I≋TA Guide

STRATEGIC WORKFORCE PLANNING GUIDE

Produced by the "Rightsizing the workforce in tax administration" IOTA Project, sponsored by the Federal Public Service Finances of Belgium

2020 January

IOTA
Intra-European Organisation of Tax Administrations

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**Intra-European Organisation
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FOREWORD

Dear Readers,

Strategic workforce planning is an essential tool for anticipating possible future developments and maintaining a well-structured workforce of an appropriate size, which is able to meet the changing needs of the public service in a cost-efficient manner. Since many IOTA member tax administrations are facing budgetary restrictions and must deliver more with less means, it is clear that a strategic workforce planning is the essential tool to help anticipating future HR needs.

Based on the current situation, strategic workforce planning helps forecasting the future demands in order to identify appropriate recruitment plans, training plans, etc. Establishing the right size and shape of the organisation requires not only a quantitative approach but should also take in consideration the qualitative aspects.

This publication is a practical and hands-on toolbox that can be used as a guide by IOTA members which are interested to implement strategic workforce planning in their tax administrations. It helps an organisation to get the right people, with the right skills, in the right place at the right time.

I hope you will not only enjoy reading this publication but will also utilise some of the ideas, suggestions and methodology that the authors have collected in this guide.

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GENERAL CONCEPT OF STRATEGIC WORKFORCE PLANNING

Strategic workforce planning can be described as the preparation, development and implementation of a strategic policy regarding the inflow, through-flow and outflow of workforce. After all, workforce planning has the goal of getting the necessary number of employees (quantity) with the right competencies (quality), in the right place, in the right process in order to achieve the right results.

Workforce planning is a tool for the management of an organisation to map existing personnel resources (AS-IS inventory) and to estimate future workforce needs in order to achieve their objectives (TO BE analysis), resulting in an action plan to fill the gaps between the current and desired situation. It makes it easier to make choices and to adjust a (multi)year plan as well as to predict future (capacity) needs, and it supports the translation of the organisational policy to an HRM policy.

Strategic workforce planning supports the managers in determining where to focus their attention and priorities in the coming years. It makes it easier for managers to focus learning and development activities in the right direction and on the right personnel, to understand where they should develop their own competencies.

In other terms, workforce planning is:

- A crucial part of an organisation's management plan for the purpose of aligning staffing requirements with an organisation's strategy and the ensuing objectives within the available budget.
- A cyclical instrument because the process is completed annually, and the plan is updated. After all, a personnel plan is neither set in stone nor static, rather evolutionary.

Strategic workforce planning is an essential tool for anticipating possible future developments and maintaining a well-structured workforce of an appropriate size, which can meet the changing needs of public service in a cost-efficient manner.

The benefits of strategic workforce planning are:

- Ensuring the adequacy of the workforce to achieve their missions;
- Reducing HR costs and Prioritizing HR requirements;
- Increasing the organisation's flexibility;
- Ensuring a close relationship between the overall organisational process and the HR forecasting process;

- Ensuring an appropriately sized, structured and representative workforce with the right skills and competencies, which can meet their changing needs in a cost-efficient manner;
- Promoting whole-of-government goals in terms of HR, especially in terms of numbers and costs;
- Responding to changing labour needs;
- Developing an ability to forecast future changes and prepare the organisation for them.
- Integrating with (other) business processes

Good HR planning requires:

- High-quality information and discussion regarding organisational strategies, as well as efficiency concerns and organisational arrangements that support workforce decisions efficiently;
- Good tracking of numbers, costs and competencies;
- Alignment of HR planning strategies with the strategy of each organisation;
- Flexibility in workforce management;
- A whole-of-government perspective on allocations across sectors and on the size and costs of the workforce;
- Managers' accountability in terms of HR planning.

DIFFERENT STAGES OF STRATEGIC WORKFORCE PLANNING

There is no common model or approach for workforce planning. The way it is conducted depends on the development level of the involved HR information systems and the extent to which the workforce is considered a strategic asset for governments. However, common features can be described within different stages: Stage 0. Environmental scanning, 1. Forecasting and analysing needs and supply for HR, 2. Action plan to implement HR planning, 3. Monitoring and reporting. These 4 stages are described below.
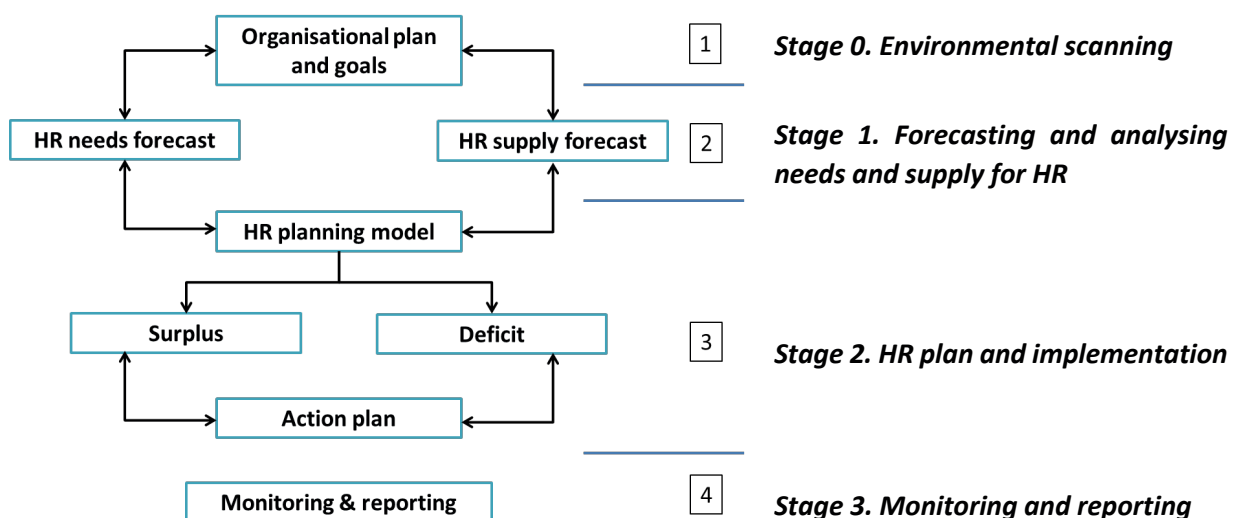

Figure 2: Schematic presentation of strategic workforce planning

Stage 0. Environmental scanning - HR planning begins by setting the strategic direction, in correlation with the main long-term organisational plan and objectives. It requires an integration of all public organisations' goals. Linking HR planning with the budget/financial cycle needs to be considered and planned from the outset. It is essential for Business objectives to be articulated in order to provide clarity to the workforce planning process. This will make it possible to pick up any incongruence at the initial stage that may impact the overall direction of the business and workforce planning requirements. This will determine what core competencies and skills will be required in which areas in order to support the growth of the business and drive it forward.

 At this stage, important factors should be considered:

- **Political goal** – There should be clarity of purpose and expectations. Objectives should be set and explained, emphasizing how they will be achieved, how they relate to each other, and what the key priorities are.

- **Pragmatic approach** – To be effective, HR planning should be flexible, ongoing and sensitive to different and evolving needs. HR planning should not be too ambitious in its objectives, especially if experience in HR planning is limited. Not everything can be covered, thus setting priorities is needed.

- **Budget cycle** – The HR planning cycle is clearly linked with the budget cycle. There should be an alignment between those two cycles. It is essential to coordinate and send consistent messages about financial and human asset resources to achieve the government's strategic goals.

- **Role of HR services / Maturity of the HR processes** – It is needed to identify the degree of centralisation of the HRM system, the development stage of HRM processes (recruitment, redeployment, training, …), the capacity of the central HRM body and/or individual public bodies to conduct HR planning.

- **Sense of ownership of managers and stakeholders / Involve key stakeholders in the HR planning process.** It is important to create a deep understanding of the government's needs and objectives and how to achieve them. For example, it is suggested to consult senior managers and make them active agents in the planning process to facilitate a sense of ownership and commitment to HR planning. Budget and HR departments are major players in developing and implementing HR planning and they need to work in coordination, but all levels of the organisation should be responsible for some components of HR planning.

It is clear that HR is not the major player in this process. Therefore, it is necessary to clarify the different roles in this process. HR provides the tools and insights, but the main responsibility of workforce planning is on the management and business.

Stage 1. Forecasting and analysing HR needs and HR supply – The second phase of HR planning, forecasting needs and supply, involves using procedures based on analysis and projections. Forecasting needs involves determining the numbers and kinds of personnel that an organisation will need at some point in the future. Forecasting supply involves determining what personnel will be available. Usually, the two sources are internal and external: people already working in the organisation and those outside of it.

Organisations without access to workforce databases should not skip this step. Instead, they should work with the information that is available and develop a long-term plan to collect and analyse workforce data on a regular basis. There are two steps in this stage: Step 1. Forecasting and analysing HR needs; and Step 2. Forecasting and analysing HR supply, closely intertwined with business planning and (HR-) metrics.

Stage 1 - Step 1. Forecasting and analysing HR needs is the process of estimating the future HR requirement of right quality and right number. This stage requires determining current resources and how they will evolve through time. At this stage, specifying the kind, number and location of workers and managers needed to meet the strategic objectives of the organisation is essential. It is important to indicate what learning interventions and programs will need to be developed in order to provide the required skills mix within the organisation. The organisation defines its target workforce in terms of the size, shape and competencies needed to accomplish its goals. HR needs requirement should be estimated while considering organisational plans for a given period. Job analysis can facilitate HR needs forecasting and analysis.

During this stage, an estimation of future workforce is performed. This estimation depends upon the strategic business plans and future organisational activities of each organisation. At this stage the recruitment strategy will need to evolve in order to find, assess and locate the right talent that will be essential to ensure the goals of the organisation. This will enable gaps to emerge and will show how the organisation should mitigate any skills shortages resulting from business repositioning and growth. The result of this stage is the forecasting of future HR needs, which incorporates changes in the volume and characteristics of needs, updated by considering the planned strategic initiatives that may require additional staff or the reduction of staff. It is needed to make use of information from many sources to identify expected future conditions and to adopt both quantitative methods (e.g. workload analysis) and qualitative methods (e.g. workgroups) (see: Table 2).

Qualitative method	Quantitative method
Judgment	Workload analysis
Under this method executives discuss and determine future workforce requirements and submit their proposal to the top management for approval (bottom up approach). In combination, members of top management discuss and determine the needs while considering advice from HR services (top down approach).	Under this method workload and service continuity are determined. The current workload is used as basis for the forthcoming years

Table 1. Examples of methods of HR forecasting analysis

Under this method executives discuss and determine future workforce requirements and submit their proposal to the top management for approval (bottom up approach). In combination, members of top management discuss and determine the needs, considering advice from HR services (top down approach). Under this method workload and service continuity are determined. The current workload is used as basis for the forthcoming years.

Stage 1 - Step 2. Forecasting and analysing HR supply is the next important task. Once the needs of HR are determined, the task is to ensure HR supply at the right time, in the right place and in the right numbers. At this stage, information gathered in the previous stage is used to

identify which improvements are needed, considering the current and future availability of staff. It is important to have an accurate picture of the current workforce and trends within the organisation. This will enable you to evaluate the gap between future requirements and current realities. The result of this stage is a view of current and future HR supply based on expected changes in the workforce (e.g. current staff projected with expected turnover, retirements).

Stage 2. HR action plan and implementation – During this stage, the task is the process of projecting how organisations can meet their needs (Step 1. Forecasting and analysing HR needs) under a given set of assumptions (Step 0. Environmental scanning). This stage is needed to assess the disparity between forecasted HR needs and HR supply as well as to ensure an effective HR planning and/or to reduce the disparity. Action plans must be developed to match HR needs and HR supply. The HR plans (see: 5. Concept of HR plan) identified options to address future workforce. This stage focuses also on identifying and planning actions that are necessary to optimally rightsize the workforce of public organisations so that human resources can support organisational and governmental strategies (see: Toolbox 3. Rightsizing).

The fact that an organisation can reduce the surplus and/or deficit is the substance of the HR plan. From the comparison of HR supply and needs, organisations will be able to identify gaps. Gap Analysis results will show one of the following:

- Deficit - forecasted supply is less than forecasted needs. This indicates a future shortage of needed workers or skills. It is important to know which critical jobs will have gaps so the necessary training or recruiting can be anticipated.
- Surplus - forecasted supply is greater than forecasted needs. This indicates a future excess in some categories of workers that may require actions. The surplus may represent current job classifications or skills that will not be needed in the future or not to the same extent as today.

Future needs	Future supply	Forecast gap
Number of staff, by category or position, required to meet needs and organisational strategy	Projected workforce capacity (i.e. number of full-time equivalent) on a category or position basis	Intervention to optimise workforce: Identified actions required to close the gap Actions to address skills mismatch Possible services that can be reconfigured to optimise workforce

Table 2. Gap Analysis results

Analysis of the current versus the future situation may show:

- A deficit which indicates a future shortage of needed employees or skills. Effective strategies should be developed and implemented
- A surplus which indicates a future excess in some categories of employees. The surplus may represent occupations or civil servant/employee skills that will not be needed in the future, or at least not to the same degree. Strategies will be necessary to address surplus situations

Once the gap is identified, the results should be used to develop an HR action Plan (see 5. Concept of HR plan). Some approaches to address a deficit or a surplus include:

- Ensure employees with obsolete skills receive needed training or development so they can continue to contribute
- Hire and retain employees who can develop and use ever-changing technology
- Provide a workplace environment and work opportunities that retain employees
- Train employees in skills that support the organisations' strategic direction to ensure efficient use of their valuable time and skills
- Determine what the future roles and needed competencies are. Provide training for your current workforce to meet those future needs and if necessary invest in recruitment for new profiles
- Estimate the impact of digitalisation and robotization on current roles. It is highly probable that these tendencies will impact every current role somehow and the majority of the most routine work will be automated
- Determine the best use of newly opened positions by analysing current and future needs rather than filling the position based on the past
- Identify organisational or position changes

Stage 3. Monitoring and reporting – Monitoring, evaluating, reviewing and adjusting the HR planning strategy are critical to its success. HR planning is not static, and it needs to respond to changing circumstances. HR planning cycles must monitor progress against milestones, assess for continuous improvement purposes, and adjust the plan as necessary. At this stage, the government/organisation should analyse whether the actions and strategies were completed and whether they fulfil the goals, whether the accomplished action plan was needed and if not whether the strategies must be changed, whether the cost has been reduced and whether the overall performance has increased. Indicators should be developed to measure results.

PURPOSE AND STRUCTURE OF THIS TOOLBOX FOR STRATEGIC WORKFORCE PLANNING

PURPOSE OF THIS TOOLBOX

Developing a long-term vision is crucial for strategic workforce planning. What is the mission and what are the organisation's strategic goals for the coming years? This can also include cooperation with other organisations.

In order to make a good strategic workforce analysis, the organisation must also have HR analytics at its disposal. Data on personnel structure and staff turnover, developments and expectations regarding the inflow of the organisation, transfer possibilities and career paths, outflow expectations as well as data on the realization of other HR objectives must be involved in this.

This toolbox is designed to support the development of an HR planning strategy based on quantitative and qualitative approaches using reliable tools and templates related to HR planning. In that way, this toolbox should help to identify/evaluate staff needs and define actions to meet those needs, to identify and resolve disequilibrium (over/under-staffing) and to ensure the necessary staff with the right skills.

HR needs	
Actions to meet HR needs	
Right numbers	Right kind
Numbers which fill the positions	With the necessary skills
Resolve disequilibrium	
Avoid OVER staffing	Avoid OVER qualifications
Avoid UNDER staffing	Avoid UNDER qualifications
Quantitative aspect	Qualitative aspect

Table 3. Purpose of HR planning

MATURITY MODEL OF STRATEGIC WORKFORCE PLANNING

Workforce planning is not a quick fix. It involves a process and a far-reaching commitment to current and projected business needs. Organisations evolve in workforce planning maturity over time and some business units may evolve faster than others. Once organisations establish their goals and success measures, they can move up the Maturity Model and look not only at the current supply but forecast and plan. Although not every organisation will need to start at Level 1, each organisation should evaluate its process and determine what steps are needed to evolve its workforce planning maturity.

Level 4: Enterprise Strategic Workforce Planning
Strategic Workforce Planning on a Companywide Level

Level 3: Strategic Workforce Planning
Alignment with Business Strategy, Workforce Segmentation

Level 2: Workforce Analytics
Workforce Skills Gap Analysis,"What-If" Scenarios

Level 1: Headcount Planning
Headcount Data Collection, Headcount Analysis, Static Data Reporting

Figure 1: Schematic presentation of strategic workforce planning[1]

STRUCTURE OF THIS TOOLBOX

The structure of this toolbox follows the process that the organisation goes through in order to achieve workforce planning. Three stages are distinguished, which are further specified in steps. Each step is briefly described and, where possible, provided with documents or guidelines that can be used for further work.

A start is made with making an inventory of the current staff situation (including knowledge and competencies) in order to make it possible to sketch a picture of the future. This analysis is then compared with the mission and strategy of the organisation in the short and long term and it must be investigated whether bottlenecks will arise and, if so, in which services of the organisation. Depending on the identified bottlenecks, HR actions are taken.

[1] Source: Bersin & Associates, 2009

STAGE 0: ENVIRONMENTAL SCANNING

PRECONDITION FOR STRATEGIC WORKFORCE PLANNING

The necessary precondition for the success of strategic workforce planning is that workforce planning and strategy go hand in hand. This strategy serves to clarify and explain what the goals and expectations are. It is the WHY and HOW. It highlights how the objectives are achieved, what their underlying relationship is, but also what the key priorities are. In order for workforce planning to be efficient, it needs to be pragmatic. Not everything that has been described can be foreseen, which is why setting priorities is indispensable. It is also necessary for all key players to be involved in this process. After all, it is important to understand the needs and objectives of the organisation and how they can be achieved. That is why it is necessary to consult the heads of departments and to make it possible to give them the responsibility in this respect to commit themselves to workforce planning. Of course, the budget and support from HR play a prominent role in the implementation of strategic workforce planning and you need to work together in a coordinated way in this process, but all levels of the organisation are responsible for making a contribution.

The added value of the link between the strategy and workforce planning

The clear added value of linking the strategy lies in:

- Linking resources (FTEs) to the strategy
- A process analysis where it makes sense in a function of efficiency
- To make it possible – in consultation - to make an objective estimate of the staffing requirements linked to the objectives to be achieved
- Thinking about the core tasks, processes and activities, in other words making a distinction between what is critical and what is truly strategic. As a result, this can also mean scrapping. (CFR rightsizing)
- Shifting the resources to the right objectives depending on the budget and the means of weighing the objectives
- Facilitating setting priorities and making choices

TOOLS

- Annex 1 : Environmental scanning: Self-assessment questionnaire
- The direction of the organisation:
  - o Vision, mission and value statement
  - o Strategic plans
  - o Budget forecast
  - o Balanced score cards
  - o Plans for new projects & technology
  - o Work practices & workflows
  - o Federal and State government laws and policies affecting the workforce

STAGE 1 - STEP 1: FORECASTING AND ANALYSING HR NEEDS

The first necessary step to be able to draw up a strategic workforce plan is the mapping of the current workforce. This inventory does not only include the main points (when an employee retires), but also details, if possible, regarding what the knowledge and competences of the current staff are. By providing insight into who will leave through natural outflow and when, the organisation will gain insight into the gaps that will exist when an employee leaves.

INVENTORY AS IS

In this phase, a photo is taken of the current workforce, as it were. For each process, a map is made of the profiles that exist for a specific reference period. In other words, the current workforce is in balance and if not, what is the underlying cause of this? In addition, it is useful to determine whether crucial knowledge will be lost due to the outflow of experienced employees and if measures have already been taken in this regard. In addition to the outflow, account is also taken of the expected inflow.

This inventory takes into account the following elements:

- Staff (age, status, level/category, working regime, function), i.e. a complete and correct staff list indicating how many FTEs were actually available during the reference period
- Expected outflow (known and estimated natural outflow) and possible inflow in the short term
- Replacement demand for functions
- Linking processes and resources
- Workload measurement: The available FTEs are assigned to the process list. The aim is to gain an insight into the FTE performed per process and activity (cost calculation)

TOOLS

- Input gathered from the self-assessment questionnaire (Annex 1)
- Annex 2 : Workload measurement
- Annex 3 : Mission-critical functions
- Workforce analysis relies heavily on the proper collection and evaluation of data. Primary sources of data include:

  o Employee databases

  o Employee job class specifications and position descriptions

  o ...

STAGE 1 - STEP 2: FORECASTING AND ANALYSING FUTURE HR SUPPLY

This phase focuses on the core tasks of debating and determining quantitative and qualitative staffing needs. In other words, the number of FTEs required per process is determined, as well as the profiles needed to achieve the quality and quantity level of the target.

- In the context of the core tasks debate, this is interpreted as follows: in view of the strategic plans (mission and vision, management agreement, strategic objectives):

  o Are more or less staffing levels required for certain processes?

  o Are new processes/activities expected that require staffing?

- Determining the quantitative staffing requirements:

  o How many FTEs are needed to meet the required level of productivity and quality?

- Determining the qualitative staffing requirements

  o What functions are needed to realize the processes?

The aim is to consolidate the results from the previous steps into an HR action plan and to provide insight into the personnel requirements in the coming years, linked to the mission and strategic objectives of the organisation. The analysis should not only show where the capacity is needed, but also what the required competencies are. What are the characteristics of the required workforce in 3-5 years' time?

TOOLS

- Input gathered from the self-assessment questionnaire (Annex 1)
- Input gathered from Stage 1 – Step 1

STAGE 2: GAP ANALYSIS AND HR ACTION PLANS

This step determines the actions to realize the personnel needs and is therefore the bridge between current and future personnel needs (results Stage 2 - Steps 1 and 2). Here, a phased future workforce plan is determined and divided into priorities. The action plans can offer a solution by recruiting additional personnel as well as by taking into account the progression and further development of the employees. The aim is to translate the shortcomings identified in AS IS and TO BE into a concrete action plan and to work these out in phases per department. The results from Stage 1 - Steps 1 and 2 are examined and discussed, as well as the extent to which they overlap and where the desired situation does not correspond to the future situation if no action is taken. HR action plans are the output of the gap analysis between Stage 1 – Steps 1 and 2. It is a solution to resolve disequilibrium (under/over staffing) and to ensure the necessary staff with the right skills.

In concrete terms, an in-depth examination is carried out:

- In quantitative terms, where are the surpluses or shortfalls up to five years' time?
- Qualitative: where are the surpluses and deficits in terms of profiles and competencies and what are the general required competency developments?
- What are the development possibilities? Do the employees have the required competencies and talents/potential?
- What competencies are lacking in order to achieve the strategic objectives and/or the iteration of current jobs? Can the employees develop these necessary and desired capacities? How much and how much not and in what way?

Action plans will therefore be drawn up that will focus on:

- Personnel development: which training courses and especially other ways of learning (on the job, etc.) that are more agile than traditional training, will be used to meet the desired staffing needs?
- Recruitment: what competencies and profiles are missing in the organisation and what actions will be taken in this regard?
- Internal mobility: is it possible to change functions within the organisation?
- Knowledge transfer: how can (crucial) knowledge and capacities be retained for the organisation?
- Outflow: which outflow is desirable? And what solution can be offered to undesirable outflow?

In addition, it is necessary to set priorities: What action is needed and over what period of time?

The actions envisaged can be classified on a four-point scale:

1. The need may become a problem in the next 12 months and has an impact on service provision (CF. Recruitments, anticipated retirements). In other terms, the need is acute and must be addressed immediately (loss of knowledge, unexpected outflow, etc.).

2. Change is estimated to happen in 1-2 years and we need to take some extra action points to handle it. Monitoring needs to be done at least once a year. Change is only moderate and can be handled by daily learning and development tools and by natural changes in personnel (retirements, turnover, etc.). The situation needs to be monitored.

3. There are no current or foreseeable problems and therefore no action is needed in the next 3-5 years.

4. The need is not problematic but should be monitored over the next 1-3 years as it may become a potential problem.

Before implementing the action plans it is important to keep in mind some recommendations:

- **Clarify the goal:** set a visual picture of the expected outcome. Define the expected/desired situation into measurable goals considering constraints like limits on time, budget/funds, or other resources.

- **Be pragmatic and set priorities**
  - o List actions: It is important to list all actions that are needed to achieve goals. At this step, the focus should be on generating and writing different options and ideas.
  - o Analyse, prioritise, and prune: Only actions that are necessary and effective steps to achieve goals, and which do not have significant negative consequences should be kept.

- **Link the HR action plans with the budget cycle:** Consider budgetary restrictions into the HR plan.

- **Organise the actions:** Decide on the order of action steps. For each action, describe steps that should be completed to fulfil the goals.

- **Communicate the HR** action plans to all civil service servants, employees and stakeholders and engage managers in its implementation.

TOOLS

- Recruitment and promotion plan: recruitment and promotion strategies: plurennial workforce planning within the available budget of the organisation with prioritising the desired action, employer branding initiatives.

- (Comprehensive) development plan for the different departments of the organisation: drawing up a development plan with the focus on the needed skills and competences.

- Succession planning: Succession planning is an ongoing process that identifies necessary competencies, then works to assess, develop, and retain a talent pool of employees, in order to ensure a continuity for all critical positions. Succession planning is an HR tool designed to internally supplement and enhance the talent and skills of employees in such a way that they can ensure the future needs of the organisation in terms of talent and skills.

- Competency framework: a competency framework is a model that broadly defines the blueprint of the competencies which can be applied to the roles and profiles within the organisation. Each of these competencies is defined in a language that is clear enough to ensure that everyone has a common understanding of the competencies within the organisation. Therefore, everyone within the organisation should have a clear idea of the expectations of a profile and the possibilities of career development.

- Knowledge management: Knowledge management is about making the right knowledge available to the right people. It is the process of gathering, distributing and effectively using knowledge, including the transfer of knowledge (retaining crucial knowledge in the organisation).

STAGE 3: MONITORING AND REPORTING

In addition to the consolidated plans, monitoring, evaluation and adjustment are necessary in terms of both planned actions and priorities. Workforce planning is subject to unforeseen circumstances and is evolving!

It is essential to monitor the execution of the HR plan and review the plan regularly. How much have you progressed towards your goal by now? Is there new information? Use this information to further adjust and optimise your plan.

This stage should monitor progresses, assess for continuous improvement purposes, and adjust the plan as necessary. At this stage, the organisation should analyse if the actions and strategies were completed and if they fulfilled the goals, if the accomplished action plan was needed or not, which strategies must be changed and if overall performance has increased.

Of course, indicators should be developed at the very beginning to measure the concrete results of implementing the strategic workforce planning.

A Project Committee group should be responsible for the reporting of overall progress. This group is tasked with overseeing and monitoring the changes and evaluating relative performance through the set indicators. The group is also responsible for overall communication throughout the whole organisation.

ANNEX 1: ENVIRONMENTAL SCANNING: SELF-ASSESSMENT QUESTIONNAIRE

This document serves as a support to be able to link the personnel needs to the strategy of the organisation. The answers to these questions help to make an inventory of the desired and future workforce. These questions are not exhaustive and serve as a guide but can, of course, be further adapted and expanded.

The questions were divided into a number of major areas: evolutions in the area with an impact on personnel, strategic organisational objectives, employability and required capacity. These questions focus on both the AS IS situation and help think about what is needed for the desired situation (TO BE).

The further objectification and structuring of the AS IS and TO BE will take place in the next phase, but the answers to these questions give a first impetus to the exercise in the right direction.

EVOLUTIONS IN THE FIELD WITH AN IMPACT ON THE PERSONNEL

- Which projects or new tasks will have an impact on our business?
- What is the impact of planned or future legislative changes?
- Which current trends can have an impact on our organisation (in a broad sense, for example: the number of employees, the number of employees, the number of employees and the number of employees)? The reorganisation of the public sector, political context...) ?

STRATEGIC ORGANISATIONAL OBJECTIVES

- What are the current and future strategic objectives, functions and core activities of our service?
- What are our missions, what is our vision and what are our values?
- What are our core tasks?
- What are our core processes?
- What are the main objectives and our priorities for the next five years?
- What new relationships/functions should be created? Which competencies are absolutely necessary? Does the current staff have these competencies?
- What is the impact of automation/digitalisation/robotization?

EMPLOYABILITY

- Do the employees have the right talents and competencies?

- Which competencies can be considered crucial to carry out the missions of our department?

- Which competencies are lacking in order to be able to implement the strategic objectives of the organisation?

- Estimate how the qualitative and quantitative occupation would ideally look like. Give as many concrete figures as possible for each level, job type and specific competencies, at least for the managerial positions and new specialist positions.

- In view of the future scenario, describe the generally desired competence development.

REQUISITE CAPACITY

- What are the necessary resources for each service?

- What is the current state of resources?

- What are the critical tasks/functions?

- How many and which profiles are needed to achieve current and future strategic objectives?

- What are the critical relationships that need to be established?

ANNEX 2: CONCEPT OF WORKLOAD MEASUREMENT/ANALYSIS[2]

WHAT TO CONSIDER WHEN EVALUATING WORKLOAD?

When evaluating the workload, it is important to consider the nature of the work done by employees. Some jobs are quantitative in nature, repetitive and it is therefore easy to measure the workload by counting (for example, number of files, and number of interventions ...). Other tasks are of a more qualitative nature, for example, expertise, projects, etc. For these tasks, it is not always easy to perform a count. It is therefore important to adopt a more qualitative approach (e.g. time spent on the tasks performed). However, a measurement must still be carried out and lead to quantified results (for more information, see example of the evaluation of the workload in Belgium later in this document).

Key issues – Why is workload analysis important?

The goal of workload analysis as a part of HR planning is to contribute to have the right number of people, with the right skills, in the right place, at the right time, with the right attitude, doing the right work at the right cost with the right work output.

In the current context, workload analysis is needed for:

- Identifying the actual needs of human resources both in terms of quality and quantity in the short term and long term;
- Identifying current and future needs;
- Assigning the appropriate number of staff in the organisation, to ensure the execution of the tasks.
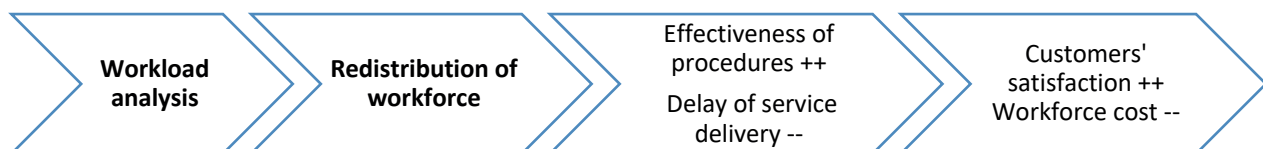
| Workload analysis | Redistribution of workforce | Effectiveness of procedures ++ Delay of service delivery -- | Customers' satisfaction ++ Workforce cost -- |

Figure 1. Use of workload analysis

DEFINITION

Workload Analysis is a methodology to determine the time, effort and resources necessary to carry out the organisations' operations, resulting in identifying the organisation's actual needs of human resources both in terms of quality and quantity, and develop these resources to achieve the goals and strategies that the government wants to achieve in various state authorities.

Workload analysis is a tool used to measure the work and skill requirements and predict/plan future work and skill requirements based upon available data and the main objectives. Once a workload baseline has been established using past data and performance, adjustments can be made for expected changes. In practice, workload analysis involves the measurement of the length of time it takes to complete a series of tasks and how frequently they are performed, to objectively determine staffing requirements for this series of tasks.

Different stages of workload analysis

Step 1. Determination of the scope of workload analysis – At this stage, the bodies that need the workload analysis the most are identified depending on the severity and depth of their problems. Several indicators should be adopted for this purpose (e.g. number of customers, performance results).

Step 2. Processes and their priorities – All existing processes, per body, should be determined to analyse them and determine the appropriate number of staff.

Step 3. Current workload analysis – This step clarifies what work is currently being done, what relates directly to the goals and priorities of the organisation, what work is required due to mandate, customer demand, or some other reason, and work that cannot be done to the level you would like it to be done due to limited resources. The output of this step is a completed matrix detailing the current workload and where Full Time equivalent efforts are being applied to given plans, customer demands, and unplanned work.

Demographic data	Trend data
Number of civil servants and/or employees, full-time	Resignation, turnovers rates
Job occupation	Retirement rates
Age distribution	Voluntary leave rates
Educational level/qualifications	Mobility rates
Employment type (full-time, part-time...)	Promotion and transfer patterns

Table 5. Data sources for workload analysis

There are different options to evaluate workload but all of them provide the use of data from the current and/or previous years (e.g. tax, visitors per day, call answers per day) for the core/key products/activities).

Example: How long will it take to perform a TASK? Equation (calculating workload):

Task x Time x Frequency = Workload.
Therefore, if the task of taking out the trash required one hour, the equation would read: Trash x 1 hour x 365 = 365 hours. It would take 365 workload hours to perform that task in a year.

Tasks: Tasks that must be accomplished to ensure success are broken into three categories: daily, detail and project. A daily task is taking out the trash, while a detail project might include reviewing a contract. A project task occurs with even less frequency, like spring window cleaning.

Time: Time refers to how long it takes to perform a given task. Experienced managers can estimate the average amount it takes to complete a task based on experience.

Frequency: Frequency is the number of times a task must be performed throughout the year. For example, taking out the garbage would have a value of 365 if the trash was removed each day. Spring window cleaning would have a value of 1 because it is only performed once a year.

Source: Damon (2017). How do I calculate workload?
https://bizfluent.com/facts-7491483-do-calculate-workload.html

Step 4. Number of staff calculation – The appropriate number of staff is calculated by using one of several existing methods. There are two main types of methodologies related to workload analysis: one is based on standard time, the other is based on activity standard time. The job nature of functions is determining regarding the choice of methodology. The time-based method is commonly used for any job required for time precision. The activity based method is commonly used for any job required for quality of the result.

Estimation of staff based on standard time
$$= \frac{(standard\ time\ per\ process\ \times number\ of\ transactions\ or\ files\ per\ year)}{average\ work\ time\ available\ per\ employee\ per\ year}$$

Estimation of staff based on activity
Example - Building permit workload Standard time per process: 2.4 hours per permit Number of files per year: 1,582 Average work time available per employee per year: 1,442 hours **= 2.6 workers**

Estimation of staff based on activity

Current number of employees in each service
Data to determine the time needed to process a file/transaction/... in a single process (form of collection, tools (e.g. timesheets), data collection, average calculation)
Number of customers (annual statistics)
Average worktime available per employee per year
Productivity: amount representing the actual proportion of time spent by employees to provide public service $$= \frac{total \left(\begin{array}{c} number\ of\ transactions\ or\ files\ per\ year \\ \times \\ average\ time\ needed\ to\ process\ a\ single\ transaction\ or\ file\ per\ minute \end{array} \right)}{time\ available\ for\ the\ employees\ in\ the\ service\ per\ minutes}$$ or $$= \frac{unutilised\ time}{unutilised\ time\ +\ utilised\ time}$$
Example – Patients registration Unutilised time: 1.7 hours (average per week) Utilised time: 5.9 (average per week) **= 0.223 productivity rate**
Determination of the expected number of customers for the next period $$= \frac{total\ number\ of\ customers\ for\ the\ previous\ 3\ years}{3}$$
Example – Number of patients Total number of patients for 2015-2016-2017 **= 775.6**
Determination of number of staff required in each service $$\frac{number\ of\ expected\ annual\ transaction\ \times time\ needed\ to\ complete\ one\ transaction}{available\ average\ time\ per\ employee}$$

Workload analysis results
In case of deficit or surplus, corrective actions

Table 6. Methodologies related to workload analysis

Step 5. Workload analysis results – During this last stage, data analysis is conducted and results are interpreted. Conclusions are used to determine whether and where there is deficit or surplus of workforce. This analysis is based on reference data. Different options can be used to define reference data: benchmarking, recommended/standard ratio (to inhabitants, to users or potential users, to client jobs). These are standards related to the target population which can be international or domestic. Other options to define standards are: existing employees (good performers), expert criteria, analogy to similar organisation and services,...

Staff ratios show the relationship between the number of staff and certain parameters, such as users or potential users, expected workload and others.

Example: HR staff to employees

Adequate ratio can be different depending on how HR is structured and which HR functions are self-developed by the institution and which functions are provided by the organisation (i.e. recruitment, training, payroll management ...). To make comparisons effectively you need to ensure that you are comparing like with like. For example, the definition of employees as well as HR functions should be the same across compared organisations. This ratio can also change depending on the specific situation of your organisation. If your organisation is going through intensive change – perhaps a restructure or a period of rapid growth – then there is likely to be a need for a larger number of HR staff than there will be in a mature organisation, or in an institution that is going about business as usual. As a result, there is no absolute answer as to what the ratio should be and it is important to consider the specific situation and needs of your organisation.

Source: Workforce Analytics: A Critical Evaluation: How Organisational Staff Size Influences HR
Metrics (SHRM, 2015)

Some European standards for HR staff to employees are presented in the table below.	
Country	Standards
Belgium	1.7
Lux.	2.2
Germany	1.8
Netherlands	1.6
Spain	3.6
Italy	1.5 = Min.
UK	3.8 = Max.
France	3.1

Source: Workforce Analytics: A Critical Evaluation: How Organisational Staff Size Influences HR Metrics (SHRM, 2015)

Self-assessment questionnaire for workload analysis

Below is a self-assessment questionnaire following the 5 Stages of workload analysis.

Step 1. Determination of the scope of workload analysis

1. What is the purpose of workload analysis?

2. Which public services are provided, and to whom?

3. Which of these services absolutely cannot be deleted?

4. What is the public service required to do by law, executive order, or directive?

5. Which performance indicators should be used?

Step 2. Processes and their priorities

6. What staff should be doing what (processes)?

7. How many missions are there?

8. How many discharges are there?

Step 3. Current workload analysis

9. How many staff worked in each organisation/service this year?

10. What tasks are currently assigned to this staff?

11. What part of the workload is currently automated?

Step 4. Number of staff calculation

12. Which standards should be used?

13. Which method should be used for which services?

Step 5. Workload analysis results

14. In which services/organisations is there a deficit or a surplus of workforce?

15. How to ensure workload is equitably distributed?

16. What skills are needed to provide effective public service?

ANNEX 3: MISSION-CRITICAL FUNCTIONS[3]

CONCEPT OF MISSION-CRITICAL FUNCTIONS[4]

KEY ISSUES – WHY IS IT IMPORTANT?

Inclusion of Mission-critical functions and mass in the process of HR planning helps focus on functions or positions that are strategic and core to the organisation's missions, and recognise those that are supportive or misaligned. Besides, it assists in determining which workforce is suited best to perform critical tasks. In a rightsizing context, this concept gives very qualitative information to avoid competency gaps in the desired future workforce.

DEFINITION

A **Mission-critical function** is a position or job category in the organisation considered essential to achieve its mission and goals. It refers to functions without which services cannot reach strategic and operational objectives. In other words, a critical function is a function that makes a maximum contribution to the realisation of the goals of the services and in the daily performance of the core business.

DIFFERENT STAGES TO DEFINE MISSION-CRITICAL FUNCTIONS

Stage 0. Listing all key functions – If it has not already been conducted, it is needed to carry out a job analysis to collect information on different areas for all key functions: duties and tasks, environment, relationships, requirements. Job descriptions are very important in this process. The task is to identify and list all the important functions the organisation performs. While many organisational functions are important, for continuity planning purposes, the focus should be on identifying those functions that support and accomplish the organisation's missions. Each function should be described and products or services delivered or actions the institution accomplishes should be identified.

Stage 1. Defining mission-critical function criteria – The first step is to generate specific criteria for characteristics that must be present if a position is indeed critical. For example: Is the job core to the organisation's mission? Does the job have a significant impact on the business? The criteria consist of specific, measurable and time-based statements that act as reference points for determining whether a critical position satisfies a characteristic.

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[3] OECD: Restructuring and Rightsizing Toolkits for Lebanon: 28/08/2018

[4] The Mission-critical mass can also be used as an important concept of HR planning. It refers to the size different services need to reach to efficiently achieve strategic and/or operational objectives. In other words, the Mission-critical mass is the number of staff you should have in a position to ensure that the objectives and the daily performance of the core business can be achieved.

Stage 2. Identifying mission-critical functions – Once the mission-critical functions criteria are determined, the next step is evaluating jobs against each set of criteria. Using the criteria as a reference point, each function is evaluated to determine whether it satisfies them.

Stage 3. Determining key mission-critical functions – The final step is a transition activity that bridges this effort with the framework for developing HR planning solutions. This final step determines which of the mission-critical functions are crucial to the organisation's goals. This step is an acknowledgement that, while an organisation has mission-critical positions that are important to its goals achievement, some of them are more important than others. The result of this activity is usually the identification of several mission-critical functions that should be considered in the HR planning strategy.

SELF-ASSESSMENT QUESTIONNAIRE FOR MISSION-CRITICAL FUNCTIONS

1. Which positions, if left vacant, would cause major difficulties in achieving current and future organisational goals?
2. Which positions, if left vacant, would be detrimental to citizens' services?
3. Which positions would be difficult to fill because they require expertise and/or knowledge?
4. For which necessary skills per area is there a current or projected labour shortage or which positions have been traditionally difficult to fill?
5. Which positions, if left vacant, would cause major difficulties in achieving current and future organisational goals?

EXAMPLE FROM CANADA

Canada - Questions to Identify Critical Positions in ministerial services

Government of New Brunswick uses the four questions below to list the most important functions in the organisation. Answers provide a list of functions that are important for the organisation. The result is the listing of key functions.

1. What positions (below deputy minister) are instrumental to delivering on Government of New Brunswick commitments and corporate priorities (i.e. performance agreements)?

   _____
   _____
   _____
   _____

2. What positions (below deputy minister) exert critical influence on achieving operational and strategic goals (i.e. business plans)?

   _____
   _____
   _____
   _____

3. What positions (below deputy minister) are essential in meeting legislative or regulatory requirements?

   _____
   _____
   _____
   _____

4. What positions (below deputy minister) are instrumental to the health, safety or security of the public?

   _____
   _____
   _____
   _____

For each key function, a template is used to determine whether the key function is a mission-critical function. The template is based on mission-critical criteria. The notion of urgency is also assessed through the criterion of imminence of the departure for the function.

Position title of the evaluated position: _____

Please indicate the extent to which you agree with the following statements using the 0-5 scale where 5 means that you strongly agree.	Strongly disagree	Disagree	Disagree Somewhat	Agree Somewhat	Agree	Strongly agree
If this position were left vacant, it would cause serious difficulties in delivering on Government of New Brunswick commitments and corporate priorities.	0	0	0	0	0	0
If this position were left vacant, it would cause serious difficulties in achieving operational and strategic goals at the department level.	0	0	0	0	0	0
If this position were left vacant, it would cause serious difficulties in meeting legislative or regulatory requirements.	0	0	0	0	0	0
If this position were left vacant, it would be detrimental to the health, safety or security of the public.	0	0	0	0	0	0
There is a significant likelihood that the incumbent will leave this position within the next 2-3 years.	0	0	0	0	0	0
The skills & competencies required to perform this position are highly sought after in the labour market.	0	0	0	0	0	0
This position tends to have a high turnover rate.	0	0	0	0	0	0
This position would be difficult to fill because it requires specialized expertise and experience that is not readily available in GNB or the labour market.	0	0	0	0	0	0
This position would be difficult to fill because of its location.	0	0	0	0	0	0
This position would be difficult to fill because of language requirements.	0	0	0	0	0	0
This position requires a high degree of specialized/corporate knowledge transfer to ensure continuity in the performance of the function.	0	0	0	0	0	0
There is no internal feeder pool for this position with candidates who could be ready to step up if it becomes vacant.	0	0	0	0	0	0
There is no GNB corporate feeder pool for this position with candidates who could be ready to step up if it becomes vacant.	0	0	0	0	0	0
Criticality score	0-10	11-20	21-30	31-40	41-50	51-65
Imminence of retirement: incumbent age / service =	≤69	70-74	75-79	80-84	85-89	≥90

The result for each evaluated function is reported in the following table and allows determining the criticality of the function and its urgency.

Scores	≤69	70-74	75-79	80-84	85-89	≥90
51-65						
41-50						
31-40						
21-30						
11-20						
0-10						

Criticality (H to L) — Imminence of Retirement (L to H)

	Imperative
	Important
	Not urgent