



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

MIGRATION PLANNING GUIDANCE INFORMATION DOCUMENTS

WORKFORCE PLANNING BEST PRACTICES

May 23, 2008

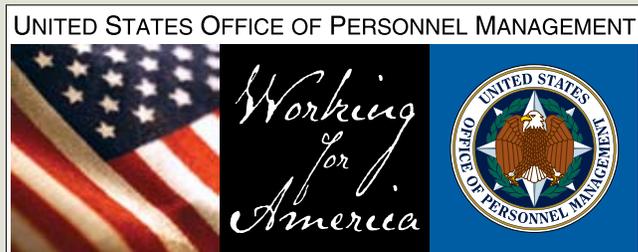


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1. Purpose

Workforce planning serves as the foundation for managing an organization’s human capital. It enables organizations to plan strategically to meet current and future workforce needs, and prevents unnecessary surprises in maintaining a steady-state workforce.

Workforce planning further assists organizations by ensuring positions are filled by the right employees with the needed competencies, and appropriate planning is conducted to align the workforce to meet future organizational goals.

The more effective the development and execution of the workforce plan, the more the organization is able to leverage its human capital for the accomplishment of its strategic goals.

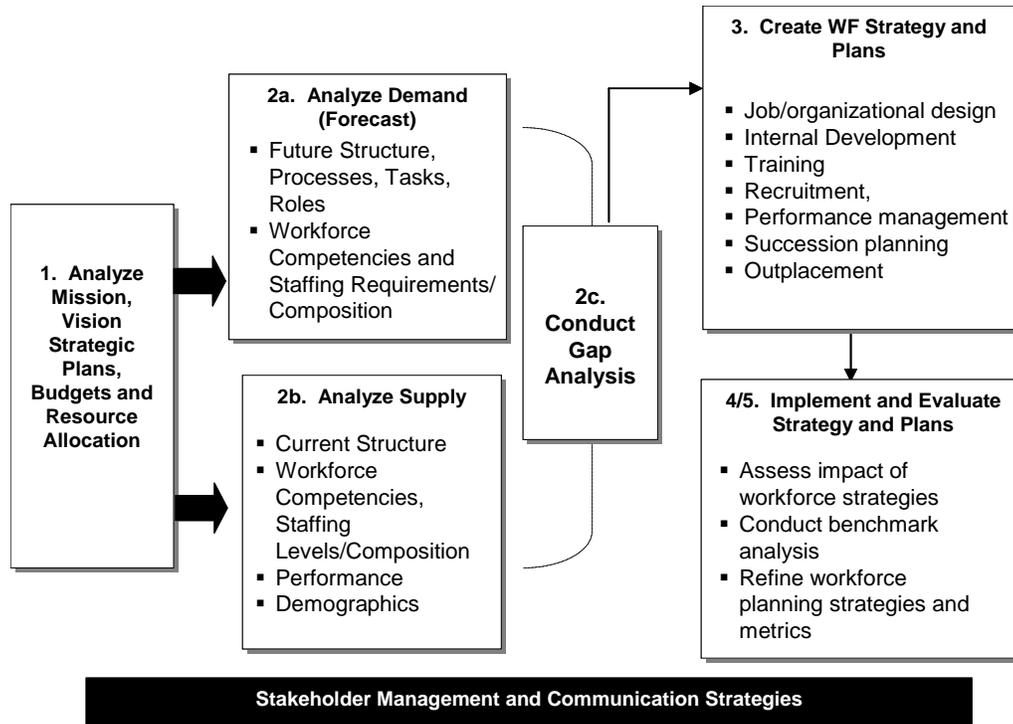
2. Workforce Analysis

While there are numerous approaches to conducting a workforce analysis, there is little substantive variance in the approaches. The Office of Personnel Management (OPM) has issued a Federal Workforce Planning Model that can be found at www.opm.gov. The following table and discussion incorporates steps from the OPM model as well as from best practice research:

Workforce Analysis Framework
1. Analyze Mission, Vision, Strategic Plans, Budgets and Resource Allocation
2a. Analyze Demand
2b. Analyze Supply
2c. Conduct Gap Analysis
3. Create Workforce Strategy and Plans
4. Implement Plans
5. Evaluate Plans

2.1 Workforce Analysis Framework

The workforce analysis framework is illustrated in the following process chart:



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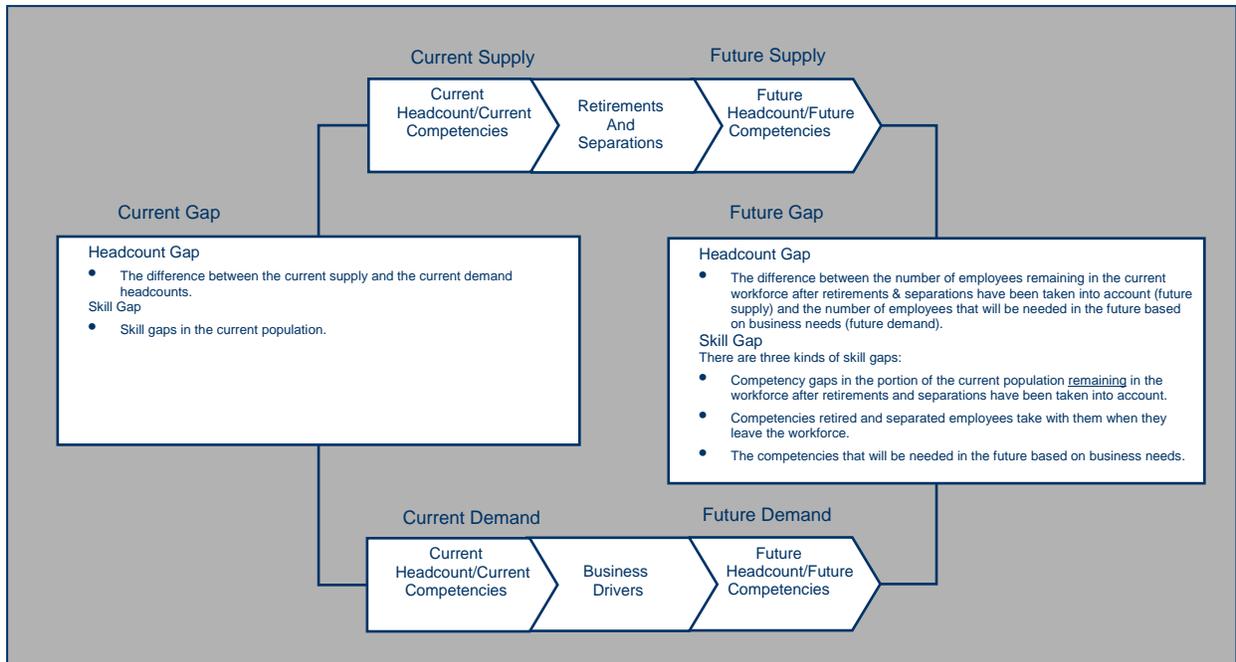
2.2 Workforce Analysis Methodology

The primary elements of the workforce analysis methodology involve a review of the following:

- Mission critical occupations and competencies
- **Supply** – evaluate the current headcount of the organization including anticipated retirements and separations; identify the current skills and competencies of the workforce
- **Demand** – forecast the optimal headcount and competencies needed to meet the needs of the organization in the future; identify skills and competencies needed in mission-critical occupations in the future workforce
- **Gap Analysis** – evaluate the gap between the supply and demand analyses. The Gap Analysis identifies headcount and competency surpluses and deficiencies. From the Gap Analysis the following are derived:
 - Future Headcount Gap
 - Future Competency Gap

The workforce analysis methodology is illustrated in the following table:

Workforce Planning Best Practices



Additionally, a workforce analysis should include a review of the following:

- Workforce activity analysis
- Demographics (including age distribution and tenure)
- Industry trends
- Projections (retirements, separations, etc.)
- Workforce diversity
- Educational pipelines (particularly regarding sources of new hires)
- Supervisor ratio
- Labor market supply (including unemployment rates)
- Risk analysis (to minimize the impact on the workforce due to restructuring)
- Consideration of strategies to close gaps, such as succession planning, target recruitment, training programs, restructuring, retention, strategies, etc.

2.3 Workforce Analysis Tools

Workforce analysis relies heavily on the proper collection and evaluation of data. Data can come from a variety of sources, both quantitative and qualitative in form. Primary sources of data include:

- Employee databases
- Employee job class specifications and position descriptions
- Focus groups and workshops
- Surveys/questionnaires
- Employee competency self-assessments (verified by management)
- Subject matter experts

- Process maps (help to identify how the organization works and to identify interrelationships between various processes)
- IT systems designed to measure competencies (system can be either custom made or a commercial off-the-shelf (COTS) or government off-the-shelf (GOTS) system)

3. Workforce Transition

Transitioning a workforce from one state to a new (To Be) state is a challenging endeavor. However, with proper planning and organization, the transition process can be accomplished smoothly.

Those managing the transition of a workforce to a new state should take appropriate actions and make the necessary plans to ensure the workforce:

- Quickly adapts to the new environment;
- Quickly gains an understanding of new processes, programs, and IT systems associated with the transformation;
- Demonstrates high levels of efficiency and effectiveness in their new roles;
- Is able to rapidly meet the needs and requirements of their customers; and
- Is able to work together with new colleagues as a high performing team.

To ensure these things do indeed happen, a detailed transition plan must be developed and followed, and proven change management approaches and methodologies should be employed.

3.1 Transition Plan

A detailed transition plan is needed to guide the transition from the current to the future state. When developing the transition plan, at a minimum the following should be considered:

- Identify specifically what the organization seeks to accomplish with the change
- Clearly define transition objectives
- Define the new business environment
- Clearly define current and future business processes (create supporting documentation for new processes)
- Develop a workforce plan that addresses competency gaps
- Ensure HR infrastructure is able to support the workforce plan
- The timeframe for change should be agreed upon by stakeholders; establish a detailed transition timeline
- Develop change management plans including rollout, communications and stakeholder management
- Develop and deliver training for new technology, processes, policies, etc.
- Develop a plan to mitigate potential risks associated with the transition (conduct a thorough risk analysis)
- Establish a mechanism to regularly evaluate:
 - How effective is the transition plan?

- What is succeeding?
- What is going wrong?
- What issues need to be addressed?

3.2 Transition Tools

Transitioning a workforce often involves the redeployment of resources – including personnel and competencies. The ultimate goal of any workforce transition should be to ensure that the right people with the needed competencies are in the right positions. The following transition tools could be employed to promote a successful workforce transition:

- **Employee training and development** – perhaps the most important element of conducting a workforce transition is creating and delivering an effective employee training and development program. Successful training and development programs could include:
 - “*Systems Immersion*” – in which employees develop competencies in a variety of mission-critical IT systems and software.
 - *Business process training* – workforce transitions normally include the re-engineering of old business processes and, consequently, employees must receive comprehensive training regarding the new business processes.
 - *Orientation training* – for those employees placed in new departments, divisions, etc. as a result of a workforce transition, formal introduction to the new department, its people, and business processes helps smooth the transition for affected employees.
 - *Supervisory/management training* – assist managers and supervisors to develop important leadership skills that will aid them in the transition process.
- **Information helpdesk** – provides an employee resource that is dedicated to answering questions and providing information regarding the workforce transition. The helpdesk should be prepared to communicate with employees via e-mail and/or by phone.
- **Transition website** – the website could be either linked to the organization’s official intranet, or created as a stand-alone website. The website should provide a variety of information to keep the workforce abreast of transition efforts.
- **Workforce-wide communications** – provide regular communications, primarily via e-mail, informing the workforce of the progress of the transition effort.
- **Earned Value Management (EVM) Analysis** – EVM is a project management tool that enables the tracking of project performance in terms of cost, schedule, and the amount of work accomplished. EVM helps management keep the transition on track.

4. Lessons Learned – Workforce Analysis and Transition

As with any complex organizational transition, there are elements of the transition that do not go as planned or that create unforeseen obstacles. Below is a brief list of Lessons Learned associated with workforce analysis and transition:

4.1 Workforce Analysis Lessons Learned

- Maintain constant stakeholder involvement throughout the workforce analysis and transition processes (do not surprise key stakeholders with the end result – make them part of the process).
- Establish a process that provides quality controls for data that is collected.
- Develop a methodology for uniformly and accurately analyzing and interpreting data (particularly data related to workforce competencies).
- Create a means to collect and synthesize data from multiple sources.
- When conducting workforce projections, rely heavily on historical data.

4.2 Workforce Transition Lessons Learned

- Seek to effectively communicate a clear vision of the end-state to promote buy-in to the transition.
- Make the transition plan visible enough to ensure widespread acceptance and understanding.
- Avoid altering the scope of the transition during the transition process. Ensure thorough planning and stakeholder buy-in prior to initiating the transition.
- Transition the organization in a staged fashion; avoid immediate, organization-wide transition.
- Maintain constant stakeholder involvement, especially senior leadership throughout the workforce analysis and transition processes (do not surprise key stakeholders with the end result – make them part of the process).
- Provide training for stakeholders regarding the transition as appropriate.
- Seek continuous feedback from stakeholders about the effectiveness of the transition communication plan (Are the communications reaching the intended audience? Are the communications sending the intended message? How are communications being received?).



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