



Australian Government
Australian Public Service Commission

Workforce planning guide

2023 edition



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Enquiries

The Australian Public Service Commission welcomes feedback on this guide. Please direct comments or enquiries to apswfp@apsc.gov.au or via the Workforce Planning Community of Practice on GovTEAMS.

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Purpose

The effective implementation of workforce planning principles across the APS supports a systematic, service-wide approach to developing this critical capability, improving collaboration and lifting overall workforce planning performance across the sector.

In 2021, the Australian Public Service Commission launched the [APS Workforce Strategy 2025: Delivering for Tomorrow](#). A critical component of this strategy is the uplift of workforce planning capability for workforce planning practitioners and people managers in the APS. To support this, a [workforce planning hub of resources](#) is available for agencies and workforce planning practitioners, to develop and promote (strategic) workforce planning capability.

The purpose of this Guide is to introduce the key workforce planning principles for the APS which are used to develop a workforce plan regardless of the approach. These approaches are not mutually exclusive, organisations should decide which ones are the most relevant based on their size, complexity, maturity level and the timeframe the plan needs to focus on.

The authoring team recommends that the Guide be read and used in conjunction with the ISO30409 standard, and each agency's business planning, corporate performance management and risk management framework(s). The Guide supplements the International Standard by providing clear guidelines on the application of workforce planning principles in an APS environment.



About this Guide

The APS Workforce Planning Guide (the Guide) is one of many resources available to workforce planning practitioners. More relevant resources can be accessed via the [Workforce Planning Community of Practice in GovTEAMS](#), or by emailing apswfp@apsc.gov.au.

Governance and the APS context

The appropriate management of Commonwealth resources and subsequently, appropriate workforce planning and the management of agency workforces is supported by various commonwealth legislation and frameworks.

These include:

1. The Australian Public Service Act 1999

Section 3 establishes the Australian Public Service (APS) as apolitical, and *efficient and effective in serving the Government, the parliament and the Australian public*.

Section 57 establishes the roles and responsibilities of Departmental Secretaries, including to *manage the affairs of the Department efficiently, effectively, economically and ethically*, including the management of departmental workforces.

Section 66 establishes responsibilities of Heads of Executive Agencies, including responsibility for the holistic management of the agency; including the workforce.

2. Australian Public Service Commissioner's Directions 2016

Section 16(f) requires APS employees, including Agency Heads, to *demonstrate clearly that resources have been used efficiently, effectively, economically and ethically*.

3. The Public Governance Performance and Accountability Act 2013 (PGPA Act)

Requires the accountable authorities of Commonwealth entities to govern the entity in a way that promotes proper use of public resources, the achievement of the entity's

purposes and the financial sustainability of the entity¹. As such, under the PGPA Act, entities are expected to demonstrate the proper use of resources in relation to workforce management.

Establishes the Commonwealth performance framework, where the accountable authorities of Commonwealth entities are required to measure and assess the performance of the entity in achieving its purposes, and to report on the performance of the entity through publishing corporate plans and annual performance statements.

4. Corporate Plans

The corporate plan provides the capacity for the accountable authority to demonstrate their approach to workforce planning and how this contributes to the entity achieving its purposes. [The Department of Finance provides guidance](#) to assist entities in meeting the requirements of the [Commonwealth performance framework](#).

5. Annual Reports

In accordance with the guidance provided by the Department of Finance, [annual reports](#) must include information about the entity's effectiveness in managing and developing its employees, and certain statistics on the entity's human resources.

CHAPTER ONE:

What is workforce planning?

The International Workforce Planning Standard (ISO 30409) defines workforce planning as:

“The repeated, systematic and cyclical identification, analysis and planning of organisational needs in terms of people.”²

Workforce planning is the process of ensuring that organisations have the right resources to achieve their organisational strategy. Workforce planning, as a key component of business planning, is an ongoing process used to generate insights into an organisation’s current and future workforce needs and risks arising from workforce capacity or capability gaps. This assists organisations to develop and implement operational and strategic interventions to mitigate immediate and longer term workforce risks. Workforce planning enables organisations to respond to current organisational challenges and anticipate future ones thus applying evidence-based workforce decision making.

Organisations which implement effective workforce planning practices can better anticipate and plan for impacts and change driven by internal and external factors. In an Australian Public Service (APS) environment this commonly includes changes to the operating model, legislative or policy changes, new technologies, variations in funding and staffing levels or mix, the impact of Machinery of Government (MOG) changes, or changes in the skills and capabilities required by the organisation to deliver key outcomes.

The value of workforce planning

Workforce planning supports an organisation’s ability to deliver its key objectives and the results outlined in strategic, business and operational plans, by enabling:

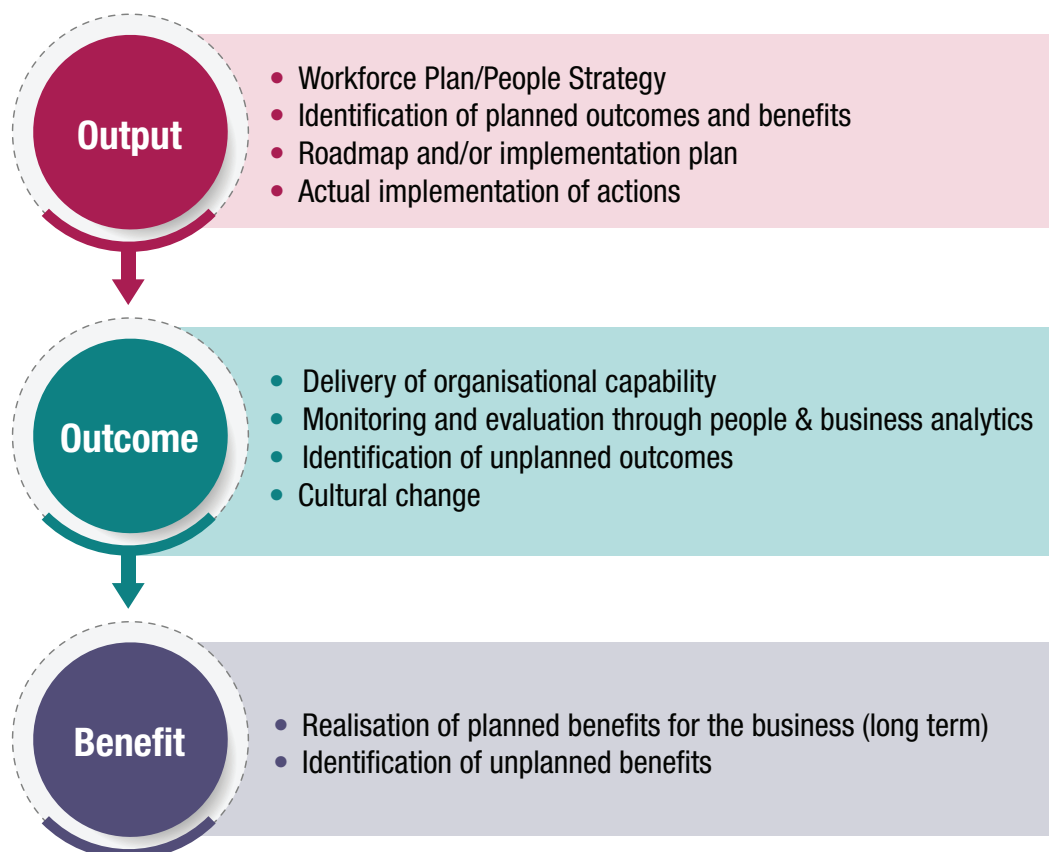


In order to deliver benefits for the organisation, workforce plans need to be:

- Developed with the business and the organisation's senior leadership team;
- Integrated with business planning and risk management processes, using language, systems and planning tools that already exist in the organisation; and
- Implemented effectively through clear responsibilities and accountability processes aligned with the organisation's accountability frameworks.

The transition from outputs to outcomes and benefits will be supported by the development of organisational workforce planning capability across the APS. For workforce planning to deliver its true value to organisations, the focus needs to shift from outputs, such as planning and strategy documents, to outcomes and benefits, such as increased productivity and return on investment for human capital expenditure. This is critical to the delivery for [Delivering for Tomorrow: APS Workforce Strategy 2025](#).

Figure 1: Workforce planning with outcomes and benefits focus



Why workforce planning?

To start your workforce planning journey, it is helpful to understand the **why**. What is the reason you are developing a workforce plan? Why does your organisation need it? What are you looking to achieve with this workforce plan?

Some of the questions your workforce planning effort is looking to answer could include:

- What is your organisation required to deliver in terms of outcomes, outputs, and services?
- Are you delivering all these outcomes, outputs, and services on time and within budget?
- What are the capabilities required to deliver these outcomes, outputs, and services?
- What are the workforce capability gaps between what you have and what you need—now and in the future?
- What are the main people implications for your organisation over the next 12-18 months? What about over the next 3-5 years?
- What might change over the next 12-18 months that could affect your workforce demand? Consider machinery of government changes, technology, policy etc.
- What people risks would need to be addressed over the next 3-5 years?

How does workforce planning fit in the organisation?

Workforce planning is more than just developing a planning or strategy document which is created in isolation, endorsed by senior leaders and then rarely revisited.

Mature workforce planning is integrated within the organisation and is a key component of business planning, owned by the business and supported by a culture of continuous learning and planning. Within the APS, agencies must consider how workforce planning integrates and supports the Corporate Plan.

Figure 2: Example of integration of workforce planning

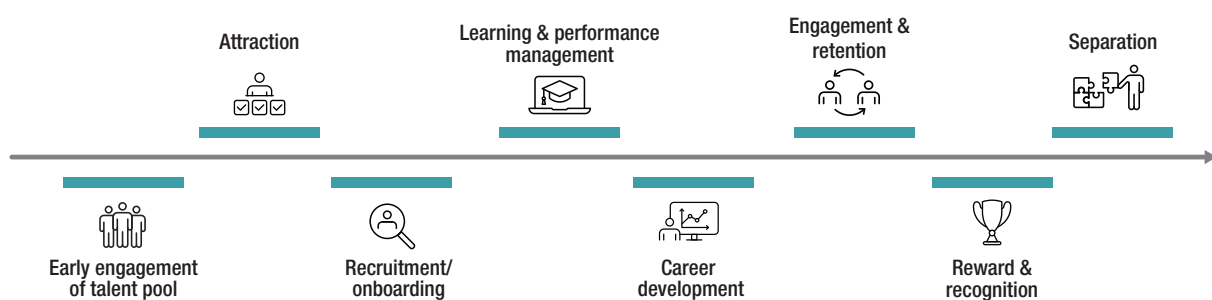


The strategic workforce plan or the workforce strategy represents the people component of the organisational strategic plan or strategy.

Similarly, an operational workforce plan is the workforce component of a team/ divisional or branch operational plan.

A workforce plan focuses workforce management interventions during the planning period, and informs the activities of the Human Resources/People team in relation to workforce interventions throughout the employee lifecycle: from the attraction approach, the recruitment plan, the approach to learning and development, diversity and inclusion, talent management, retention of critical skills, etc. Workforce planning, as an ongoing process of workforce alignment, reflects workforce management interventions throughout the entire employee lifecycle.

Figure 3: Employee Lifecycle



The workforce strategy, or strategic workforce plan (if it reflects granular and practical actions under the workforce strategy) guides all approaches related to how the organisation is structured, and includes how:

- Roles are designed for efficiency and effective use of capabilities and resources;
- Cultural change is managed;
- The organisation manages large scale business changes by transitioning its workforce in terms of size, types of employment, skills & capability mix etc.

The workforce plan should be created and updated in partnership with the business and any impacts to the business, for example changes to budget or regulations that impact the workforce, should be reflected accordingly within the workforce plan.

Integration of workforce planning into business planning processes ensures workforce planning is directly and immediately supporting future business deliverables and helps mitigate business risks. An integrated approach also assists in maturing workforce planning capability in an organisation, hence supporting improved workforce outcomes and alignment. Integration of workforce planning into business planning processes might not be readily available in some organisations. It is recommended that workforce planning practitioners seek ways to integrate the processes from the beginning, even if the business planning and workforce planning processes happen at different times.

Example:

Simple steps to demonstrate workforce planning alignment with business planning:

Reflect critical connection between workforce planning and business planning in organisation workforce planning framework.

Utilise existing business planning templates for workforce planning.

Holding workforce planning meetings following business planning meetings.

Workforce planning is an active and continuous process that must be responsive to external and internal change. It is not a one off event or linear process. Creating joint accountability with senior leaders will ensure workforce planning is part of the business planning review process and not forgotten. This can be done using soft accountability mechanisms such as identifying which leaders have accessed dashboards, governance meeting, and using KPI's to connecting workforce planning to business outcomes.

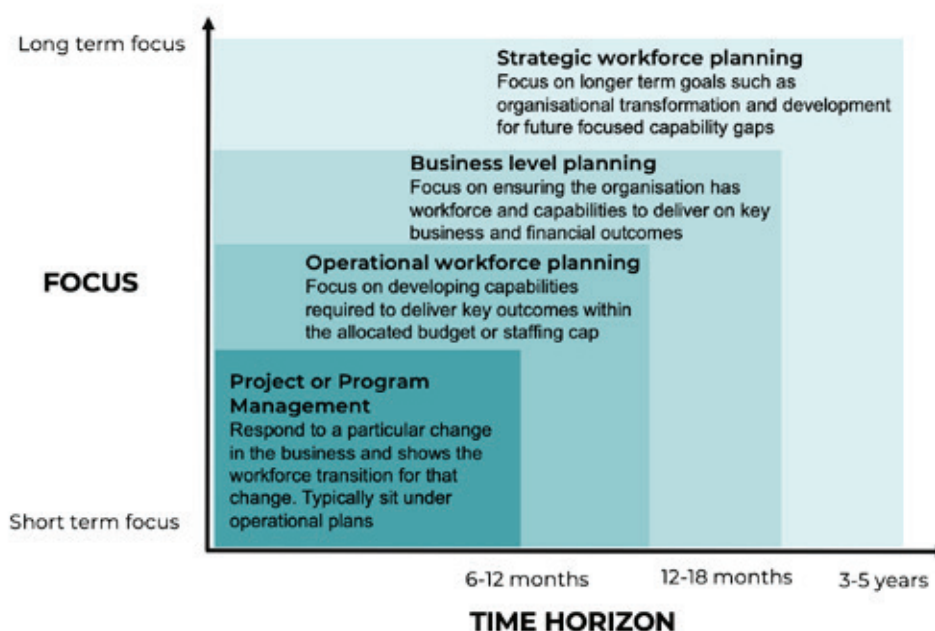
Organisations are encouraged to customise their approach to existing business planning and risk management processes, to maximise the efficacy of any workforce planning actions. To support workforce planners to better align workforce planning processes to business needs, an initial maturity assessment can provide insights on the current state of the workforce planning function within the organisation.

See Appendix 2 for an example of a maturity model to assist in assessing the organisation's workforce planning maturity. Dependent on the organisation, it may already have an existing maturity model to assist in an assessment. If not, some desktop research on other models that could assist in finding one that resonates with the organisation/senior leaders.

Types of workforce planning

Workforce planning in an APS environment typically takes one or more of the following forms:

Figure 4: Different types of workforce planning



Workforce planning is an ongoing process of aligning an organisation's workforce to its mission and strategic objectives. It shapes an organisation's future workforce, and sets a framework to transition the workforce from the current state to the future state. It is important to remember that any approach to workforce planning is only as valuable as the results it produces and the benefits it creates for the business.

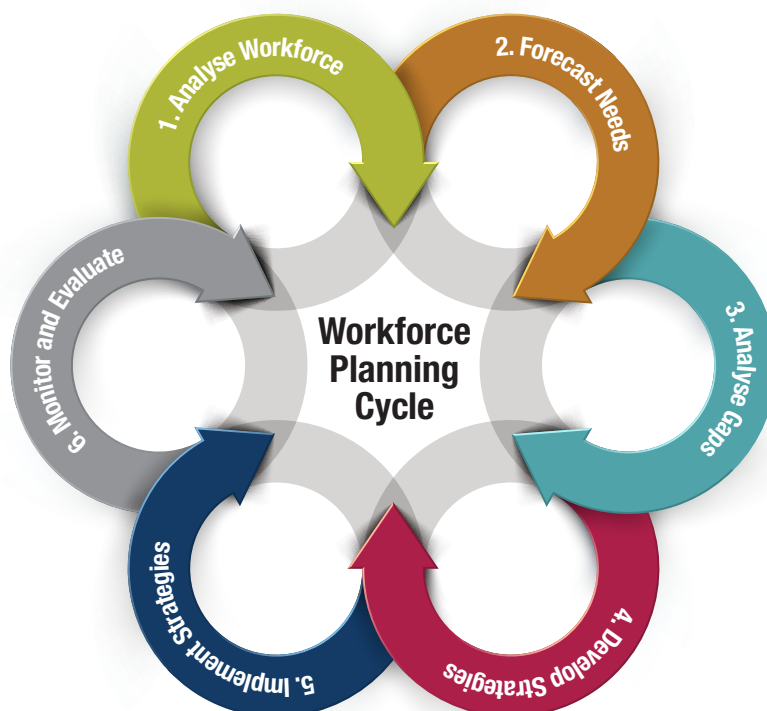
Similar to any business plan, all workforce plans should:

- Utilise available evidence and support evidence-based decision making.
- Include clear reference to who is responsible and accountable for delivering key initiatives.
- Establish reporting guidelines for determining how the effectiveness of workforce planning activities will be measured, reported on and communicated to the organisation.

Building and implementing workforce plans needs to be seamlessly incorporated into existing business processes. It is recommended that workforce planners, or HR team members with responsibility for workforce planning, integrate workforce planning exercises with existing business planning and risk management processes, using existing project management approaches, tools and templates in the organisation, and make use of corporate communications channels and messaging.

Workforce Planning Cycle

Figure 5: Workforce planning cycle



Roles and responsibilities

At its core, workforce planning is a business planning function. In a large number of APS agencies, this function is discharged through the Human Resources team, who support workforce planning exercises working in partnership with the business and corporate planning areas. To ensure the desired outcomes of the business strategy is achieved, Business leaders should be active partners in workforce planning.

Table 2 highlights typical roles and responsibilities of stakeholders throughout the workforce planning process. In reality, particularly in some smaller agencies, one person may conduct all responsibilities highlighted under People and Culture/Human Resources. In other agencies, there may be a clearer split between the workforce planning team (as a centre of expertise) and HR Business Partners or similar roles which work with the business to build and implement workforce plans.

Workforce plans can only come to life and deliver if the entire Human Resources team works together and the various functional HR areas take responsibility for enabling the planned workforce interventions relevant to their work.

Workforce planning cannot happen without an in-depth understanding of the business. This can be a challenge for workforce planners who are new to an organisation, or where workforce planning work is happening in isolation, and workforce planners are not enabled to reach out to different areas of the business.

To ensure workforce planning is not conducted in isolation of the business, it is recommended that workforce planning practitioners actively reach out to other business areas, such as Finance, ICT, Corporate Strategy & Planning, Risk Management or Communications and senior leaders to understand their functions and how their areas contribute to the business. This also provides an opportunity for workforce planning practitioners to use these insights from other areas to better understand the business and to identify any workforce risks or gaps to feed into the planning process. Further guidance on key questions to consider when working in a workforce planning role can be found in Appendix 3: Getting started with workforce planning.

Table 1: Roles and Responsibilities for workforce planning

Role	Responsibility
Executives	<p>Utilise insights from strategic workforce planning to anticipate and respond to future capacity, capability and workforce and service delivery structure requirements and challenges.</p> <p>Lead workforce planning and incorporate into the regular business planning cycle.</p>
Divisional/ Business unit/ Section Leaders	<p>Incorporate the business unit/ section workforce plan into budget planning for the business unit/ section.</p> <p>Are ambassadors and champions of the planned workforce initiatives across the business and within their own Business unit/ Section leaders.</p> <p>Ensure the reduction of workforce risks.</p>
Middle Managers/ Supervisors	<p>Lead the implementation of initiatives informed by the business unit / section plan.</p> <p>Act as ambassadors and champions of the planned workforce initiatives.</p>
People and Culture / Human Resources Team	<p>Enable workforce planning by providing frameworks and translating workforce data into insights and quantifiable workforce risks.</p> <p>Design appropriate responses to mitigate or reduce identified risks.</p> <p>Partner with Divisional leaders to design, develop and implement initiatives informed by the workforce plan.</p> <p>As a strategic partner, they also monitor the successful implementation of the workforce plan and report on the status of the initiatives / actions.</p>
Corporate Governance / Performance / Business Planning Team	<p>Support workforce planning by ensuring appropriate governance and reporting structures are in place.</p> <p>Work closely with workforce planners to ensure business planning documents and process accurately capture workforce risks.</p>
Program/Project Teams	<p>Work closely with workforce planners to reflect people and capability needs to support the project/program, not only during the project but also pre & post implementation.</p>
Finance	<p>Share relevant budget information with workforce planners to ensure accurate analysis and forecasting.</p>
ICT and Facilities	<p>Supply enabling technologies to support and enhance workforce planning.</p>
All staff	<p>Contribute information about the work they do, the skills, knowledge and capabilities required to do the job now and the impact of future developments as well as workload and structural challenges.</p> <p>Provide feedback in the design and implementation of initiatives stemming from workforce plans.</p>

Workforce planning integration with HR/people team

More often than not, workforce planning is also done in isolation from the rest of the HR function. One of the challenges workforce planners face is working collaboratively within the HR function to ensure workforce planning informs workforce management interventions, and hence is a foundation directing the work of the HR team. This alignment could come through establishing clear communication processes. The workforce plan should also drive the HR business plan, where interventions from the workforce plan need to be included in the HR business plan.

Example

Integrating workforce planning outcomes to the HR function/ business plan.

Recruitment/Talent acquisition

Skills and capability gaps are identified as part of the workforce planning process. Insights from this should be provided to the Recruitment team so they are aware of future workforce skill gaps identified through the workforce plan.

This will ensure they are able to assist in sourcing future skills in the relevant business area.

Learning & development

Utilising the workforce plan can provide evidence in building the learning and development program and will ensure there is no duplication of effort within the HR function. Insights from workforce planning can identify future capability needs. The resulting learning and development plan will be focused on building the identified current and future capabilities for the organisation and the desired learning culture to support the future direction of the organisation. The workforce planning insights supports the development of this plan.

Tips for engaging stakeholders

- Ensure stakeholders understand what workforce planning is, what the benefits of workforce planning are, and what the keys and obstacles to successful workforce planning are.
- Use a process that 'fits' the organisation's requirements and circumstances.
- Seek a senior manager to be a champion/responsible for workforce planning.
- Gain a strong knowledge and understanding of the current strategic and operational needs of the organisation.
- Include ongoing consultation, communication and expectations management processes with key stakeholders and employees.



Getting Started

Before initiating the development of a workforce plan or a workforce strategy, workforce planning practitioners should consider undertaking the following preliminary steps:

- Familiarise themselves with the organisation's Corporate Plan and business strategies, and outlined organisational objectives and deliverables, to be able to understand the business environment and assess, at the highest level, the workforce implications of those plans
- Conduct a maturity assessment for workforce planning within the organisation
- Create a project and communication plan for implementation utilising existing tools and templates in the organisation
- Identify and engage with key stakeholders to commence workforce planning
- Familiarise themselves with risk management frameworks/ strategies, and the workforce related risks identified in the organisation's strategic and operational risk registers
- Gather internal and external data to understand and forecast workforce risks.

For further information on getting started with workforce planning, refer to Appendix 3: Getting started with workforce planning. Refer to Chapter 2-5 for more details on building the plan.

CHAPTER TWO:**Analysing the Workforce****Environmental Scan**

The process of understanding an organisations external and internal factors which impact its business is called an environment scan.

Conducting an internal scan

Knowing the strategic and business objectives of the organisation and how they will impact the workforce is the first early step in the workforce planning process.

A workforce plan or a workforce strategy that does not respond to the strategic goals and needs of the organisation will not gain the support it needs from senior leaders to be approved and successfully implemented.

The business plans, together with information from your executive, will provide you with information on future priorities and work requirements.

Questions to consider when reviewing your documents include:

- What is your organisation required to deliver in terms of outcomes, outputs, and services?
- Are you delivering all these outcomes, outputs, and services on time and within budget?
- What are the capabilities required to deliver all these outcomes, outputs, and services?

The organisation's strategic, business/corporate plan and project plans are the best source for this information. Prior to any workforce planning activity, relevant stakeholders need to engage (or re-engage) with these plans to ensure workforce planning is aligned to the strategic direction and it delivers the workforce needed by the organisation. Workforce planners should also engage the Executive team and other senior leaders, either individually or as a group, to gain a better understanding of the business strategy and objectives, and of the key workforce priorities for these stakeholders.

A clear understanding and review of the corporate and business strategies will help shape the desired future state. Developing a workforce plan which supports the organisation's strategic direction and key goals increases ease of implementation and facilitates advocacy from key stakeholders.

When conducting the review of the business and corporate strategies, workforce planners must assess how these strategies will impact the workforce, to be able to facilitate a workforce planning discussion with their senior leaders.

The resulting workforce plan or workforce strategy must link to the business by highlighting how the planned workforce interventions will support the business to reach its planned future state.

Example

If the organisation is preparing for the implementation of a new digital platform that would make 20 per cent of tasks redundant in certain roles, thus saving 40 per cent of time for the individuals performing those roles, a workforce plan outlining the workforce and transition considerations of that project should be prepared and implemented in conjunction with the project.

In the above example, the initiatives will be prepared in partnership with the business line and the Program/ Project Management team, during the project planning activity.

Analysis of current workforce data can help inform and empowers effective workforce planning by helping the organisation understand:

- **Who the people are:** providing a clear picture of the current state of an organisation's workforce.
- **What needs to be delivered:** using demand analysis to understand the people, roles, skills and capabilities the organisation needs to achieve critical organisational outcomes.
- **What does the organisation have the potential to deliver:** using supply analysis to develop insight into the current and future capability of the existing workforce.
- **Workforce planning effectiveness:** helping to quantify whether previous or existing capability building strategies have been successfully implemented – are vacancies of critical positions being filled? Why, why not?
- **Workforce risk:** are there internal or external risks that impact the workforce?

Most of the workforce data collected by an organisation is only representative of a particular moment in time. Comparing key results over time and benchmarking against peer organisations in the APS, across Australia and globally can provide powerful additional insight.

Within the APS, the annual APS Employee Census is a rich source of information that can assist in workforce planning and benchmarking across the sector. Data within the census can assist in providing insights for capability, culture and even demographic information if the organisation does not hold clean data within its internal systems.

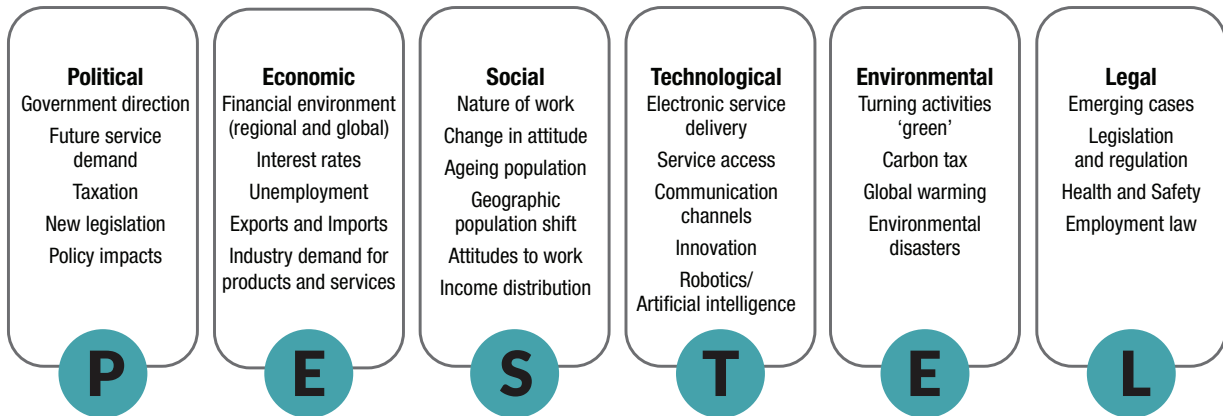
Conducting an external scan

For the purpose of workforce planning, environmental scanning assesses the workforce impact of identified drivers of change for the business.

A simple environmental scan can be conducting a PESTEL (Political, Economic, Social, Technological, Environmental and Legal) or SWOT analysis (strength, weakness, opportunities, threat) for the organisation. In many organisations, a PESTEL or SWOT analysis would have been conducted as part of standard strategic planning processes. It is recommended that workforce planners utilise these existing analyses to assess the workforce implications as part of environmental scanning for workforce planning purposes.

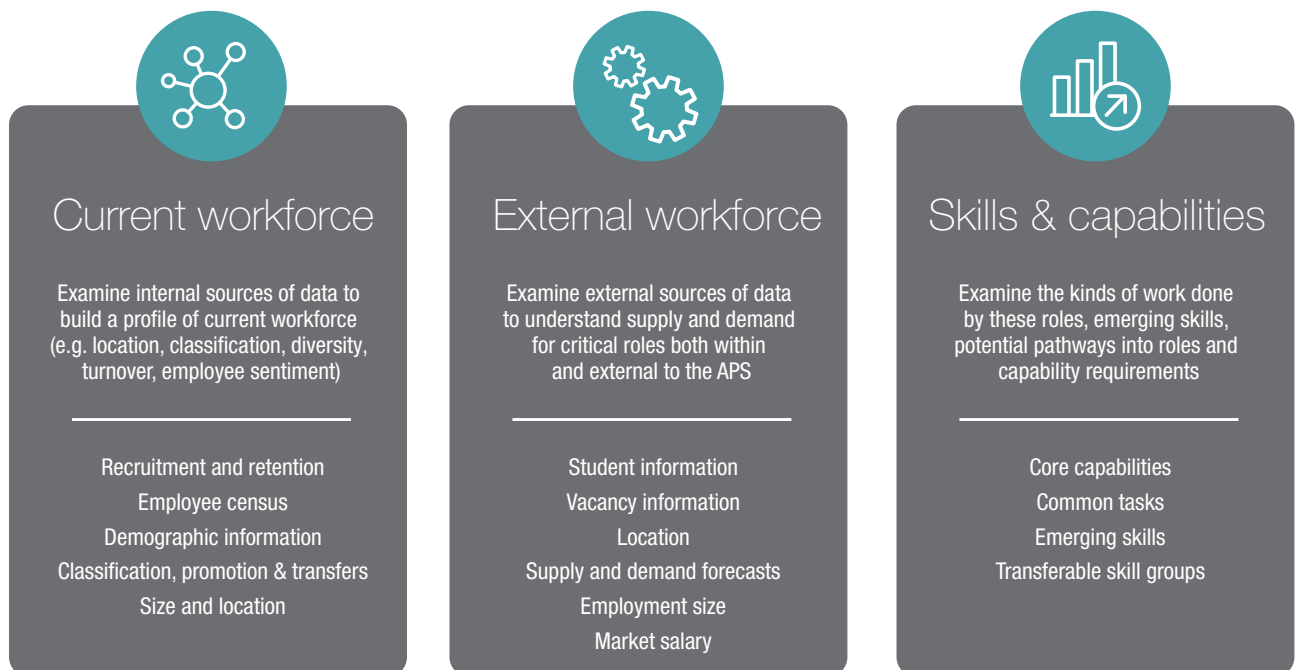
Workforce planners can also consider the use of publicly available documents such as the Global Megatrends Report produced by the Commonwealth Scientific and Industrial Research Organisation or thought leadership pieces by the Organisation for Economic Co-operation and Development (OECD). These documents support strategic foresight and external environmental scanning.

Figure 6: PESTEL with workforce planning consideration examples



APS Workforce Planners have many resources at their fingertips to assess the current state. These resources are captured on the APS Workforce Planning Hub, and summarised below in figure 4.

Figure 7: Example sources of data to support environmental scanning



An effective environmental scan empowers organisations with impactful information about the following factors, to be linked with business objectives:

- Labour market trends such as the availability and location of key roles, skills and capabilities.
- Labour market demographics generation, gender and the representation of people from culturally and linguistically diverse backgrounds.
- Knowledge of educational institutions or comparable organisations that will be sources of key capabilities or pipeline for talent.
- Social or policy changes that could impact service delivery.
- Enabling technologies to support remote and hybrid work.
- Economic and political trends that may impact the workforce.
- Legislation and regulatory changes and impacts, such as changes to applicable workforce management instruments in the APS.
- Environmental trends impacting public sector workforces, such as those captured in the PESTEL.

Environmental scan outputs must be discussed and refined with senior leaders during planning sessions to assist in setting the scene. The inputs from environmental scanning typically contribute to business scenarios, demand and supply analysis.

Workforce metrics

Understanding the roles, skills, capability and capacity of the organisation’s current workforce is critical to workforce planning success. The most effective way to do this is analysing workforce data. Larger organisation’s may have dedicated Workforce Reporting and Analysis or Analytics teams who are able to assist or have the systems and knowledge to access the data. In smaller sized organisation’s, the Workforce Reporting and Analysis function may be combined with the Workforce Planning.

Workforce analysis is fundamental to workforce planning and assists in providing the link between workforce data, insights and the organisation strategy. Workforce analysis enables businesses to make evidence-based decisions about the composition and skills of the workforce and employee performance. Having an established workforce analysis foundation within the organisation will assist in operational and strategic workforce planning and provide senior leaders with better visibility to workforce data and workforce risks.

Workforce data can be quantitative and qualitative.

Table 2: Quantitative and Qualitative data³

Data Type	Definition	Example data sets
Quantitative	measures of values or counts and are expressed as numbers.	Headcount Position/Establishment Turnover Recruitment time to fill
Qualitative	measures of ‘types’ and may be represented by a name, symbol, or a number code to describe the data.	Staff opinion/census survey Feedback/Evaluation survey Capability review Focus group

While item-level data may be accessed for the purpose of workforce planning analysis, it is strongly recommended that only de-identified and anonymised data be analysed, to support answering organisational questions as part of workforce planning exercises. Access to workforce datasets by workforce planning and analysis practitioners should comply with all relevant policies, frameworks and guidelines in the organisation.

One of the key data sources for internal labour supply and demand within an organisation is the establishment (position) data. The establishment should usually outline the budgeted and unbudgeted positions within the organisation. Establishments are typically maintained by the HR data custodians in partnership with Finance to determine which positions are budgeted and unbudgeted. Having a clean position establishment, aligned with the staffing budget requires regular maintenance particularly if the data is held by different systems and teams. A clean establishment provides a clear and solid basis for workforce planning, showing what positions are currently budgeted/unbudgeted and vacant. For more information on establishment, refer to Appendix 4: Establishment Management.

The APSC's [State of the Service Reports](#), [APSED data release and statistical bulletins](#) and [APS Census](#) results can also be useful reports when conducting benchmarking exercises and are an excellent source of insight on the current state of the APS.

Workforce segmentation

Workforce planning enables you to identify current and potential future gaps in the workforce and devise strategies to address them. Workforce segmentation enables you to be more specific in identifying workforce gaps and, as a result, better target strategies to address them.

Workforce segmentation is the practice of grouping an organisation's workforce by one or more characteristics for the purpose of generating insights into its actual and required workforce.

Workforce segmentation can support labour market analysis and environmental scanning informing effective capability building, recruitment and retention strategies. It allows organisations to connect their workforce requirements with the whole of APS and of the broader Australian economy through the use of tools such as the [APS Job Family Framework](#) or the more general Australia and New Zealand Standard Classification of Occupations (ANZSCO) hierarchy.

When done effectively, workforce segmentation generates insight into:

- The capability, profile and demography of the current workforce
- The capability, profile and demography of the workforce required to achieve the organisation's desired future state
- The availability of critical capabilities and skills in the labour market.

Effective workforce segmentation enables a more detailed and targeted approach to workforce planning.

An organisation’s workforce can be segmented by a variety of characteristics for the purpose of analysis and insight generation, including:

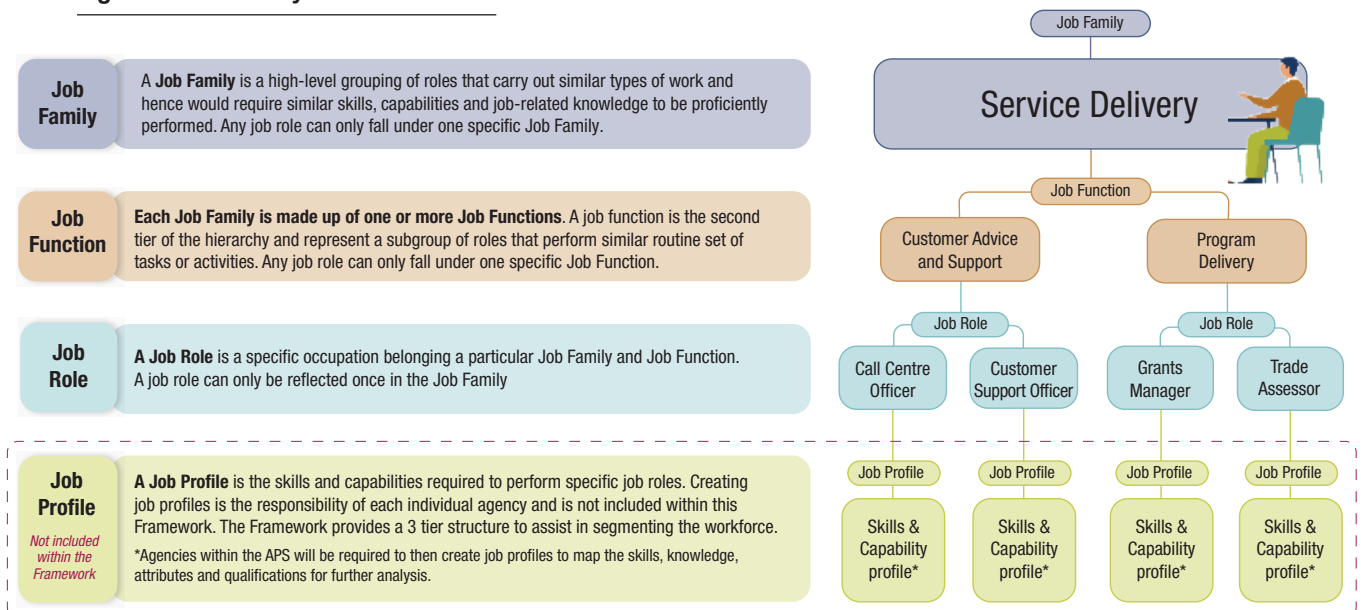
- Demographic such as age or generation, gender, cultural or linguistic background
- Geography
- Classification level or remuneration brackets
- Tenure, time at level and time in role
- Job Family, function or role as outlined in the APS Job Family Framework
- Qualifications, certifications and training
- Skills and capabilities
- Criticality of jobs/roles
- Attrition or succession risks in various roles

APS Job Family Framework

The APS Job Family Framework (the Framework) is the APS occupational segmentation tool used for workforce planning. It is designed to reflect the specific work of the APS for the purposes of collecting, analysing and comparing information on the type of work performed across the APS. The framework outlines occupational groupings as a way of defining and grouping jobs that require the performance of similar or identical sets of tasks.

The Framework can be used to assist in undertaking benchmarking, environmental scanning and labour market analysis. As such, it enables agencies to gain a deeper understanding of their workforce. Through its linkages to Australian labour market segmentation through the Australia New Zealand Standard Classification of Occupations (ANZSCO), the Framework also facilitates comparative analysis between work completed in the APS and the broader Australian economy.

Figure 8: Job Family Framework tiers



Workforce segmentation provides a structure for classifying roles based on the type of work performed. The APS Job Family Framework provides a 3 tier structure to assist in segmenting the workforce. Agencies within the APS will be required to then create job profiles to map the skills, knowledge, attributes and qualifications for further analysis.

The analysis of skill and capability profiles (job/role profile) created by agencies can provide insights into:

- Skill gaps, where current employees do not possess all the skills required in roles, due to, for example, recruitment processes that are not aligned to business needs, or recruitment decisions being made based on urgency to fill a role as opposed to finding the best person for that role
- Oversupply of certain skillsets in the organisation, where the skills the employees collectively possess are higher than what the organisation needs
- Underutilised critical or emerging skillsets, where employees possess those critical or emerging skillsets but they are currently performing roles where they do not need to apply those skillsets
- Current unmet labour demand in the organisation for unbudgeted roles, and assists in risk assessment for business delivery (for example, if the unbudgeted role happens to also be a critical role for the organisation).

The business rules used to segment the workforce must be applied consistently across all teams and business units or groups across the organisation, to ensure reliability of insights resulting from analysis. Regular review of the job family mapping should occur at least once a year to ensure it is still fit for purpose. This can assist mapping to reflect the reality of roles performed, ensuring the link to business strategy, and link in with the broader APS labour market. When reviewing the roles, ensure to also validate thinking of the mapping with the relevant business areas to ensure alignment of the segmentation of the roles and business direction.

More information about the [APS Job Family Framework](#) is available on the APSC website, or within the [APS Workforce Planning Community of Practice](#).

Identifying critical functions and roles

Identifying critical functions and roles is a key part of workforce planning which assists in mitigating workforce risks. Interventions for critical roles will primarily be focused on mitigating workforce continuity (operational and strategic) risks in critical functions, succession planning or attrition risk mitigation for critical roles. It is important to note that this is an assessment of the criticality of a role and NOT an individual. Identifying critical individuals and strategies to retain them should form part of an organisations staff retention and talent management strategy and is not in the scope of this Guide.

Identification of critical roles can also assist in determining which capabilities would be required to assist in any gaps. Mitigation strategies can be based on buying, borrowing or building the capability rapidly to address any gaps. Depending on resources and timing, non-critical functions should also be considered as part of the workforce planning process.

Critical roles can be defined as having the following attributes:

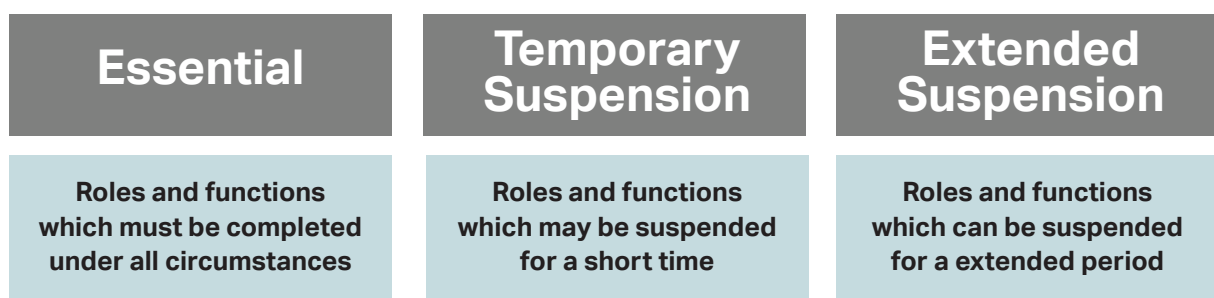
- Capabilities are highly specialist in nature, requiring qualifications and/or extensive role experience. Capabilities may also be emerging on the broader labour market domestically or globally.
- Adverse impact to organisation or business outcomes if role is left vacant.
- Difficult to source successors from the APS or external market.
- Extensive training period (in excess of 12 months) is required for successors to perform. May require additional qualifications or certifications to be attained
- Negative business impacts to revenue or business outcomes likely to occur if employee leaves.
- Poor knowledge management practices in the team or the organisation.
- Role cannot effectively be redesigned or redistributed.

Another way to assist in identifying critical roles would be to ask each business section to identify roles that had:

- Functions that were directly linked to business priorities in their section.
- Functions that were directly linked to mission-critical services in that section.
- Relationships with contractors and customers that the company needed to adhere to as long as possible.
- Functions related to potential "surge" activities, which might be created or increase in number or intensity if a crisis occurred.

The business leader would then place each role into one of three categories:

Figure 9: Example critical role categories



Identification of critical roles is a key component to workforce planning and any risks associated with critical roles should be identified during workforce planning.

Questions to ask when engaging with the business:

STRATEGIC DIRECTION & DELIVERY

- Do the critical functions/roles support the overall future direction of the organisation?
- Based on the current environment what are the impacts on service delivery over the next 6–12 months, 12–18 months, 3–5 years?
- How many staff would support critical functions?
- How would the workforce transition support critical functions? What do you see as the key requirements to enable this transition?

CAPABILITY

- What are the key capabilities required to maintain critical functions over the next 6–12 months, 12–18 months, 3–5 years?
- Are there any critical functions identified that are difficult to fill within the current environment?
- Where there are capability gaps in delivering essential services, how will the organisation build key capabilities over the next 6–12 months, 12–18 months, 3–5 years?

CAPACITY

- What is the essential level of corporate service needed to supply reduced services?
- What resources are needed for priority/critical functions/workforce segments?
- Does the capacity forecast take into account flexible workplace practises (including ensuring staff wellbeing, potential absences due to illness and carers responsibilities?)
- Are there any budgetary constraints that could potentially impact the current capacity?



CHAPTER THREE:

Forecasting workforce needs



Workforce demand

Workforce demand quantifies the amount and types of positions required by an organisation to meet its legislative or operational obligations and deliver key results. Consulting managers/senior leaders will provide workforce planners with a good understanding of current demand, but a wider environmental scan combined with business consultation will be required to forecast future demand.

Key questions to consider as part of analysing current workforce demand:

- What is the organisation required to deliver in terms of outcomes, outputs and services?
- Is the organisation delivering all of these outcomes, outputs and services on time and within budget?
- If not, is this because of lack of specific capabilities? What are these capabilities? What is the funded full-time equivalent? Is it sufficient?
- Over the planning period, where will the organisation need to invest more? Where will it need to invest less in terms of number of positions?

A current demand analysis forms a baseline to help understand how demand might need to change to meet the future business direction of the organisation over the forecast period.

Below are some recommended questions to seek clarification on potential changes to workforce demand:

- What are the potential budget constraints to obtaining this?
- Can this additional workforce demand be reduced by changing the workplace infrastructure (e.g. business processes or IT support systems)?
- Can this additional workforce demand be reduced by changing the workplace structure?
- Are there functions that should be discontinued, or new functions that should be created?
- Are current jobs correctly designed, and employee skillsets aligned to what the roles need to deliver?
- What new skillsets and/or job roles are important to achieve business success?
- What skills deficits are evident today?
- If there was an opportunity to set up this business area from scratch, how should it be structured? How many employees, in what job roles, at what levels, in which locations, and with what capabilities would be required? (zero-based demand planning)

A demand analysis should be based on business needs in identified scenarios. Due to the inevitable uncertainties in forecasting future demand, workforce planning at this stage often begins with scenario planning. Refer to the [Scenario Planning](#) section for more information on this process.

Workforce supply

As with demand, workforce supply is analysed in terms of both its internal and external components. Internal supply refers to the actual workforce currently within the organisation (in terms of both capacity and capability). The supply analysis should also link back to the business needs based on the likely scenarios created during scenario planning.

There are three key components to analysing internal workforce supply:

- Reviewing available workforce data to provide key workforce information to support workforce planning.
- Conducting a skills and capabilities audit (and incorporating this into the workforce profile).
- Analysing trends within current workforce demographics.

External supply refers to the external availability of skills and capabilities the organisation needs. Although this information will not directly form part of workforce supply gap analysis, it is important to be aware of the skills and capabilities that are in short supply on the external labour market (the APS, public sector or the broader Australian labour markets), to help assess the criticality of current workforce gaps and identify risk mitigation strategies to close these gaps.

To understand the current availability of skills and capabilities the organisation needs, workforce planners need to consult with the Recruitment team, hiring managers or subject matter experts in their organisation. They will have good knowledge about how easy or hard it is to attract and hire good quality applicants for particular roles, how many applications they get for different positions on average, and whether particular skills and capabilities are harder to obtain than others.

Key questions to consider as part of supply analysis include:

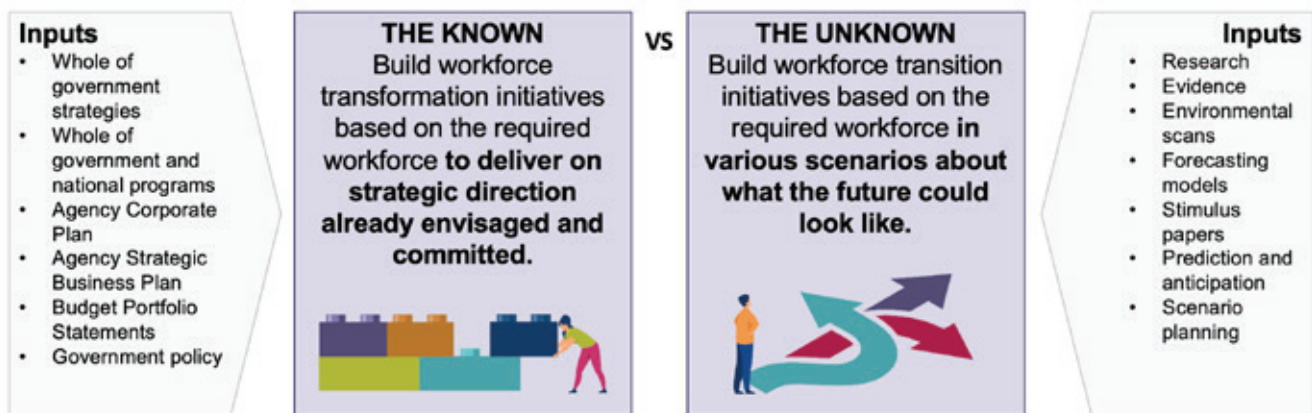
- What is the current availability of skills and capabilities?
- Where are the skills and capabilities currently sourced?
- What is the ratio of good quality applications to each position advertised?
- Are there particular skills and capabilities that are harder to obtain than others?
- What is the average time to recruit? Does this vary between job families? What leads to the variation?
- How much bargaining power do potential employees have compared to employers?



Scenario planning

Scenario planning is a futuring technique involving the creation of one or more possible futures for the organisation, and **is based on assumptions made about how the business would evolve, or what risks it might be faced with**. Alternative futures, or “what if” scenarios, are particularly useful for the public sector where policy directions are subject to change and changes to government can significantly impact the organisation, its goals and its workforce. Typically workforce planners are working with the known and the unknown. Scenario planning can typically support the various unknowns. The use of scenario planning when planning for the unknown can provide planned transitions if those scenarios eventuate. The use of foresight and futuring techniques can support working in the unknown.

Figure 10: Working in the known and unknown



For the purpose of workforce planning, existing business scenarios will often form the basis for workforce plans. Scenarios can be created by workforce planners or strategists **only if there are no business scenarios available**. They need to be developed in collaboration with business leaders, to ensure a whole of organisation perspective and to foster engagement and collaboration as part of organisational workforce planning.

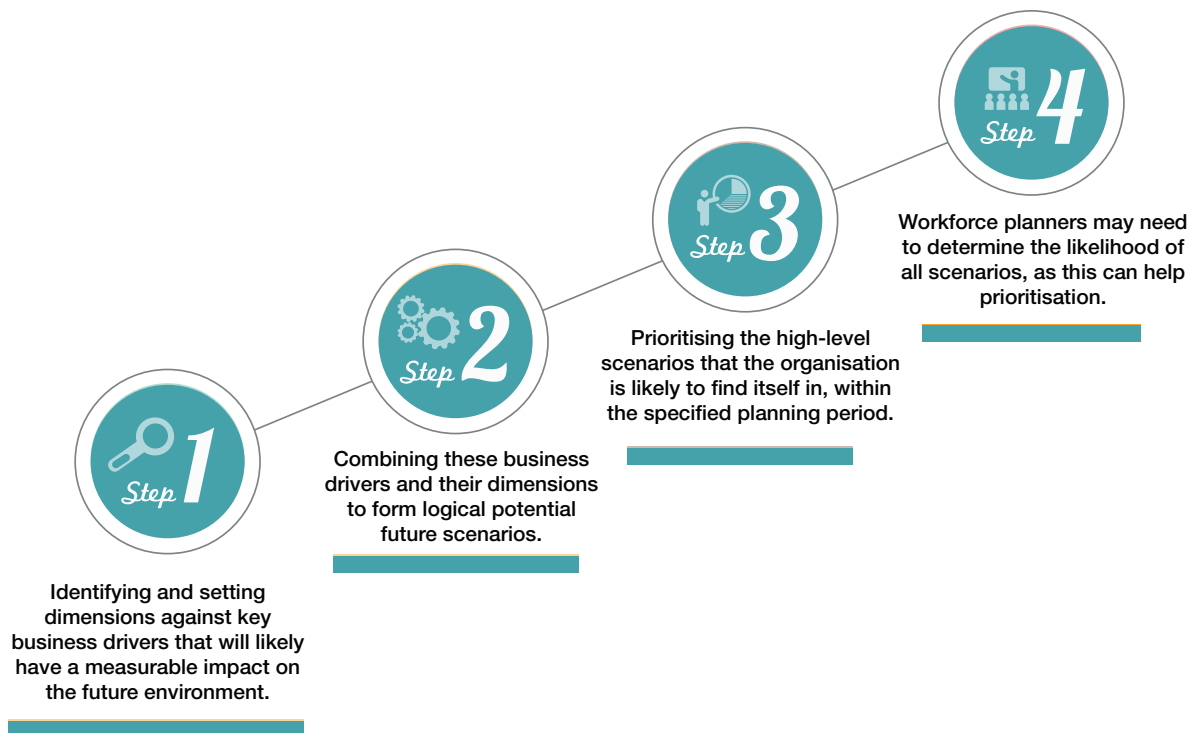
Nominated workforce segments can also assist in scenario planning to provide their subject matter expertise to particular scenarios.

Some benefits of scenario planning are:

- Breaks the rules of the business, as you are exploring the future, and don't need to be encumbered by what already exists.
- Reduces risks by exploring, and considering multiple futures, broadening thinking, and developing agility to deal with options.
- Scenarios help by legitimising a dialogue, challenging conventional wisdom, initiating widespread discussion, and creating the possibility of genuine transformation.
- Makes forces visible, so that if they do happen, there can be a degree of preparedness
- Provides a fresh perspective, and a new language and framework that can be used to encourage dialogue and strategic thinking on the challenges and opportunities faced.

The basic steps of scenario planning include:

Figure 11: Typical steps to scenario plan



The workforce scenarios developed through this process should be ranked based on factors such as likelihood, impact and risk to determine which scenarios will be incorporated into the workforce plan. This results in a minimum of two scenarios being used: the most likely scenario and the ideal desired future state. Organisations may decide to workforce plan for a larger number of business scenarios, in particular in a volatile and uncertain environment.

Scenarios are based on assumptions about how the business could evolve, or what risks it might be faced with. [Demand](#) and [supply](#) analysis should be done to support the likely business scenarios.

If there are no business scenarios available, workforce scenarios should include any questions relevant to the organisation based on engagement with the Executive, senior leaders and other key stakeholders.

Questions to consider as part of scenario planning include:

- What could happen
- What might happen
- What is likely to happen
- What the organisation would like to happen.

CHAPTER FOUR:

Analysing workforce gaps



Gap analysis

This section brings together outputs from the workforce analysis (environmental scanning and forecasting workforce needs), and is key to informing workforce strategies. It aims to:

- Identify the gap between current supply and current demand and future supply and future demand over the full planning period.
- Identify the key time points that skills and capabilities are required and in what numbers.
- Assess the likelihood and magnitude of the impact of each gap, to grasp their criticality (risk analysis).

Combining supply and demand analysis with future forecasts created through scenario analysis and planning allows an organisation to identify shortfalls in staffing and capability.

This process is referred to as a gap analysis. In simple terms a gap analysis highlights the difference between the organisation's current workforce and the workforce it needs.

The variance between supply and demand is also known as a net staffing position or staffing delta. It is recommended that workforce planners utilise language and concepts their organisation uses when referring to a variance or difference between current and future states.

There are a number of purpose built workforce planning tools available for calculating and managing staffing gaps but the calculations are just as easily tracked using a spreadsheet. A gap analysis can also be conducted to determine future capability, changes to structure and workforce risks.

A gap analysis can assist to anticipate staff movements over time including attrition, recruitment, promotion, mobility and redeployment. Key inputs and calculated figures should be based on the organisation's own data or information derived from benchmarking with other comparable organisations in Australia and globally.

Gap analyses should ideally be completed for all the scenarios identified through the scenario planning exercise in the previous chapter.

Identifying and managing workforce risks

Workforce risks arise where there is a gap between the organisation’s existing workforce and the workforce required to deliver its objectives. Workforce plans should always assess an organisation’s workforce risk profile taking into consideration common risks such as:

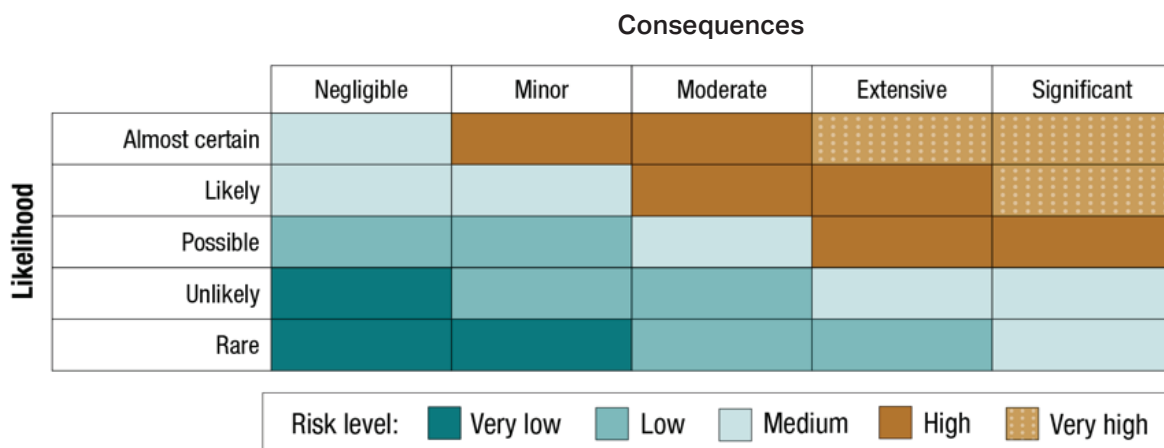
- Critical skills shortages.
- An inability to ramp up staff levels or increase productivity to respond to demand above and beyond forecast levels.
- A significant increase or reduction in the number of staff required in a particular role, function, group or organisation creating a significant staffing deficit or surplus.
- Higher than forecast attrition regardless of the cause.
- A disruption of normal operations as a result of the loss of critical systems, tools or assets.
- A major change in nature of the work completed by a role, function, group or organisation.

The information gathered in previous sections supports and shapes the organisation’s workforce risk profile. Key stakeholders and representatives from across the organisation should be invited to review the risk profile to make sure it is comprehensive and complete.

All identified workforce risks will need to be assessed to determine their criticality. Most APS organisations will have an existing risk management matrix that can be adapted for workforce planning. Typically two factors must be considered when calculating a risk’s criticality.

- What is the likelihood of the event occurring?
- What is the consequence of the event occurring?

Figure 12: Example Risk Matrix



When conducting workforce planning, it is recommended to utilise an *existing* risk matrix already in use within the organisation. If an organisation-specific risk management framework is not available, refer to the [Commonwealth Risk Management Policy](#).

Most risk management frameworks assign the likelihood and consequence factors a score. These two numbers are multiplied together to determine an *unmitigated/raw/pre-controls* risk score. The higher the number the more significant the risk. Once risks have been identified, the next steps is to identify strategies to reduce or mitigate the risks as part of implementing the workforce plan or workforce strategy.

Depending on the number of risks identified, and an organisation's own risk appetite, the organisation may only look at risks that are rated medium or above. Mitigation strategies may already exist in the organisation while others may require separate initiatives to develop them. Mitigation strategies should result in either a reduced likelihood of a risk occurring or a reduction in the assessed consequence if the event does occur.

Common mitigation strategies could include process changes, training or agreement to recruit flexible contingent workers during peak periods of activity. Where skills are not readily available in the labour market, in particular for emerging skills, reskilling existing employees can be an effective and efficient alternative to accessing skills from the labour market.

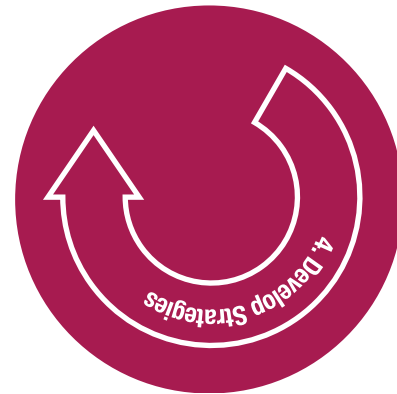
Some mitigation strategies may take longer to deliver benefits than the current planning period and may need to be transferred or continued to be worked on in further planning periods (i.e. strategies which result on cultural change may be reflected in the workforce plan or workforce strategy for 2-3 planning periods).

Any approach to risk management should not be developed in isolation. Stakeholders impacted or associated with the risks should be communicated to and engaged with proposed mitigation strategies as part of implementation.

The risks should also be reviewed as part of the implementation monitoring and reporting process, to determine if the risks have changed over the course of the reporting period. Where new, significant strategic or operational workforce risks have been identified through the workforce planning exercise, it is recommended that these risks, and the identified controls, be reflected in the organisation's strategic and/or operational risk registers (as applicable), for focused monitoring as part of whole of organisation risk processes.

CHAPTER FIVE:

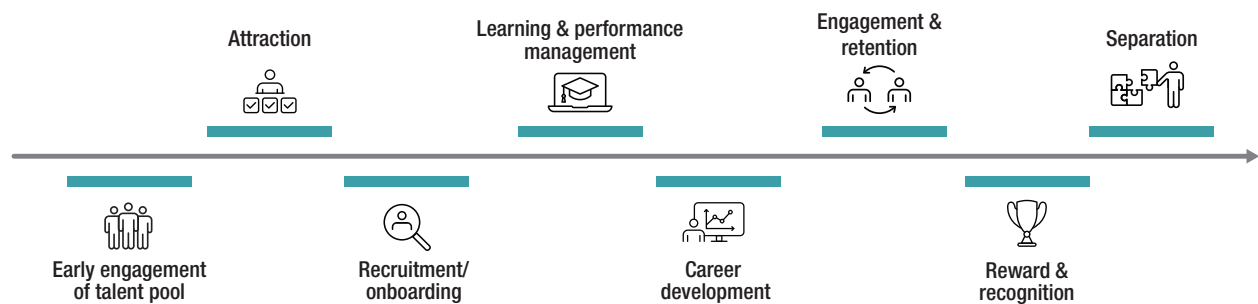
Developing workforce strategies



Co-Design of workforce strategies

Workforce planning, as an ongoing process of workforce alignment, reflects workforce management interventions throughout the entire employee lifecycle.

Figure 13: Employee Lifecycle



This chapter provides a framework to develop strategies and initiatives to close identified gaps and risks identified in the workforce analysis (which includes scenario planning) articulated in the previous chapters. Consider working collaboratively with business leaders and other relevant stakeholders of the organisation to co-design strategies towards the organisation’s preferred or planned future. Stakeholders are considered experts and can contribute to the identification design of workforce planning initiatives. Involving them generates buy-in and ownership, contributing to the overall success. This will be crucial to support implementation and action planning for the workforce plan.

When co-designing strategies for your organisation, consider relevant initiatives across the employee lifecycle to support closing or mitigating identified workforce risks and strategies to support moving towards the future state of the organisation.

Refer to any whole of government strategies (such as relevant Diversity & Inclusion strategies of whole of government workforce strategies) for initiatives to consider where relevant to closing relevant gaps or workforce risks articulated in the workforce analysis.

Relevant HR teams should be included in the co-design and development of workforce planning and implementation plans. This will ensure they understand the outcomes and have visibility to work with relevant areas to close workforce gaps and decrease risks. This will also reduce the number of times HR teams consult with the business on the same matter.

Mitigation of workforce risks

Depending on the number of risks identified, and an organisation's own risk appetite, the organisation may only look at addressing risks that are rated medium or above. Mitigation strategies may already exist in the organisation while others may require separate initiatives to develop them. Mitigation strategies should result in either a reduced likelihood of a risk occurring or a reduction in the assessed consequence if the event does occur. Business leaders and relevant stakeholders (such as Finance, ICT or other enabling functions) should be involved in the co-design of these strategies.

Common mitigation strategies could include:

- Organisational development initiatives and programs (e.g. leadership, culture and/or wellbeing)
- Process changes.
- Revising design of roles/ways of working.
- Training, upskilling or reskilling.
- Recruit temporary, secondments or flexible contingent workers during peak periods of activity.
- Consideration of partnerships with industry, academia, VET and other agencies.
- Location / geographic spread considerations.
- Hybrid working.

Where skills are not readily available in the labour market, in particular for emerging skills, reskilling existing employees can be an effective and efficient alternative to accessing skills from the labour market. Reskilling employees can also be an effective method to shift workers from roles which may not be required in the future into roles with emerging skills, thereby mitigating workforce risks and providing continued employment and career development for employees.

Some mitigation strategies may take longer to deliver benefits than the current planning period and may need to be transferred or continued to be worked on in further planning periods (i.e. strategies which result on cultural change may be reflected in the workforce plan or workforce strategy for 2-3 planning periods).

Any approach to risk management should not be developed in isolation. Business leaders and relevant stakeholders should be involved in the risk assessment. Additional stakeholders identified during the process that are impacted or associated with the risks should be communicated to and engaged with proposed mitigation strategies as part of implementation.

The risks should also be reviewed with business leaders as part of the implementation monitoring and reporting process, to determine if the risks have changed over the course of the reporting period. Where new, significant strategic or operational workforce risks have been identified through the workforce planning exercise, it is recommended that these risks, and the identified controls, be reflected in the organisation's strategic and/or operational risk registers (as applicable), for focused monitoring as part of whole of organisation risk processes.

CHAPTER SIX:

Implementing workforce strategies



The work completed in previous chapters should now form the basis of a draft Workforce Plan, or a Workforce Strategy, depending on the planning period and the level of detail committed in the document.

The workforce plan should be more than a collection of good ideas and recommended actions in isolation. The workforce plan should demonstrate how the planned actions integrate to mitigate identified workforce risks and close forecast workforce gaps.

A good workforce plan should answer the questions as outlined in the [APS Workforce Planning checklist](#).

It is important to consider an organisation's capacity for change when designing workforce planning actions and the time available to implement them. Sometimes big and bold change may be necessary and appropriate, and it requires significant planning and change management to transition the organisation to its future state.

In other instances small incremental actions building iteratively on past success may be the best way to advance strategic workforce planning. This is particularly relevant when considering longer term and strategic workforce planning actions due to the inherent challenge of maintaining progress on and support for things which play out over the course of several years, in particular in a volatile and uncertain external environment.

All the relevant key stakeholder groups identified as part of workforce planning should be consulted and informed when creating the workforce plan. Broad engagement also promotes understanding of and advocacy for strategic workforce planning across the organisation and ensures the actions included in the workforce plan complement other plans and programs of work across the organisation.

Figure 14: Components of workforce planning implementation



The actions which make up a workforce plan should all have clear parameters outlining what is going to be delivered, when that will happen, who will be accountable for the actions and how to report on progress of the actions. Therefore, it is recommended that Workforce Plans be accompanied by, or include an implementation plan. This plan may take the form of a high level implementation roadmap for a strategic workforce plan/workforce strategy. In the implementation plan accountability should be assigned to leaders responsible for relevant action items.

The implementation plan should also include how the workforce plan will be communicated within the organisation, in particular how this plan can be used to drive alignment of workforce management initiatives and actions within the organisation's Human Resources function. It is crucial to ensure the entire HR team are across the workforce plans, to support implementation and reduce duplication of effort.

The workforce plan should also be made available and distributed across the organisation based on the communication strategies agreed as part of the organisation's internal communications or change management strategies.

Once completed, the actions that make up the organisation's workforce plan will be presented to Executive, senior leaders and key stakeholders for endorsement/approval as per the organisation's business or operational plan requirements.

Consultation, endorsement and approval

Upon finalising the workforce plan with the leadership team, consultation may be required with relevant parties identified to assist with implementation.

Every organisation will also have its own governance arrangements and processes for review, endorsement and approval of its business plans. It is recommended that workforce plans follow those existing processes and arrangements. Depending on governance arrangements, in some organisation's the Risk and/or Audit Management Committee may be required to review and recommend the workforce plan to the approving authority. For most organisations, the relevant authority will be the Executive team or the organisation's Board.

Divisional or Branch workforce plans may be approved by the responsible senior executive.

Once approval has been obtained, the implementation of the workforce plan commences. It is recommended that the implementation of agreed workforce planning initiatives be incorporated into or linked to the implementation of the relevant business and operational plans across the organisation.

Implementation

Workforce plans that are not effectively implemented are of limited value at best. They risk becoming documents that may be forgotten in corporate strategy repositories.

It is not possible to move beyond this point without an implementation approach which:

- Communicates the 'why' (why is it needed) and the 'what' (what will be done) in the workforce plan.
- Acts as a call to action for all relevant stakeholders, communicating the urgency of what needs to be done.
- Ensures the organisation can realise benefits from implemented workforce management initiatives to achieve its desired future state.

A workforce plan is not a HR document, it is a business planning document. Therefore accountability for delivery of workforce plans and benefits from workforce plans lies with an organisation's leadership team.

While the leadership team will delegate responsibility for implementation of workforce planning actions to the HR team or line managers (as applicable), the ultimate accountability for effective and efficient workforce management in an agency rests with the agency head and the senior leadership team as provided for in sections 57 and 66 of the *Australian Public Service Act 1999*, and cannot be delegated.

Effective workforce planning requires an integrated partnership between senior leaders and the HR function, with clearly defined responsibilities and accountabilities to drive change and achieve the desired outcomes.

Refer to [Table 1](#) for key roles and responsibilities to assist in implementation and delivery of the workforce plan. This is not the exhaustive list and practitioners should also consult other areas of the organisation that are impacted by the workforce plan such as Finance, ICT or Communications for example.

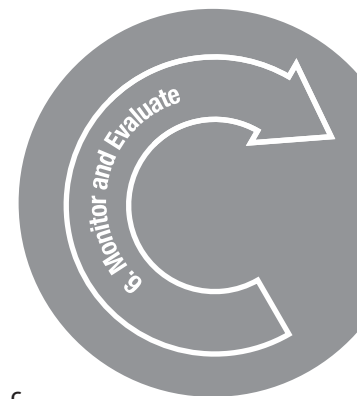
When implementing the workforce plan, workforce planners should consider the below components as part of the action plan. It is recommended that workforce planners refer back to relevant project plan templates within their agency.

Figure 15: Components to build into workforce plan action plan/roadmap



CHAPTER SEVEN:

Monitoring and evaluation



Monitor and report

A robust monitoring and evaluation process is essential for tracking the progress and impacts of workforce planning initiatives after implementation starts.

This can be integrated and done as part of regular business evaluation and reporting cycles, incorporate into regular leadership meetings or both.

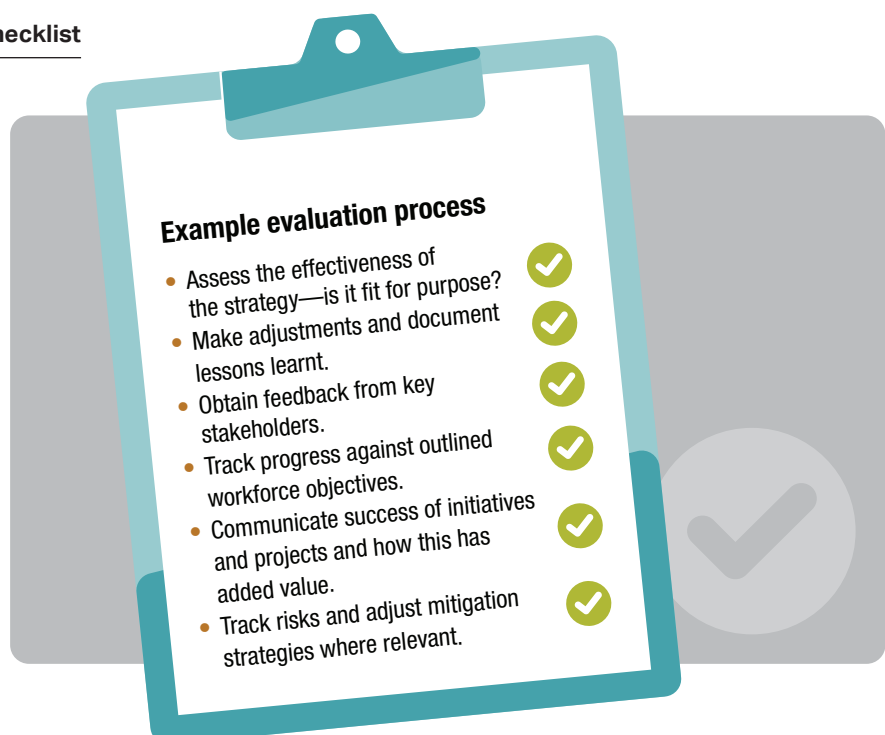
This could include developing and publishing regular dashboards or reports showing the progress of the implementation of workforce planning initiatives and the performance of key metrics against agreed targets.

If technology solutions are available in the organisation, it is recommended that reports or dashboards be automated to display key output and outcome measures from the workforce plan, for easy monitoring and evaluation by responsible and accountable stakeholders.

Workforce planners should accompany reports by analysis and insights into what additional action might need to be taken to ensure successful implementation, with commentary calling out any new challenges or risks that have emerged and the action that is or needs to be taken to mitigate them.

Relevant workforce planning progress reports should be released regularly (monthly or quarterly dependent on the organisation) to as broad an audience as possible, as mapped in the relevant stakeholder groups. It may be desirable to publish them more frequently depending on the pace of change and appetite for information in the organisation.

Figure 16: Example evaluation checklist



Example workforce planning evaluation dashboards should consider the following:

- Show targets for key metrics alongside actual value.
- Compare measures at the business division or regional level to corporate results.
- Identify emerging business risks, incorporate leading indicators into metrics design.
- Disaggregate data to present more precise, localized measures of activity and performance, leading to more effective risk management.
- Provide trend data on key metrics to compare present results to past performance.
- Provide projections and forecasts, if available.
- Provide context (e.g., trends, external benchmarks, commentary) to facilitate decision making.
- Provide information selectively to make dashboard content easier to internalize and more action oriented.

Evaluate and adjust

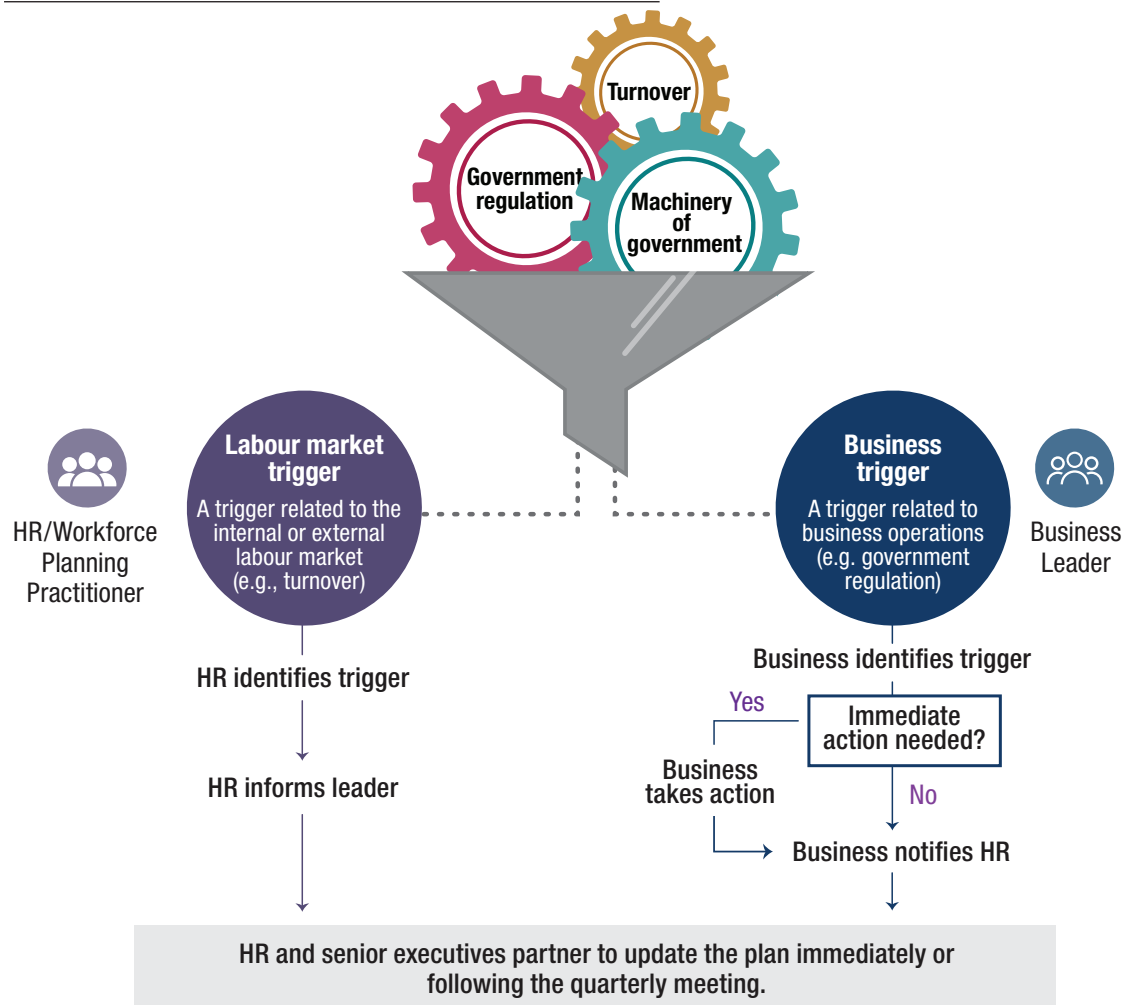
Workforce planning doesn't occur in isolation. No organisation is static and immune to internal and external drivers of change. Priorities, policies and deliverables will change over time and the workforce plan needs to be reviewed and adjusted to reflect this. This makes regular evaluation and adjustment of workforce plans necessary to ensure the organisation remains on track to achieve the desired future state. Other changes within the economy or triggers from scenario planning may also require adjustments to the workforce plan.

Workforce plans should be reviewed at least six monthly in line with the organisation's end of year and mid-year financial reviews, or more frequently depending on the business cycle or governance review timeframes. This review period along with the criteria that will be used to review the plan's effectiveness should be noted in the plan when it is published. The criteria should be based on the strategic outcomes of the plan and strategic goals of the organisation.

Any decision to alter an agency's workforce plan, or divisional/branch workforce plans based on this evaluation needs to be made by the relevant senior executive (team). Any updates to the workforce plan will then be shared with the broader business in line with the organisation's communications plan.

A workforce plan is not a static document. Internal and external changes — such as new government regulations, high turnover or Machinery of Government changes can render the best-developed workforce plans to be outdated by invalidating the assumptions originally built into the workforce scenarios. Organisations must monitor these changes — or triggers — so they can update their workforce plans accordingly.

Figure 17: Building accountability into workforce planning



As a live document, a workforce plan should be adjusted accordingly as part of the implementation process. It is recommended that responsibility for updating workforce plans be shared between HR/workforce planning teams and business leaders based on their existing expertise and knowledge of the subject matter. Through this approach, each responsible party works on updates where they can have the greatest impact, making the plan update process relevant to their existing business.

- Human Resources/workforce planners are responsible for identifying labour market related triggers — changes in the internal or external labour market (demand and supply).
- Business leaders are responsible for identifying business triggers — triggers related to changes in business operations or the business environment.

This approach lessens the burden for senior leaders, since they already track business triggers for business strategy purposes, while ensuring they think about future workforce needs as part of their workforce plans. It is recommended that these updates be incorporated in the regular business planning updates to reduce the constant monitoring burden on senior leaders, and ensure that 'change fatigue' is avoided.

Keeping the plan alive

Many organisations develop a workforce plan and then have difficulty implementing it. We've so far covered many things you can do to ensure implementation occurs. It's also important to keep the plan 'alive'. It should not be a static plan and, as discussed earlier, it should be monitored, evaluated and adjusted over time. Following are suggestions, many of which have already been covered, provided as a summary of what you can do to keep the plan alive:

- Regular reporting on progress – what gets measured gets managed. Ensuring you implement a comprehensive reporting regime will ensure that focus remains on the plan.
- Communication – implement a broad communication strategy and most importantly, ensure that achievements and progress are all linked back to the plan. This ensures that stakeholders understand the rationale for what is occurring and importantly, it demonstrates the value of workforce planning.
- Evaluate and adjust components as the needs of the organisation change. Organisations change quickly and the plan and individual strategies need to be flexible to cater for changes as they occur.
- Embed workforce planning as part of your organisation's overall planning framework to ensure that it doesn't rely on an individual to drive it, but it becomes part of the culture of planning. This is particularly important with the frequency of staff mobility. If your organisation relies on an individual to drive workforce planning, momentum will be lost if that person moves to another role either in your organisation, or outside it.
- Use your governance framework to ensure accountability for the plan and individual strategies or initiatives. Including accountability in individual performance plans is a good way of ensuring that focus and momentum is maintained.

Glossary

The following terms are common terms used often within the Guide and within the APS. These are noted in alphabetical order.

Term	Definition
Business planning	Process that all Commonwealth entities are required to conduct to prepare an annual corporate plan in accordance with the requirements outlined in the <i>Public Governance, Performance and Accountability Act 2013 (PGPA Act)</i> .
Capability	The measure of an individual's ability to achieve the tasks and objectives of their role through the application of skills, knowledge and attributes.
Environmental scan	An examination of the internal or external environment to an organisation.
Gap analysis	The process of quantifying the difference between an organisation's current workforce, the one it needs today and the one it will required into the future.
Job capability set	Skills, capabilities, qualifications and other attributes required for a particular job family, function or role (depending on the level of detail of workforce segmentation).
Job family	The first tier in a hierarchy of job segmentation within a workforce. A job family is a grouping of similar jobs at the highest level that usually consists of several job functions. For example, a possible job family might be 'Administration, facilities and property'.
Job family model	A segmentation tool to split the workforce into logical and practical segments to allow for deeper workforce analysis.
Job function	The second tier in a hierarchy of job segmentation within a workforce. A job function is a subgroup of jobs within a job family that require similar skills, capabilities and knowledge.
Job role	Third tier in a hierarchy of job segmentation within a workforce. A job role is a subgroup of jobs within a job function that allows for further refining and grouping of required skills, capabilities and knowledge.
Labour supply	Anyone who does (internal) or does not (external) work for the organisation but could do so, now or in the future. Supply is defined in terms of skills, capabilities and numbers. External workforce supply is used to reconcile demand and supply if internal workforce supply is not sufficient and/or cannot be developed to meet demand.
Operational workforce planning	Typically covers the next 12 to 18 months and identifies actionable strategies to address a specific workforce gap in the short to medium term.
Strategic workforce plan or workforce strategy	Usually covers a three to five-year time horizon which seeks to address high-level trends and developments that will affect the availability of the workforce required to deliver organisational outcomes and provides suite of actionable strategies will be articulated to mitigate the workforce risks identified.

Endnotes

- 1 PGPA Act 2013, s15
- 2 ISO. (2016). Human Resource Management — Workforce Planning, ISO 30409: 2016, page 1.
- 3 Australian Bureau of Statistics, Statistical Language – Quantitative and Qualitative Data (<https://www.abs.gov.au/websitedbs/D3310114.nsf/Home/Statistical+Language+-+quantitative+and+qualitative+data>)

Appendix 1:

Workforce planning: Guiding questions

Strategic Direction



- What is the strategic direction of the organisation? Are the organisation's currently outlined resources (financial, people, capability) sufficient to deliver on this direction? Are there any gaps not addressed?
- What are the priority areas for the organisation over the next 12-24 months? Are there any long term priorities (next 3- 5 years)?
- How do the strategic direction and priorities impact workforce needs – priority capabilities, numbers and mix of skills and costs?
- Will there be any significant changes to the business direction or delivery over the next 12-24 months? 3-5 years?
- Have critical functions and resource allocation to these functions been identified for current requirements and the next 6-12 months?
- Does the workforce plan cover both workforce management responses/ interventions, and organisational effectiveness?
- Are there any workforce risks? Think about short term (3-12 months) and long term (12-36 months).
- Are diversity and inclusion strategies incorporated to reflect whole of government strategies and direction?

Costs

- Are the workforce costs of the organisation clearly articulated and monitored?
- What key factors drive the organisation's workforce costs?
- How does the workforce costs track against baseline budget over the planning period?
- What impact will any business change have on workforce costs? Has this been modelled?
- How do enterprise bargaining or remuneration strategies impact costs?
- Does the workforce plan identify productivity and return on investment for human capital investments?

Capacity

- What impact does the business strategy/corporate plan have on the workforce numbers and mix (ongoing/ non-ongoing/casual/contractor) over the next 12-24 months? What about in the next 3-5 years?
- Has demand for organisation services been forecasted?
- What challenges and opportunities are there to achieving/sustaining the future capacity required?
- What is the capacity needed around priority workforces/segments?





- Are there opportunities to collaborate with other agencies to manage capacity risks?
- Do the capacity projections take into account flexible workplace practices (demand and supply side)?
- Has workforce supply (both internal and external) been forecasted? Are there any risks with supply?
- Have scenario plans for demographic changes, changes in government, and major workforce risks been developed?
- Are there risks for capacity changes related to priority diversity and inclusion projects?

Capability

- What is the overall capability picture now? What does it need to look like in 12-24 months? What about in 3-5 years?
- Given the organisation's business strategy, what are the priority workforce segments that will be required over the next 12-24 months? What about within the next 3-5 years?
- How will key capability sets grow – build, buy or borrow?
- What capability requirements will be needed in critical job families – for example ICT & Digital or data?
- What capabilities will be required to support changes as a result of technology?

- How will leadership talent be built at all levels of the organisation?
- How will the organisation work across the APS to build & share key capabilities?
- Is cultural capability development captured in the plan?

Retention & High performing positive workplaces

- What is the organisation doing to build a positive, high performing workplace and engaged workforce?
- How does the organisation maintain a culture of inclusion and respect? What are the key initiatives?
- Are there strategies to bring greater diversity of perspectives, experiences and backgrounds into the organisation?
- Are any proposed business changes likely to impact the workplace culture? How would this be managed?
- What cross-cultural capabilities are needed to ensure an inclusive workplace?
- How is the organisation contributing to a positive public service employee value proposition?
- What retention strategies are being used to ensure a positive employee experience?



Does the plan address the following?



- How the workforce management approach will support both delivery and overall strategic direction?
- How the workforce will be organised to ensure the organisation can deliver the desired results?
- Is there alignment between the business strategy/corporate plan and strategic workforce plan/people strategy?
- How the organisation will manage key risk/s around its workforce?
- How outcomes will be evaluated, and what success looks like?
- How the organisation may support whole of system reform priorities?
- Is there a clear narrative explaining how and why costs will change in the future?
- Are scenarios modelled for business direction changes?
- Is there an aligned picture with financial projections including cost pressures?
- A clear narrative explaining how/why capacity will change in the future?
- Are scenarios modelled if the scope of Headcount/FTE changes?
- Is there an aligned picture with relevant staffing caps/budget projections?
- Is there a clear picture of priority workforces/segments aligned to the business direction?
- Is there a narrative around the capability building focus, including cross-organisation work system stewardship?
- Is there prioritisation of capability building and associated investment?
- Is there identification of capability development needs over the next 12-24 months and 3-5 years, particularly in critical roles?
- Is there plans to support diversity and inclusion capability development where required?
- Does the plan address the following?
 - Articulate the approach to supporting high performance and a positive workplace?
 - Does the strategy and initiatives develop a workforce that reflects, values and understands the communities they serve?
 - How the organisation will build manager and employee cultural capability to ensure an inclusive workplace?
 - How the organisation may contribute and support whole of system culture and reform.

Appendix 2:

Example Maturity Model

The example maturity model presents a simplified 4-step maturity model for workforce planning capability. The model is based on the APSC's definition of workforce planning as an organisational capability and the IBM Big Data and Analytics/Gartner's Data Analytics models*. This example model incorporates four key areas of workforce planning, matching workforce requirements to business strategy, people and culture implementation, workforce reporting and data analytics and governance and tools to support effective workforce planning.

Each agency/organisation will need to adjust the description of the generic state within the matrix to ensure it is relevant for the agency/organisation. When assessing the maturity of an organisation, do a scan of the information and data available to help assess the generic maturity and current state of the organisation/agency's capability across the key areas. Agencies can adapt the below template to assess their agency capability across the four key areas to determine the maturity level that supports workforce planning and what the ideal future state would be. Upon completion of the assessment, agencies can look at how they need to close those gaps to reach their ideal future state.

* The model also incorporate relevant elements of HR 4.0 (data-driven human capital management) from the World Economic Forum's HR4.0: Shaping People Strategies in the Fourth Industrial Revolution publication, and thought leadership from the Digital HR Leaders podcast channel.

Level 1

Ad hoc/initial

Level 2

Foundational

Level 3

Competitive/
organised

Level 4

Differentiating/
mature

Limited strategic approach to workforce planning. May occur at a local level, is conducted in an ad-hoc manner with no formalised process, and is disconnected from business planning processes.

Formal workforce planning processes in place and deployed in at least part of the organisation; not yet fully embedded across the entire organisation or integrated into the business planning cycle.

Workforce planning is developed and deployed throughout the organisation, fully integrated into the business planning cycle. Senior leaders and the HR team have the skills needed to engage in (strategic) workforce planning. Focus tends to still be on output and not outcome.

Workforce Planning developed and deployed throughout the organisation as an ongoing process of continually aligning the workforce to organisational deliverables and strategy. It is fully integrated into the business planning and risk management cycles & contributes to organisational performance. Formally evaluated and incorporated into continuous improvement processes.

		Level 1	Level 2	Level 3	Level 4
Business Strategy	Description of generic maturity at each level	Add description of generic maturity for organisation.	Add description of generic maturity for organisation.	Add description of generic maturity for organisation.	Add description of generic maturity for organisation.
People and Culture/ Implementation	Description of generic maturity level	Add description of generic maturity for organisation.	Add description of generic maturity for organisation.	Add description of generic maturity for organisation.	Add description of generic maturity for organisation.
Reporting and Data/Workforce Analytics	Description of generic maturity level	Add description of generic maturity for organisation.	Add description of generic maturity for organisation.	Add description of generic maturity for organisation.	Add description of generic maturity for organisation.
Governance & Tools	Description of generic maturity level	Add description of generic maturity for organisation.	Add description of generic maturity for organisation.	Add description of generic maturity for organisation.	Add description of generic maturity for organisation.

Appendix 3:

Getting started with workforce planning

Workforce planning is a crucial business planning exercise which requires engagement and integration of the function within the business. Below are some questions that may assist in setting up the function to assist in embarking on workforce planning within the APS. Please note that you may not need to refer to all sections dependent on the level of workforce planning maturity within your organisation.

Getting to know your agency

Key Questions	Yes—what next?	Other recommended actions
Is there a strategic/corporate plan?	Use the strategic plan, in conjunction with other documents, to determine the future workforce demand of your organisation.	Consider speaking with key business managers, to get a sense of future workforce demand. However, a recommendation flowing from the development of your workforce plan might be to develop a strategic plan as a next step.
Is there a business and/or organisational plans?	Use the business plan to understand where your organisation is headed (particularly in the shorter term), to determine your workforce needs.	Consider speaking with key business managers, to get a sense of future workforce demand. However, a recommendation flowing from the development of your workforce plan might be to develop business plans as a next step.
Is workforce planning part of your business and financial planning process?	Make sure you understand the timings and dependencies of workforce planning within the business and financial planning processes of your organisation.	Identify who is responsible for the business and financial planning processes and clarify how best to align workforce planning with the business and financial planning cycle. There are two suggested time points in a financial year to have strategic workforce conversations in Australian Government: - during the preparation of the next financial year's Budget (February to April) and - during the mid-year review (September to November).

Checklist

Getting to know your agency

- Read any corporate/strategic/business plan
- Talk to the executive/managers about their business areas and what they do
- Talk to the business planning team about when business planning will take place
- Talk to your finance team to determine when the staffing budget will be occurring

Check: What if I already have an existing workforce plans?

Key Questions	Yes—what next?	Other recommended actions
Is there already an existing workforce plan?	Review your plan thoroughly, understand how it can be improved (what works and what doesn't), and take the opportunity to mature your plan further.	Review Chapter 2 of the workforce planning guide to collate data for your workforce plan.
Is the workforce plan regularly reviewed, updated, adapted or reported on? Are workforce plans and insights from the plan used as a basis for workforce policies/ strategies?	Talk to those who use the plan to obtain an understanding of whether it is effective and how it could be improved. Check if there are any updates required as a result of any drivers of change.	Ensure that your workforce plan and recommended HR strategies are clearly aligned to business outcomes, to ensure it is relevant to the Executive and line managers. Look at how the workforce plan can be included or reported on as part of regular conversations or meetings with the Executive or line managers.
Were key stakeholders consulted for your workforce plan?	Obtain a list of the key stakeholders consulted in the previous process and revise the list as needed.	Ensure that business representatives are directly involved in the development of your workforce plan as this helps gain their ownership of workforce planning as a business planning tool.
Does the workforce plan inform decision making across the broader business?	Ensure strategies are in place to incorporate updated workforce plans and workforce planning strategies into updated business, branch, section and team plans.	Engage the key individuals and groups identified through stakeholder mapping to implement policies ensuring workforce plans inform and complement the organisation's broader business and action plans.

Checklist

If there is already an existing workforce plan

- Review any existing workforce plans
- Speak with any stakeholders who were involved in the workforce plans—what worked, what didn't?
- Talk to the HR function about the insights from workforce planning and how they can inform other people strategies
- Talk to the HR Analytics or HR Reporting team and investigate what HR data is available

Next steps: Who else in the business may assist in integrating workforce

Key Questions	Yes – what next?	Other recommended actions
Is there executive support to undertake workforce planning?	Even if you have executive buy-in, you should still actively engage with stakeholders down the line so they can retain the sense of ownership of the plan. An imperative to comply does not necessarily equate to engagement.	You may need to build a business case for workforce planning. Check with your project area to confirm if there are any existing templates you can use to draft your case and project plan.
Is there current skills and capability for workforce planning within the business?	Ensure the employees with these skills and capabilities are available for workforce planning.	<p>Can the skills and capabilities be developed in-house? If not, begin by collaborating with other areas of the organisation, or another organisation to access shared skills and capabilities.</p> <p>You will need to source employees with:</p> <ul style="list-style-type: none"> - knowledge of agency and government business and financial planning processes and timings - knowledge of organisational business outcomes - analytical skills - project management skills - relationship management skills - knowledge of HR policy. <p>Talk with members of the Workforce Community of practice or APSC Workforce Planning team if unsure.</p>

Checklist

Preliminary steps for stakeholder engagement and business integration

- Talk to your project management office to see if there are any existing project planning templates
- Talk to your communications team to see if there are any existing communication templates
- Identify and arrange to talk to relevant business leaders about their workforce needs
- Talk to IT/ICT team about any upcoming projects that may impact the workforce
- Talk to Finance about any staffing budget concerns
- Talk to the risk management area about any existing risk management matrix and identified people risks in the risk register
- Talk to the HR Analytics or reporting function about the type of data or tools that are available (eg. Census/Agency survey data and HR demographics).
- Map out and consult with any other areas of the business that might need to be involved in workforce planning

Appendix 4:

Establishment/position management

The position establishment (also known as position management) is a rich source of information for workforce planning in any organisation. The position establishment or position management within an organisation covers:

- Establishment/position planning
- position creation
- ongoing maintenance of established positions
- disestablishment/ deletion of positions.

The position establishment can represent how the organisation tracks, manages and structures the workforce. If done properly can provide information for:

- Effective budgeting
- Effective recruitment
- Career mapping and progression
- Effective workforce planning
- Headcount/FTE and Vacancy reporting
- Ability to track and report on open and filled positions.

The position establishment hierarchy is typically set up within organisations using the following data points:

- Position Title
- Position Number (typically system generated)
- Location
- Organisation/Section/Team grouping
- Costing/Finance charging information
- Budget link (budgeted or unbudgeted positions)
- Classification
- Management Hierarchy
- Position Security/ Role security
- Job Family/Job Role information
- Skills/Capability Profile
- Full time equivalent (FTE).

Please note: The above dot points are an example only and position and hierarchy details are dependent on an organisation's Human Resource Information System (HRIS). This does not cover placement/job management which usually is about the employee/person who gets placed into the position.

In many organisations, position establishment information is not always correct. The main contributors to incorrect establishment information are:

- lack of alignment between the HRIS establishment and the staffing budget, usually held in a separate financial management system, with the two systems not being integrated. This makes 'real time' budgeted/unbudgeted position maintenance impossible. Updates become a manual and time consuming task.
- limited or poor position maintenance practices, where some organisations may only update position management elements that directly impact an employee's pay, or their organisational security profile, if drawn upon from the HRIS.
- no ongoing practice of disestablishment of positions when they are not budgeted and not needed anymore.

Positions that are unbudgeted, but genuinely still required by organisations should be maintained in the establishment, and considered in workforce planning exercises from a risk point of view.

To ensure establishment data is accurate, reliable and can be used as the single source of truth for workforce planning, workforce planners will typically need to work with:

- HR data custodians eg. Payroll or HRIS administrators.
- managers with staffing budget responsibilities/ budget delegates.
- Finance/ Budgeting teams.

An enterprise resource planning (ERP) solution where the payroll/ HRIS and the Finance system are integrated will support a reliable position establishment through real time updates of the costing and budgeting information attached to positions.

However, reviews may still be required. A review and audit of establishment data can be trigger-based – linked to certain business activities such as budget time, prior to business planning or to an organisational restructure. Some organisations where an accurate establishment is critical may also implement time-based reviews, for example monthly or quarterly.

It is recommended that organisations formally outline and document their approach to establishment management, including roles and responsibilities in the process. This may be in the form of a policy, a framework, or a standard operating procedure and work instructions. Business rules should be outlined for when positions will be created, maintained and reviewed.

Using a responsibility assignment matrix such as RACI (Responsible, Accountable, Consulted, Informed) can assist in determining a framework for establishment management which allocates roles and responsibilities for data maintenance.

Workflow charts may assist in how positions management interacts with other processes such as recruitment and placement/job management (the person who sits in the role). Workflows should be created and reviewed with the relevant stakeholders and may change dependent on the organisations HRIS and organisation procedures.

An example workflow is below showing the interaction of position establishment, placement management and review.

