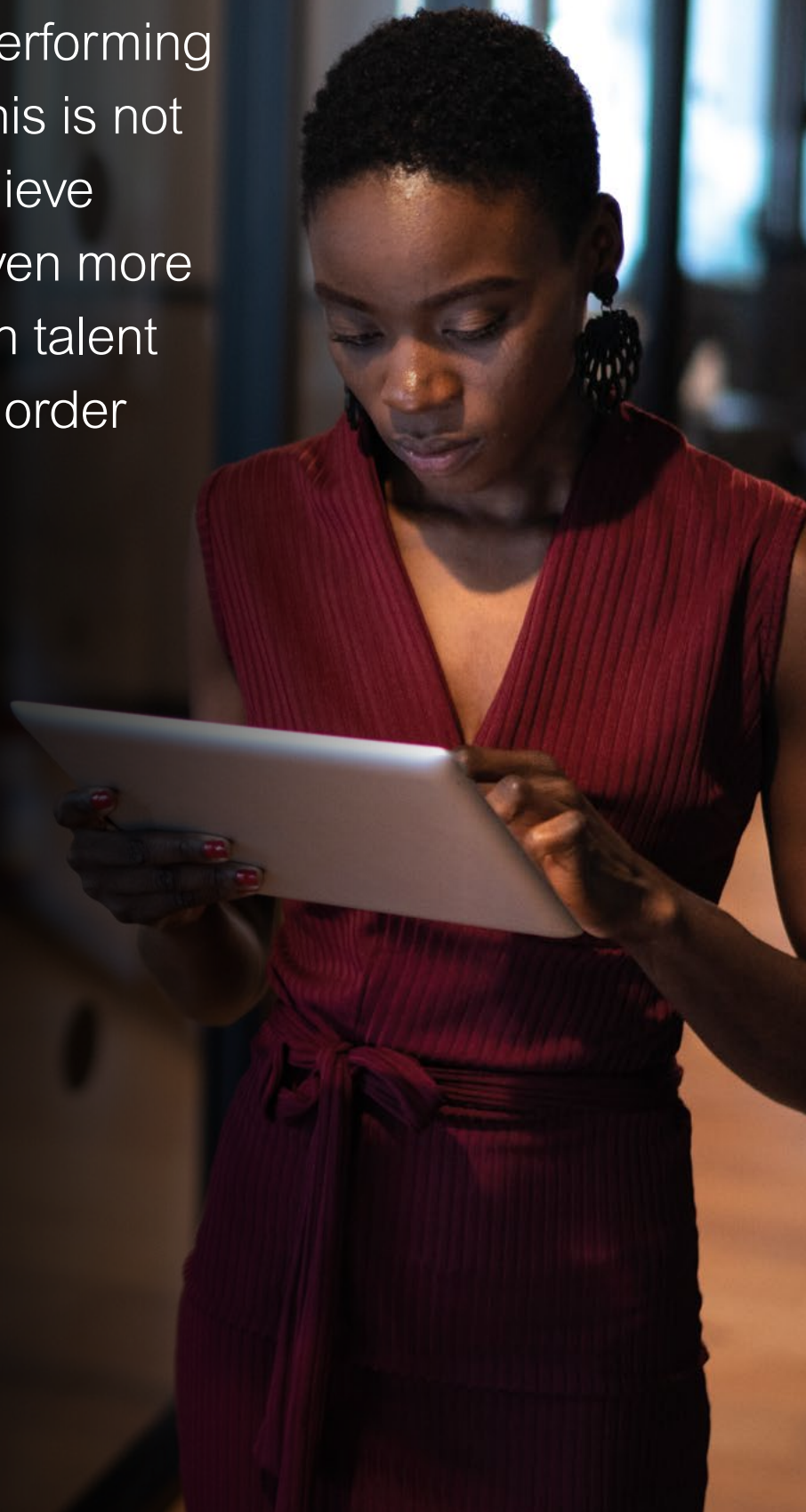


Workforce planning

Beginner's guide and templates



Businesses of all sizes are realising that to be successful, workforces need to be agile and performing at their optimal level. This is not only a challenge to achieve with current staff, it's even more difficult to predict which talent is needed long-term in order create a workforce that remains productive, especially with an ever-changing global outlook.



What is workforce planning?

The Chartered Institute of Personnel Development (CIPD) defines workforce planning as...

“ A process of analysing the current workforce, determining future workforce needs, identifying the gap between the workforce you will have available and your future needs and implementing solutions so that an organisation can accomplish its mission, goals and strategic plan. ”

In its simplest terms, workforce planning is understanding how your employees will be used to meet your business goals.

Unlike operational workforce planning, which tends to look at shorter hiring timeframes of 1-12 months, strategic workforce planning has a typical forecast of up to 5 years. For the purposes of this document however, we have assumed you will be looking at the next 12 months in the first instance.



Strategic workforce planning has a typical forecast of up to 5 years.



Step 1 - Understanding the basics

Workforce planning doesn't need to be complicated or time consuming. At its most basic, it involves grabbing a coffee, your notebook and a pen and taking time to consider the following points for the year ahead.

Template 1 - High level talent priorities

Considerations	Estimates / comments
Based on historic attrition levels, how many people will the organisation need to hire over the next 12 months to counter leavers?	
How many additional employees will the organisation need to hire in order to deliver on its key business objectives and growth targets?	
What volumes of employees will the organisation need to hire: ▲ By function ▲ By location ▲ By experience ▲ By contract type (perm, temp, contract)	
Which roles could you fill internally?	
What is the average time to hire?	
Which roles are the hardest to fill and why?	
Which are the highest volume roles?	
Which roles are the most critical to the success of the organisation?	
Are there any other business critical priorities such as targeting future talent or increasing the diversity of your employees?	
Known projects, potential projects and timeframes to be considered. eg. peaks in seasonality or reductions in assignments.	
Location considerations such as expansions into a new territory, branch openings etc.	
Competitive landscape and key talent pools.	
Additional comments / considerations.	

Tip: Other standard resourcing metrics such as average time to hire and average cost per hire are beneficial but if you don't have accurate historic data, endeavour to build more effective tracking into your processes to support future workforce planning. If you need any assistance with this, get in touch.



Step 2 - Translating business goals into talent needs

In order to build a more strategic workforce hiring plan, you need to understand how your organisation's business objectives translate into talent needs.

This is an important step in ensuring that your hiring strategy aligns with your company's strategic goals, and will help you to understand what your workforce needs to look like to perform at the highest level.

Once you have identified the critical talent needs in relation to business objectives, you can then conduct a talent inventory, i.e. where are the most strategically important talent gaps and how can you close them? Not all hires are strategically equal.





The following template from Universum is a useful tool to help identify critical talent gaps:

Template 2 - Identifying critical talent gaps

Business objective	Critical talent needed to deliver on objective	High level profile and amount of critical talent required in 2 years	Current internal availability of critical talent	Critical talent gap
Example: Digital transformation, allowing clients to access our services digitally	Example: IT Engineers	Example: 150 experienced developers, minimum 4 years of experience	Example: 30 available engineers that fit the profile, additionally 10 that can be trained	
Example: Increase product portfolio to grow in to new vertical	Example: R&D Engineers	Example: ▲ 30 experienced product designers ▲ 10 graduate engineers	Example: 10 available that fit the profile	
Example: Expand in German speaking region through increased sales force	Example: Senior sales executives	Example: ▲ 20 German speaking solution focused sales executives with minimum 10 years' experience ▲ 10 German speaking business graduates	Example: None available	

Tip - Break down your business goals by timeframe (immediate; annual; long-term) to make the process more manageable. Invite senior business leaders to help fill in the gaps. Explain that by understanding how business and talent goals align, together you can make better business decisions.

Another important exercise is to rank each department's hiring needs. It's not always possible to accommodate everyone so it's important to understand which teams have the most hard to fill areas, the greatest volume or will make the biggest strategic impact. Prioritising mission-critical jobs essentially helps everyone as it increases the overall organisation's chances of achieving its goals.



Step 3 - Closing the gaps

Having identified your critical talent categories and gaps based on the organisation's most important business objectives, you can then work pro-actively to close the gaps.

To build your action plan:

- ▲ Select the most crucial gaps
- ▲ Identify potential actions
- ▲ Prioritise actions

Tip: Closing the critical talent gaps doesn't need to involve new hires. Instead, it could focus on driving internal mobility, developing talent from within the organisation, or outsourcing key projects to a third party specialist.

Completing the exercises will help you determine the level of investment required in resourcing - including your employer branding and recruitment marketing efforts - and will identify the target groups your organisation needs to appeal to.

Next steps

With your hiring plan now in place, you need to turn plan into action. There are other considerations that you will continually need to reassess throughout the course of your workforce plan too. Business goals can change overnight, especially if a disrupter takes hold in your sector. Reassess your workforce plan every time business goals change.

In the same respect, an unexpected turnover of staff may force you to reconsider initial plans. While you can learn from previous years to plan ahead, it's impossible to know exactly what your attrition rate is going to be. Over the course of the year, it's important not only to change your strategy to reflect this, but also to learn from the experience for future strategic planning. Your strategy should never be static. It should not only be fluid, it should be proactive.

The process explored in this guide is workforce planning at its simplest. Many large, complex organisations - including our clients - are harnessing technology such as machine learning to conduct data-led, comprehensive workforce modelling in order to uncover trends and build bespoke, insight-driven hiring plans. This is vital when it comes to managing a complex global workforce. As global leaders in talent management, Blue Arrow are experts in using the latest technology to optimise the skills balances in our clients' programs.

If you would like further support in defining your overall talent needs, identifying critical talent gaps and most importantly, implementing strategies to close those gap, we are here to help.

Visit the Blue Arrow website to find out more about Workforce Planning.

Download our
full workforce
planning
template [here](#)

