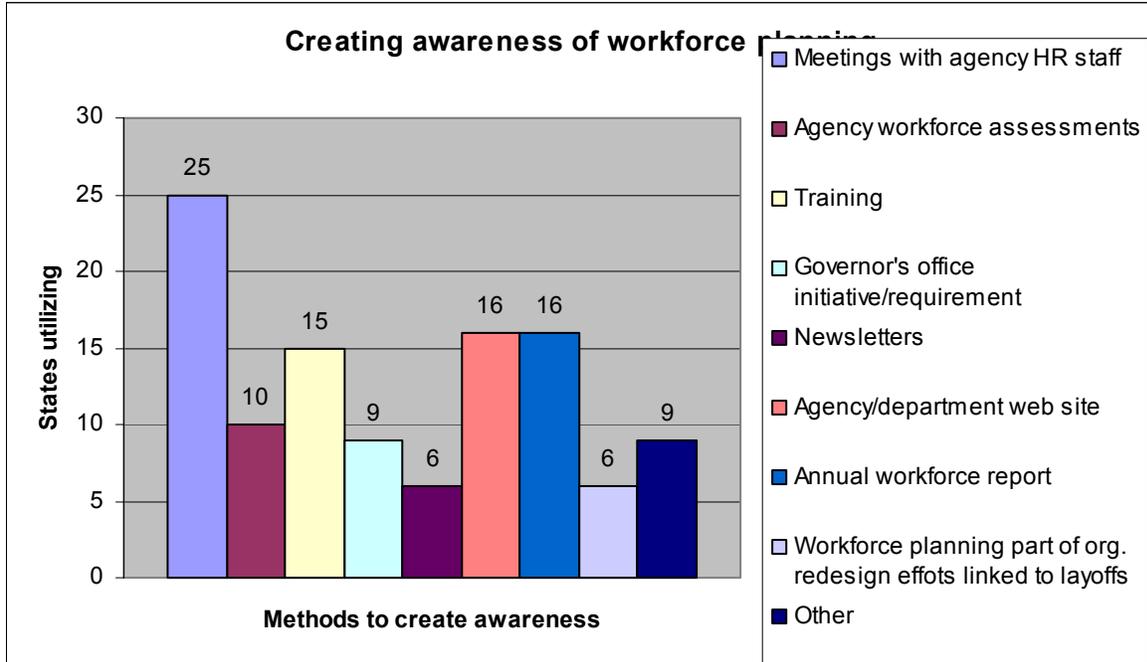## Budgets and staffing assigned to workforce planning
Thirteen states (36 percent) indicated centralized HR FTEs are assigned to workforce planning, while 20 states (56 percent) reported they do not. Of the 13 states that responded FTEs are assigned to workforce planning, they averaged 1.93 FTEs per state. Less information is available on decentralized (staffing in other agencies) FTEs, with only 9 states indicating there is staff assigned to workforce planning, 9 states reporting agencies do not have staff assigned, and 11 states that "don't know."

Only two states, Georgia and Pennsylvania, reported that workforce planning is a separately budgeted operation in their states, with Georgia reporting a budget of more than $200,000 and Pennsylvania spending $100,000-$150,000. Most states (21) said they do not know how much they spend on workforce planning. However, they indicate in what is spent on workforce planning most of it is utilized by staff salary (11 states), followed by resource and reference materials (9) and information technology applications (8).

Creating awareness

State central human resource management offices continue to identify the need to create awareness on the effects the aging population will have on the state government workforce. A 2002 study by NASPE and The Council of State Governments indicated 30 percent of state government employees nationwide will be eligible to retire by 2006.

Meetings with agency HR staff (25 states – 69 percent) are the most utilized options to create awareness, along with agency and department web sites (16 states – 44 percent) and annual workforce reports (16 states – 44 percent).

Creating awareness of workforce planning

- Meetings with agency HR staff
- Agency workforce assessments
- Training
- Governor's office initiative/requirement
- Newsletters
- Agency/department web site
- Annual workforce report
- Workforce planning part of org. redesign effots linked to layoffs
- Other

States utilizing:
- 25
- 10
- 15
- 9
- 6
- 16
- 16
- 6
- 9

Methods to create awareness

Workforce Planning Components

States were queried on their use or planned use of the following 19 workforce planning components (definitions included) and their reasons for using the components:

- *Workforce analysis* – detailed analysis of statistical demographics
- *Potential retirements* – determining who is eligible to retire and when
- *Internal forecasting* – estimates, for example, of the internal supply and demand; labor costs; growth rates; organizational efficiency; and revenue
- *External forecasting and assessment* – forecasts of industry and other external supply and demand trends, as well as a competitor assessment (e.g. compensation and benefit surveys)
- *Succession planning* – designating, for example, the potential progression plan for key positions
- *Competency assessment* – identifying required skills to excel in a position (e.g. used for employee development, recruitment, and selection purposes)
- *Skill gap analysis*
- *Leadership development* – identify high-potential employees; developing employees through coaching, mentoring, rotating people into different projects, special assignments and training
- *Individual development plans* – preparing training and development plans for employees to include formal classroom instruction, cross training, job rotation programs and/or other opportunities to develop employees' skills and competencies
- *Career development* – conducting career path counseling and planning to help employees identify developmental and career progression opportunities.
- *On-the-job training* – prepares selected employees for individual replacements through various on-the-job training activities such as assistant positions, job shadowing, trainee programs, internships, supplemental work programs, etc.
- *Transfer of knowledge* – developing organization-wide strategies to capture institutional knowledge/knowledge management
- *Recruiting* – estimating needs for head count, diversity, positions, location, timing, and developing targeted recruiting strategies to attract specific skill positions
- *Retention* – forecasting turnover rates; identifying who is at risk for leaving and how to keep them
- *Redeployment* – deciding what the redeployment needs are, who is eligible, and from/to which locations
- *Create action plans* – allocating necessary resources, clarifying roles and responsibilities, establishing timeframes, determining performance measures, communicating the plan
- *Monitor, evaluate, revise plans* – ongoing evaluation and adjustments according to strategic planning
- *Workforce reporting* – compiling data on the characteristics of positions and employees
- *Staffing plans* – sets out the number of current positions per job class, the desired number and plans to get to the desired number (the main focus is numbers)

Workforce Planning Component	Currently using - *Centralized*	Currently using – *Decentralized*	Planning on using – *Centralized*	Planning on using - *Decentralized*
Workforce Analysis	15	9	5	6
Potential Retirements	**21**	11	5	6
Internal Forecasting	7	9	8	6
External Forecasting and Assessment	12	6	9	6
Succession Planning	8	16	5	9
Competency Assessment	10	15	8	7
Skill Gap Analysis	2	13	**10**	9
Leadership Development	10	17	4	8
Individual Development Plans	5	20	1	9
Career Development	6	11	7	**10**
On-the-Job Training	6	**22**	2	7
Transfer of Knowledge	3	13	8	8
Recruiting	12	17	7	7
Retention	16	15	5	9
Redeployment	6	13	2	5
Create Action Plans	6	17	4	8
Monitor, Evaluate, Revise Plans	9	19	4	2
Workforce Reporting	20	8	**10**	6
Staffing Plans	3	13	4	6

In centralized efforts, potential retirements (21) and the closely related workforce reporting (20) top components currently being utilized. Least utilized centrally are skill gap analysis (2) and staffing plans (3) and transfer of knowledge (3). On-the-job training (22) and individual development plans are the most utilized components in decentralized efforts. Of the 16 states not currently using workforce reporting, centrally, 10 are planning to. Skill gap analysis, not widely used currently, also received 10 responses indicating it will be used centrally. Career development (10), along with succession planning, skill gap analysis, and retention are planned for use in a decentralized manner.

Why are states using or planning to use these components?

States were asked to submit the *primary* reason they utilize (or collect information) for the 19 workforce planning components.

Workforce Planning Component	General Information	Budget request/planning	Strategic Planning	Recruiting	Legislative reports	Separation	Other
Workforce Analysis	7	0	**11**	1	2	1	8
Potential Retirements	3	0	**12**	4	2	0	9
Internal Forecasting	1	3	6	4	1	0	**7**
External Forecasting and Assessment	2	2	**12**	6	2	0	0
Succession Planning	1	0	**11**	4	0	0	9
Competency Assessment	2	0	7	5	0	0	**13**
Skill Gap Analysis	2	0	7	3	0	0	**12**
Leadership Development	1	0	9	2	0	0	**13**
Individual Development Plans	4	0	6	0	0	0	**16**
Career Development	3	0	5	1	0	0	**12**
On-the-Job Training	5	0	8	4	0	0	**10**
Transfer of Knowledge	2	0	8	1	0	0	**10**
Recruiting	0	0	4	**18**	0	0	3
Retention	4	1	**8**	4	1	0	**8**
Redeployment	1	0	**7**	2	0	0	**7**
Create Action Plans	0	0	**18**	0	0	0	5
Monitor, Evaluate, Revise Plans	2	1	**17**	0	1	0	6
Workforce Reporting	**7**	0	**7**	1	2	0	**7**
Staffing Plans	0	5	3	4	0	0	**6**

Strategic planning was the primary reason for collecting information for workforce analysis; potential retirements; external forecasting and assessment; succession planning; retention; redeployment; create action plans; monitor, evaluate, revise plans; and

workforce reporting. Recruiting, obviously, was the primary reason for collecting recruitment information. "Other" served as the primary reason for collecting information for 12 of the 19 component categories. Primary reasons given for "other" are that states simply could not make a decision as to the primary reason for collecting the information and mentioned that they collect the information for more than one, typically most, of the reasons listed.

Workforce Planning initiatives and strategic planning
As noted above, states indicated they utilized or collected information for workforce planning components for strategic planning purposes in nine of the 19 categories. Fifteen states (42 percent) said workforce planning initiatives are connected to strategic goals and objectives at the state level, while 22 states (61 percent) indicated a connection with workforce planning and strategic goals and objectives at the agency level.

States responding that they connect workforce planning initiatives and statewide or agency-wide strategic planning do so for primarily two reasons, to raise awareness of current or projected human resource needs (16 states) and to strategically disseminate statewide/agency-wide workforce planning initiatives (13 states).

Organizational layers conducting workforce planning
Agency HR staff is the organizational layer conducting most of the workforce planning with 23 states (64 percent) indicating agency HR staff participation. The second highest is agency/cabinet management with 17 states (47 percent). These responses fall in line with previous responses that a majority of the responding states indicate some or most agencies have workforce plans, but there are only six states with statewide workforce plans.

Front-line manager involvement varies among the states, with most states (10) reporting that front line managers are not involved, but their involvement is anticipated soon. A total of 16 states reported that front line managers have some involvement from marginally, occasionally, and limited input. While frontline managers are involved at least somewhat in workforce planning and another 10 states indicate they will be soon, only 12 states report that workforce planning training is provided to frontline managers.

Technology and Software
According to the survey results states use a number of technology and software solutions to conduct workforce planning and there appears to be no clear favorite. From PeopleSoft and SAP systems to proprietary databases and simple spreadsheets all appear to be used equally.

The reasons for using the software and technology vary as much as the type of technology and software states use. The top three uses are to generate reports statewide (23 states, 64 percent), data collection statewide (20 states, 56 percent) and data storage statewide (19 states, 53 percent)

Workforce Surveys

Seventeen states (47 percent) report they conduct a centralized effort to analyze job requirements or competencies to assess changes in needed skills, education and training of its workforce. Twelve states (33 percent) indicate this analysis is conducted at a decentralized level. It's interesting to note that all 12 of these states are part of the 17 states that conduct a central analysis as well.

Employee surveys and interviews are primarily conducted at the agency level according to the survey results – from competency analysis, to entrance and exit interviews to employee satisfaction surveys.

- 50 percent of the states report exit surveys are conducted by some or most agencies with another eight states reporting that all agencies conduct exit surveys. Only four states conduct exit surveys centrally.

- Twelve states (33 percent) indicated that entrance surveys are conducted in a decentralized effort

- Eleven states reported that some or all agencies conduct position transfer surveys, no state reported conducting these centralized.

- States have taken a more centralized approach with employee satisfaction surveys with 11 states conducting them centrally. However, in most of the responding states (19) these are still conducted on an agency-wide basis.

Retirees

With so many state employees eligible to retire or rapidly approaching retirement eligibility and there being fewer younger employee in the workforce available or interested in working for state government, states are utilizing their retirees to fill vacant positions and maintain their wealth of institutional knowledge.

Twenty seven states, 75 percent of those responding, said they do rehire employees retired from state employment. Two states, Idaho and Nevada, do not. There are typically limitations on the amount of money a rehired retiree can earn, how many hours they can work, or special circumstances when retirees have necessary critical skills and knowledge.

Only four states offer phased or gradual retirement. These states are California, Iowa, Kansas, and Texas.

Early retirement incentives have become popular options for states looking to cut their workforces because of the tough financial times state governments have experienced the past few years. Fourteen (39 percent) indicate their state does offer early retirement incentives.

Measuring workforce plans and next steps

Measuring the effectiveness of workforce planning or any HR program can be a challenge for state human resource management offices. One-third of the states responding to the survey say it's too early in the workforce planning process to measure the workforce plans' objectives, milestones and productivity. Ten states say fitting the workforce plan within the strategic plan is how the measure goals and objectives. Eight states indicate they have no measurements in place, while seven states responded they look at agency utilization, increase in job applications for occupations in the greatest need of acquiring new talent, an increase in existing employee retention and a decrease in turnover.

A third of the respondents indicated that they measure the effectiveness, objectives, and goals of their workforce plans by the way they fit with agency or statewide strategic plans. Twenty states indicated that they will conduct an annual or more frequent review of workforce planning efforts to reassess workforce planning as strategic planning efforts evolve. Eighteen states indicated they will continue to review workforce statistics and demographics. States approach updating and maintaining current workforce planning strategies in a number of ways and are aware of how critical it is to communicate this. Some of the more popular strategies are attending conferences and training sessions, monitoring current literature, and sharing best practices among agencies.

While it appears states are consistently reviewing and enhancing their workforce plans, they still struggle with implementing workforce planning in their states. Their biggest struggles are staffing and funding the efforts.

2004-2005 Comparison

As mentioned previously, the workforce planning survey instruments for 2004 and 2005 were very similar which enabled a comparison of responses from year to year.

The 29 states responding to both 2004 and 2005 surveys are: Alaska, Arizona, Arkansas, Colorado, Delaware, Georgia, Idaho, Iowa, Kansas, Kentucky, Louisiana, Massachusetts, Mississippi, Missouri, Montana, Nevada, New Jersey, New York, North Carolina, Oklahoma, Pennsylvania, South Carolina, Texas, Utah, Virginia, Washington, Wisconsin, Wyoming.

In 2004, 23 of these 29 states indicated they conduct workforce planning. Twenty-two of the 32 states indicated they conduct workforce planning in 2005. Three states that indicated a switch from conducting workforce planning to not conducting workforce planning are Kentucky, Wisconsin, and Wyoming. All three have indicated in the 2005 survey that they are in the planning stages of workforce planning efforts in their states.

Following are comparative charts of responses received to key questions in 2004 and 2005. The columns demonstrate the number of states (out of 32) responding to the answer choices.

Does your state conduct workforce planning?

Year	Yes	No
2004	23	5
2005	22	9

Does your state have a statewide workforce plan?

Year	Yes	No
2004	NA	NA
2005	6	25

Do agencies have their own workforce plans?

Year	Yes – Most or all agencies	Some agencies	No
2004	NA	NA	NA
2005	5	21	2

Components of workforce planning

Workforce Analysis

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	15	6	4	3	3	2
2005	14	9	5	7	5	0

Potential Retirements

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	18	8	1	4	3	1
2005	21	11	5	6	5	0

Internal Forecasting

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	6	6	11	5	3	4
2005	7	10	9	10	6	2

External Forecasting and Assessment

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	9	5	12	2	2	6
2005	12	7	11	8	6	3

Succession Planning

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	4	10	8	3	6	3
2005	8	15	8	5	9	2

Competency Assessment

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	7	10	4	4	3	1
2005	10	14	7	9	7	2

Skill Gap Analysis

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	3	9	7	5	4	2
2005	2	12	13	12	9	2

Leadership Development

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	6	14	4	2	4	2
2005	10	17	7	4	8	5

Individual Development Plans

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	3	16	2	1	5	0
2005	4	20	6	1	8	3

Career Development

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	2	12	5	1	5	3
2005	6	11	11	7	10	4

On-the-Job Training

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	3	16	1	1	4	1
2005	5	21	4	3	8	3

Transfer of Knowledge

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	3	9	7	4	4	2
2005	3	14	12	8	7	1

Recruiting

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	12	13	2	2	2	0
2005	12	16	9	8	7	0

Retention

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	12	12	4	2	3	1
2005	17	15	3	6	9	0

Redeployment

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	5	9	9	2	5	2
2005	5	13	14	2	5	9

Create Action Plans

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	6	13	5	3	3	0
2005	6	16	10	6	8	1

Monitor, Evaluate, Revise Plans

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	5	13	1	3	3	3
2005	9	18	5	4	8	2

Workforce Reporting

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	14	10	1	3	4	0
2005	21	9	4	7	5	1

Staffing Plans

Year	Currently Using			Planning to Use		
	Centralized	Decentralized	No	Centralized	Decentralized	No
2004	NA	NA	NA	NA	NA	NA
2005	3	12	11	5	6	4

Who's responsible for workforce planning?
Layers of the Organization Responsible for Workforce Planning

Year	Central HR agency (all levels)	Central HR agency director, senior staff only	Agency HR Staff	EEO directors	Agency/cabinet management	Budget/finance managers	Front-line supervisors	Other
2004	9	11	18	6	15	7	10	6
2005	14	11	24	8	17	9	13	7

Which best reflects the level of involvement of front-line managers and supervisors in workforce planning activities in your state.

Year	Not involved at all	Not involved, but involvement anticipated soon	Marginally involved	Occasionally involved	Involved with limited input into the process	Very involved with significant input into the process
2004	0	5	4	5	2	4
2005	2	11	3	5	2	5

Does your state conduct analysis of job requirements or competencies to assess changes in needed skills, education and training?

	Centralized			Decentralized		
Year	Yes	No	Not mandatory, but some agencies do	Centralized	Decentralized	Not mandatory, but some agencies do
2004	14	1	3	8	1	7
2005	17	2	2	12	4	11

Does your state conduct exit surveys/interviews?

	Centralized			Decentralized		
Year	Yes	No	Not mandatory, but some agencies do	Centralized	Decentralized	Not mandatory, but some agencies do
2004	5	6	2	5	1	9
2005	4	13	2	8	1	19

Does your state conduct employee entrance surveys/interviews?

	Centralized			Decentralized		
Year	Yes	No	Not mandatory, but some agencies do	Centralized	Decentralized	Not mandatory, but some agencies do
2004	2	13	0	3	11	4
2005	4	17	0	3	11	10

Does your state conduct position transfer surveys/interviews?

Year	Centralized			Decentralized		
	Yes	No	Not mandatory, but some agencies do	Centralized	Decentralized	Not mandatory, but some agencies do
2004	2	14	0	2	11	5
2005	1	21	0	3	14	9

Does your state conduct employee satisfaction, climate or other surveys to solicit employee input on the work environment?

Year	Centralized		Decentralized	
	Yes	No	Yes	No
2004	4	10	13	5
2005	11	12	19	4

Does your state use targeted recruitment efforts to attract specific talent pools?

Year	Yes	No
2004	17	3
2005	25	4

Does your state rehire employees retired from state employment?

Year	Yes	No
2004	19	1
2005	27	2

Does your state offer phased or gradual retirement?

Year	Yes	No
2004	3	17
2005	4	25

Does your state offer early retirement incentives?

Year	Yes	No
2004	11	9
2005	13	16

What are your greatest challenges in implementing workforce planning in your state? (Choose your top two concerns.)

Year	Funding	Staffing	Executive buy-in	Agency buy-in	Determining measurable goals and objectives	Educating leadership, management	Constantly changing markets	Other
2004	9	8	9	6	4	4	2	4
2005	14	19	9	10	9	6	5	3

What steps does your state take to update and maintain current workforce planning strategies?

Steps taken	2004	2005
Updates of guides and materials	12	13
Newsletter or electronic publications	5	10
Meetings with or surveys of agency heads	5	11
Meetings with or surveys of agency HR professionals	12	15
HR agency review of strategic planning efforts	10	12
Attend conferences, training sessions on workforce planning	16	18
Monitor current literature	18	18
Share best practices among agencies	11	15
Updates of guides and materials	7	10
Utilize listervers, discussion groups	5	8
Utilize professional organizations	11	13
Collaborate with higher education institutions, private businesses, consulting firms, etc.	9	8
Partners with other state and local government organizations	5	8
Other	3	7