

## WORKFORCE PLANNING TOOLKIT



## **BEING PREPARED IS BETTER THAN BEING SURPRISED ...**

There are many benefits of workforce planning, including reducing costs and maximising efficiencies. Companies that just wait and then attempt to react to events will not thrive for very long.

Workforce planning is a process in which an organisation pro-actively plans to avoid staff surpluses or shortages. It is based on the premise that a company can be staffed more efficiently if it forecasts its staffing needs as well as the actual supply that is or will be available.

It involves a system-wide review and analysis of the size and type of workforce that a company will need to meet its goals. This includes identifying both the quantity and the quality of the employees needed, in terms of their knowledge, skills and experience.

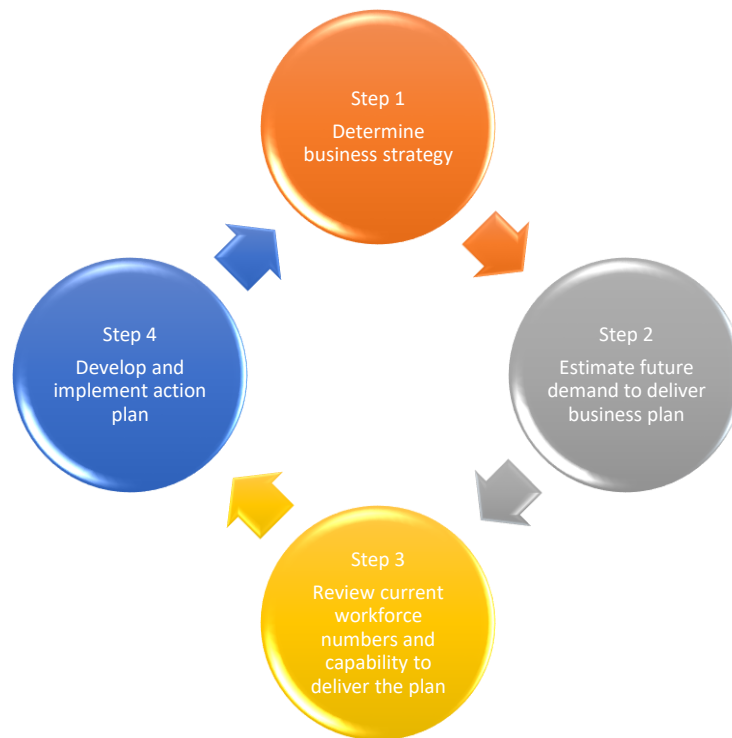
## **THE BASIC STEPS INVOLVED**

Workforce planning needs to be fully integrated into the business planning process.

The process should not be overly complicated. It is important to involve managers from all parts of the company and to ensure that they can understand and input into the requirements of the business for both short and long-term resourcing needs.

Essentially there are four key steps:

1. **Determine business strategy / business plan** – what is the short, medium and long term direction of the business e.g. is it venturing into new markets or products – is it ceasing certain products etc – understanding where the business is heading will ensure the right people and skills will be able to deliver the plan
2. **Estimate future demand for staff to deliver the business plan** - consideration should be given to numbers - is there a need to increase or decrease numbers or will present numbers be maintained? And does the skill-mix require to change and does this have implications for skills required by staff?
3. **Review current workforce numbers and capability to deliver the plan** – to allow managers to understand the current workforce profile - a calculation of the difference between estimated demand and projected internal supply and identify gaps between Demand and Supply – “gap analysis”
4. **Develop and implement action plan** – how to manage the gaps that may arise between Demand and Supply



Workforce planning can vary by timeframe and the types of roles it considers. This can be viewed in basic operational terms, ensuring the right number of people with the right skills are allocated to fulfil day-to-day customer needs or demand for products and services.

An alternative focus is to create a longer-term workforce plan that ensures that the best talent is in the right roles, and determines a better understanding about what sort of workforce is likely to be needed in the future.

Workforce planning is about generating information, analysing it to determine the future people requirements and skills and then translating that into a set of actions that will allow you to develop and build on the existing workforce to meet that demand.

There are two recognised types of workforce planning, and an understanding of the distinction between ‘soft’ and ‘hard’ workforce planning can be helpful.

### **‘HARD’ WORKFORCE PLANNING**

‘Hard’ workforce planning is about numbers - predicting how many people with what skills are likely to be needed.

## 'SOFT' WORKFORCE PLANNING

'Soft' workforce planning is about defining a strategy within which information can be considered. With an increased emphasis on agility and responsiveness, there is a growing realisation that good-quality management information set within such a framework is the key to identifying and maximising the drivers of performance and the delivery of the business plan.

This approach gives managers the opportunity to consider a range of possibilities before reaching a stage where they are forced into action by circumstance.

## IMPLEMENTATION OF WORKFORCE PLANNING

Workforce planning will only add value if it can be positively and successfully implemented in practice. Key issues are:

- **Attain consensus on the plan** – a collaborative approach is vital and will involve wide-ranging consultation with stakeholders to enable all parties to agree and understand the rationale for the actions being taken.
- **Ensure clear allocation and understanding of responsibilities** – a variety of people should participate in the planning process and it is essential that all those involved are clear about what they are responsible for and what actions they need to take
- **Provide support for managers** – line managers will need support to fulfil their responsibilities and ensure they have the skills and understanding to fully participate in the planning process and act on the outcomes.
- **Review and capture learning** – The process needs to incorporate clear and robust mechanisms to review and capture learning and feed this back into the planning process.



## ACTION POINTS FOR WORKFORCE PLANNING

The following action points should be considered when implementing workforce planning:

- It starts with the business plan – workforce planning needs to support organisational strategy.
- It needs to be ‘future-focused’ to enable the company to deliver the business strategy while at the same time remaining flexible enough to deal with constant change.
- Plans do not have to be overly complex – they should be an objective way of identifying the actions required to form a workforce that can deliver services and products in future.
- It’s a dynamic process and should be subject to constant feedback and review if it’s to remain relevant in a rapidly changing environment.
- It’s not just about numbers. It is also about skills and potential – as such it links into development, career planning and organisation design.
- The process should be conducted across the business, giving opportunities for all stakeholders to feed in information and requires buy-in at all levels to be effective.
- It brings together the operational and the strategic planning processes. There’s a need to be able to think strategically whilst acting practically to ensure that the process is carried out as effectively as possible.

It’s as much art as science. No single formula exists that will give a ‘correct’ workforce plan. However, with a wealth of data available, the art is about bringing this together and interpreting it in a meaningful way.



*Workforce planning can help your company build a better workforce – one that will mean better value for your money and build your profits. Your staff are your biggest investment – and cost – and make the biggest difference in achieving your business goals.*

*Not all companies have the expertise in-house to carry out workforce planning. This is where Pace Resourcing can work with you – either in an advisory role or to manage an end to end process - so you get a workforce fit for now and also for the future.*

*Pace Resourcing specialists have proven track records in every aspect of people, jobs and organisation structure – and this, combined with their window and door industry experience means they are expertly placed to work with you to build your company and your profits.*

**If you would like more information on this subject, please email [enquiries@paceresourcing.co.uk](mailto:enquiries@paceresourcing.co.uk) or contact us on 0161 641 7423.**

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