

State of Washington Supervisors' Guide to Developing Operational Workforce Plans

Updated December 2008

Table of Contents

Introduction	3
What Is Workforce Planning?.....	3
Workforce Planning Strategy Areas	4
Strategic Planning & Workforce Planning	5
Types of Workforce Planning	5
Workforce Planning Model	5
Operational Workforce Planning	7
Step 1: Identify Key Operational Issues	7
Issues Driven by Executive Direction.....	8
Issues Driven by a Changing Environment.....	8
Issues Driven by Demand for Workforce Maintenance and Enhancement.....	9
Step 2: Identify Operational Objectives	10
Step 3: Identify Operational Strategies	11
Strategy Clusters.....	13
Action Plans	14
Appendix A – Environmental Scanning Resources	15
Appendix B – Action Plan Template	17

Introduction

Workforce planning is grounded in its contribution to organizational performance. Done well, it provides management with a way to align the workforce with the business plan, anticipate change, and address current and future workforce issues. Operational workforce planning helps managers:

- Project and respond to unit staffing needs.
- Deploy staff and organize work.
- Manage organization culture and workplace relationships.
- Anticipate and manage risk.

The purpose of this guide is to explain the process of operational workforce planning. The guide is designed as a practical tool to be used by supervisors and those who support supervisors with unit-level planning (e.g., human resources, budget, and planning and performance staff).

What Is Workforce Planning?

Workforce planning is the process of linking workforce strategies to desired business outcomes.

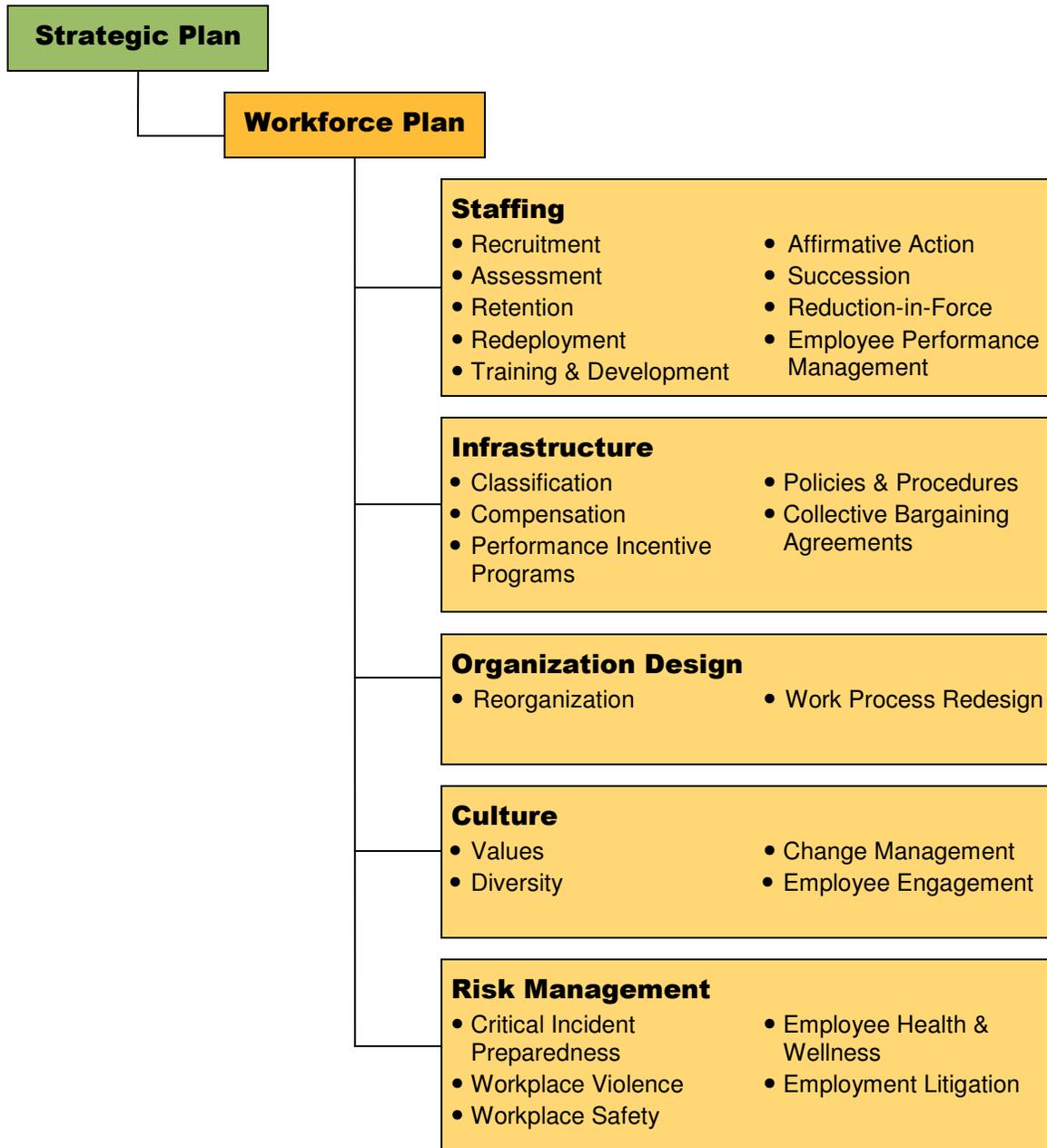
The terms workforce planning and succession planning are often used interchangeably. Many books and articles also use the terms human capital plan and talent management. To simplify matters, this guide will define **workforce planning** as the overall process of linking workforce strategies to desired business outcomes; **staffing plans** as the specific workforce strategies for recruiting, retaining, developing, and managing employees; and **succession programs** as the specific staffing strategies designed to develop an internal pool for anticipated vacancies.



Workforce Planning Strategy Areas

In addition to staffing strategies, workforce planning covers other workforce strategies including HR infrastructure, organizational design, culture, and risk management. The chart below lists several key areas where employers might focus their efforts.

Workforce Planning Strategy Areas



Strategic Planning & Workforce Planning

Strategic business plans create direction and a foundation for allocating resources. Every resource within your organization should be aligned with the strategic plan, including budget, facilities, equipment, and people. The goals, objectives, strategies, and performance measures within the business plan should highlight your key workforce priorities.

Types of Workforce Planning

Generally, there are two types of workforce planning: strategic and operational.

Strategic Workforce Planning looks at system-wide issues and strategies to:

- Support the organization's strategic plan (e.g., reorganization and redeployment).
- Address external workforce factors that affect the entire business (e.g., succession planning for retirement bubbles and reduction in force planning for budget cuts).
- Maintain organizational capacity (e.g., in-service training).
- Mitigate risk exposure (e.g., safety planning and EEO training).

What is an appropriate management level for strategic workforce planning? It depends on the size of your organization, how it is structured, and how programs are managed and budgeted. Most strategic planning occurs at the senior-leadership level. However, employers may also plan at the division, region or program level. You should plan in a way that makes sense for your business.

Additional resources on strategic workforce planning may be found on the Department of Personnel's Workforce Planning web page at <http://www.dop.wa.gov/strategichr/WorkforcePlanning/Pages/default.aspx>.

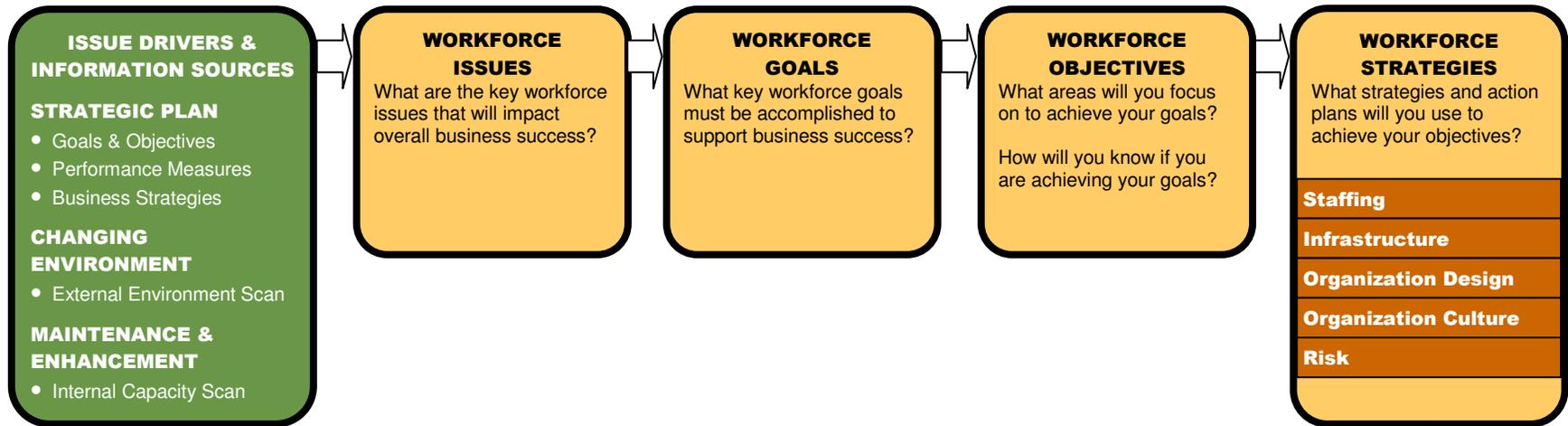
Operational Workforce Planning looks at work-unit issues, and occurs at the supervisor level. The focus is on how to sustain the work unit's ability to execute business strategies. Planning at this level may involve both carrying out the organization's strategic workforce planning strategies, and responding to external workforce factors that impact a particular unit.

Workforce Planning Model

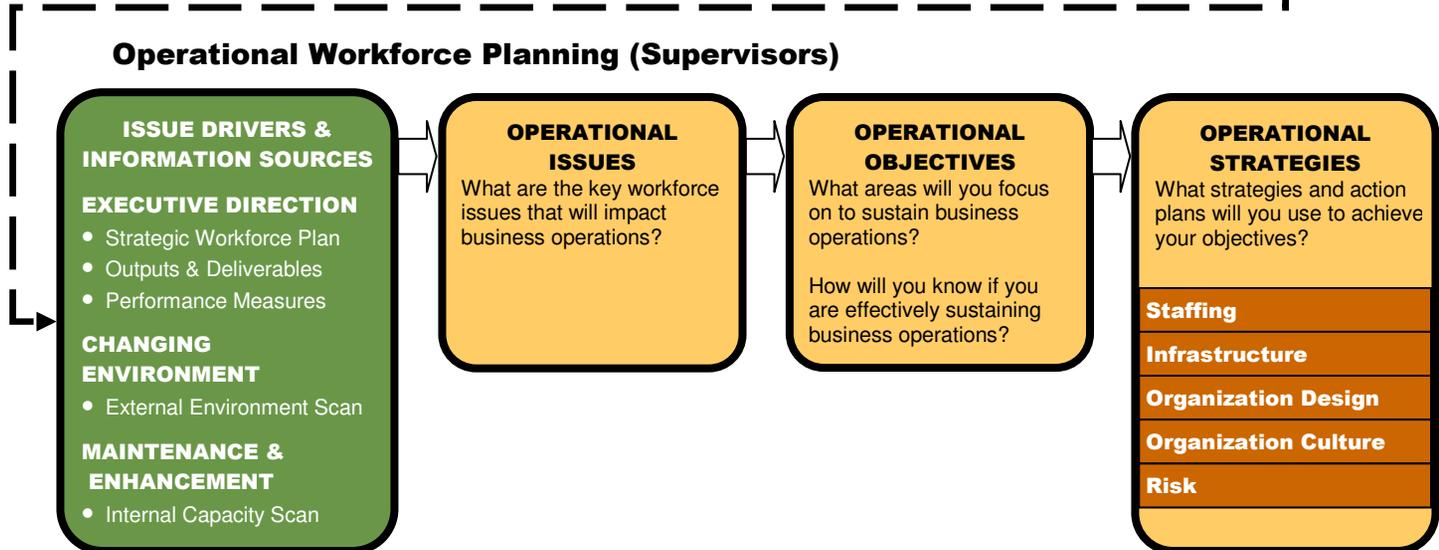
The following model details multi-step processes for both strategic and operational workforce planning.

Workforce Planning Model

Strategic Workforce Planning (Senior Leadership)



Operational Workforce Planning (Supervisors)



Operational Workforce Planning

The purpose of operational workforce planning is to create a focused, realistic plan to achieve unit-level business deliverables. Using the unit's targeted outputs and performance measures, follow the three steps below:

Step 1: Identify Key Operational Issues



Employers often go straight to developing proposals, strategies, and programs. Effective planning requires that you first clearly define the nature and scope of the issue(s) you need to address. There are three key issue drivers for operational workforce planning:

Issue Drivers

Examples

Executive Direction

Issues driven by either the strategic workforce plan or other assigned outputs, deliverables, and performance measures.

- Employee participation in succession program
- Directive to include core competencies in employee performance plans
- Cascading division performance measures into employee deliverables

Changing Environment

Issues brought about by anticipated changes outside the manager's direct control and influence.

- Challenge getting qualified applicants for vacancies
- Budget cuts and reduction in force
- Changing workforce demographics

Maintenance & Enhancement

Issues related to maintenance of, risk management for, and improvement to the work unit.

- Anticipated retirement of key staff
- Individual Performance and Development Planning
- Interpersonal conflicts between staff of different ethnicities

Issues Driven by Executive Direction

Strategic workforce plans are commonly cascaded down to individual supervisors for implementation. Supervisors should ask themselves:

- *What is my role in the organization's strategic workforce plan?*
- *What are my work unit's expected outputs, deliverables, and performance measures?*

Issues Driven by a Changing Environment

Many workforce issues are caused by changes in the market, labor pool, or legislative action. Supervisors should ask themselves:

- *How many and what type of new positions have been allocated to my unit? Do I anticipate losing any positions as part of a planned reduction in force?*
- *Am I getting adequate candidate pools when I recruit to fill positions? Do my candidate pools represent a diverse range of skills, expertise, and backgrounds? Am I getting a good mix of internal and external candidates? Are my assessment tools effectively screening in and screening out the right candidates? Are my top candidates accepting my job offers?*
- *What level of turnover do I expect in the unit? Is a key technical specialist being actively recruited by other employers or eligible to retire in the near future? What reasons are causing people to leave?*
- *Is my employee profile (e.g., age, gender, ethnicity) changing how staff relate to each other and to customers?*

External Environmental Scanning

Assessing the external environment is a process called *Environmental Scanning*.

Environmental scanning focuses on the key external opportunities and threats that may impact your workforce and its ability to achieve goals and performance targets. Common external factors that influence workforce planning include changing:

- Population and workforce demographics.
- Client / citizen demographics, expectations, and perceptions.
- Partners and suppliers.
- Political and regulatory environment.
- Revenue streams and budget appropriations.

Resources for assessing the external environment are included in Appendix A.

Issues Driven by Demand for Workforce Maintenance and Enhancement

Supervisors often focus first on current employee issues such as 'maintaining' employees, managing risk, and improving employee quality and performance. Maintenance issues deal with staffing levels and sustaining employee knowledge and skills. Risk management issues deal with workplace safety, employment liability, and business continuity following a critical incident. Enhancement issues are often driven by a desire to improve operational efficiency, working relationships, or unit performance. Supervisors should ask themselves:

- *Are staff current in their technical knowledge and skills? Do they have the requisite knowledge and skills to meet deliverables?*
- *Is each staff person producing the quantity and quality necessary to meet unit goals? Does each staff person have the support (e.g., coaching, feedback) to achieve his or her part of unit goals? Do I have a strategy for addressing underperforming employees? Do I have a strategy to keep top performers engaged?*
- *Are current position allocations consistent with existing or anticipated work assignments?*
- *Do organizational policies or procedures support or interfere with productivity?*
- *Do grievances under the collective bargaining agreement or other labor relations issues absorb an excessive percentage of my time?*
- *Do my internal reporting relationships support or interfere with productivity? Do work assignments and methods support or interfere with productivity? Is the distribution of specialists and generalists efficient? Does workload distribution result in excessive use of overtime?*
- *Are staff behaviors consistent with agency values? Do staff work effectively with co-workers from different backgrounds, generations, etc.?*
- *Do staff demonstrate ownership in the success of the organization? Are staff adjusting well to recent changes in how the organization does business?*
- *Do staff know how to respond in the event of a natural or man-made disaster?*
- *Do staff know how to respond when a violent person enters the workplace?*
- *Are staff aware of common hazards in their work environment or line of work? Do they know best practices for mitigating those hazards? Do they know how to respond in the event of an injury?*
- *Are staff aware of programs, best practices, and resources for promoting employee health and wellness?*
- *Are staff aware of legal requirements and consequences for how they conduct themselves in the workplace?*

Step 2: Identify Operational Objectives



Objectives describe the observable or measurable results you expect to achieve related to an issue. At the operational level, workforce planning objectives are typically defined in terms of observable targets met by certain dates. For example:

Issue:

Executive directive to increase the number of claims reviewed each quarter.

Objectives:

- Fill all unit vacancies by the end of the quarter.
- Reduce staff turnover by 10% over the next three quarters.
- Increase the number of claims reviewed by 10% each quarter through 6/30/2010.

Objectives should tell you whether strategies and action plans are helping you address your key issues. When describing each objective, test it against the following **SMART** criteria:

Specific – Does it address a clear and precise element of success?

Measurable or observable – Is it either quantifiable or clearly observable?

Action-oriented – Does it address the results of a specific action?

Realistic – Can the organization realistically influence the desired result?

Time-oriented – Is there a time limit within which the objective must be achieved?

Step 3: Identify Operational Strategies



While objectives state what you want to achieve, strategies and action plans describe how to achieve those objectives. Many factors influence what combination of strategies you use. Choose only those few strategies that have the best chance of improving performance.

The following chart lists typical workforce planning strategies by focus area.

Focus Area	Operational Action Plans
Staffing	
Recruitment	<ul style="list-style-type: none"> Unit-wide or position-specific recruitment strategies (e.g., outreach and advertising) to fill anticipated vacancies.
Assessment	<ul style="list-style-type: none"> Screening and selection strategies to improve the quality of candidate pools.
Retention	<ul style="list-style-type: none"> Unit-wide or individual employee strategies to prevent or mitigate turnover.
Redeployment	<ul style="list-style-type: none"> Reassignment of functions and/or duties to take better advantage of knowledge, skills, and abilities.
Training & Development	<ul style="list-style-type: none"> Unit-wide or individual development plans to either build or maintain knowledge and skills.
Affirmative Action	<ul style="list-style-type: none"> Unit-wide or position specific recruitment strategies to build applicant pools from under-represented affirmative action classes.
Succession	<ul style="list-style-type: none"> Unit-wide or position specific plans to build internal pools for anticipated vacancies.
Reduction in Force	<ul style="list-style-type: none"> Employee-specific plans to lay off or outplace a unit employee impacted by a reduction in force, or bring on a new employee placed in the unit via layoff.

Focus Area	Operational Action Plans
Employee Performance Management	<ul style="list-style-type: none"> • Unit-level standards and expectations, and individual performance plans to clearly define expectations. • Coaching and feedback to maintain performance levels. • Corrective action plans to address problem performance. • Redeployment or removal of underperforming employees. • Individual acknowledgement, recognition, and reward to address successful performance.
Infrastructure	
Classification	<ul style="list-style-type: none"> • Position-specific job class allocation requests to reflect changes in duties and responsibilities.
Compensation	<ul style="list-style-type: none"> • Individual salary-setting or incentive strategies to recruit or retain employees.
Performance Incentive Programs	<ul style="list-style-type: none"> • Individual financial award nominations to reward outstanding performance (for organizations with performance management confirmation).
Policies & Procedures	<ul style="list-style-type: none"> • Internal policy and procedure proposals to remove performance obstacles.
Collective Bargaining Agreements (CBA's)	<ul style="list-style-type: none"> • Unit-wide or individual strategies to resolve an issue involving represented employees or addressed in CBAs.
Organization Design	
Reorganization	<ul style="list-style-type: none"> • Unit-level work reorganization (e.g., distribution of specialists and generalists, use of overtime, and lead worker – line employee relationships) to address obstacles to unit performance.
Work Process Redesign	<ul style="list-style-type: none"> • Unit-level workflow and work method redesign to remove obstacles to unit performance.
Organization Culture	
Values	<ul style="list-style-type: none"> • Establishment of core behavioral standards for work unit. Scheduling training, meetings, and other activities to reinforce expectations.
Diversity	<ul style="list-style-type: none"> • Identification of key demographic issues (e.g., gender, generation, and ethnicity) affecting workplace relationships. Scheduling training, events, and other activities to build knowledge (awareness) and skills (customer relations and interpersonal).
Change Management	<ul style="list-style-type: none"> • Strategies for managing perceptions, attitudes, and behaviors during times of significant internal or external change.
Employee Engagement	<ul style="list-style-type: none"> • Strategies for encouraging employee ownership in work-unit and organization success.

Focus Area	Operational Action Plans
Risk	
Critical Incident Preparedness	<ul style="list-style-type: none"> Organization-wide plans, procedures, and training to mitigate natural and man-made disasters (e.g., earthquakes, floods, power outages, pandemic flu, fires).
Workplace Violence	<ul style="list-style-type: none"> Expected practices (e.g., procedures and training) to prevent workplace violence.
Workplace Safety	<ul style="list-style-type: none"> Expected practices (e.g., procedures and training) to mitigate workplace safety hazards.
Employee Health & Wellness	<ul style="list-style-type: none"> Expected practices (e.g., communication, programs, and training) to promote health and wellness.
Employment Litigation	<ul style="list-style-type: none"> Expected practices (e.g., standards, procedures and training) to mitigate exposure to employment claims and lawsuits.

Strategy Clusters

While you may develop stand-alone strategies around a single topic such as succession planning, employers commonly ‘cluster’ interrelated strategies around a complex issue or problem. This is often preferable to single-strategy efforts that only partly address an issue. For example:

Issue:

Executive directive to increase the number of claims reviewed each quarter.

Objectives:

- Fill all unit vacancies by the end of the quarter.
- Reduce staff turnover by 10% over the next three quarters.
- Increase the number of claims reviewed by 10% each quarter through 6/30/2010.

Strategy cluster:

- Bring in consultant to facilitate team building and address current disputes between older and younger employees.
(**Organizational Culture – Diversity & Staffing – Retention**)
- Analyze employee survey data and discuss with staff issues concerning employee satisfaction and retention.
(**Organizational Culture – Employee Engagement & Staffing – Retention**)
- Revise job analysis for core claims manager job series, evaluate requirements for knowledge mastery and skill level, and request reallocations as appropriate.
(**Infrastructure – Classification**)

- Develop new applicant screening tools and selection criteria for claims manager positions based on revised job analysis.
(Staffing – Assessment)
- Conduct knowledge and skills gap analysis, identify required training, and update individual development plans for claims manager positions.
(Staffing – Training and Development)
- Set new production standards and update individual key results expected in performance plans for claims manager positions.
(Staffing – Performance Management)

Action Plans

While there are many ways to develop strategies and action plans, most include action steps that detail the following information:

- Who is accountable for completing each action step?
- What specifically needs to be accomplished in each action step?
- By When does the task need to be completed?

For example:

Objective: Increase the number of claims reviewed by 10% each quarter through 6/30/2010.		
Strategy: Conduct knowledge and skills gap analysis, identify required training, and update individual development plans for claims manager positions based on revised job analysis.		
Who	What	By When
Supervisor Lead Worker HR Consultant	Revise job analysis for all claims manager positions. Identify knowledge mastery and skill levels required to meet new production standards.	3/01/08
Supervisor	Complete knowledge and skill gap analysis for existing unit staff.	3/7/08
Supervisor Training Manager	Identify required training to address any gaps.	3/15/08
Supervisor	Update Individual Development Plans of staff with identified gaps.	3/22/08
Supervisor	Arrange training and development opportunities as outlined in the Individual Development Plans.	4/15/08
Employees	Complete required training.	8/01/08

A blank template of this action planning form is included in appendix B.

Appendix A – Environmental Scanning Resources

External Environment

- Washington State Office of the Economic and Revenue Forecast Council
quarterly economic and revenue forecasts.
<http://www.ercf.wa.gov/home.htm#Economic%20and%20Revenue%20Forecast%20Publications>
- Washington State Office of Financial Management
population, demographic, economic, and other trend data
<http://www.ofm.wa.gov/forecasting/default.asp> .
- Washington State Office of Financial Management
Washington Trends
<http://www.ofm.wa.gov/trends/default.asp>.
- Washington State Office of the Caseload Forecast Council
forecast and trend data for K-12 enrollment, social service caseload, and prison populations.
<http://www.cfc.wa.gov/>

Internal Capacity

- Washington State Department of Personnel
Agency HR Management Reports
http://www.dop.wa.gov/strategichr/HRMPerformanceAccountability/Pages/2-6_AgencyHRMReports.aspx
- Washington State Department of Personnel
HRMS Business Intelligence
<http://www.dop.wa.gov/strategichr/HRMPerformanceAccountability/Pages/32ContactUs.aspx>

