

Queensland Government Enterprise Architecture

# Queensland Government ICT workforce planning methodology

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Queensland Government ICT Workforce Planning Methodology

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## Philosophy

The Queensland Government has an obligation to optimise its investments to provide value for money when delivering community services.

The importance of providing easily accessible and seamless government services to all Queenslanders has never been greater. Information and Communication Technology are at the forefront of solutions to deal with some of the biggest challenges facing government and the community has increasing expectations about what ICT can deliver. The availability of appropriately skilled ICT Human Resources is a key element in successful project delivery and the government's ability to provide services.

The lack of available, affordable, and appropriately skilled human resources is an ever increasing challenge for all agencies across the Queensland Government (and in other jurisdictions). Systematic ICT workforce capability planning to identify emerging issues and challenges in relation to ICT recruitment, development, advancement and succession of employees is critical, and can also help to canvass any challenges and opportunities for collaboration.

In order to maximise its return on ICT investment, the government must improve and strengthen the capability of its ICT workforce. More effective ICT workforce capability planning, incorporated into mainstream planning, will ensure the government has the skilled people to manage services and infrastructure and implement projects.

ICT resources strategic planning (IS2) mandates how Queensland Government agencies are to conduct information and communication technology (ICT) resources strategic planning. While such planning may identify the need for certain numbers of ICT skilled personnel for dedicated projects, the type of ICT skills required may only be implied and does not include the Business as Usual component.

## Purpose of the methodology

The principal aim of the Queensland Government ICT Workforce Planning Methodology is to enable agencies to achieve sustained organisation performance and accountability, through the development of a capable ICT workforce. This methodology is intended to enable agencies to make critical decisions and identify the key strategies that will assist to deliver business outcomes now and into the future.

By using the methodology managers will be provided with a framework for making informed staffing decisions in line with an organisation's mission, strategic plan and budgetary resources.

The principal focus of the methodology is for use within an ICT environment, however this methodology can be utilised across divisions or business units if desired. By focusing on a work unit level, it is substantially less complex and answers specifically the workforce issues at that level.

## What is workforce planning?

The most used, most easily remembered, and most simple definition of workforce planning is having:

- the right **people**
- with the right **skills**
- in the right **place**
- at the right **time**
- at the right **cost**.

Workforce planning is not a stand-alone process or system. An effective approach must be integrated with business practices; incorporate an analysis of the agency's current and possible future operating contexts; and include ongoing monitoring of the environment, workforce issues and organisational strategies.

Utilising evidence-based decision making allows the organisation to plan the workforce, better aligning supply and demand. Evidence allows managers to assess the risk of not getting the skills to be able to deliver services and exposes any areas of vulnerability. By identifying risks, strategies can be targeted around the areas with the highest risk.

The key to the success of a workforce plan lies in the implementation processes that will support the integration of people, process and systems of change and improvement. It will require the ongoing commitment to a partnership between management and staff to foster a strategic approach to ensure supply meets demand into the future.

Research indicates that linking Human Resource planning to Strategic Business planning ensures that the organisation will fulfil its future business plan in terms of financial objectives, output goals, technologies and resource requirements.

## Why implement workforce planning?

Workforce planning is the most critical human resource management challenge facing the nation today. Agencies are operating within a challenging environment that is characterised by: devolved employment arrangements, increased demands for flexibility, responsiveness and performance improvement, a greater emphasis on innovation and service delivery, tightening labour markets, skills shortages and an ageing workforce.

Workforce planning ensures that agencies plan and address workforce needs, rather than just react to business and environmental changes. Workforce planning is not without its challenges however the benefits gained by engaging in workforce planning and risks of not undertaking workforce planning are numerous and some are listed below.

### Benefits of workforce planning

- strengthens the organisation's capability to enable the delivery of business outputs now and into the future
- workforce required to meet future program needs are being recruited or developed
- decisions are made based on evidence
- reduce labour costs
  - correct skill mix
  - not having surplus staff with inappropriate skills
- reduced skills shortages
- critical roles are identified and managed
- more cost effective Learning and Development
  - structure on the job experience
  - obtaining future skills as a by-product of doing real work
- better career management
- make savings from reduced turnover and non-successful recruitment processes
- respond more quickly and strategically to change
- Human Resource strategies and policies are aligned with an agreed direction.

### Risks of not undertaking workforce planning

- only reacting to problems:
  - increases the costs and difficulties of addressing human resource challenges
  - talent pools may not be capable of satisfying critical and senior job roles
- threat to business outputs because of loss of critical job staffing
- loss of critical business knowledge due to retirements and turnover
- staff without the skills or knowledge to perform future roles.

## ICT resources strategic plan

The ICT resources strategic plan is prepared to comply with the policy requirements of Information Standard 2 – ICT resources strategic planning which requires the development of a strategic plan for the agency's ICT resources every financial year. This plan is supported by the forward work plan, which identifies initiatives and the key human resource implications.

While the above requirements for planning may identify the need for certain numbers of ICT skilled personnel for dedicated projects, the type of ICT skills required may only be implied.

## Demographics

Australia's ageing population means that the age structure of the labour force is getting older as people tend to work for more years. Hence, the average age of workers is expected to increase. Many baby boomers (aged 43 to 62) will retire over the next decade. It will be important for employers to plan ahead to avoid the loss of valuable skills, knowledge and experience of baby boomers currently in the workforce.

## How to implement workforce planning

There are a range of approaches to workforce planning; however all have a common set of elements. The ICT workforce capability and planning cycle has been developed to capture the common elements of workplace planning processes.

By following the cycle, valuable information will be gathered and analysed, enabling evidence-based decisions to be made to meet workforce requirements into the future.

The principal focus of the ICT workforce planning methodology is for use within an ICT environment; however this methodology can be utilised across divisions or business units if desired. By focusing on a work unit level or on critical roles, it is substantially less complex and answers specifically the workforce issues at that level.

Keys to success:

- gain commitment from senior leaders
- involve the executive team and strategic planners in developing a picture of the future
- get the right people involved at the right times
- integrate workforce planning with business planning processes
- know the current workforce
- integrate risk assessment and risk mitigation strategies
- don't just focus on the workforce issues.

## Workforce capability and planning cycle

The Queensland Government ICT workforce capability and planning cycle diagram captures the common elements of workforce planning that are relevant to the public sector. The cycle has six elements that describe key steps that need to be considered when implementing workforce planning. Each agency needs to identify how these elements should be customised to meet their business needs as one size does not fit all.



The key elements of the cycle are:

1. **Workforce profiling/analysis** – involves establishing a clear understanding of the agency’s direction, its strengths and weaknesses and profiling and analysing the internal workforce and the external factors that influence current and future labour demand and supply.

Specific activities undertaken in workforce analysis include:

- Reviewing organisation direction and the external environment.
- Profiling and analysing the internal and external factors that influence labour supply and demand.

2. **Forecast future needs** – involves identifying changes to the service delivery requirements of the organisation. Likely changes in the capability and capacity of the future workforce need to be determined.

Specific activities undertaken in forecasting include:

- understanding future work requirements
- identifying future competencies
- developing forecasting models
- developing forecasting assumptions and scenario building.

3. **Analyse gaps** – involves using the results of workforce analysis and forecasting to identify current and future gaps between the demand for services and the supply of labour to meet those demands. A key element of the gap analysis is the assessment of the characteristics, capacity and capability of the workforce.

Specific activities undertaken in gap analysis include:

- identifying and analysing gaps
- assessing the risk
- prioritisation of work
- identifying potential directions for action.

4. **Develop strategies** – involves the planning and design of specific programs and projects to close the gap to better match supply and demand.

Specific activities undertaken in strategy development include:

- strategy formulation to improve retention and supply of needed skills
- aligning workforce planning strategies with organisation values and culture
- establishing the case for change
- establishing success criteria.

5. **Implement strategies** – is the execution of specific programs and projects required to develop and maintain the capability and capacity of the workforce. The implementation of these strategies is integrated into the broader business planning and operational management activities of the organisation.

Specific activities undertaken to implement strategies include:

- execution of strategies
- developing a change management strategy.

6. **Monitor and evaluate** – involves determining the effectiveness and efficiency and appropriateness of the workforce planning strategies and activities. Performance information is required to determine the impact of workforce planning on the overall achievement of the organisation's objectives.

## Timing considerations

Workforce planning should align with the strategic and business planning cycle. Strategic planning activities establish the agency's future direction and strategic objectives that may be reached through business as usual operations or through the implementation of programs and projects (i.e. initiatives with a finite timeframe).

The ICT workforce planning process should therefore align with the ICT Planning Cycle (IS2). Workforce planning should commence at the same time and work with the planning/strategy areas to understand the future work requirements.

Workforce plans are generally developed to cover a one, three and five-year period, giving a strategic vision into the future. However, priority should be given to critical roles initially and review and planning of other roles over time, as maturity increases.

Developing an ICT Workforce Plan for a 12 month period initially will demonstrate the value of the process and provide evidence to support workforce management strategies and investment which will provide a strong basis to then develop plans which may cover three and five-year periods.

## Definitions

Capability	An individual's measurable skills, knowledge and behaviour related to a specific role, and the capacity to develop skills and knowledge in the future.
Critical role	A role that is currently crucial to the achievement of organisational outcomes. A vacancy in a critical role would have a significant tangible impact on the ability of the agency to deliver outputs, achieve milestones, or meet budget requirements.
Demand	Is the number and type of staff, defined in terms of demographic characteristics and competencies that are available in each job category at a particular point in time in order to implement business plans and strategies.
Engagement	An individual's commitment to particular work, a role or the organisation.
External talent pool	Incorporates all the people, not currently employed by the organisation, who may be willing and able to apply for a critical role at some stage in the foreseeable future. This may include people who have never worked for the government as well as those who once did (the 'alumni').
Gap	Is the difference between the demand for and supply of staff in a particular time period.
Goal	Generalised statements of the long-term targets that an organisation is aiming to achieve.
ICT	Information and Communication Technology
Internal talent pool	Incorporates all the people currently employed by the organisation, who may be willing and able to apply for a critical role at some stage in the foreseeable future.
Objective	Specific and measurable outcomes that are to be achieved in a specific timeframe.
Risk	An event that poses a negative threat (or potential positive opportunity) which might affect the course of the program or project.
Strategy	A strategy is a plan of action designed to achieve a particular goal.
Strategic	Highest level of standard decision-making hierarchy – for long-term decisions with a five year (or longer) horizon usually developed for strategic planning, strategic thinking or in response to a threat or opportunity.
Supply	Is the number and type of staff, defined in terms of demographic characteristics and competencies that are available in each job category at a particular point in time in order to implement business plans and strategies.

Workforce planning	<b>Strategic workforce planning</b> is the business process for ensuring that an organisation has suitable access to talent to ensure future business success. Access to talent includes considering all potential access sources (employment, contracting out, partnerships, changing business activities to modify the types of talent required, etc.) By talent is meant the skills, knowledge, predisposition and ability to undertake required activities including decisions making. Strategic Planning considers the business risks concerning insufficient, disrupted, mis-deployed talent on the organisation's business priorities.
Workforce strategy	Workforce Strategy is a long term directional plan of action that describes in broad terms what an organisation is going to do over the course of its planning horizon to ensure that its supply of people matches its demand for people as effectively as possible. (Bechet)

## Acknowledgements

The ICT workforce capability and planning cycle has been developed to capture the common elements of workplace planning processes.

Development of this cycle was based on work completed by the State Services Authority, Victorian Government. The SSA developed the cycle based on key work and reports completed by Australian public sector jurisdictions; the Western Australian Workforce Planning Project; the *Victorian Auditor General's Report on Workforce Planning* and the *Commonwealth Auditor General's Report on Workforce Planning*, as well as best practice in the private sector.