# LGPro
# Future Ready

# WORKFORCE PLANNING
## Handbook & Guide

# An LGPro Future Ready Project

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VICTORIA
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## APPENDIX - ADDITIONAL RESOURCES

**WORKFORCE PLANNING GLOBAL**

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Local Government Professionals Inc. Victoria Workforce Planning Project

Workforce Planning Training Handbook

Prepared for:

**LGPRO**
PROFESSIONALS
LOCAL GOVERNMENT
THELEADINGVOICE

Local Government Professionals Incorporated Victoria

To all users of this handbook,

Congratuations to your Council on giving Workforce Planning a prority as I know those organisations that establish and embed strategic workforce planning into their business are more resilient to structural and cultural changes (internal and external) and are better positoned for the future.

Workforce Planning Global has a diverse and comprehensive 25 year national and international history and client profile. We are recognised global leaders in workforce planning and offer sound methodologies and resources in our consultancy and training services based on proven good practice and current Australian and international Standards.

We have extensive experience in building workforce planning capability in business of all sizes, in all industries and sectors and in many countries.

Yours sincerely

Julie Sloan

Chief Executive

June 2018

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# Self-assessment Against Australian Standard in Workforce Planning AS 5620:2015

Before you start on your workforce planning task, undertake the following self-assessment. Each of the steps are explained throughout the booklet. This is not an evaluation of what you have or haven't done to date, it is simply a guide to the recommended approach in the Australian Standard. It is the intention of this booklet to enable participating Councils to implement each stage of these Standards with confidence!  Complete this at the beginning of your workforce planning process and again at the end to see how far you have come.

| Stage | Summary of Step | Nominate the Council status –e.g. planned, actioned, in development, established, implemented, evaluated. |
|---|---|---|
| Stage 1: Getting started | Establish interdisciplinary workforce planning team and build workforce planning capability | |
| | Build business case, secure resources to proceed | |
| | Link strategy, business and workforce plans and nominate current and future workforce requirements from the business strategy | |
| | Identify external and internal influences on the workforce supply and demand | |
| | Implement communications strategy to engage workforce in workforce planning | |
| | Identify critical workforce segments aligned with strategic plan | |
| | Identify information gaps - Review quality and reliability of existing workforce data and systems for workforce segments and whole of Council | |
| | Conduct environmental scan if required e.g. labour market and /or industry trends | |

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| Stage | Summary of Step 3 | Nominate the Council status –e.g. planned, actioned, in development, established, implemented, evaluated. |
|---|---|---|
| | Identify future focused workforce demand scenarios – e.g. growth, demand, no change for the segmented critical workforce and or for the Council | |
| Stage 2: Analyse the numbers and determine risk | Undertake demand and supply gap calculation on segmented workforce | |
| | Describe demand | |
| | Describe supply | |
| | Undertake workforce risk assessment on demand and supply against strategic planning timeframe | |
| Stage 3: Risk management and mitigation strategies | Identify risk management and risk mitigation strategies | |
| | Action strategies | |
| Stage 4: Implementation | Embed workforce planning into business planning cycle | |
| | Map, measure and monitor progress | |

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# Introduction

This Workforce Planning training handbook has been developed for the LGPro 2017 Workforce Planning Project. It will be used as a guide to build workforce planning capability in participating Councils so they are better positioned, and more proactive, in securing the required workforce.

The training handbook has been designed to be user-friendly and transferrable across Councils of all sizes. Importantly, it is based on the International and Australian Workforce Planning Standards. The Australian Standard has been published by the Standards Australia Human Resources Management MB009 committee. This committee represents Australian industry, Government, private sector, industry peak bodies, academia and small and medium enterprises. The International Workforce Planning Standard ISO 30405:2016 was based on the Australian Standard AS 5620:2015.

# What is Workforce Planning?

A systematic approach to workforce planning begins with consistency of language and definitions.

Workforce Planning is '**The systematic identification, analysis and planning of organisational needs in terms of people**'[1] It is an *active and continuous* process used to generate business intelligence to inform organisations about the current and future impact of the external and internal environment on their business, and in the process, to become resilient to structural and cultural changes and better positioned for the future. Two separate but interrelated tasks, requiring different knowledge and skill sets, define workforce planning:

- ➢ **Strategic workforce planning**: which covers a defined period, aligned to organisational strategy e.g. 3 – 5 years.

- ➢ **Operational workforce planning**: which covers a defined period, aligned with the organisation's planning cycle e.g. 12 months.

Workforce planning is not about predicting the future but should be future focused and based on identifying and exploring a range of alternative future scenarios. The response to the

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[1] International Standardization of Organizations (ISO) Human Resource Management Standard: Workforce Planning ISO 30409:2016

Australian Standard: Workforce Planning AS5620:2015

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scenarios is what matters – guided by the question: What is the potential impact on application of the scenarios?

It helps you think about:

- the workforce you need to deliver your services (**demand**)

- how the workforce you need now and in the future, compares with the workforce you have at present (**supply**)

- how well these are aligned with the strategic directions of the Council.

## Differentiating workforce planning from workforce development

Workforce planning and workforce development are commonly linked and these terms are sometimes used interchangeably. They are both fundamental to the execution of business strategy. They are, however, not the same thing. Workforce planning is the driver of workforce development. Workforce development can be *one* outcome of workforce planning. *Workforce development refers to the range of activities undertaken to address the gaps and risks identified through workforce planning, these may include succession planning, knowledge management and/or job redesign*. Workforce planning and workforce development go 'hand in hand' as there is little point in planning without then executing, just as it can be a risk to execute without planning first.

## Making use of relevant Standards

In addition to the ISO Workforce Planning Standard it is recommended you access the ISO Human Resource Management Standard on Vocabulary: ISO 30400:2016. This Standard offers internationally agreed definitions of Human Resource Management (HRM) terms which you may find useful for both workforce planning and broader HRM requirements e.g. talent, talent management, capability, competency.

# Why is it important?

Workforce planning is important because we live and work in an environment of uncertainty and constant change and in a global knowledge economy that is highly connected and interrelated.  We need to gain greater understanding of our workforce and engage them in the identification of opportunities which are beneficial to them and to our service responsibilities.

Workforce planning enables the identification of *current, transitional and future* workforce demand and supply and, in doing so, makes explicit the human resource requirements of a workforce at Council and at sector level.

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Workforce planning applies to organisations of all sizes, industries, sectors and regions. It applies to any organisation that has a paid or voluntary workforce. Although the objectives and outcomes of each plan are often consistent, the complexity varies with the nature and size of an organisation and the level of financial and leadership investment made.

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Workforce planning enables you to tell a *workforce demand and supply 'data' story* on:

- what is happening now
- what could happen
- what should happen

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Workforce planning can position your Council to be more resilient to structural, economic, environmental, social and technical change, and to better position the Council to compete for the workforce required now and in the future. It helps all stakeholders, including and especially the workforce, to understand the challenges, opportunities and options for change.

To meet the challenges of the coming decades, innovation in workforce engagement, job design and workforce retention are essential. Workforce planning can help achieve innovation through:

- sharing knowledge through research and workforce planning networks
- analysing current workforce planning models to find opportunities for improvement
- strengthening internal processes, documents and systems to support evidence based workforce planning used to inform decision making
- building capability at all levels of management
- continued exploration of a wide range of future focused business scenarios
- engaging, informing and energizing the workforce through integrated communications and engagement activities implemented from the start to enable successful change
- monitoring and assessment of the impact and return on investment of workforce planning initiatives.

## Where does it fit

Workforce planning is intrinsically linked with strategic and business planning and should be part of the normal business planning process, enabling you to identify the workforce implications (current and future workforce) of strategic and business planning. The Workforce

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Plan will help your Council identify, and ideally put in place, the human resources you need to deliver your strategic and business plans. It will expose the information gaps you need to address on priority workforce segments, location, roles, functions and capabilities. It will provide the evidence to justify the adoption of workforce risk management and risk mitigation strategies.

Workforce planning and human capital reporting are integral to management responsibility and accountability. Both overlap with other disciplines including: *Human Resources, Finance, Policy and Information Technology.* It is therefore important that:

- roles and associated responsibilities are clearly defined within the Council

- data capture, analysis reporting and communication avenues are systematic and consistent and

- data is *reliable and trusted* to inform decision making across all disciplines to enable comparable reporting.

## What to expect

Workforce planning is a very interesting and rewarding discipline. It brings multiple benefits to the Council, to the current and future workforce, and most importantly, to the quality of service delivery.

It is; however, a complex task and you should therefore spend time engaging with stakeholders about:

- its importance for your Council

- the capability building opportunity

- what's inside and outside of scope

- establishing a consistent approach to the design, method, HR analytics and reporting, timeframe and stakeholder expectations

- future focused demand scenarios

- the communications and workforce engagement opportunities

- measuring the return on investment of workforce planning.

It is essential to seek endorsement and resources before you start. It takes time and has significant responsibility which should be shared across the organisation.

A 'good' workforce planning team will include HR, Operations, Organisation Development, Finance, IT and Policy.

# Some of the more complex steps

Workforce planning is best kept as straight forward and as simple as possible. However, depending on the level of investment it can and will become more complex as it evolves.

The most complex steps are:

1. Workforce segmentation by criticality aligned with the strategic plan

2. Demand and supply gap analysis

3. Future focused business scenarios

4. HR Analytics and Systems capability

5. Applying evidence-based workforce planning to the risk management and mitigation strategies.

# STAGE 1: Getting started...

## Step 1: Establish interdisciplinary workforce planning team

Workforce planning is a management responsibility. Human Resources has a responsibility to facilitate the process and provide managers with support and guidance. It is important that HR, IT, Risk and Finance are active and collaborative contributors to the workforce planning process.

> **Task:** Document the key roles in your Council that you believe will be required to form a workforce planning team. Consider who you will report to, who is the lead for workforce planning and the role your leadership team play.

## Step 2: Build business case, secure resources to proceed

Ensuring that your Council's leadership is genuinely committed to establishing and resourcing sustainable workforce planning. The business case should be a compelling argument as to why workforce planning should be undertaken. This may include legislative requirements, impeding organisational change and/or by highlighting some of the workforce risks or challenges the Council may be facing.

> **Task:** Identify your key stakeholders, the engagement type and how engagement will be achieved. Create a template using the following headings to record your key stakeholders.

**Example**

| List the Key Stakeholders | Identify the engagement type (Inform, Consult, Involve, Collaborate) | How engagement will be achieved |
|---|---|---|
| CEO | Inform | Weekly verbal update |
| Leadership Team | Inform, Consult | Monthly progress report |
| Team leaders | Inform, Consult, Involve, Collaborate | Email, one on one meetings, workshop |
| Union | Inform, Consult | In writing (formal letter) |

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| List the Key Stakeholders | Identify the engagement type (Inform, Consult, Involve, Collaborate) | How engagement will be achieved |
|---|---|---|
| Employees | Inform, Consult, Involve, Collaborate | Email, workshop |

**Task:** Develop a communication plan for each of the audiences you have identified from your key stakeholders. Consider what they need to know, how you will communicate it and when or how often the communication will occur. Create a template using the following key headings.

**Example**

| Audience | Key messages | Media | Timing/Frequency |
|---|---|---|---|
| CEO | The workforce planning process is underway. The status of the project and any blockages to completion. | Verbal & report | Weekly verbal update Monthly report |
| Leadership Team | A high level of understanding of the workforce planning process. | Presentation of a report at the Leadership Team meeting. | Monthly report and when decisions need to be made |
| Team leaders | An in depth understanding of workforce planning. Verify data collection. Assist with supply and demand. | One on one meetings Report Workshop | Fortnightly and as required |
| Union | Inform that workforce planning is underway and the outcomes of workforce planning | Formal letter | At the beginning and the end of the process |
| Employees | Inform that workforce planning is underway Workshop the strategies Consultation on the outcomes | Email Presentation at team meetings Document for consultation | When required throughout the process |

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## Step 3: Linking Council and workforce plans to identify current and future workforce requirements with a focus on critical workforce segments

The Council strategic plan will guide the future direction of the organisation. It provides a description of what the Council plans to do by when. Workforce planning is future focused therefore, the Council strategic plan should be used to understand the workforce implications. For example, if the Council has nominated in the plan that it will introduce an organic waste collection service in 2019, this has workforce implications.

**Task:** Read through your Council's strategic plan and highlight any areas that you believe will have an impact on the workforce. Discuss your findings with the managers of the areas, where you have found workforce implications, to confirm your findings and understand the implications in more depth.

Segmentation is used to classify the different types of job families, functions, roles, locations and capabilities and workforce characteristics. It is used to focus workforce planning on the most critical of these segments for the Council to deliver its services. Workforce segments in your Council may be Finance, Building and Planning, Library Services, Outdoor workers etc.

**Task:** Identify the workforce segments in your Council and align them with the workforce implications you identified in the above task. Document your findings using the following headings.

### Example

| Segment | Which section/s of the Council Plan does this segment relate to? |
|---|---|
| Outdoor workforce | Section 2.1 – housing development with new outdoor spaces |
| Planning & Building | Section 2 – housing development<br>Section 3.1 – increase of digital services |
| Human Resources | Section 7.2 – implement a 3-year workforce plan |
| Rates collection | Section 3.1 – increase of digital services<br>Section 2 – housing development |

# Step 4: Environmental scanning - identify external and internal influences on the workforce supply and demand

A PESTEL is a simple and effective way to identify what is happening with the external and internal environment that may impact on workforce. This tool will help you to think through several factors and to categorise them. The purpose of this tool is to identify and analyse any environmental factors that may affect the Council and/or the Council's workforce.

> **Task:** Complete the PESTEL as per below. Consider completing this with the managers of the critical workforce segments and your workforce planning team.

## Example:

| **Political** – *what are the political factors that are likely to affect the business?* <br><br> Example: <br> Councillor elections <br> Increased mandatory reporting | **Economic** – *what are the economic factors that will affect the Council?* <br><br> Example: <br> Rate capping <br> Predicted higher unemployment in the region due to factory closure |
|---|---|
| **Social** – *what cultural aspects, attitudes, beliefs, will affect the demand for services from the Council?* <br><br> Example: <br> Increased number of migrants moving to the region <br> Community expectation for the Library to be a place for socialising | **Technological** – *what technological factors will affect the Council?* <br><br> Example: <br> Increased expectations of rate payers to interact with the Council electronically <br> Local training providers no longer providing basic technology courses (ie how to get the most out of your iPad) |
| **Environmental** – *what environmental factors need to be considered?* <br><br> Example: <br> Targets being introduced to reduce of carbon footprint of the Council <br> Increased community expectation of green spaces | **Legal** – *what current and impending legislation will affect the Council?* <br><br> Example: <br> Changes to waste management act <br> Changes to the Local Government Act |

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## Step 5: Implement communications strategy to engage workforce in workforce planning

At this point you should consider implementing your communication plan. Below is an example for you to consider using to introduce workforce planning to the Council. Similar content could be used in an email from your CEO to all staff, in a Council newsletter or whatever effective communications formats you have in your Council

This Council is proud to be embarking on the journey of workforce planning. We will commence the project in ……….. and ………. will be the lead contact. We anticipate that a workforce plan will be finalised by ……….

We are committed to developing a strategic workforce plan to enable us to retain and attract the workforce we need to deliver our services now and in the future.  In this project we will be identifying the workforce implications of the Council plan such as current and future roles and functions, capabilities, impact of technology, knowledge retention, diversity and inclusion. We will be using this information to identify a way of managing our workforce risk, as an Council, as part of the region and as part of the Victorian Local Government sector.

…………(insert names and contact details)….. are/is our representative(s )on this project and will be providing regular updates on progress throughout the project. If you have any questions on the project please contact them directly.

## Step 6: Identify critical workforce segments aligned with strategic and Council plan

It is important to identify critical workforce segments. This will assist the Council to prioritise any activities relating to those workforce segments. This is not about which segment is more important than others. All segments are important. Criticality is about aligning the segments with the priorities of the Council. It provides an objective assessment of the critical segments and can be used to prioritise workforce planning efforts. Below is a tool that you can use to assist in the assessment of criticality. The questions have been developed based on feedback by the pilot groups, however you can create your own criticality assessment, but ensure you have agreement from your leadership team before you implement.

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**Task:** Complete the assessment of criticality as per the table below:

| Question: Use the following questions to assist in determining the critical workforce segments. Use a scoring system of 1-10 (1 being the lowest and 10 being the highest. Compare all of your workforce segments to determine which ones are critical. | Segment 1 | Segment 2 | Segment 3 | Segment 4 |
|---|---|---|---|---|
| Do they drive a disproportionate share of the key business outcomes according to Council and Strategic Plan? | | | | |
| Do they influence the Council value chain significantly? | | | | |
| Are they allocated a disproportionate share of the budget? | | | | |
| Are they considered business as usual but not highlighted in Council plan? e.g. outdoor workers | | | | |
| Are they in short supply in the labour market in your Council region, in Victoria or in Australia? | | | | |
| Are they essential to meet regulatory or legislative agency requirements? | | | | |
| Are they a core part of the supply chain across Council or the LG sector? | | | | |
| What is the current skills capability with the cohort? | | | | |
| What is the future importance for skills capability of the cohort? | | | | |
| What is the capability gap for this cohort? | | | | |
| What is the change magnitude requirement to meet capability gap? | | | | |
| Other criteria specific to your agency e.g. location, diversity, link to policy targets | | | | |
| **TOTAL SCORE** | | | | |

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Change magnitude measurement will inform your workforce risk management and mitigation strategies. It provides a way of measuring current capability and desired capability. The other key element of this step is to ask "is it important in the future". A good example of this is the changing pace of technology. You may have roles designed around a manual process but if your intention is to implement a system to do it for you, then a different type of capability may be required. It also informs the type of action you may take as a risk mitigation strategy. For example, if the segment is going to stay the same but a different type of skill is required, then this is a risk that could be managed by a 'Build' strategy (see the 6B's for more information).

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**Task:** **Change magnitude measurement**

Create a template using the following headings. Develop a rating scale to use for the measurement:

Future importance to the Council (aligned with Council and Strategic Plans)

Current capability

Desired capability

Capability gap

Change magnitude

Comments/Functions impacted

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Google the Change Magnitude Measurement tool developed by Mercer. This is a great tool that could assist you with this task.

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## Step 7: Identify information gaps – review quality and reliability of existing workforce data

Data collection is an important step in the workforce planning process. The Australian Workforce Planning Standard (AS5620:2015) sets out a baseline of data that is valuable in the workforce planning process. The following task is aimed at determining the reliability and availability of data. You can use this tool to identify data gaps and put actions in place to improve your data collection.

> **Task:** Complete the data assessment table below to determine data Availability, Reliability, and Collection Methods. Use the actions/comments column to document what action you will take improve your data.

| Australian Workforce Planning Standards (recommended base line data) | Is this data available? <br>• Yes <br>• No | Do you report on this data? <br>•Yes <br>•No | How is this data collected? <br>• System <br>• Survey <br>• Manually <br>• Not collected | How reliable is the data? <br>• High <br>• Medium <br>• Low | Actions/Comments (consider what you need to do to improve the quality and availability of your data) |
|---|---|---|---|---|---|
| Funded positions (ie head count and/or full-time equivalent (FTE) positions) | | | | | |
| Funded vacancies | | | | | |
| Exits type/reason | | | | | |
| Entries by type/reason | | | | | |
| Workforce internal mobility (internal transfers, promotions) | | | | | |
| Age, Gender, Diversity | | | | | |

| Australian Workforce Planning Standards (recommended base line data) | Is this data available? • Yes • No | Do you report on this data? •Yes •No | How is this data collected? • System • Survey • Manually • Not collected | How reliable is the data? • High • Medium • Low | Actions/Comments (consider what you need to do to improve the quality and availability of your data) |
|---|---|---|---|---|---|
| Qualification | | | | | |
| Skills and competencies (Capabilities) | | | | | |
| Working life stage (new entry, early, mid, end career) | | | | | |
| Career aspirations | | | | | |
| Engagement motivators (ie (Reasons people are attracted to the organisation) | | | | | |
| Disengagement motivators (Reasons for exiting the organisation) | | | | | |
| Vacancy wait (time to fill) | | | | | |
| Mobility (trends and net mobility) | | | | | |
| Learning and development intentions | | | | | |
| Other, please specify: | | | | | |

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## Step 8: Identify future focused workforce demand scenarios

Future focused workforce demand scenarios describe what is going to happen to the workforce over the life of the workforce plan. In workforce planning they can be describe in four ways:

1. Growth
2. Decline
3. No change (status quo)
4. Wild card?

In other words, what you are trying to identify is:

- What is going to be different for the segmented workforce and why?
- What is going to be the same for the segmented workforce and why?
- What is the preferred future for the segmented workforce and why?
- What 'wild cards' could matter for the segmented workforce?

To undertake this step, you will need the help of the manager/s of the workforce segment and your finance person/team. The manager will be able to help you answer these questions. Using the workforce implications, identified from the Council's strategic plan, you will now quantify these implications.

TASK: In undertaking this task you will need to quantify the change, or in other words describe it as a percentage. It can also be useful to look at each financial year that the workforce plan will cover as the scenario may change over of the life of the workforce plan.

Example:

| Workforce Segment | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 |
|---|---|---|---|---|
| Building | Growth: Increase baseline* by 2% | No change | Decline: Reduce new baseline set in 2017/2018 by 5% | No change |

*See demand description to determine baseline

Use the following questions to guide your conversation with the manager to determine the scenarios:

- What is the workforce impact of the strategic plan on this segment?

- Will new services will be included?

- What existing services will be modified or closed?

- What impact will technology have on future demand and supply?

- Who are the internal and external stakeholders impacted by or influencing the future business scenarios?

- What is the role, function, location, capability change requirement for the workforce segments impacted by these scenarios?

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# STAGE 2: What do the numbers say?

## Step 9: Undertake demand and supply gap calculation on segmented workforce

This step is a difficult task. Carefully consider how you will approach this task. The Australian Bureau of Statistics (ABS) has multiple data about each of the Australian and New Zealand Standard Classification of Occupations (ANZSCO). The Council should consider developing a relationship with the ABS or outsource this part of the process. The ABS provide data mining consultancy services and also have inbuilt tools (like Table Builder) that can be accessed. Remember, the data from the ABS will only change each time an Australian Census is undertaken. You will only need to obtain this data once during this time.

Some industry bodies also collect data about their industries. Look on the relevant websites to see if it is available.

Task:   Using the table below, insert your Council critical workforce segments in the column labelled Council Classification. Look at the ABS job family ANZSCO classification to identify associated code and qualification requirements. If Council requirements are different include this in the third column.  Under Current State insert the number of staff (FTE) in those segments now and the number you require to meet your Council plans in the future state column.

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**Example:**

| OCCUPATIONAL GROUPS | | INDUSTRY OCCUPATIONS AND GENERAL QUALIFICATION REQUIREMENTS | WORKFORCE REQUIREMENTS 2018-2022 | |
| --- | --- | --- | --- | --- |
| ANZSCO Classification | Council Classification | | Current State | Future State |
| PROFESSIONAL MANAGEMENT AND BUSINESS OPERATIONS | General Management | General and specialised managers (Bachelor's Degree) | | |
| PROFESSIONAL ENGINEERING AND PROJECT MANAGEMENT | Technical | Engineers, environmental and other technical specialists (Bachelor's Degree) | | |
| Sub-Total | | | | |
| SEMI-PROFESSIONAL BUSINESS OPERATIONS | General Management | Clerical and administrative workers, purchasing support workers (Cert III-Cert IV) | | |
| SEMI-PROFESSIONAL TECHNICAL | Technical | Drafters, estimating and planning workers, quality assurance workers (Cert III-Cert IV) | | |
| Sub-Total | | | | |
| TRUCK DRIVERS | tba | (Cert III) | | |
| ELECTRICAL | tba | Electricians (Cert III) | | |
| OTHER | tba | (Cert III) | | |
| Sub-Total | | | | |
| NON-TRADE SUPPORT | Labourers | Trades assistants, equipment operators, labourers (Secondary School) | | |
| TOTAL | | | | |

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## Step 10: Describe Demand and Supply

**Demand** describes the need for the services/functions provided by the workforce segment. Demand can be determined by establishing a baseline for the services you provide. For example, if you are describing the demand for your building workforce segment, one way to determine the baseline is to look at the number of building applications approved over the last 3 years. This will provide you with a trend. You can then make the assumption that this will grow, decline or there will no change. The outcomes of step 8 will assist you with this task and help you to determine future state.

**TASK:** Work with the relevant managers to determine how demand will be described for each of the different workforce segments. Document your decision and determine how you will calculate it.

**Example:**

| Workforce Segment | Criteria to establish baseline demand | Baseline |
|---|---|---|
| Building | No. of building applications approved | Over the last 3 years the number of building applications has remained steady at 25, 28, 30, there baseline will be the average of the last 3 years which is 27 |
| IT | No. by category of helpdesk job logged | Over the last 12 months: 60% - general trouble shooting 25% - hardware upgrades 10% - software upgrades 5% - adhoc The greatest demand for services is about general trouble shooting. |

**Supply** describes the current workforce available.

Supply is best described by using a workforce profile. A workforce profile provides snapshot data about what the workforce 'looks like' at a point in time. Workforce profiles can be displayed as charts and graphs. If you already provide regular workforce reports, they may

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contain all the information you require. The example below is a succinct way to provide the same information:

| Building Workforce Profile as at 31/12/2017 | | Total Workforce | Building | Local Government Sector |
|---|---|---|---|---|
| **Diversity** | Women in Executive: (% of total head count) | 50% | 0% | NA |
| | Disability: (% of total head count) | 0.20% | 0% | NA |
| | No. of Female (% of total head count) | 60% | 20% | NA |
| | No. of Male (% of total head count) | 40% | 80% | NA |
| | ATSI: (% of total head count) | 1% | 0% | NA |

| **Working life stage** | new entry: < than 12 months | 2% | 0% | NA |
|---|---|---|---|---|
| | early career: 1 -5 years | 3% | 15% | NA |
| | mid career 1: 5-10 years | 15% | 11% | NA |
| | mid career 2: 10-15 years | 16% | 15% | NA |
| | mid career 3: 15-25 years | 35% | 16% | NA |
| | end career 1: 25-35 years | 25% | 15% | NA |
| | end career 2: 35+ years | 4% | 28% | NA |

| **Engagement** | Current engagement rating (from survey) | 69% | 73% | NA |
|---|---|---|---|---|

| **Recruitment** | Vacancy - average time to fill | 4 weeks | 2 weeks* | NA |
|---|---|---|---|---|
| | Average No. of applications per vacancy | 20 | 6 | NA |
| | Average No. of suitable applicants per vacancies | 1 | 1 | NA |

| **Capability Change Magnitude** | Building | NA | 20* | NA |
|---|---|---|---|---|

**\*data that is identified as vulnerable**

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A supply gap calculation uses elements of both supply and demand.

Demand (future scenario planning) − Workforce Supply (current headcount + vacancies – net mobility) = Supply Gap

An example of how to display and calculate a supply gap calculation is below:

| ENTER SEGMENT NAME HERE | | Total Workforce | | Critical Workforce Segment | | |
|---|---|---|---|---|---|---|
| | Supply Gap Calculation | HeadCount | FTE | HeadCount | FTE | |
| **Supply** | Ongoing | 145 | 134.8 | | | |
| | Temporary | 85 | | | | |
| | Casual | 6 | | | | |
| | Volunteers | 26 | | | | |
| | Funded vacancies | 2 | 3.5 | | | |
| | TOTAL CURRENT WORKFORCE SUPPLY | 264 | 138.3 | 0 | 0 | |
| **Entries** | No. of positions filled (excluding those listed below) | | | | | |
| | Graduates | 2 | | | | |
| | Trainees | | | | | |
| | Apprentices | 3 | | | | |
| | Special projects | | | | | |
| | Ongoing | | | | | |
| | Temporary | 6 | | | | |
| | Casual | | | | | |
| | Volunteers | 8 | | | | |
| | SUB TOTAL (ENTRIES) | 19 | 0 | 0 | 0 | |
| **Exits** | Separations (excluding those listed below) | 9 | | | | |
| | Temporary transfer (to another Council) | 0.5 | | | | |
| | Long Term Leave (ie greater than 56 days) | | | | | |
| | Retirements | 6 | | | | |
| | Contract ended | 2 | | | | |
| | SUB TOTAL (EXITS) | 17.5 | 0 | 0 | 0 | |
| | | | | | | |
| | NET MOBILITY (total entries - total exits) | 1.5 | 0 | 0 | 0 | |
| | | | | | | |
| **Demand** | Quantified demand scenario % growth, decline, no change | 0.02 | | | | |
| | | | | | | |
| **Gap** | Workforce Supply Gap | 5.25 | 0 | 0 | 0 | |

The above scenario shows a 2% increase in demand (0.02). The Total Current Workforce Supply should equal your total headcount or EFT. Using the subheadings of ongoing, temporary etc, will enrich the story about your supply. The same goes for entries and exits. It is important when you are describing your supply and demand that you explain any assumptions you have made.

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## Step 11: Undertake workforce risk assessment on demand and supply against strategic planning timeframe

The purpose of this step is to identify the risks of the supply gap. Risk can come from two main sources:

1. Inside the organisation: e.g. the business strategy, inefficient processes, resources, culture, capabilities, competency, structure, leadership, finance, technological, demographic, health and well- being, diversity and inclusion, innovation.

2. Outside the organisation: e.g. political, economic, technological, sociological, demographic, labour market, industry trends, customers, competitors, supply chain, legislation, regulation, innovation, pandemic events.

The risk assessment assists to classify the gaps in supply and demand:

- The likelihood of not being able to fill the gap. Information like time to fill a vacancy and ABS data provides information about your external supply. Your workforce profile data will provide information about the risks around your internal supply (for example if you have a high percentage of the workforce in the end career stage.

- The consequence of not being able to fill the gap. This part of the assessment should focus on the workforce segment, its criticality rating and the link to the strategic plan. For example if the gap is not filled the housing development will be delayed because the Council will not be able to meet the high volume of expected building applications.

- Rates the risk as being low, medium, high or extreme.

All gaps should be assessed against the risk of not addressing them and appropriate priority given, especially to those of extreme or high risk. Councils need to understand their workforce supply risk exposure and the level of supply risk they are willing to accept to meet the requirements of the strategic plan.

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| Likelihood | Consequence | | | | |
|---|---|---|---|---|---|
| | Insignificant | Minor | Moderate | Major | Severe |
| Almost Certain | Medium | High | Extreme | Extreme | Extreme |
| Likely | Medium | Medium | High | Extreme | Extreme |
| Possible | Low | Medium | Medium | High | Extreme |
| Unlikely | Low | Low | Medium | Medium | High |
| Rare | Low | Low | Low | Medium | Medium |

| Descriptor | Level | Definition |
|---|---|---|
| Rare | 1 | May occur only in exceptional circumstances. Might occur at least once in the next 5-10 years. |
| Unlikely | 2 | May occur sometime but not expected. Might occur at least once in the next 3-5 years. |
| Possible | 3 | Could occur, capable of happening. Could happen at least once in the next 2 years. |
| Likely | 4 | Is expected to occur occasionally. Could happen in the next 12 months. |
| Almost Certain | 5 | Expected to occur frequently. Could happen in the next 3-12 months. |

**Example for Segmented priority workforce IT:**

**Demand projection:** IT Division to grow by 2.5% each year for next two years

**Risk assessment of supply:** Extreme as evidenced by ABS data showing a small number of qualified workers in the region

**Likelihood rating:** Almost certain as evidenced by internal workforce profile and supply gap calculations

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# STAGE 3: How will Council Manage the Risk?

## Step 12: Risk management and risk mitigation strategies

The next step is to determine how the Council will manage the risks identified and to develop the strategies to mitigate the risk. Again, if your Council has a risk process please continue to use that format. Below are some examples of other ways to approach this. With limited resources you will also need to consider the priority of your risk mitigation strategy. In other words, in what order will they give the Council 'biggest bang for your buck'.

> **Task –** The follow table demonstrates how to develop the risk mitigation strategies by assisting you to determine if the mitigation strategy is a people strategy, a planning strategy etc. Think about each of the risks you have identified in terms of the following categories.

2018 ———————————————————————————— 2022..

| | |
|---|---|
| **People** | e.g. Build profile of available existing workforce |
| **Planning** | e.g. Review existing stakeholder partnerships. |
| **Partnerships** | e.g. Strengthen critical stakeholder partnerships – internal and external |
| **Skills and knowledge** | e.g. Lead support to education providers – school to higher education including coaching, mentoring, scholarships. |
| **Innovation** | e.g. Lead and sponsor industry capability in Local Government enabling technologies. |

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**Example:** Using the IT risk assessment example, below is an example of using the above table:

1. **People** – *Borrow* the required skills from a neighbouring Council
2. **Skills & Knowledge** - *Bind* the existing staff by offering more professional development
3. **Partnership** - *Build* a relationship with a local training provider to increase the availability of supply in the market.

The following table is an effective and efficient way to communicate with leadership about the types of risk management strategies required. It is based on the University of Michigan, Ross School of Business 6 'Bs' model. Each of the B words are an action word and can be used to describe the type of risk mitigation strategy required. See appendix 1 for a definition and examples for each of the 'Bs'.

<span style="color:red">**Task:**</span>  Using the following table, the definitions and examples of the '6Bs' tick all of the types of strategies that apply.

**Example:**

You will see in the example above the 6B model has been used, therefore the table below should be completed as follows:

**Broad risk management strategies – 2018-2022**

| Workforce Segment | BIND | BORROW | BUILD | BOOST | BUY | TOTAL |
|---|---|---|---|---|---|---|
| IT | ✓ | ✓ | ✓ | | | 3 |
| Total | | | | | | |

Source: University of Michigan, Ross School of Business 6 'Bs' model.

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# STAGE 4: Making workforce planning a normal part of planning at Council

## Step 13: Embedding workforce planning into business planning cycle

Workforce planning is intrinsically linked with strategic and business planning and should be part of the normal business planning process, enabling you to identify the workforce implications (current and future workforce) of strategic and business planning. This can be articulated through a process flow chart, policy and/or formal procedure.

---

TASK: Describe how your Council will integrate workforce planning into normal business practice. What measures will be used to ensure integration and ongoing access to workforce data. It should include a regular reporting system to your leadership team to communicate progress.

---

**Use the following questions to guide your thinking:**

- Who has responsibility for the strategic planning process in your Council?
- Who has responsibility for leading workforce planning?
- Do you require additional resources to sustain workforce planning?
- Is workforce planning 'at the same table ' as the annual strategic planning process and if not how can you ensure that it is?
- What workforce data is needed by the Council to measure strategic outcomes?
- What existing reporting mechanisms exist that can be tapped into?
- Does your Council have the workforce reports it requires or do they need to be build or created?

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## Step 14: Map, measure and monitor progress

In this step you are required to document each of your actions and determine how to monitor their progress. If you have an annual business plan process, the actions should form part of that process. Whatever process you use it should outline your chosen strategies and initiatives (in order of priority) and the responsibilities, key performance indicators, timeline, milestones and resources requirements. You should involve line managers and the leadership team in this process to ensure you develop a tangible and realistic action plan. Make sure that managers take responsibility for their workforce segment actions. If all of your action fall on HR, consider revising. If there are links between existing strategies and initiatives and the strategies and initiatives you identify in your action plan, you should make those responsible for implementing them aware of this, and ensure they have the tools needed to coordinate them.

**Task:** Write your plan action plan for each of your workforce segments. Determine how you will monitor progress. Consider regular reporting to the leadership team, a quarterly report or reviewed as part of the quarterly budget reviews.

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**Example:**

| Workforce Segment | Risk mitigation strategy | Priority | Task | Responsibility | Key performance indicator and target | Timeline | Milestones and deliverables | Budget and resource requirements |
|---|---|---|---|---|---|---|---|---|
| IT | **People** – *Borrow* the required skills from a neighbouring Council | 1 | Prepare budget bid for 2018-2019 Financial year Make contact with neighbouring Council. Negotiate an agreement. Sign off on agreement | IT Manager | Written agreement in place. | By December 31, 2018 | June 2018 – secure additional budget August 2018 – initial contact with 3 neighbouring Councils October 2018 – draft agreement for CEO signoff January 2019 – agreement starts | No additional resource requirements. Budget to fund the agreement is $30k each financial year. |

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# Post: Self-assessment Against Australian Standard in Workforce Planning AS 5620:2015

Congratulations you have completed your first Workforce Plan. It's time to now re-assess yourself against the Australian Workforce Planning Standard.

| Stage | Summary of Step | BEFORE<br><br>Nominate the Council status – e.g. planned, actioned, in development, established, implemented, evaluated. | AFTER<br><br>Nominate the Council status – e.g. planned, actioned, in development, established, implemented, evaluated. |
|---|---|---|---|
| Stage 1: Getting started | Establish interdisciplinary workforce planning team and build workforce planning capability | | |
| | Build business case, secure resources to proceed | | |
| | Link strategy, business and workforce plans and nominate current and future workforce requirements from the business strategy | | |
| | Identify external and internal influences on the workforce supply and demand | | |
| | Implement communications strategy to engage workforce in workforce planning | | |
| | Identify critical workforce segments aligned with strategic plan | | |
| | Identify information gaps - Review quality and reliability of existing workforce data and systems for workforce segments and whole of Council | | |

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| Stage | Summary of Step 35 | BEFORE Nominate the Council status – e.g. planned, actioned, in development, established, implemented, evaluated. | AFTER Nominate the Council status – e.g. planned, actioned, in development, established, implemented, evaluated. |
|---|---|---|---|
| | Conduct environmental scan if required e.g. labour market and /or industry trends | | |
| | Identify future focused workforce demand scenarios – e.g. growth, demand, no change for the segmented critical workforce and or for the Council | | |
| Stage 2: Analyse the numbers and determine risk | Undertake demand and supply gap calculation on segmented workforce | | |
| | Describe demand | | |
| | Describe supply | | |
| | Undertake workforce risk assessment on demand and supply against strategic planning timeframe | | |
| Stage 3: Risk management and mitigation strategies | Identify risk management and risk mitigation strategies | | |
| | Action strategies | | |
| Stage 4: Implementation | Embed workforce planning into business planning cycle | | |
| | Map, measure and monitor progress | | |

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# Appendix 1:   6Bs

| 6B's Model | Examples |
|---|---|
| **B**uild | • Grow your own capabilities<br>• Formal and informal learning and development initiatives (legacy, established and new)<br>• Mentoring and coaching and individual development plans<br>• Build Whole of Local Government mobile workforce planning capability team to guide agency's in implementing and delivering systematic approach.<br>• Build Whole of Local Government 'specialist skills teams' in known future demand skill sets such as critical thinkers, cyber security, digital literacy |
| **B**ind | • Improve retention of knowledge and key employees<br>• Identify where you are most at risk through exit interviews, surveys and retirement intentions surveys<br>• Targeted retention strategies<br>• Offer special project engagement opportunities to transition to retirement and former employee with required skills and knowledge |
| **B**oost | • Credibility and reliability of employee baseline data<br>• Establish succession plans for workforce in critical workforce segments and for all levels across agency<br>• Provide promotion and advancement opportunities for workforce in critical workforce segments<br>• Engage workforce in job redesign<br>• Create new jobs to attract graduates<br>• Create flexible opportunities for transition to retirement employees |
| **B**orrow | • Establish cross industry and private sector partnerships and alliances to access required skills and knowledge<br>• Encourage intra agency mobility and inter LG regions and state-wide mobility and career development opportunities |

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| 6B's Model | Examples |
|---|---|
| | • Re-engage former employees with required skills and knowledge<br>• Establish special short-term project and consultancies to address skill and knowledge information gaps and capability<br>• Establish innovative and plausible phased retirement initiatives to encourage job creation opportunities |
| Buy | • Engage new employees with skills required<br>• Strengthen partnerships and build recruitment agency understanding of agency skills and knowledge gaps<br>• Create alternative pathways to employment<br>• Review agency branding and employment value proposition<br>• Improve efficiency of recruitment and time to fill process |
| Bounce | • Manage poor performance and exit<br>• Agency restructuring and job redesign to manage over supply |

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# Appendix 2:  Workforce Plan Template

**Title:**  Workforce Plan for [insert workforce segment here] [insert dates that the plan covers, ie should align with your strategic plan]

## Introduction

[in this section include a summary of what workforce planning and what you are aiming to achieve. Use the workbook and the conversations you have had with managers to guide this section]

## Summary

(In this section cover the following:

- Why this a critical workforce segment (explain criticality segment)
- Which areas of the strategic plan does this segment relate to
- Summary of the outcomes of the PESTEL
- Based on the above what conclusions did you draw on the future focused demand scenarios (ie growth, decline, no change) as percentage)

## Workforce Profile

(insert table from excel template and provide some commentary)

## Supply & Demand

(insert supply gap calculation from excel template and provide some commentary)

## Linking Workforce Requirements to ABS data

(insert the workforce requirements table from the excel template and provide some commentary)

## Risk Identification

[list all of the risks that have been identified using the councils risk management process and the template as per step 12)

## Risk Mitigation Strategies

(insert the table in step 13 titled "Broad risk management strategies")

(Insert an action plan as per step 14 and 15)

## Key Learnings

(Use this section to reflect on the process. Think about the challenges you encountered and why. Present some strategies about what needs to be done to enhance the process ie data collection. Also include, what would you do differently next time.)

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# Appendix 3:   Additional Resources

Australian New Zealand Standard Classification of Occupations: http://www.abs.gov.au/ausstats/abs@.nsf/Previousproducts/1220.0Search02006?opendocument

Know your Council: https://knowyourcouncil.vic.gov.au/

LGPro:  http://lgpro.com/

SAI Global (to purchase workforce planning standards): https://www.saiglobal.com/

Skills shortages list: https://www.jobs.gov.au/skillshortages

Example of workforce plan – Queensland Health: https://www.health.qld.gov.au/system-governance/strategic-direction/plans/health-workforce-strategy

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**Workforce Planning Global**

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# Julie Sloan

Chief Executive
Workforce Planning Global

## *Workforce Planning Training Handbook*

## *Guidance material*

This guidance material has been developed to support local government in Victoria to use the Workforce Planning Training Handbook to develop a workforce plan for their organisation.

An advisory group comprising representatives from Murrindindi Shire Council, Loddon Shire Council, Whitehorse Council, Glen Eira Council and LGPro has developed this guidance material to provide additional support and resources to councils embarking on the workforce planning process for the first time. It strives to complement the Workforce Planning Training Handbook, which has been prepared by Workforce Planning Global on behalf of LGPro.

Workforce planning is an involved process but one which is well worth embarking upon in order for councils to identify the supply and demand of its workforce – now and into the future. This enables local government to gain a greater understanding of its workforce, not only for individual councils, but also at a sector level. Workforce planning is a complex process, but the aim of this handbook and supporting material is to make it as simple and straight forward as possible*.

The driving force behind the development of this Workforce Planning Handbook has been LGPro's *Future Ready: a roadmap for the local government workforce of tomorrow* report. Development of this report involved local government CEOs and HR managers and it presented a strong case for a sector-led approach to shape the local government workforce of the future.

Among the strategic priorities and actions identified in the report was the development of a systematic and deliberate approach to sector-wide workforce planning and equipping local government with the capabilities to deliver this. One of the recommended actions was to develop a model Workforce Planning Framework to assist councils to develop their own workforce plan, and from that this handbook and guidance material has been developed.

It is hoped that the Workforce Planning Training Handbook, in conjunction with the guidance material and additional resources, will enable councils of all sizes, structures and with varying resources to develop their own workforce plan.

Additional resources provided with this guidance material include:

- Workforce Plan developed by Alexandrina Council, South Australia
- Workforce Plan developed by Kingborough Council, Tasmania
- Pilot Workforce Plan – Information and Business Transformation 2018 developed by Loddon Shire Council, Victoria
- Workforce Plan Pilot: IT developed by Murrindindi Shire Council, Victoria

**What is workforce planning?**

In Victoria, almost half of councils' operating expenses are spent on their workforces. The Report on 2017/18 Council Budgets by Local Government Victoria found that councils had budgeted a total of $8.2 billion in 2017/18, consisting mostly of employee costs of $3.47 billion, or 42%.

It goes without saying, therefore, that a council's workforce is one of its greatest and most valuable assets and that workforce planning is an imperative step in planning for the future.

Just as a council's infrastructure assets are considered valuable – both in terms of monetary value and benefits to the community – so too is its workforce. Councils will have in place strategic and operational plans, including capital works and maintenance programs, to ensure the maintenance and provision of assets in order to continue to meet the needs of the community into the future.

It is no different for a council's workforce. Workforce planning is an organisational responsibility and should form part of Council's regular long-term strategic and council planning processes, with ongoing reviewing and reporting.

Below is a diagram of how workforce planning may be integrated into your council's overall planning and how it relates to other key strategic documents:



Essentially, developing a Workforce Plan will assist councils to identify future labour needs. This is achieved by gaining a clearer understanding of how its current workforce is made up, looking into the future service needs of its community and determining the workforce that will be required to deliver these services.

As the handbook states, workforce planning is not about predicting the future but should be future focused and based on identifying and exploring a range of alternative future scenarios. Working through the process enables Councils to analyse the potential impact of these scenarios, including:

- The workforce needed to deliver services (demand)
- How the workforce needed now and in the future compares to the current workforce (supply)
- How well these are aligned with the strategic directions of council.

Workforce planning enables councils to identify workforce supply and demand by working out:

- What is happening now
- What could happen
- What should happen

It is important to note that whilst data collection and collation is an integral part of workforce planning, discussions with leaders within the organisation around issues and strategic direction are equally important. Workforce planning plays a very important role in strategic planning and therefore should be undertaken as part of a Council's strategic and business planning processes.

Workforce planning can be broken down into:

- **Strategic workforce planning**: covers a defined period, aligned to the Council Plan (4 years).
- **Operational workforce planning**: covers a defined period, aligned with the organisation's planning cycle (12 months).
- **Critical segment workforce planning:** identification of critical workforce segments will enable council to align these segments with the priorities of Council.

**Self-assessment against the Australian Standard in Workforce Planning**

Data collection is an important step in the workforce planning process. The Australian Standard in Workforce Planning AS 5620:2015 sets out a baseline of data that is valuable in this process, and the handbook recommends that a self assesssment against these standards be undertaken both before and after you undertake the workforce planning process.

It is well worth your organisation using the Australian Standard in Workforce Planning AS 5620:2015 to assist in determining the recommended baseline data. The standard can be purchased from SAI Global at www.saiglobal.com

**Who should be involved?**

Whilst workforce planning is the responsibility of senior management and Human Resources, it is a process that should involve leaders from across the entire organisation as well as engagement with the organisation's workforce.

Before beginning the workforce planning process, it is important to identify managers who should be part of the workforce planning team and consider who will lead the team. Given that the process involves reviewing and planning for the future of council's workforce and deals with information relating to its people, it requires a degree of sensitivity and responsibility from participants so therefore should be driven by the leadership team.

As recommended in the handbook, it's important to seek endorsement and resources before you begin as it is an involved process.

**Workforce segmentation**

Segmentation is used to classify different types of job families. There are two main ways to identify workforce segments – by department or job function. The handbook defines the segments as follows:

| Horizontal segments | Vertical segments |
|---|---|
| This method looks across the entire organisation to group the workforce into similar groups or roles. As opposed to looking at the organisation from a departmental perspective, horizontal segments identify roles across the organisation that have a similar job function or job family, for example:<br><br>• Leadership roles<br>• Project management roles<br>• Customer service roles etc. | This method identifies and groups the workforce into departments, or divisions, for example:<br><br>• Planning<br>• Environmental health<br>• Rates etc. |

In order to gain a sector-wide understanding of local government workforce supply and demand, it would be ideal for Victorian Councils to use similar methodology so that information is consistent across the sector, and so the same information is being compared to gain a sector-wide understanding.

The Australian Bureau of Statistics (ABS) publishes Australian and New Zealand Standard Classification of Occupations (ANZSCO) that provides a classification structure with which you may segment your workforce. For more information, visit http://www.abs.gov.au/ausstats/abs@.nsf/Previousproducts/1220.0Search02006?opendocument

The Workforce Planning Advisory Group is working on gaining access to sector-wide data and it is hoped that such data will be able to assist Councils to segment their workforce. This would enable Victorian local government to use the same data and methodology for segmentation, therefore providing a sector-wide snapshot of the state.

Once workforce segments have been identified, individual workforce plans can be developed for each segment, beginning with the most critical. As the handbook states, this is not to say that one segment is more important than another, rather criticality is about aligning the workforce segments with the priorities of the Council as identified in its strategic and Council plan (step 6, page 15). To assist in this process, you may like to revisit Step 3 on page 13 (Linking Council and workforce plans to identify current and future workforce requirements with a focus on critical workforce segments) as well as make use of the assessment tool and questions on page 16 of the handbook to help guide your assessment.

In determining criticality, below are some further questions to consider that may help guide your assessment and discussions with managers:

- Are there any significant changes in council's strategic direction?
- What are the 'mission critical' jobs – ie those that are going to be critical to council achieving its strategic objectives?
- Can these roles be delivered by current resources? Take into account existing skills, experience and number of staff (ie do the incumbents in mission critical roles have the capability and/or capacity to deliver the future objectives).
- If not, what are the gaps?

In determining mission critical staff members, it might be helpful to use a talent matrix tool, similar to the one below:

High

| | | | |
|---|---|---|---|
| POTENTIAL | **High** | 6. **Rough diamond**<br>Low performance with high potential | 3. **Future star**<br>Moderate performance with high potential | 1. **Super star**<br>High performance with high potential |
| | **Medium** | 8. **Dilemma**<br>Low performance with moderate potential | 5. **Key player**<br>Adequate performance with moderate potential | 2. **Star**<br>High performance with moderate potential |
| | **Low** | 9. **Concern**<br>Poor performance with low potential | 7. **Effective**<br>Moderate performance with low potential | 4. **Trusted**<br>High performance with low potential |

|  Weak  |  Adequate  |  Strong  |
|---|---|---|
| (fails to meet expectations) | (meets expectations) | (exceeds expectations) |

Low                    ⟶ **PERFORMANCE** ⟶                    High

Once you have determined your mission-critical people, some questions to consider may include:

- Can staff members be trained/upskilled?
- Can staff be reassigned from other non-critical work?
- Does council need to recruit more staff/contractors?

Resource sharing is another avenue for consideration. LGPro's *Future ready: a road map for local government of the future* report found that identifying areas where the adoption of shared services could be implemented would be important to understanding the full potential of this option. Shared services could entail sharing a single resource across a number of councils, or establishing functional teams to support a number of councils. Opportunities for collaboration should be underpinned by workforce data of neighbouring councils to identify any potential opportunities for shared services or resources.

**Key steps in developing a workforce plan and what information is required**

Before you begin the workforce planning process, it is important to have an understanding of the data that will be required.

**Workforce profile (Supply)**

Gathering data on your current workforce is an important step. You will be able to gain an understanding of the current workforce profile by gathering the following employee data:

- Gender
- Age
- Employment status (full-time, part-time, casual, contract, fixed term)
- Diversity (ie Aboriginal/Torres Strait Islander background, non-English speaking background)
- Years of service
- Potential retirements – in order to help identify staff who may be nearing retirement, ask managers to think about which of their staff they believe will still be working at Council after a certain period of time (ie in four years or 10 years as per the life of the relevant strategy/plan). Identifying which staff are likely to still be with Council also helps identify staff who may have retired in that time.

It is also important to look at the current skills and qualifications of the workforce, any identified skills shortages, and staff development and training requirements.

**Determine future workforce (Demand)**

The handbook identifies that future focussed workforce demand scenarios will be able to tell an organisation what is going to happen to its workforce over the life of the workforce plan in terms of:

- Growth
- Decline
- No change
- Wild card.

Determining possible future scenarios and implications will involve discussions with the manager of the relevant workforce segment. The handbook includes questions to guide your conversation with the manager on page 21.

**Demand – Supply = Gap**

By undertaking the two steps above to determine workforce supply and demand, councils will be able to calculate the supply gap. The purpose of this is to identify any risks associated with this gap and to determine how council will mitigate these risks through the development and implementation of strategies.

Pages 29-30 of the handbook discusses risk management and risk mitigation strategies to address the risk of not being able to meet the supply gap.  One of recommended frameworks to use to develop risk mitigation strategies is the University of Michigan, Ross School of Business 6 Bs Model. An explanation of what the 6 Bs are (Build, Bind, Boost, Borrow, Buy, Bounce) is detailed in Appendix 1 on page 36 of the handbook.

Another helpful resource is the following link: http://hrfromtheoutsidein.com/book-sites/toolkits/hr-from-the-outside-in  If you visit the link and scroll down, you will find a Youtube video and a worksheet in relation to the 6 Bs.

Some of these risk mitigation strategies have already been discussed in this guidance material and the handbook, so it is a matter of determining which of the Bs are most appropriate for the workforce segment for which you are building a workforce plan.

If you completed a talent matrix tool or a similar talent management tool, you can link the 6 B strategies back to this work to help drive a discussion about how the 6 Bs relate to individuals. For example, if the talent management tool identifies high-performing mission critical team members or those with strong potential, you may implement specific retention strategies (Bind or Build). Alternatively, you may have identified low performing individuals for whom you either need to implement a Build strategy to increase performance or alternatively give consideration to a Bounce strategy.

Furthermore, perhaps you have identified the need to create new jobs (Boost) or opportunities to share resources with neighbouring councils (Borrow).


**Workforce Planning into the future**

Workforce planning is an active and ongoing process that requires monitoring and evaluation to ensure that Council's workforce is aligned with its strategic goals, that it continues to meet existing and future service needs and that Council has the human resources required to achieve this.

It should be reviewed regularly and be flexible and adaptable enough to ensure that it remains relevant and in line with council's strategic and operational objectives. A Workforce Plan should be future focussed to gain an understanding of what an organisation's workforce might look like in four years or 10 years. But it must also be reviewed regularly, perhaps as part of the annual planning and budget processes, to ensure its currency and relevance and to address any gaps.

As stated in the handbook, workforce planning can position your council to be more resilient to structural, economic, environmental, social and technical change. It also better positions councils to compete for the workforce it needs, not only now but into the future.

**Alexandrina Council**

# Workforce Plan 2015-2019

CONNECTING COMMUNITIES

# Contents

## What is Workforce Planning?

Workforce planning is a global discipline that is regarded as essential to strong organisational development and governance as industries and businesses increasingly compete for workers in the global labour market.

Workforce planning is a business imperative that underpins:

- strategic and business planning
- the budgeting process
- identification of workforce demand and supply issues
- executive decision making
- assessment of workforce risk and workforce development strategies (risk mitigation)
- identification of critical job roles
- sustainable workforce development strategies.

Workforce planning is the responsibility of senior executives, human resources and line managers. It is a complex issue but the aim is to make it as simple as possible. To make it as effective as possible it needs to be a continual process, regularly updated and continually improved.

Workforce planning and development is a management technique used to effectively manage demand and supply. It is the process used to align the needs of a business with those of its workforce. Workforce development is the outcome of workforce planning and is linked to the broader economic context that involves building and supporting a skilled workforce to meet economic need[1] .

Workforce Planning has been a legislative requirement in New South Wales since 2009 and Western Australia since 2013 In the Australian Centre for Excellence in Local Government (ACELG) workforce planning survey, collectively a quarter of local governments reported either having an established workforce plan (10%) or being in the process of implementing one (17%), while the majority of local governments (61%) reported they were developing a plan.

Alexandrina Council participated in the LGA Workforce Planning project in 2012. This provided Council with information to consider immediate workforce plan initiatives. Although no long term formal plan was developed and implemented, workforce strategies that exist within Enterprise Bargaining Agreements, address some of the key findings of 2012 workforce profiling. The strategies implemented since 2012 in addition to the strategies presented in this document place Alexandrina Council within the leading percentages for workforce planning and workplace development.

The Alexandrina Council Workforce Plan optimises the use of Council's workforce resources to meet the goals and objectives of the Alexandrina Council Community Strategic Plan 2014 -2023 and ensure that the workforce resources are in place and well managed to deliver strategic objectives.

Simply put, the Workforce Plan ensures that Council has the right people in the right jobs at the right time.

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[1] Skills Australia, Australian Workforce Planning Handbook, 299-2008

# Key Steps in Developing Alexandrina Councils Workforce Plan 2015-2019

**1.        Analysis of Alexandrina Councils Workforce**

Analysis of our existing workforce profile in addition to an examination of National Local Government workforce trends was undertaken. Identification of roles that are essential to meeting legislative requirements and those that are at risk of effecting service delivery if they become vacant or are not able to be filled was also undertaken.

This analysis enabled Council to identify the risks associated with the impact on business, should these positions become vacant. Shortfalls and opportunities were highlighted to utilise current resources more efficiently and effectively and to align strategy with Councils values and also with projections and trends within the Alexandrina region.

**2.        Forecast of Future Needs**

Planning and consideration of Alexandrina Council's Community Strategic Plan 2014-2023 content and objectives were undertaken in order to understand our capacity and capability to deliver current and future work requirements and identify future skill and competency needs

Future workforce requirements were projected based on identification of gaps in current workforce profile, the future requirement to support community capacity via local employment, and projections of national, state and regional skills shortages.

To ensure that identified positions are aligned with Council's strategic direction and that the Workforce Strategy Delivery Plan remains an active working document all vacant or new positions will be analysed against the findings of the Workforce Strategy Delivery Plan.

**3.        Gap Analysis**

 Findings from our workforce analysis and forecasting steps enabled Council to identify gaps in demand and supply, internal and external impacts, challenges on current resources, and identify potential actions.

**4.        Developing an Action Plan to Address Key Issues**

A four year Workforce Strategy Delivery Plan was developed to address gaps in demand and supply of labour. An operational plan will be developed annually to support the achievement of objectives in the four year plan.

The Workforce Strategy Action Plan forms part of the key action objectives of the Human Resources Strategic Plan and will work in conjunction with plans that address development requirements of current employees, the requirement to ensure a transfer of knowledge and skills from pending retirement age employees, replacement of these employees and contingency plans for absences of incumbents in critical job roles.

**5.        Implementation of Strategies**

For the Workforce Strategy Delivery Plan to be effectively implemented it is critical that key stakeholders are consulted and involved at all stages of the delivery of the plan. Management will hold key responsibilities in the delivery of the plan and will be supported by the Human Resource function to ensure innovative and best practice human resource tools are used, in line with Council Values to support them in this responsibility.

**6.      Monitoring and Evaluation**

Ongoing review of the Workforce Strategy Delivery Plan will be undertaken on regular basis with alignment to Council's planning documents and processes with remedial actions to be implemented as required.

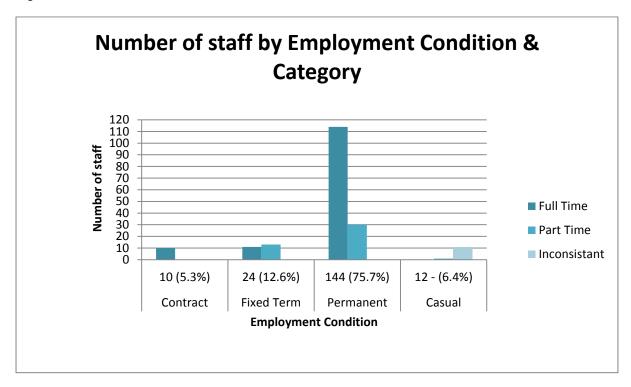**Diagram 1: Relationship of Workforce Plan to Council Operations**



The Workforce Plan operates in conjunction with other key strategic and management documents that Alexandrina Council has implemented to meet the needs of our community.

## Our Workforce Profile

Data from the 2014-15 Grants Commission return, reports that Council employs 190 employees, including 144 permanent (full time and part time), 10 contract (full time and part time) 24 fixed term basis and 12 casual staff, see Figure 1 below.

In addition, Council is currently hosting two trainees and one apprentice and external contract staff whose numbers vary according to works priorities. Council's Full Time Equivalent (FTE) is 158.
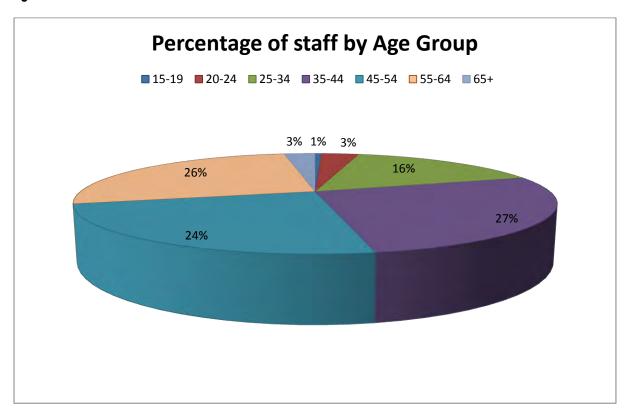
**Figure 1**



### 1.    Age

The various age groups represented in Alexandrina Council indicate that the age groups of 35 to 44 and 55 to 64 with 27% and 26% make up the largest age groups. Over 29% of Councils workforce is aged over 55 years, with 23 employees over 60 years and 5 employees over 65 years.

**Figure 2**



Age distribution by gender indicates that there are older males in the 55-64, 35-44 and 25-34 age groups with relatively even spreads across the other age groups. The ACELG workforce survey indicates that the ageing profile in local government is not the same for men and women. On average, male employees are older than female employees with 41% of men working in local government aged 50 years or more compared to just 32% of women[2].

**Table 1**

| | Total Staff by Age Groups | | | | | | |
|---|---|---|---|---|---|---|---|
| **Age Groups** | 15-19 | 20-24 | 25-34 | 35-44 | 45-54 | 55-64 | 65+ |
| **Males** | 1 | 4 | 20 | 28 | 19 | 26 | 2 |
| **Females** | 0 | 2 | 11 | 23 | 27 | 24 | 3 |
| **Total Staff** | 1 | 6 | 31 | 51 | 46 | 50 | 5 |

These figures represent a national trend in Local Government of an ageing workforce. According to ABS Census data, 37% of the local government workforce is aged 50 years or more compared to the Australian labour force average of 29%. Correspondingly the proportion of employees aged 35 or less is much lower than for the
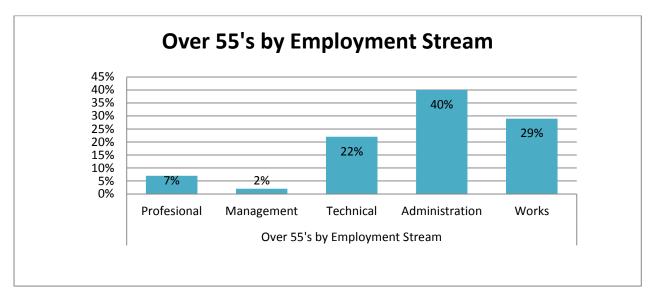
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[2] ACELG Profile of the Local Government Workforce 2014 Report. P10

Australian Average suggesting that there is room for local government to be doing more to attract younger people to join its workforce.

In addition, the ageing workforce is unevenly spread across the range of occupations in local government where a high proportion of employees over 50 years of age are represented in labouring and plant operation and works supervisory roles, approximately 73%. These positions involve manual labour and a certain level of fitness to perform the aspects of the role. As workers age, it may mean that they require retraining or redeployment to reduce the risk of workplace injury. It is also important to note that many of these employees have significant years of service within Alexandrina Council and have acquired knowledge and skills that should be transferred to other workers before retirement. Staff over 55 represent 29% of Alexandrina councils workforce.
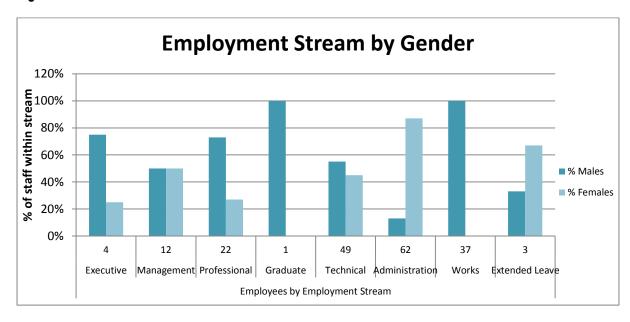
**Figure 3**



Over 55's by Employment Stream

ACELG Survey findings also report that Chief Executive and General Manager roles also represent a high proportion of over 55 year group and while Alexandrina Council does not currently reflect the National Average in this trend, it is important to note that these roles require a considerable amount of lead time to develop appropriate skills and experience. Workforce Plan objectives should address ways to attract, retain, and develop the next generation of leaders while also supporting workers with retraining, knowledge capture, wellbeing and phased retirement options.

**2.      Gender**

Alexandrina Councils workforce is made up of 47 % female employees and 53% male employees. Gender bias for male and female employees is evenly spread in Management roles, in contrast to the national averages. An uneven spread occurs in the fields of works technical and Executive Management where male employees are more highly represented and administration where female employees are more highly represented.

**Figure 4**



**Employment Stream by Gender**

Chart: % of staff within stream (y-axis, 0%–120%) by Employees by Employment Stream (x-axis). Legend: ■ % Males, ■ % Females.

| Stream | Count | % Males | % Females |
|---|---|---|---|
| Executive | 4 | 75% | 25% |
| Management | 12 | 50% | 50% |
| Professional | 22 | 73% | 27% |
| Graduate | 1 | 100% | 0% |
| Technical | 49 | 55% | 45% |
| Administration | 62 | 13% | 87% |
| Works | 37 | 100% | 0% |
| Extended Leave | 3 | 33% | 67% |

Nationally, 75% of local government Executive Management are male, compared with 25% of women, with 67% of men in management roles as compared with 32 % of women, with a much narrower gap in coordinator/supervisory positions with men representing 55% of these roles as compared to women representing 43.1%.
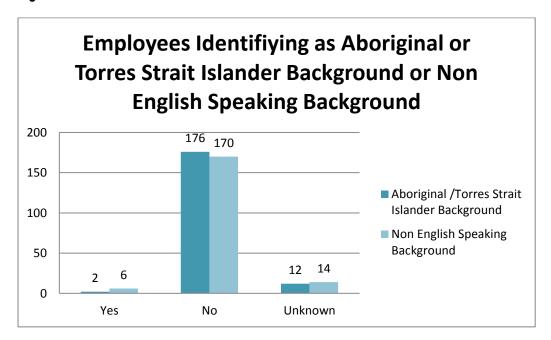
Alexandrina Council workplace profile reflects this trend with Coordinator/Supervisor positions being represented in the technical stream, although it must be noted that this employment stream also reflects a high proportion of our aging workforce. This may be balanced with the potential for women to move into Executive Management roles given their even distribution at Management level within Alexandrina Council.

There are opportunities represented in the equal employment domain over the next 5 years and for Alexandrina Council to lead the public sector with respect to providing opportunities for women to progress into senior leadership roles. Utilising strategies to support women with career progression ability with flexible work options, leadership development and sound succession planning as well as by reframing traditional concepts applied during the recruitment of local government roles that has seen appointment to Executive roles come from occupation groups that are traditionally male dominated will increase the ability for Alexandrina Council to become a leader in equal employment opportunity for women.

## 3.      Diversity

Alexandrina Council is committed to achieving equity and diversity initiatives and enhancing equal employment opportunity. Council's current workforce profile indicates that there is 3 % of staff identifying from a non-English speaking background and 1 % identifying as Aboriginal or Torres Strait Islander, see Figure 5 below.

**Figure 5**



**Employees Identifiying as Aboriginal or Torres Strait Islander Background or Non English Speaking Background**

In 2008, Council of Australian Governments (CoAG) set a target of 2.6% for indigenous employment. Nationally, 4.6% of local government employees identify as indigenous which exceeds the CoAG target. Employees from non-English speaking backgrounds represent 11% of the national local government workforce. ACELG workplace profile indicates that non English speaking backgrounds and indigenous employees are over represented in work occupations that have lower pay rates and higher amounts of casual, part time and contract tenure attached to them. Fewer than 7% of councils have diversity targets in place[3].

Alexandrina Council has an opportunity to become a leader in the area of diversity by incorporating diversity targets incorporating recruitment, development and promotion into more stable job roles as a workforce development strategy. Given the close relationship that Alexandrina Council has with the Ngarrindjeri, providing opportunities to support employment and career development will also enhance this relationship.

## 4. Staff Mobility

Alexandrina Council employee retention rate is relatively stable. Table 2 below, shows turnover compared with retention rates.

**Table 2**

| YEAR | Number Of Employees | Terminated Employees | % Turnover |
|------|---------------------|----------------------|------------|
| 2012/2013 | 203 | 26 | 12.8% |
| 2013/2014 | 203 | 22 | 10.8% |
| 2014/2015 | 210 | 15 | 7.14% |

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[3] ACELG Profile of the Local Government Workforce 2014 Report. P31

| YEAR | Number Of Employees | Remaining Employees after Terminations | % Retention |
|------|---------------------|----------------------------------------|-------------|
| 2012/2013 | 203 | 177 | 87.20% |
| 2013/2014 | 203 | 181 | 89.20% |
| 2014/2015 | 210 | 195 | 92.86% |

Alexandrina Council experienced a turnover rate of 10.8% in the 13/14 year, and 7.14 % where ranges in a national survey of 108 centres ranged from 0% to 46.5% with the average of 12.7% (ABS 2012), slightly higher than national workforces in all other industries suggesting that there is room for improvement in local government strategies to attract and retain staff, particularly in regional areas where skills shortages may be more predominant[4].

Alexandrina Council is likely to experience increased employee turnover in the next four years as retirement age employees exit the workforce. It will be important to ensure that forecasts of the exits from particular employment streams are closely monitored to alleviate any risk of skills shortage that may impact on service delivery.

## 5.      Influencing Factors

### External Influences

Alexandrina Council will continue to face similar challenges to other local governments to continue to respond to ever-changing and challenging contexts and community needs.

Alexandrina council region is a site of projected growth in the Stage Government 30 Year Greater Adelaide Plan with a forecasted population of 34,000 by 2036 and annual growth of approximately 1.42 %. The Regional demographics while still above average in age demographics of 60 to 90 are being influenced by relatively affordable housing opportunities that attract young families.

The use of technology and an increase in legislative requirements in the local government sector will require organisations to invest more money in training and upskilling employees in the use of these systems and also in numeracy and literacy.

### Skills Shortages

While the local government sector has been able to maintain a relatively stable employment base due to the current labour market, National, State and regional skills shortages have been present in traditional local government roles such as planning, engineering, and plant operators. The 2015 Government Skills Australia report indicates that these shortages are likely to be more present during times of increased economic growth particularly in regional areas.

As noted, local government has a predicted ageing workforce and as Alexandrina Council operates in an ageing demographic, acquiring younger people to take up employment from within our region may present challenges in the future should the appropriate strategies not be put in place now.

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[4] ACELG Profile of the Local Government Workforce 2014 Report

**Place based strategies**

Alexandrina Council has an opportunity to position itself as a place based employer and draw on three key contributors to work force motivation and high performance:

1. **Connection:** working in a local community.
2. **Contribution:** producing high quality infrastructure, services and social, economic and environmental outcomes.
3. **Credibility:** working in an organisation focussed on public value and community wellbeing.

Alexandrina Council can position itself to draw on local resources and contribute to the concept of place-based development. Such an approach to employment and development would support the workforce challenges noted in this report and help to improve community cohesion by enhancing the capacity and skills of local people and the economic potential of the region.

There is an opportunity for Alexandrina Council to be noted as an innovative employer by developing strategies that address future workforce needs by broadening the recruitment net or recruiting outside of the square to increase workplace participation across the community and to ensure that the right skills are developed to meet the changing needs of the community[5]. Key target groups for recruitment that are currently under employed are women in leadership, young people, Aboriginal and Torres Strait Islanders, and Culturally and linguistically diverse backgrounds.

The *ACELG National Workforce Strategy Report* notes that local government can harness the talents of younger generations by recognising that knowledge transfer can be a two way process: younger people can provide learning and assistance with new technologies while older workers can share their experience and expertise.

**Alexandrina Council Critical Job Analysis**

The workforce planning process focuses on job groups that are critical to Council's ability to achieve its strategic goals and objectives, rather than every job group.

**Critical Job Group Definitions**

**Mission critical job group:** These jobs are critical to the organisation's ability to achieve core business deliverables, satisfy legislative and regulatory requirements and deliver strategic and operational business outcomes.

**Hard to fill job groups:** Organisations find it hard to attract people to these roles although there may be sufficient people with the appropriate qualifications to fill them. The geographical location, nature of the role, hours or salary may make these roles unattractive. Hard to fill job groups within Alexandrina Council have also been determined with consideration to specialised skills and knowledge developed over a long period of time and the lead time required to transfer this knowledge.

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[5] Productivity Commission 2004

**Skills shortage job group:** These occupations appear on the national and or state skill shortage list.

An analysis of the workforce profile and external influence outlined in this report formed the basis to identify current critical jobs within Alexandrina Workforce. Executive and Management levels also provided input into this identification process.

**Mission Critical Roles**

Level 1

Chief Executive, General Managers

Level 2 Regulatory Required and Future Skills gap

Planning Officer

Community Safety Officer

Patrol Grader and Civil Works

CWMS Technician/ Specialist

Hard to Recruit Roles

Management Level with specialist skills (regional shortage)

Officers level with specialist skills and single officer reliance in the areas of local government specific governance, business systems analysis and policy development.

# Human Resources Strategic Plan Key Objectives

Alexandrina Council has challenges that are universal in nature while others are unique to our organisation. Over the next four years Council will be seeking to maintain current services and service levels while operating in a period where budgets and resources are limited. However, an increase in community expectation and growth requires Council's workforce to become more strategic with its resources in order to do more with less.

It is important to note that in forecasting resources in line with annual budget processes, budget allocation may be given to creation of positions to fill future required roles, for example cadetships and traineeships. In addition, Council may consider allocation of budget to allow a reduction in physical manual tasks for older workers to engage in mentoring and teaching less experienced works with resources provided to back fill roles so as to not have an impact on operational requirements.

This also provides Council with opportunities to implement innovative strategies that will identify it as a leader in place passed workforce development, diversity and equal employment opportunity.

The following strategies have been identified in the Human Resources Strategic Plan and support the delivery of key outcomes of the Workforce Operational Plan:

**Innovation, Development and Improvement**

Key Objectives:

- provide and promote a framework that supports continuous improvement, skills development, change management and business improvement methods
- promote innovation and capture ideas, knowledge and potential of our people
- seek regular feedback from employees as part of the evaluation and monitoring of workforce profile.

**Strategic Partnerships**

Key Objectives:

- provide systems to enable people engagement
- increase accessibility of human resource information across the organisation
- identify and partner with key stakeholders that support us to retain, attract and develop current and future people.
- promote integration of corporate plans and increase consultation across divisions and departments.
- develop a focus on enabling and engagement to achieve value added outcomes.

**Learning and Development**

Key Objectives:

- develop leadership capabilities to meet organisational requirements
- coordinate and promote effective leadership programs
- promote career planning and talent management
- intergrade coaching and mentoring to promote effective leadership.

**A Sustainable Workforce**

Key Objectives:

- attract and retain high performing staff
- grown our own people and promote place based employment
- recognise and develop the contributions of volunteers to build capacity
- align the workforce with corporate goals and objectives
- succession plan for core positions
- create a workplace that actively encourages workplace diversity
- promote strategies that attract younger generation who can share their skills and benefit from more experienced workers.

**A Culture of Health Wellbeing and Safety**

Key Objectives:

- organisational commitment to safety leadership
- build and maintain a safety culture
- promotion of WHS and Risk Management in all activities
- commitment to best practice injury management and return to work
- goal of zero harm, continuous improvement and industry recognition.

**Implementing Workforce Planning Strategies**

The Alexandrina Workforce Planning Discussion Paper will serve as a guiding document for the implementation of innovative and proactive strategies to maximise the efficiency of Council's workforce resources. An annual Workforce Operational Plan will be developed to prioritise key objectives. This Workforce Operational Plan  is a key outcome of the Human Resources Strategic Plan and is closely interrelated to the other key objectives within that plan. The Workforce Operational Plan will incorporate an annual review of the workplace profile, external and internal trends and changes, key internal documents and the key priorities and projects identified in the Alexandrina Council Community Strategic Plan.

**A Word on Volunteers**

 Alexandrina Council also recognises the valuable contributions of its current base of over 300 volunteers. These volunteers provide significant assistance in the achievement of Council's service to the community.

While traditionally, Workforce Planning does not incorporate volunteer activities, The HR Strategic Plan has a key objective to develop ongoing strategies to support and recognise volunteer efforts via sound volunteer management principles that meet National Volunteer Standards and enhance Council's Mission of Be Involved and Connecting Communities.

The HR Strategic plan will continue to monitor changing trends in volunteerism and implement proactive strategies to recruit, train, develop capacity and engagement of volunteers to benefit the community and economic development of the Alexandrina Region.

## Conclusion

The Alexandrina Council Workforce Planning Discussion Paper provides Council with data and analysis that enables it to develop key strategies to address future work force requirements aligned with strategic goals and resource availability.

Key areas of focus for the future include succession planning, skills gaps, ageing workforce, technological changes, knowledge transfer, attraction, retention and development of specific skills and opportunities to grow our own people and recruit from our region to contribute to community and economic development.

These key focus areas will assist Council to maintain a qualified and capable workforce able to meet the requirements of the Community Strategic Plan.

## References

Wagga Wagga City Council Workforce Plan 2013/2017.

Alexandrina Council Community Strategic Plan.

Skills for the Future. The Training and Skills Commission Five-Year Workforce Development Plan, December 2014 Volume 1.

Skills Shortages Australia, Australian Government Department of Employment 2014.

Future Proofing Local Government: National Workforce Strategy 2013-2010 Australian Centre of Excellence for Local Government.

Profile of the Local Government Workforce 2014 Report. Australian Centre of Excellence for Local Government.

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# Workforce Plan for Kingborough Council

Draft:  Version 1 of 2019

# 1    Overview

## 1.1    The current external context

There are specific issues facing Tasmania and its regions which present challenges for the local government workforce.

The three regions in Tasmania have different economic strengths and challenges.  The South has a focus on government and public administration with a growing retail and construction sector.   In the future, the highest growth in employment is expected to be in health care and social assistance, education, retail and construction industries, with the South having the highest projected employment growth.

Unemployment rates in Tasmania are comparable to the rest of Australia which suggests that the labour market is competitive, making it potentially more challenging to attract skilled employees.  Youth unemployment is particularly high and localized, especially in the South and around Launceston.

The Tasmanian Government has a focus on growing the Tasmanian population to 650,000 by 2050 through investment in job opportunities, encouraging international students to study in Tasmania as well as investment to encourage migration.  The Government is also investing in infrastructure – in roads and rail, hospitals, education and schools and housing and tourism.

To drive local and regional economic growth, Tasmania will need a well-equipped workforce across all employment sectors.

Local government may need to rethink their employment strategies and better position their employment offerings in order to retain and attract workers to meet their own service delivery needs.

The Pestle Framework in Appendix A, page 14 includes the influences in the current external context at a National, State, Regional and Local Level.

## 1.2    Local Government Workforce Profile in Tasmania

The Local Government workforce in Tasmania features:

- A workforce of 3,269 full-time equivalent employees (FTE) or a headcount of 4,175 (June 2017) employed in 155 different occupations by 29 Councils;

- A workforce where 63% are full-time employees, 20% are part-time and 17% are casual;

- Low average unplanned turnover of 7.1% compared to 8.3% for councils nationally;

- A much older workforce than the 'all industries' workforce in Tasmania, with 55.6% of workers above 45 years of age in local government, compared to an average of 46.6% across all industries;

- 69% of the outdoor workforce are aged over 45 years and are predominately male, working fulltime in physically demanding jobs with lower levels of education;

- An ongoing decline in the representation of employees who are under 30 years of age and a growing proportion of employees aged over 55;

- A gender profile of 55.3% males and 44.7% females, with women dominating the part-time and casual workforce;

- An increasingly qualified workforce, with 37.9% holding a Diploma or higher level qualification in 2016 compared to 28.4% in 2006; and

- A significant decline in apprentices and trainees, falling from 5.0% of Tasmanian Council FTE's in 2012 to 2.8% in 2017.

## 1.3    Occupational Profile

In terms of occupational provide, the occupations in Tasmanian Councils that have declined significantly over the period 2006 to 2016 include:

- Machinery and stationary plant operators
- Construction trade workers
- Construction and mining labourers
- Office managers and program administrators
- Mobile plant operators

The occupations where numbers of workers have increased significantly are:

- Clerks and receptionists

- Carers and aides
- Chief Executives, General Managers and Legislators
- Design, engineering, science and transport professionals.

Women have a greater representation in occupations such as clerical workers, marketing, HR, community service, recreation and personal services. Men have greater representation in design, engineering, management, ICT, horticulture, construction and senior positions including General Managers. There are a number of occupations where women have increased their level of representation over the last 10 years, including professionals, engineering, design and specialist management roles.

## 1.4 Future Demand for Services (Appendix B)

The future context will create challenges for service provision regardless of whether those services are provided at a local, sub regional or regional level. External context changes will impact on the types of services required and the scale at which they are provided. Examples of potential changes to services are shown in Appendix B, page 21.

The priority issues include:

a) Asset Management: Increased maintenance and infrastructure construction;

b) Community Development: Increased need to build community resilience;

c) Economic Development: Increase in development application services;

d) Community Services: Increased outreach services;

e) Environmental Management: Increase emergency services management and an increase in climate change mitigation and policies. Increased pressure on natural assets from development pressure; and

f) Strategic Planning: Increased in collaborative planning and service delivery.

## 1.5 Strategic documents and service provision (Appendix C)

This plan aims to align with Council's strategic planning process, in particular the Strategic Plan 2015 -2025, the Strategic Delivery Plan 2015-2020, Long Term Financial Plan and the Long Term Asset Management Plan. Implications from these Plans are summarised in Appendix C, page 22. It is noted that at the time of preparing this report, Council was in the process of reviewing the Strategic Plan and this may have implications for service provision.

## 1.6    The current workforce (Appendix D)

Key issues in the current workforce demographics, as summarised in Appendix D, page 24, which will likely impact on Council's capacity to delivery on strategies and services include:

a)  An ageing workforce which will exacerbate skill shortages;

b)  A lack of internal capacity to meet growing demands from the community and compliance requirements;

c)  Gender diversity is difficult to achieve in traditional occupational groupings such as labourers/ machinery operators;

d)  Challenges in the market supply of skilled workers in mission critical occupations e.g. planning professionals, engineering, health professionals;

e)  Intense competition for skilled workers;

f)  Inadequate levels of knowledge management;

g)  Demand for flexible work practices from staff e.g. flexible working hours, compressed work weeks, part-time work, job sharing, transition to retirement;

h)  Changes in need for specialist skills eg horticulture, people management and IT; and

i)  Pressure to control costs and staffing numbers in accordance with the Long Term Financial Plan.

## 1.7    Data sources

The sources of data include an analysis of the demographics and statistics from the Council payroll system (as at 30 December 2018).

## 1.8    Workforce analysis (Appendix D)

The demographic data indicates that Council's profile has:

a)  An ageing workforce;

b)  Males and females tend to dominate in certain occupational roles;

c)  Challenges in the supply of skilled workers; and

d)  Challenges to increase the workforce to meet community expectations, compliance requirements and the pressure to drive and manage economic/population growth (Kingston Park and development applications).

## 1.9 Critical roles and skills (Refer Appendix E, page 26)

The critical roles identified in this workforce plan which are subject to skills shortages include:

**Priority 1 – Immediate (1 – 3 years)**

- Planning Officers - This professional role is currently subject to significant skills shortages and Council struggles to recruit into these roles.

**Priority 2 – Medium term (3 – 5 years)**

- Environmental Health Officers

- Civil Designers

- Development Engineers

- Permit Authority Officers

**Priority 3 – Long term (more than 5 years)**

- Engineers – Project Managers

- Plant Operators (experienced technical operators)

The critical capacity and capability issues identified for improvement in the Workforce Plan include:

a) IT and digital literacy skills;

b) Project management skills; and

c) Management and leadership skills.

## 1.10 **Future Workforce to meet demand**

The future external context and potential changes in services that will create challenges for the workforce include:

a) People are living longer and working later into their lives;

b) More people wanting flexible working arrangements and transition to retirement;

c) An increase in people needed to care for older parents, as well as young families;

d) An ageing local government workforce;

e) A large percentage of local government employees retiring with potential loss of knowledge and therefore a high demand for effective skills transfer; and

f)  Competition from other sectors, especially for technical and professional staff such as planners, civil designers and engineers.

The changing external context and future demand for services may require increases in the numbers of staff required and/or changes in organisational structure profile, capacity/capability and critical roles.

## Where we might be in the future (Appendices B and C)

The potential changes in service provision and the impact on Council's strategic planning are outlined in Appendices B and C.

In summary, Council will be faced with the challenge of improving its financial position when faced with the increasing demands for increased governance and compliance regimes, improved service provision and asset/infrastructure management.

The **key workforce implications** include positions critical to the effective delivery of:

- The Kingston Park development as Council's key strategic focus over the next 10 years;
- Emergency management and property services;
- Compliance management associated with regulatory functions such as building and planning;
- Climate adaptation and the impact on infrastructure;
- Impact of the changes in statutory planning and the new planning scheme;
- Infrastructure and asset management, including project management; and
- Environmental and waste management priorities.

**The future roles** which have been identified to meet these demands are shown in Appendix F, as follows.

**Funding will need to be considered as part of the budget process as well as possible redeployment of current resources.**

**Priority 1 - in order (1 – 3 years)**

*To be discussed*

**Priority 2 - in no specific order (3 to 5 years)**

- Business Analyst (IT)

- Paraplanners

- Legal Officer (new)

- Property Management Officer

- HR Specialist

- Stormwater Inspection Officer

- Bushfire mitigation crew (or contract)

- Reserves workers (Works)

- Urban Designer (extra resources)

**Priority 3 – in no specific order (More than 5 years)**

- Technical Officer, Engineering

- Technical Officer, Plumbing (*in 2018 a business case was made for the redesign of an existing Plumbing Surveyor position to a technical officer role*)

- Technical Officer, Building

- Emergency Management Officer

- Economic Development Officer

## 2. Proposed Strategies

## 2.1 Target certain groups (skills, age, culture) to fill gaps and future proof

**Objective:** To implement a range of succession planning and knowledge transfer activities and provide mentoring and coaching opportunities.

| Proposed Strategy | Key Actions |
|---|---|
| **Recruitment** | Identify workforce and skill shortages and opportunities for Council to offer: <br><br> • Traineeships (full time paid employment for a vocational qualification in a non-trade area); <br><br> • Apprenticeships (full time paid employment for a vocational qualification in a trade area); <br><br> • Cadetships (employed positions for students or graduates); <br><br> • Internships (supervised work placements arranged between University/TasTafe and Council); and <br><br> • Work experience (supervised work placements, generally short term between schools to Year 12 and Council). <br><br> Paid positions to be filled within current staffing budgets and aim for longer term placements to gain more benefit for the organisation. <br><br> **2019 Actions:** <br><br> • Planning – continue support for unpaid internships with UTAS. No budget allocation required. <br><br> • Continue support for trainees and apprentices within the workforce. Currently two trainees are engaged in the Outdoor Workforce (Reserves, Urban Roads) and one trainee in the Building Department. |

## 2.2 Retention of staff

**Objective:** To implement a range of organisation practices which provide for career pathways and identification of training needs.

| Proposed Strategy | Key Actions |
|---|---|
| **Organisational Practices** | • Undertake training needs analysis.<br>• Learning and development plans developed for staff.<br>• Continuing financial support for higher education courses (study support and study leave policies).<br><br>**Actions for 2019:**<br><br>• Training needs analysis will require external consultancy support – funding has been included in the 2018/19 budget. Suggest focus on leadership skills and developing a leadership competency profile. |

## 2.3    Improve skill levels

**Objective:**   To implement a range of training and development priorities which improve skill levels to fill identified future gaps.

| Proposed Strategy | Key Actions |
|---|---|
| **Training and Development** | <ul><li>Increase technology skills and focus on literacy within the workforce.</li><li>Improve the skills of  staff in key business systems, eg Pathway, Map Info and ECM.</li><li>Increase the leadership skills and knowledge of the management and coordinators.</li></ul>**Actions for 2019:**<ul><li>Provide Departmental "Champions" with additional training and technical support in their key  business systems.</li><li>Continue with the management and supervisory Leadership training program with a focus on 'soft' skill development within budget constraints.</li></ul> |

## 2.4   Priority Roles

**Objective:**   To fill critical roles in the organisation which have been identified as an immediate need.

| Proposed Strategy | Key Actions |
| --- | --- |
| **Recruitment** | As part of the forward budget process, provide budget allocation ( or re-allocation of staffing positions) for the following positions:<br><br>To be identified |

## 2.5   Resource Sharing

**Objective:**   To consider a regional strategy for filling critical roles and skills gaps

| Proposed Strategy | Key Actions |
|---|---|
| **Competition for staff** | Follow up on any opportunities to work at a regional level for resource sharing for hard to fill roles and shared services.<br><br>Concepts such as regional cadetships may be a future opportunity.<br><br>**Actions for 2019:**<br><br>• Explore options for resource sharing opportunities with regional councils e.g. Huon Valley Council. |

# Appendix A.    PESTLE framework

This framework helps to identify influencers in the current external context.

| Factor | Level | | | |
|---|---|---|---|---|
| | **National** | **State** | **Regional** | **Local** |
| **Political**<br><br>• Social policies<br>• Government spend | Changing role of local government. Commonwealth and State Government policies are increasingly place based and regional approaches. Reducing the number of councils through amalgamation | Population strategy – Government implementing polices to actively pursue and facilitate population growth. Jobs growth and investment in infrastructure – specific support for north and north west projects<br>Increase in shared services between local councils<br>Push for local government reform and cost savings<br>Possibility of 'rate pegging' in local government<br>Sustainability of local government in Tasmania | Pressure to drive/deliver economic growth and infrastructure development at local and regional level. | Challenges for Kingborough in relation to financial capacity and asset management. Council is not able to fully fund the replacement of infrastructure assets in line with the depreciation of the assets.<br>Primarily focused on asset renewal and replacement actions rather than the funding of new assets.<br>Development of Kingston Park is an opportunity and a challenge for Council over the longer term.<br>Pressure to maintain and increase service levels but control costs.<br>Reduction in dividends from TasWater will impact the budget. |

| Factor | Level | | | |
|---|---|---|---|---|
| | **National** | **State** | **Regional** | **Local** |
| **Economic**<br><br>• Growth policies<br>• Infrastructure policies<br>• Unemployment rates | Significant funding of support by Commonwealth and State governments for the North and North West Tasmania e.g. $60M for Northern Cities Major redevelopment. | All Tasmanian regions have high % of people employed in health care and social assistance and retail trade.<br>The higher growth in employment in the future is predicted to be health care and social assistance, education, retail and construction industries.<br>Low growth in agriculture and declining employment in mining and manufacturing.<br>Unemployment fairly consistent across all regions.<br>Youth unemployment is particularly high in Tasmania – particularly the north and south eastern corner of Tasmania. | Tasmanian regions have differing strengths and challenges.  In the south:<br>• Government and public administration<br>• Tourism<br>• Health care and social assistance<br>• Construction<br><br>All municipalities in the greater Hobart area have grown in population to a significant extent over the last 10 years, although higher growth rates are on the fringes of the Greater Hobart area.<br><br>Three fastest growing municipalities in terms of numbers are Kingborough, followed by Glenorchy and Hobart. | • Population growth in Kingborough is around 1.2%.<br>• Estimated population by 2022 is 41,000.<br>• Greatest increase in the over 55's.  May change with development of new subdivisions and more families moving in.<br>• Affluent social-economic profile,  higher professional component in the workforce<br>• Community expectations for additional and improved public infrastructure<br>• Relatively high number of building applications<br>• Relative higher commuter characteristics (less local jobs).<br>• Median age is 42 (compared to 39 in 2006)<br>• Demographics means that the community has high expectations in terms of service delivery balanced by need to manage costs. |

| Factor | Level | | | |
|---|---|---|---|---|
| | **National** | **State** | **Regional** | **Local** |
| **Social**<br><br>• Demographics e.g. ageing population<br>• Education levels<br>• Lifestyle trends | Federal Government programs to encourage employers to take on workers in the following disadvantaged groups:<br>• Mature workers<br>• Indigenous workers<br>• Workers living with disabilities<br>• Youth<br><br>Changing nature of the Australian workforce – away from reliance on mining and manufacturing to service based industries and technological businesses. | Ageing population and ageing workforce.<br>Tasmanian population is older than in Australia overall.<br>32% of Tasmanians are aged 55+ compared to 27% in Australia Impacts on service provision (aged care and disability services).<br>Tasmanian local government profile:<br>• Workforce is 60% male and 40% female<br>• High proportion of male employees are 50+<br>• In Tasmania, average turnover was 12.4% (9.3% resignation and 2.1% retirement)<br>• Females have higher educational attainment than males *(consistent across local government workforces in Australia)*<br>• In comparison to national profile, Tasmania has lower levels of education attainment.<br>• Roles tend to be gender specific, apart from professionals.<br>• Fewer females in managerial professions. | | Issues for Council's workforce are:<br>• Ageing workforce will exacerbate skill shortages<br>• Internal capacity to meet growing demands.<br>• Males and females tend to dominate differing occupational roles. Gender diversity difficult to achieve in traditional occupational groupings such as labourers and machinery operators<br>• Challenges in supply of skilled workers and competition for workers in mission critical occupations e.g. national shortage of planning professionals, engineering, health professionals<br>• Intense competition for skilled workers<br>• Inadequate levels of knowledge management and skills transfer as workers retire<br>• Demand for flexible work practices from staff e.g. flexible working hours, |

| | | | | |
|---|---|---|---|---|
| | | • Higher proportion of older employees in machinery and labourer groups.<br>• Over 50% of managers are 50+ years old.<br>• There are also fewer 25 – 34 year olds.<br>• Greater demand for flexible work arrangements | | compressed work weeks, part-time work, job sharing, transition to retirement<br>• Changes in need for specialist skills eg horticulture, people management<br>• Challenges of skill investment and training development within limited budget capacity. |

| Factor | Level | | | |
|---|---|---|---|---|
| | **National** | **State** | **Regional** | **Local** |
| **Technology**<br><br>• New back end technology<br>• Customer service technology<br>• NBN | NBN roll out and documented issues around this program.<br><br>Federal Government focus on science, research and innovation as an offset to the decline in the manufacturing sector across Australia. | The Tasmanian Government ICT Strategy aims to drive improved and transformed service delivery, greater public sector productivity and informed decision making relating to ICT.<br><br>Tasmania Government Cloud Policy is to move government data to the Tasmanian Cloud (secure, on-island data centres) – setting an example for other major organisations such as local government and Tasmanian businesses.<br><br>Moving to on-island data sovereignty arrangements to protect security of data, employ Tasmanians and reduce the cost of data traffic on the Bass Strait links. | Regional Councils are cooperating in areas such as procurement, IT support, software purchases and resource sharing. | • Technological changes requiring workforce to upgrade qualifications and skills, including language, literacy and numeracy (*53% of Australians of working age have difficulty with numeracy, 46% have difficulty with reading*)<br>• Challenges in upskilling the workforce in new technologies<br>• Critical gaps in technology skills e.g GIS, Pathway, ECM<br>• Pace of technological change leads to changes in skill set and jobs – NBN impact<br>• Security of Council's data and systems<br>• Critical lack of skills in business process and IT analyst skills within the organisation. |
| **Legal**<br><br>• Changes to legislation, eg planning laws<br>• Employment conditions<br>• Health and safety<br>• Risk management | Possible changes in employment law | Reforms in planning, building and plumbing driven by State Government leads to increased complexity and risk management.<br>Current review of the *Local Government Act* and governance<br>Compliance regulations associated with WHS | Regional Councils are cooperating in relation to compliance and legal enforcement in developing consistent policies and procedures. | • Internal knowledge and capacity around regulations and compliance frameworks<br>• Increasing cost of compliance and risk management<br>• Need for in-house legal skills<br>• Improving governance and enforcement standards |

| | | | | • Increased responsibility for compliance monitoring |
|---|---|---|---|---|

| Factor | Level | | | |
|---|---|---|---|---|
| | **National** | **State** | **Regional** | **Local** |
| **Environmental**<br>• Impact of climate change<br>• Environmental Health<br>• Waste Disposal<br>• Tourism | Emissions reduction targets and review of climate change policies | State passing the responsibility onto local government, particularly in climate change mitigation, bushfire and emergency management.<br><br>Relaxation of environmental controls in new planning legislation will present statewide as well as regional challenges for natural values protection | | • Planning for climate change and assessing impact on assets and infrastructure<br>• Cost of maintenance of infrastructure impacted by climate change.<br>• Planning for emergency management as a result of climate risks e.g. bushfires, floods<br>• Increased costs and challenges in waste management<br>• Increasing community expectations around Council's management of environmental impacts.<br>• Infrastructure challenges on Bruny Island due to tourism |

# Appendix B.    Potential changes in service provision

This framework helps identify where community needs for services and service levels are not being met and where they are dependent on changes to workforce.

| Service | Implications for workforce to improve service quality |
|---|---|
| **Asset Management** | • Increased maintenance<br>• Increased roads and infrastructure with population growth and tourism (Bruny Island) |
| **Community Development** | • Drive for social cohesion and place based solutions<br>• Building community resilience |
| **Economic Development** | • Changes in land use planning, building and plumbing compliance<br>• Increased demand for mix of differing housing types and affordability<br>• Increase in number and complexity of development applications services<br>• Change in ePlanning services |
| **Community Services** | • Increase in aged care services<br>• Increase in disability services<br>• Increase in youth outreach<br>• Increase in staffing for the Community Hub/Kingston Park project |
| **Environmental Management** | • Increased emergency services management with extreme weather events<br>• Increase in policies and programs to mitigate/adapt to climate change<br>• Improved waste management practices |
| **Strategic Planning** | • Increase in collaborative planning at different scales for different services e.g. local, regional and state wide. |

# Appendix C. Strategic plans and service provision

This framework helps identify where various strategic planning documents identify particular workforce requirements to exist in order for their objectives to be realised.

| Relevant strategic planning outcomes e.g. document | Key goals/objectives | Outcomes dependent on workforce | Implications for workforce to deliver number, skills, specialist training |
|---|---|---|---|
| **Kingborough Council Strategic Plan 2015-20** | • Safe, healthy and supportive community<br>• Sustainable land use and infrastructure management<br>• Healthy natural environment<br>• Vibrant local economy<br>• Community leadership<br>• Well administered organisation | | The Strategic Plan sets out the long term goals for Council and establishes high level priorities. In terms of workforce planning, the key implications relate to:<br>• Emergency management and property services<br>• Compliance for regulatory functions such as building and planning<br>• Climate adaptation<br>• Impact of changes in statutory planning and the new planning scheme<br>• Infrastructure and asset management, including project management<br>• Kingston Park development will be Council's key strategic focus over the next 10 years<br>• Waste management services |
| **Long Term Financial Plan** | • Fair and equitable rating structure<br>• Maintain current service levels<br>• Improve Council's financial performance to achieve an operating surplus by 2021<br>• Progressively increase funding for asset management and renewals | | Impact of LTFP on management of Council resources, including the workforce.<br>Balance between maintaining current staffing levels and the challenges of servicing a growing population and increased service demands. |
| **Long Term Asset Management Plan** | • Provide effective and comprehensive management of infrastructure assets<br>• Consistent annual capital | | Balance between using Council workforce and specialist contractors to deliver construction and maintenance projects.<br>Increased demand for specialist skills in asset |

| | | | |
|---|---|---|---|
| | spend to maintain existing infrastructure<br>• Spend at least $5.9M per annum on infrastructure renewal<br>• Increase spend on the renewal of stormwater assets due to capacity constraints | | management<br>Increase in cost of and the technical complexity in operating  new plant and machinery to maintain assets.<br>Increased growth and development lead to future maintenance issues. |

# Appendix D.    Workforce analysis

This framework helps identify issues and trends in the workforce

| Element | Data |
|---|---|
| **FTE Numbers** | • The estimated FTE for Council is 176 (to be confirmed) and the headcount is 213 including trainees.  There are 3 trainees employed through group training organisations and 2 employees currently engaged through Searson Buck, relieving staff on extended leave.  The Works Department also utilises external labour hire services for traffic control and during periods of high workload/staff absences.<br><br>• Staffing has increased by been relatively consistent over the last five years – increasing by about 8%.   FTE's have increased from 175.4 in 2012/13 to 183 in 2018/9, although this figure can fluctuate with changes to levels of casual and temporary employment.   Council has also reduced staffing with the transfer of Manor Gardens in November 2018 and Family Day Care in December 2017, to external providers, with a reduction of 12.7 FTE's.  Most of the increase in staffing numbers has been in Development Services, Engineering and Environmental Services.<br><br>• A staff survey conducted in 2018.  Main issues were around work load, recognition, efficiencies, team work, training and development performance reviews. |
| **Profile** | **Age Demographics**<br><br>The age range groupings within the Council are as follows:<br><br>❖      Under 30 years of age = 11%<br><br>❖      Aged 31 to 45 years = 29%<br><br>❖      Aged 46 to 54 years = 29%<br><br>❖      Aged over 55 years = 31%<br><br>• Most Departments, including the management team, have high levels of mature staff, indicative of an ageing demographic.<br><br>• Over the next 7 years, over a quarter of staff may leave the organisation on the basis of retirement alone.<br><br>**Gender Demographics**<br><br>• The Male/Female ratio is 61% male and 39% female, roughly equivalent to the Tasmanian local government average.<br><br>• Women are under-represented in the management team.  There are only two women in the management team of 10 employees. This is consistent with national workforce profiles where there are also fewer females in managerial positions.<br><br>• Males or females tend to dominate different occupational groupings.  There is a significant cluster of older males in the labourer/machinery positions (over 46 years of age).  Females tend to dominate in administration and community services. |

| | |
|---|---|
| | • In Tasmanian local government, females have higher education attainment than males (probably a reflection of the higher numbers of males in the labourer positions). This is consistent with local government workforces across Australia.<br><br>**Turnover**<br><br>• The average turnover over the last 5 years has been approximately 11%. Turnover in 2017/18 was approximately 10%, including employees transferred from Family Day Care to Blackmans Bay Children's Services and four retirements.<br><br>**Length of Service**<br><br>• The average length of service for all employees is xx years.<br><br>**Work patterns**<br><br>• The majority of employees are employed on a full time basis – 68% of employees.<br><br>• 21% are part time.<br><br>• 11% are casual. |
| Capacity and capability | Known future skill gaps include:<br>✓ IT skills – including GIS, high level Microsoft skills, specialist program skills e.g. Pathway<br>✓ IT business analyst skills<br>✓ Operation of high tech plant and machinery<br>✓ Project management skills, including engineering<br>✓ Literacy and numeracy<br>✓ Leadership skills |

# Appendix E.    Critical roles

This framework helps identify those roles which are critical to the operation of the organisation from a core business/compliance perspective and are subject to skills shortages.  Priority is given to the most critical roles to achieve strategic outcomes.

Priority Level 1 = immediate priority; Priority Level 2 = medium term (>2 - 5 years priority); Priority Level 3 = long term (> 5 years)

| Role | Priority Level | Hard to fill | | Known skills shortage | |
| --- | --- | --- | --- | --- | --- |
| | | Notes | Unattractive role | Not available at the right pay scale | Highly specialist skills | Long lead time to train |
| **Planning Officers** | 1 | | √ | √ | √ | √ |
| **Permit Authority Officers (building and plumbing)** | 2 | | | | √ | √ |
| **Environmental Health Officers** | 2 | | | √ | √ | √ |
| **Civil Designers** | 2 | | | √ | √ | |
| **Development Engineers** | 2 | | | √ | √ | √ |
| **Engineering - Project Managers** | 3 | | | √ | √ | |
| **Plant Operators (experienced technical operators)** | 3 | | | √ | √ | √ |
| **Civil Engineers** | 3 | | | √ | √ | √ |

# Appendix F.        Critical new roles

This framework helps identify those <u>new roles</u> which have been identified as are critical to the future operation of the organisation

- Priority 1 = A compliance, risk or strategic priority, with an immediate need (1-3 years)
- Priority 2 = Governance or efficiency priority, with a medium term need (3 – 5 years)
- Priority 3 = Long term workforce  need (more than 5 years)

| Role | Priority Level | Hard to fill | | | Known skills shortage | |
|---|---|---|---|---|---|---|
| | | Notes | Unattractive role | Not available at the right scale | Highly specialist skills | Long lead time to train |
| GIS Officer | 1 | Internal transfer 2018 | | | √ | √ |
| Waste management specialist | 1 | Internal transfer 2018 - KWS | | | √ | |
| Compliance Officer, Development Services | 1 | Internal transfer  2018 | | | √ | √ |
| Facilities Manager (Kingston Park) | 1 | Recruited 2018 | | | √ | |
| Business/IT Analyst | 2 | Skills shortage profession | | √ | √ | |
| Property Management | 2 | Currently filled on a temp basis | | | √ | |
| Paraplanners/Technical Officers, Planning | 2 | Skills shortage | | | √ | √ |
| HR Specialist | 2 | | | √ | √ | |
| Stormwater Inspection Officer | 2 | Depot based position | | | √ | |
| Bushfire Mitigation Crew (or contract) | 2 | Link to Bushfire Officer | | | √ | |
| Reserve Operations (Works) | 2 | For maintenance of new areas eg Kingston Park & subdivisions | | | √ | |

| Role | Priority Level | Hard to fill | | | Known skills shortage | |
| --- | --- | --- | --- | --- | --- | --- |
| | | Notes | Unattractive role | Not available at the right scale | Highly specialist skills | Long lead time to train |
| Urban Design specialists (Public space design) | 2 | Possible contract work | | | √ | |
| Technical Officers, Engineering | 3 | Skills shortage | | √ | √ | √ |
| Technical Officers, Plumbing | 3 | | | | √ | √ |
| Technical Officers, Building | 3 | | | | √ | √ |
| Emergency Management | 3 | Increasing community resilience | | | √ | |
| Economic Development Officer | 3 | | | | √ | |

# Appendix G. Workforce analysis

### Table 1: Numbers and roles gaps and retirement intentions

This framework helps identify current head count in occupational groupings, and the current gaps and future gaps over longer timeframes.
*(Estimates are based on 65 years – 1 year timeframe; 60 - 64 years – 3 year timeframe; 55 – 59 years a 5 year timeframe; and 50 – 54 years a 10 year plus timeframe)*

| Job title | Critical role Y/N? | Location | Employment status | Current supply Numbers-Headcount | Current demand | Current gap | Future Demand | | | | Future gap Potential Retirement | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Year 1 | Year 3 | Year 5 | Year 10 | Year 1 | Year 3 | Year 5 | Year 10 |
| **Management team** | Y | Management | Full time & part time | 10 | | | | | | | 1 | 4 | 3 | **1** |
| **Cleaners** | N | Sports Centre Civic Centre Bruny Island | PPT and casual | 6 | - | | | | | | | 5 | | |
| **Child Minders** | N | Sports Centre | Casual and PPT | 4 | | | | | | | | 2 | | |
| **Community Development Officers** | N | Community Services | PTF and PPT | 8 | | | | | | | | | | **2** |
| **Sports and Events /Fitness Officers** | N | KSC | PFT and PPT | 8 | | | | | | | | | 1 | **3** |
| **Group Fitness Instructors/ Casual reception** | N | KSC | Casual | 8 | | | | | | | 2 | | | |

| | Critical role Y/N? | Location | Employment status | Current supply Numbers | Current demand | Current gap | Future Demand | | | | Future gap Potential Retirement | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Year 1 | Year 3 | Year 5 | Year 10 | Year 1 | Year 3 | Year 5 | Year 10 |
| **Admin Staff Planning** | N | Development Services | PFT and PPT | 3 | | | | | | | | 1 | | |
| **Planning Officers** | Y | Development Services | PFT, PPT and Casual | 12 | | | | | | | | 1 | | **2** |
| **Development Engineers** | Y | Development Services | PFT | 3 | | | | | | | | | | **1** |
| **Building – Technical and Admin** | Y | Development Services | PFT, PPT and Trainee | 6 | | | | | | | | | 1 | **1** |
| **Plumbing Surveyors** | Y | Development Services | PFT and Casual | 3 | | | | | | | | | 2 | **1** |
| **IT Administrators / GIS** | N | Info Services | PFT | 3 | | | | | | | | | 1 | **1** |
| **Records** | N | Info Services | PPT and PFT | 3 | | | | | | | | 1 | 2 | **1** |
| **Customer Service** | N | Info Services | PPT and PFT | 8 | | | | | | | 1 | | | |
| **Rates Officers** | N | Finance | PFT and PPT | 4 | | | | | | | | 1 | | **1** |
| **Finance Officers/ Procurement** | N | Finance | PFT, PPT and casual | 9 | | | | | | | | 1 | 1 | **1** |

| Job title | Critical role Y/N? | Location | Employment status | Current supply Numbers | Current demand | Current gap | Future Demand | | | | Future gap Potential Retirement | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Year 1 | Year 3 | Year 5 | Year 10 | Year 1 | Year 3 | Year 5 | Year 10 |
| **Compliance Officers** | N | Governance | PFT | 4 | | | | | | | | | | |
| **Compliance - admin** | N | Governance | PFT and PPT | 2 | | | | | | | | | | 1 |
| **Parking Officers** | N | Governance | PFT and casual | 2 | | | | | | | | | 1 | |
| **Corporate – Governance** | N | Governance | PFT and PPT | 3 | | | | | | | | | | 1 |
| **Organisational Development** | N | Org Development | PFT and PPT | 4 | | | | | | | | | | |
| **General Manager's Dept** | N | GM | PFT | 1 | | | | | | | | | | |
| **Kingston Park Project** | Y | Deputy GM | PFT and Casual | 2 | | | | | | | | | | |

| Job title | Critical role Y/N? | Location | Employment status | Current supply Numbers | Current demand | Current gap | Future Demand | | | | Future gap Potential Retirement | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Year 1 | Year 3 | Year 5 | Year 10 | Year 1 | Year 3 | Year 5 | Year 10 |
| **Turf Maintenance** | N | Twin Ovals | PFT | 7 | | | | | | | | | | **1** |
| **Roads and Stormwater Engineers** | Y | Engineering Services | PFT | 4 | | | | | | | 1 | | | |
| **Civil & Urban Designers** | Y | Engineering Services | PFT and PPT | 6 | | | | | | | 1 | 1 | 1 | |
| **Asset Management** | Y | Engineering Services | PFT | 3 | | | | | | | | | 1 | **1** |
| **Project Management** | Y | Engineering Services | PFT | 3 | | | | | | | | 1 | | |
| **Engineering – Admin/Tech** | N | Engineering Services | FT | 1 | | | | | | | | | | |
| **NRM, including cat management** | N | Environmental Services | PPT, PFT , contract | 9 | | | | | | | | | | |
| **EHO** | Y | Environmental Services | PFT | 3 | | | | | | | | | | |
| **EHO – Admin & Immunisation** | N | Environmental Services | PPT and Casual | 3 | | | | | | | | | | **2** |
| **Urban Services** | N | Works | PFT and Trainee | 13 | | | | | | | | 1 | 2 | **1** |
| **Bruny Island** | N | Works | PFT | 5 | | | | | | | | | | 3 |

| Job title | Critical role Y/N? | Location | Employment status | Current supply Numbers | Current demand | Current gap | Future Demand | | | | Future gap Potential Retirement | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Year 1 | Year 3 | Year 5 | Year 10 | Year 1 | Year 3 | Year 5 | Year 10 |
| **Rural Services** | N | Works | PFT | 16 | | | | | | | | 2 | 3 | **2** |
| **Reserves** | N | Works | PFT and trainee | 17 | | | | | | | | 2 | 3 | **4** |
| **Plant and Fleet** | N | Works | PFT | 3 | | | | | | | | | | **1** |
| **Depot – Coordinator and Assist Mgr** | Y | Works | PFT | 4 | | | | | | | | | | **3** |
| **Depot – Admin** | N | Works | PFT | 1 | | | | | | | | | | **1** |
| **Building Maintenance** | N | Governance | PFT, PPT | 3 | | | | | | | | | 1 | 1 |

The following table is from the 2018/19 Annual plan and shows the full time equivalent staff numbers for each program area *(note that Manor Gardens has been deleted from the original count)*

| Annual Plan 2018/19 - FTE | |
|---|---|
| | |
| **Program Area** | |
| Executive Management | 3.0 |
| Governance & Property Services | |
| Property & Emergency Management | 4.2 |
| Compliance | 5.6 |
| Corporate Services | |
| Cleaning | 0.7 |
| Customer Service | 7.2 |
| Finance and Rates | 12.1 |
| Organisational Development | 3.5 |
| Information Services | 6.3 |
| Sub Total | 42.6 |
| Community, Planning and Development | |
| Building Control | 2.8 |
| Plumbing Inspections | 2.8 |
| Community Services | 6.6 |
| Environmental Services | 5.3 |
| NRM | 5.7 |
| Sports Centre | 10.0 |
| Planning | 11.1 |
| Development | 3.0 |
| Sub Total | 53.6 |
| Engineering | |
| Asset Management | 3.0 |
| Design | 4.8 |
| Project Management | 3.6 |
| Engineering | 6.6 |
| Sub Total | 18.0 |
| Works | 5.0 |
| Plant | 4.0 |
| Outdoor Workforce | 49.0 |
| Building & Turf | 10.6 |
| Sub Total | 68.6 |
| TOTAL | 174.6 |
| | |

# LODDON
# SHIRE COUNCIL

**Pilot Workforce Plan - Information and Business Transformation 2018**

LODDON
SHIRE

# CONTENTS

# 1    LODDON SHIRE – WORKFORCE PLANNING

## 1.1    Project

Six councils Wangaratta, Alpine, Indigo, Murrindindi, Mansfield and Loddon sought funding support for the development and implementation of a framework for Workforce Planning (WFP) that will enable them to establish workforce planning that takes account of the needs of the individual councils as well as the regional needs.

The project was identified as a priority issue in the work by done by LGPro in partnership with PwC; *Future Ready: a roadmap for the local government workforce of tomorrow.*

LGPro as our professional member association coordinated the submission and project managed it.

LGPro facilitated significant collaboration in the development of the project submission.  Based on the outcomes of *Future Ready* the submission has been developed by the HR Manager at the Rural City of Wangaratta together with two of her metropolitan council peers.  Through LGPro a group of rural/regional and metropolitan council CEOs, including the Rural City of Wangaratta, have guided this work and have committed to supporting it.

As part of their role in pulling this submission together LGPro has gained a commitment from the CEOs of the 6 participating councils as well as GOTAFE.

## 1.2    Local Government Act

The new draft Local Government Act has a requirement for all councils to have a Workforce Plan that:

- describes the organisational structure
- specifies the expected staffing requirements for at least the next four years
- sets out measures to ensure gender equity, diversity and inclusiveness in relation to council staff.

This plan has not addressed these requirements.


# 2    INTRODUCTION

## 2.1    What is workforce planning?

A systematic approach to workforce planning begins with consistency of language and definitions.

Workforce planning is **"The systematic identification, analysis and planning of organisational needs in terms of people".** It is an *active and continuous* process used to generate business intelligence to inform the organisation about the current and future impact of the external and internal environment on their business, and in the process, to become resilient to structural and cultural changes and better positioned for the future.  Two separate but interrelated tasks, requiring different knowledge and skill sets, define workforce planning:

- **Strategic workforce planning**: which covers a defined period, aligned to organisational strategy e.g. 3 – 5 years
- **Operational workforce planning**: which covers a defined period, aligned with the organisation's planning cycle e.g. 12 months

Workforce planning is not about predicting the future but should be future focused and based on identifying and exploring a range of alternative future scenarios. Working through the process enables Council to analyse the potential impact of these scenarios, including:

- What is the workforce we will need (demand)
- How does the future demand compare with the workforce we have (supply)
- How well do supply and demand align with the strategic direction of Council.

### 2.1.1   Differentiating workforce planning from workforce development

Workforce planning and workforce development are commonly linked and these terms are sometimes used interchangeably, they are, however, not the same thing.

**Workforce planning** is the driver of workforce development.

**Workforce development** can be one outcome of workforce planning. *Workforce development refer to the range of activities undertaken to address the gaps and risks identified through workforce planning, these may include succession planning, knowledge management and/or job redesign.*

Workforce planning and workforce development go 'hand in hand' as there is little point in planning without then executing, just as it can be a risk to execute without planning first.

## 2.2   Why is it important?

Workforce planning is a critical aspect in the long term planning for the Council. Such a plan helps to ensure that there are sufficient people to carry out the Council's purpose. We need to gain greater understanding of our workforce and engage them in the identification of opportunities which are beneficial to them and to our service responsibilities.

Workforce planning enables the identification of current, transitional and future workforce demand and supply and will tell us the 'data' story on:

- What is happening now?
- What could happen?
- What should happen?

Workforce planning can result in the following benefits:

- the identification of future staffing requirements and any possible skill shortages
- a planned recruitment strategy including appropriate time frames and costs
- a plan to close skill gaps can be prepared
- specific recruitment or training initiatives can help plan for new jobs
- staffing costs may be reduced through close analysis of staffing requirements and ensuring appropriate levels of staff
- staff development needs can be better identified
- employees whose skills are unlikely to meet future needs can be retrained.

## 2.3   What are our goals for this Workforce Plan?

The goal for this operational Workforce Plan is to be able to predict the Information and Business Transformation Departments future labour needs. It requires an understanding of the make-up of the current workforce, an investigation into future service needs and an analysis of the type and size of the workforce required to meet them.

One of the more significant challenges is for Council to minimise its employment costs while ensuring it has the right people in the right place at the right time with the right skills to meet the community's desired needs and its operational objectives.

# 3   SUMMARY

## 3.1   Segments

Segmentation is used to classify different types of job families, functions, roles, locations and capabilities and workforce characteristics. It is used to focus workforce planning on the most critical of these segments for the business to deliver its services, objectives including projects and programs.

The workforce can be segmented in different ways, for example:

- Horizontal segments:
  - leadership, project management, customer focus – that cut across the organisation
- Vertical segments:
  - planning, environmental health, rates – that reflect job families

As Loddon Shire has a number of small departments it has been determined that vertical segments will help to identify workforce planning issues and opportunities. The segments are based on departments:

- Executive and Commercial Services
- Finance
- Organisational Development
- Information and Business Transformation
- Community Services
- Technical Services
- Development and Compliance
- Works

An additional segment of Executive has been included to capture positions which sit above the departments in the organisation structure.  This segment includes the CEO, Directors and their administrative support staff.

The segment used for this plan is the Information and Business Transformation department.

This segment is responsible for Information (Records), Technology and Customer Service/Reception.

Information and Business Transformation segment was chosen for this pilot workforce plan as Council is currently looking at a new integrated IT system, the implementation of which will greatly impact the Information and Business Transformation department.  The Customer Service function has also recently been included into this department. This department also has a new manager who is open to change and is looking at identifying new opportunities.

## 3.2   Analysis against Council Plan

When analysing the Council Plan against the Information and Business Transformation segment, the following strategic indicators (indicators of success) are likely to have an impact on workforce planning and the development needs.

| | Strategic Indicator | Development need |
|---|---|---|
| **Information and Business Transformation** | Review the Customer Service Charter and implement the Customer Service Strategy | Project management Contract management Stakeholder management |
| | Upgrade finance, human resource, document management and payroll software | Change management Project management Contract management |
| | Replace phone system | Change management Project management Contract management |
| | Develop and implement the Records Management Strategy | Project management Stakeholder management |
| | Develop and implement the updated IT DRP | Project management Stakeholder management |
| | Complete the upgrade of the Intranet/Internet sites | Change management Project management Contract management |
| | Maintain an ongoing focus on the principle of continuous improvement | Continuous improvement focus Change management |

## 3.3 Summary of the outcomes of the PESTEL

A PESTEL is a simple and effective way of identifying what is happening with the external and internal environment that may impact on the workforce. The purpose of a PESTEL is to identify and analyse any environmental factors that may affect the Information and Business Transformations Departments workforce.

Below is the Information and Business Transformations PESTEL.

| Political | Economic |
|---|---|
| • NBN strategy – change of government (State/Federal) could lead to a change of strategy and present challenges or opportunities re: Telecommunications strategy<br>• rate capping – could lead to reduced capacity to fund service positions | • funding – risk that budget is not available to deliver on IT Strategy<br>• rate capping – could lead to reduced capacity to fund service positions |
| Social | Technological |
| • recruitment – inability to attract and retain suitably qualified and skilled resources<br>• location – due to remoteness of office location, inability to attract and retain suitably skilled and qualified resources | • new systems – user engagement in changes and training requirement is significant<br>• telecommunication capacity – the limited communications capacity at Wedderburn is limiting speed of comms between Wedderburn and Serpentine and therefore also limited cloud based applications speed. |
| Environmental | Legal |
| • Disaster Recovery site – it is located in the | • data privacy / breach of legislation – |

| | |
|---|---|
| middle of our major flood area – poor risk management<br>• telecommunications – range of comms requirement meaning WIFI tower on Mount Kerang – limited capacity<br>• satellite locations of the depots – maintaining a network across all sites not possible | ensuring we understand and comply with all the requirements<br>• records management legislation – ensuring we understand and comply with all the requirements.<br>• audit findings have created significant work in this area |

# 4   FUTURE WORKFORCE

Council's wages and salaries budget is limited by a Council direction to not raise wages by more than 4%. This includes all oncosts. Other factors include the capping of rates each year by a figure set by the State Government (currently 2.25%) and two thirds of Council's revenue coming from external government sources. Taking all this into account there is limited scope to increase the workforce, therefore there needs to be a focus on doing the same or more with the same or less.

For this purpose the Information and Business Transformation department's future workforce demand is detailed below:

## 4.1   Growth

• Additional IT Officer and customer service staff

## 4.2   Decline

• Retirement of key staff member and challenges in replacing the position

## 4.3   Wild card?
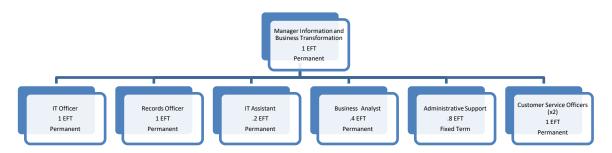
• Potential restructure and what impact that will have on the structure of the team.
• Regional Council Transformation Program (RCTP), opportunity for shared services and delay in new system implementation
• Additional Business Analyst(s) for IT Projects

**Future Workforce conclusions**

• Significant Organisational Development Support is required to respond to the demands
• Finalisation of the Request for Tender (RFT) will lead to additional resources for implementation of new computer system
• Temporary/fixed term positions to implement new computer system could lead to an ongoing requirement for additional support due to the new system
• Contract end means analysis and distribution of appropriate tasks to appropriate team.

# 5   WORKFORCE PROFILE

## 5.1   Information and Business Transformation structure (as at January 2018)



| | Workforce Profile | Total Workforce | Information and Business Transmation Segment: |
|---|---|---|---|
| **Diversity** | Women in Executive /Leadership Team | 46% | 0% |
| | Disability | 0% | 0% |
| | No of Female (% of total head count) | 57% | 75% |
| | No of Male % of total head count) | 43% | 25% |
| | ATSI % of total head count) | 0% | 0% |
| **Tenure at Loddon** | new entry < 12 months | 8% | 25% |
| | early career 1-5 years | 36% | 25% |
| | mid career 1: 5-10 years | 22% | 37% |
| | mid-career 2: 10 -15 years | 21% | 13% |
| | mid-career 3: 15-25 years | 8% | 0% |
| | end career 1 : 25-35 years | 4% | 0% |
| | end career 2 : 35+ years | 1% | 0% |
| **Age of Loddon Shire Staff** | Under 20 years | 0% | 0% |
| | 21 – 30 years | 6% | 13% |
| | 31 – 40 years | 14% | 13% |
| | 41 – 50 years | 31% | 38% |
| | 51 – 60 years | 33% | 25% |
| | 61 – 70 years | 14% | 13% |
| | Over 70 years | 2% | 0% |
| **Engagement** | Current engagement rating from survey | 71% | 78.8% |
| **Recruitment** | Vacancy - average time to fill | 124 days | 124 days |
| | Average no. of applicants | 6.52 | 11.66 |
| | Average no. of suitable applicants per vacancy | 2.8 | 3 |
| **Capability change Magnitude** | Desired Capability - Current capability x future importance | NA | 30 |

### 5.1.1   Analysis of data

- Diversity data – due to small team – this won't change much as it is dependant on available applicants with the required skill set.
- Age of staff
  - new staff have a good spread of age
  - higher % of staff over 40
  - over 40 staff have the most knowledge and skill

## 6   SUPPLY AND DEMAND

The supply gap calculation uses elements of both supply and demand



| Workforce Segment | Total Workforce | | Information and Business Transformation | |
|---|---|---|---|---|
| **Supply Gap Calculation** | **Head Count** | **EFT** | **Head Count** | **EFT** |
| **Supply** — **Ongoing** | 167 | 133.7 | 7 | 4.6 |
| **Temporary** | 0 | | 1 | .8 |
| **Casual** | 31 | | | |
| **Volunteers** | 0 | | | |
| **Funded vacancies** | 0 | | | |
| **TOTAL CURRENT WORKFORCE SUPPLY** | **198** | **133.7** | **8** | **5.4** |
| **Entries previous 12 months** — **No. of positions filled (excluding those listed below)** | 15 | | | |
| **Graduates** | | | | |
| **Trainees** | | | | |
| **Apprentices** | | | | |
| **Special projects** | | | | |
| **Ongoing** | | | 1 | 1 |
| **Temporary** | | | | |
| **Casual** | | | | |
| **Volunteers** | | | | |
| **SUB TOTAL (ENTRIES)** | **15** | **0** | **1** | **1** |
| **Exits Previous 12 months** — **Separations (excluding those listed below)** | 9 | | 1 | 1 |
| **Temporary transfer (to another Council)** | 0 | | | |
| **Long Term Leave (ie greater than 56 days)** | | | | |
| **Retirements** | 6 | | | |
| **Contract ended** | 0 | | | |
| **SUB TOTAL (EXITS)** | **15** | **0** | **1** | **1** |
| **NET MOBILITY (total entries - total exits)** | **0** | **0** | **0** | **0** |
| **Demand** — **Quantified demand scenario % growth, decline, no change** | **-.0066** | | **0.25** | **.29** |
| **Gap** — **Workforce Supply Gap** | **-1.3068** | **0** | **2** | **1.56** |

**Supply** – describes the current workforce
**Demand** – describes the need for services/ functions provided by the segment.

Council's data collection systems are inadequate, some data can be easily collected, some is manual and others not available.

Council's population is decreasing - in 2016 it was was 7555 as at 2017 it was 7505 a decrease of 50 this equates to demand % of -.0066% for the whole of Council and equates to a supply gap of -1.30 positions.

### 6.1 Demand for the Information and Business Transformation Department

- Day to day operation of the business of council
- Supply of the required infrastructure with minimal down time
- Meet legislative requirements in terms of record keeping
- Provide excellent customer service to our rate payers over the counter and phone
- Deliver transformational support and service to the organisation

### 6.2 Analysis of Supply Gap for Information and Business Transformation

From the information gathered the supply gap for the segment is 2 staff members or 1.56 EFT, being one full-time IT officer and 1 part-time Customer Officer. The IT Officer position is due to the implementation of the new corporate computer system and the Customer Service Officer has been identified in the new Customer Service Charter.

- Availability of suitably skilled resources that are local
- Specialist skill set is our challenge

## 7 RISK IDENTIFICATION

The Loddon Shire will consider the following areas that may present a risk to the organisation.

- Insufficient workforce data limited the ability to plan fully and effectively
- Ageing workforce
- Succession planning
- Workforce not reflecting sufficient diversity in age, gender, culture
- Financial sustainability
- Inability to achieve strategic goals
- Inability to achieve operational goals
- Difficulty in attracting high quality staff for some positions
- Increased staffing costs
- Loss of corporate knowledge as a result of key staff departures
- Inability to meet community and/or government expectations regarding provision of services
- Inability to retain staff

### 7.1 Risks identified specifically in the Information and Business Transformation Department are:

- Inability to attract and retain suitability qualified and skilled resources
- NBN strategy – change of government (State/Federal) could lead to a change of strategy and present challenges or opportunities re: telecommunications strategy
- Fixed term positions

# 8  RISK MITIGATION STRATEGIES

Strategies to meet future workforce needs

| Task | Responsibility | Timeline | Budget & resource requirements |
|---|---|---|---|
| Review Customer Service Charter | Manager Information and Business Transformation | | |
| Develop a Customer Service Strategy | Manager Information and Business Transformation | | |
| Develop a Telecommunications Strategy | Manager Information and Business Transformation | | |
| Upgrade finance, human resource, document management and payroll software | Manager Information and Business Transformation | | |
| Recruitment of additional staff to implement the new computer systems | Manager Organisational Development | | |
| Replace Phone System | Manager Information and Business Transformation | | |
| Maintain an ongoing focus on the principle of continuous improvement – service delivery reviews | Manager Information and Business Transformation | Ongoing | |
| Develop Records Management Strategy | Manager Information and Business Transformation | | |
| Develop Knowledge & Information Management Strategy | Manager Information and Business Transformation | | |
| Specialist skill – Single point sensitively | Manager Information and Business Transformation | | |

# 9  KEY LEARNINGS FROM THIS PLAN/PROJECT

- Council's strategic Risks should better articulate Workforce planning risks and mitigation
- Important for Managers to give time and input into understanding workforce planning
- Council does not have the systems to gather all the data required

# 10 LODDON SHIRES WORKFORCE PLANNING TIMELINES
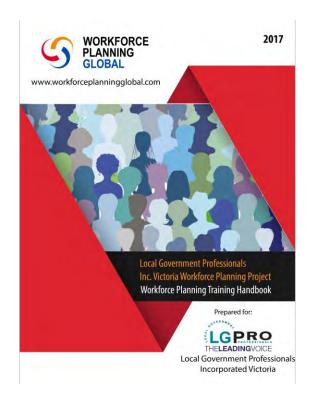
A whole of Council strategic Workforce Plan to be developed each January to assist in the budget process.

The timeline for the information to be supplied for the plan is:

➢ November – Managers to provide an annual PESTEL, Future Workforce Demand documentation and any other information required to the Organisational Development Department

➢ November/December - Organisational Development to meet with managers to analyse and discuss their respective data

➢ December 31 – staff statistics to be gathered

➢ January – Workforce plan to be updated with the new information for the upcoming year

# Murrindindi Shire Council
# Workforce Plan Pilot: IT - Report

# Contents

# Murrindindi – Workforce Planning Pilot project

## Summary

The LGPro report *Future Ready : a road map for local government of the future, 2016* (LGPro, 2016) presented a strong case for a sector led approach to shape the local government workforce of the future. The report recommended pilot projects that could be rolled out to the sector

One of the strategic priority actions [1] was to develop a systematic and deliberate approach to sector-wide workforce planning, and to equip local government with the capabilities to deliver this. To this end, LGPro commissioned Workforce Planning Global to work with 6 Councils to develop and pilot a model for workforce planning that could be applied to Local Government.

This report represents the output for the Workforce Plan pilot for Murrindindi Shire Council under the LG Pro Workforce Planning Project 2017-18.

## Introduction

The purpose of this pilot at Murrindindi was to develop a workforce plan for Information and Communications Technology (ICT).

ICT was identified as a critical job segment to achieve Council objectives primarily due to the pace and breadth of change required impacting across the business. Data was gathered through our Authority systems and other sources and validated in conjuction with the Manager Business Services and the Coordinator. We then identified the priorities and actions aligned the strategic direction of the organisation.

The methodology takes Council through a series of tools to faciltate informed discussion and analysis with stakeholders.

While the process has identified some weaknesses in our data and resourcing capacity to commit the time and attention to such a project , it has proven a useful exercise to build capability to roll this out in a systematic way.

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[1] LGPro 2016 p vii Executive Summary        4

# Planning the plan

## Definitions

The workforce plan uses internationally recognised methodology and is designed to be *"a systematic identification, analysis and planning of our organisational needs in terms of people"*[2].

Workforce planning is not static, rather an *active and continuous process* to generate business intelligence to inform organisations about the current and future impact of the external and internal environment on their business, and in the process, to become resilient to structural and cultural changes and better positioned for the future. Two separate but interrelated tasks, requiring different knowledge and skill sets, define workforce planning:

- **Strategic workforce planning**: which covers a defined period, aligned to organisational strategy e.g. 3 – 5 years.
- **Operational workforce planning**: which covers a defined period, aligned with the organisation's planning cycle e.g. 12 months.

Workforce planning is not about predicting the future but should be future focused and based on identifying and exploring a range of alternative future scenarios.  Working through the process enables Council to analyse the potential impact of these scenarios, including

- What is the workforce we will need (demand)
- How the future demand compare with the workforce we have (supply) and
- How well these align with the strategic direction of Council.

Workforce planning enables the identification of current, transitional and future workforce demand and supply and, in doing so, makes explicit the human resource requirements of a workforce at Council and at sector level.

## Differentiating workforce planning from workforce development

Workforce planning and workforce development are commonly linked. They are, however, not the same thing.  Workforce planning is the driver of workforce development.

Workforce development can be one outcome of workforce planning. *Workforce development refers to the range of activities undertaken to address the gaps and risks identified through workforce planning, these may include succession planning, knowledge management and/or job redesign.*

Workforce planning and workforce development go 'hand in hand' as there is little point in planning without then executing, just as it can be a risk to execute without planning first.

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[2] International Standardisation of Organisations (ISO) Human Resource Management Standard: Workforce Planning IS) 30409:2016.

## Embedding workforce planning– a normal business process

Workforce planning is intrinsically linked with strategic and business planning and should be part of the normal business planning process, enabling Council to identify the workforce implications (current and future workforce) of strategic and business planning (Council Plan and SRP).

The Workforce Plan will help Council identify, and ideally put in place, the human resources needed to deliver our strategic and business plans.

It will expose the information gaps required to address on priority workforce segments, location, roles, functions and capabilities. It will provide the evidence to justify the adoption of workforce risk management and risk mitigation strategies.

Workforce planning and human capital reporting are integral to management responsibility and accountability. Both overlap with other disciplines including: Human Resources, Finance, Policy and Information Technology. It is therefore important that:

- roles and associated responsibilities are clearly defined within the Council
- data capture, analysis reporting and communication avenues are systematic and consistent and
- data is reliable and trusted to inform decision making across all disciplines to enable comparable reporting.

## Success factors

- Identify and engage stakeholders –especially the leadership group
- Have a project control group PRG (ideally include Human Resources, Finance, Policy and Information Technology, and people/manager from the workforce segment)
- Have a communication plan and keep people informed.

## Key steps

The most complex steps are:

1. Workforce segmentation by criticality aligned with the strategic plan

2. Demand and supply gap analysis

3. Future focused business scenarios

4. HR Analytics and Systems capability

5. Applying evidence based workforce planning to the risk management and mitigation strategies.

All "tools" used in this report are collated in a WFP spreadsheet [3]. Each Manager would need to complete these tools as part of the process.

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[3] LGPro Workforce Planning project _ tools and worksheets (17/72239)

# Workforce Segmentation

Segmentation is used to classify the different types of job families, functions, roles, locations and capabilities and workforce characteristics. It is used to focus workforce planning on the most critical of these segments for the business to deliver its services.

The workforce can be segemented in  different ways, for example

- Leadership, Project Management, Customer focus – that cuts across the organsation.
- Job family/segments – Planning, Enviromental Health, Rates

Note: ABS publish Australian and New Zealand Standard Classification of Occupations (ANZSCO) (Statistics) that help provide information about job families.
http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup

## Identifying Critical Segments

### Analyse Strategic Direction

Analysis of the Council Plan 2017-2021 (Council, 2017), and analysis of the operating environment indicated a number of workforce segment  "pressure points" [4]  Of the many services required in Council Plan we prioritised an initial four segments:

| Segment | Reason | Council Plan section |
|---|---|---|
| Customer focus | Customer First, increased requirement for community engagement and customer focus Requirement of all employees to be engaged | Our Promise |
| HACC Staff | Changes to funding models. Need to consider if the service is best delivered by Council or another provider. Aging Workforce – particularly in this area | Our People |
| Tourism and Business Development | Increased focus in Council plan, currently under-resourced. This is a driver for economic development | Our Prosperity |
| Technology/IT and Business Analysis | Rapidly developing technology environment – need to streamline and integrate systems and processes. IT Upgrades occurring. | Our Promise |

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[4] Worksheet 1, WFP Spreadsheet          7

## Analyse the environment - PESTEL

The PESTEL tool is used analyse a variety of factors (Political, Economic, Social, Technological, Environmental and Legal)  that may affect Council and/or the Council's workforce and delivery of strategy (barriers and risks – areas of vulnerability).

We completed a PESTEL[5] for a number of segments. The one for IT preparedness was developed with the relevant Manager, Business Services

| Political | Economic |
|---|---|
| - Political imperative of new Council – expectation of easier connections and communication for customers<br><br>- Expectation of improved integration and efficiency of systems<br><br>- Capacity to cost share or collaborate with other Councils<br><br>- Focus could change suddenly | - Under-resourced to deliver<br><br>- Finding the best fit for purpose/cost effective solution<br><br>- Limited capacity for Council general funds from the activity<br><br>- Drivers external to Council control |
| **Social** | **Technological** |
| - Diversity of end users – wanting access to Council information in digitally and in real time vs those wanting paper/print and in person responses.<br><br>- Capacity of current employees<br><br>- Demographic changes in employees<br><br>- Training gaps | - Blackspot, poor infrastructure, NBN – all external to Council<br><br>- Disaggregated systems<br><br>- Poor data<br><br>- Cost<br><br>- Training Awareness<br><br>- Pace of change/implementation |
| **Environmental** | **Legal** |
| - Dispersed sites<br><br>- Blackspot/infrastructure/NBN<br><br>- Moblity into remote locations | - LG Act changes<br><br>- Privacy/FOI/Data security<br><br>- Procurement and contract mgt<br><br>- Governance frameworks<br><br>- OHS |

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[5] Worksheet 3, WFP Spreadsheet

# Assessment of Change Magnitude required

To assist in identifying the most critical segments to focus on we used this tool [6] to measure the change magnitude requirements for the critical workforce segments using the following criteria:

a) Future importance to the Council (aligned with Council and Strategic Plans)  (1-5)
b) Current capability (1-5)
c) Desired capability (1-5)
d) Capability gap (c-a)
e) Change magnitude (d x a)
f) Functions impacted

Using this tool we determined that the greatest change magnitude was required in our IT delivery.[7] (1 being the lowest and 5 being the highest)

| Capabiilty | Future importance (1-5) | Current capability (1-5) A | Desired Capabilty (1-5) B | Capability Gap B-A | Change Magnitude Future importance x capability gap | Comment Functions impacted External/internal |
|---|---|---|---|---|---|---|
| Project Management | 5 | 2 | 5 | 3 | 15 | |
| Tourism and Business Development | 4 | 2 | 5 | 3 | 12 | |
| ICT | 5 | 2 | 5 | 3 | 15 | |
| Customer Focus | 4.50 | 2.5 | 5 | 2.5 | 11.25 | |
| HACC | 0 | 3 | 5 | 2 | 0 | if outsource |
| HACC | 5 | 3 | 5 | 2 | 10 | if stay in HACC |
| Leadership | 5 | 3 | 5 | 2 | 10 | |

Note – these ratings are a bit subjective , but if the stakeholders are involved you can achieve a consistent view at that point in time of what are the more critical of several workforce segments to focus on.

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[6] WFP Spreadsheet, Worksheet 2
[7] This is a Mercer tool adapted for Workforce planning.     9

## Assessment of criticality

This tool is used to enhance discussion and thinking with the relevant Manager about the selected workforce segment. It is a recommended exercise for each Manager/ workforce segment to help determine the priority segments into the future.

As a standalone tool, it did not add significant value but if it were used for each segment of the organsation, the comparison across groups would assist in prioritising areas of focus.

The following was completed for IT with the Manager Business Services.

| Question:  when thinking about the workforce cohort nominated as a priority segment, score the following | Score 1(lowest)-10 (highest) |
|---|---|
| Do they drive a disproportionate share of the key business outcomes according to Council and Strategic Plan? | 8 |
| Do they influence the Council value chain significantly? | 8 |
| Are they allocated a disproportionate share of the budget? | 4 |
| Are they considered business as usual but not highlighted in Council plan? e.g. outdoor workers | 5 |
| Are they in short supply in the labour market in your Council region, in Victoria or in Australia? | 5 |
| Are they essential to meet regulatory or legislative agency requirements? | 8 |
| Are they a core part of the supply chain across Council or the LG sector? | 8 |
| What is the current skills capability with the cohort? | 6-7 |
| What is the future importance for skills capability of the cohort? | 9 |
| What is the capability gap for this cohort? | 2-3 |
| What is the change magnitude requirement to meet capability gap? (future importance x gap) *magnitude of change for ICT employees | 18-27 |
| Other criteria specific to your agency e.g. location, diversity, link to policy targets | 7 |

10

# Data Collection and Assessment:

Data collection is an important step in the workforce planning process. The Australian Workforce Planning Standard (AS5620:2015) sets out a baseline of data that is valuable in the workforce planning process.

Base line data availability, reliability, collection methods and actions were reviewed[8]. Murrindindi has an immature and incomplete capture of workforce data. A risk for robust analysis is that a significant amount is captured manually and entered into spreadsheets; or exported from Authority for analysis; and that the knowledge of what is captured/done sits with one person (Coordinator Human Resources). Effective data capture and analysis is increasingly the principal currency of contemporary business management.

## Assessment of Councils framework for base line data

| Australian Workforce Planning Standards (recommended base line data) | Is this data available Y/N | Do you report on any of this data Y/N | How is this data collected? (ie system, survey, manual, not collected) | How reliable is the data? High Medium Low | Actions/Comments |
|---|---|---|---|---|---|
| Workforce internal mobility (internal transfers, promotions) | Yes | Yes | Ad hoc | Medium | Tracked in payroll/ Payroll Action forms |
| Age, Gender, Diversity | Part | Part | System and manual manipulation | | Diversity is asked initially; not entered into a system |
| Qualification | Part | Part | manual | Low | Not a formal system of validation |
| Skills and competencies (Capabilities) | No | No | manual | Low | Job/person specific information only |
| Working life stage (new entry, early, mid, end career) | Yes | Part | Manual - Qualitative information in annual review | Low - Medium | recorded in personnel file, not in dbase |
| | yes | yes | Years of service | High | Payroll system |
| Career aspirations | Yes | Yes | Bi-annual survey | Medium | Snapshot - information ages. |
| Engagement motivators (Reasons | Part | Not routinely | Manual | Medium | optional exit survey |

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[8] Worksheet 5

| people are attracted to the organisation) | | | | | |
|---|---|---|---|---|---|
| Disengagement motivators (Reasons for exiting the organisation) | Yes | Yes | Manual | Medium | Only reported once/year – minimal qualitative information reported. |
| Vacancy wait (time to fill) | Yes | Yes | Yes | Medium | |
| Mobility (trends and net mobility) | Part | Part | Manual | Low - Medium | Generally reactive |
| Learning and development intentions | Part | Yes | Bi-annual survey | Medium | Snapshot - information ages. |
| Absenteesim | Yes | Yes | System | High | Authority |
| Leave liability | Yes | Yes | System and manual manipulation | High | Authority |

# Further baseline data – MAV annual survey

Council also participates in an annual HR survey run through MAV. The 2017 Executive summary report [9] shows comparison to other small rural Councils in the Benchmark.

**Comparing Murrindindi Shire Council with the 'typical' council in this comparison group**

| "Typical" Council Comparison Table | Comparison Group Median | Murrindindi Shire Council |
|---|---|---|
| Operating expenses | $26.0m | $32.4m |
| Headcount | 149 | 175 |
| Full-time equivalent | 119.0 | 133.8 |
| Casual workforce | 24 | 23 |
| Workforce Age - 55 to 59 | 17% | 23% |
| Workforce Age - 60 to 64 | 14% | 18% |
| Workforce Age - 65 and over | 7% | 6% |
| Employee expenses | $10.3m | $13.7m |
| Employee expenses as % of operating expenses | 40.5% | 42.2% |
| Total workforce turnover | 10.0% | 14.9% |
| Unplanned absence rate | 3.3% | 3.3% |
| Unplanned absence days per FTE | 9.4 | 8.8 |
| Lost Time Injury Frequency Rate | 21.9 | 24.1 |
| Lost Time Injury Severity Rate (days lost per injury) | 15.1 | 11.9 |
| HR FTE | 2.5 | 2.7 |
| HR Workload (Workforce Headcount per HR FTE) | 59.6 | 64.8 |

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[9] MAV HR Benchmark report 2017 (18/3308) – Executive summary

# Profiling the workforce

Using the available data sources you can build a picture of the current available supply.

| | Workforce Profile | Total Workforce | Chosen Segment: IT |
|---|---|---|---|
| **Diversity** | Women in Executive /Leadership Team | 40% | 0% |
| | Disability | NA | 0% |
| | No of Female (% of total head count) | 64.60% | 66% |
| | No of Male % of total head count) | 35.40% | 33% |
| | ATSI % of total head count) | 0.01% | 0% |
| **Work Life Stage *** | new entry < 12 months | 0.52% | |
| | early career 1-5 years | 4.64% | |
| | mid career 1: 5-10 years | 4.64% | |
| | mid-career 2: 10 -15 years | 31.96% | |
| | mid-career 3: 15-25 years | 31.96% | 100% |
| | end career 1 : 25-35 years | 25.26% | |
| | end career 2 : 35+ years | 5.67% | |
| **Engagement** | Current engagement rating from survey | 67% | 74% (Business Services) |
| **Recruitment** | Vacancy - average time to fill | 34 days (5 weeks) | NA |
| | Average no. of applicants | 16 | 4 |
| | Average no. of suitable applicants per vacancy | 6 | 2** |
| **Capability change Magnitude** | Desired Capability - Current capability x future importance | NA | 15 |

* Work life stage data is a guesstimate based on a combination age/ years of service (years of service with MSC does not always represent work life stage).

** Recruitment data for IT is from 2013 (last vacancy)

This data shows Council over all has vulnerabilities in

- diversity (gender, disability and ATSI)
- workfing life stage – (only 10% in early career; and 30% in end career, and another 30% in late mid-career)

**Strengths**
- Engagement
- Reasonable recruitment supply statistics (across all positions) – although these are tighter for specific roles

**Vulnerability/Risks:**

In the IT segment the vulnerability is repeated in diversity, and in career life stage . The strength includes engagement, indicate data on recruitment – although this is based on last known recruitment in 2013.

# Future focus scenarios

This segment requires input from the "subject expert" usually Manager and Coordinator consideration of factors that affect the future current and needs of the workforce. In constructing a workforce plan, an organisation should consider impacts on the workforce of a variety of scenarios – that is in the context of growth, decline, no change or "wild card".

## Question the experts and stakeholders

1. What is the workforce impact of the strategic plan on this segment?
2. What new services will be included?
3. What existing services will be modified or closed?
4. What impact will technology have on the future demand and supply?
5. What are the internal and external stakeholders impact by or finldueing the future business scenarios
6. What is the role function, capability change requirement for the workforce segment impacted by these scenarios?

To describe current/future demand – analyse metrics relevant to the segment. IT currently has somewhat ad hoc metrics with anecdotal reporting. It is projected to improve measurement of the following through CRM (Customer Request Management module in Authority).

*Note: The following table represents metrics that are intended to be used in the near future. Ideally these metrics need to be completed for a more comprehensive analysis of trend.*

| Metric | Measure | What is the industry standard | Increase, decrease, stable (%) |
|---|---|---|---|
| Help Desk requests | Quantity/week | | Increasing * |
| Time to resolve (average) | Complexity/days to resolve | | TBC |
| No. mobile devices supported | Trend | | Increasing* |
| Systems breaches/failures | Frequency Time to resolve | | TBC |
| Compliance on licencing, patching/system maintenance | Frequency | | TBC |
| Disaster Recovery (DR) testing | Frequency | | TBC |

* Data not yet accurately captured. Anecdotally it is increasing.

Our Council plan requires a seamless "whole of service" interaction with Council (by stakeholders/community) as reflected in all 4 pillars of Council plan –especially in Our Promise

- Ensure Culture, systems, technologies encourage and enable innovation in our business practices and service delivery
- Ensure our services and the way we provide them are best aligned with community priorities and Council resources

Interview with the Manager Business Services and Coordinator IT indicate the following. (See analysis of ANZSCO job classification for ICT skill requirements)

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- Business process analysis is immature though we have some temporary in house skill
- Web maintenance/administration is under-resourced (mostly outsourced), and the contract is managed across both Communications and IT.
- Project Management under-resourced with challenges to manage operational and strategic priorities
- ICT system quality assurance is satisfactory but the skill lies in one person;
- Similarly increasing challenges of cyber security – we have current skills to meet these also in one person
- Database administration is ad hoc and lies in many hands (training need)
- Resources and infractructure – there is continual demand for this – future focus moving away from "servers" and fixed architecture/physical backup to an increased reliance on cloud technology and remote backup. But there are still challenges with connectivity/blackspots.
- Systems integration is increasing, again Council currently has reasonable skills, but limited resources in the existing staff
- Testing DR/auditing  - minimal again we have capabilty but not capacity to do this as regularly as advisable.

In summary the both the skill requirements and the reliance on IT systems continue to evolve and increase with broad-ranging impacts across the organisational capacity of the whole Council.

## Possible scenarios

The process asks stakeholders to hypothesise four possible scenarios – growth, decline, no change or "wild card" - relevant to the workforce under consideration.

### Growth

Potential requirement for increase in two areas – 1 in system integration /strategic direction and 1 in technical support to increased end users

### Decline

There is unlikely scenario of decline of service. The only possibility might be one where Council required all users to BYOD (Bring your own device) and reimbursed for servicing, which would then enable a reduction of IT staff. However this would bring other risks of data security breaches.

### Status Quo

Some effiiciencies through improved integration and upgrades, gradual refocus of service away from system architechture and network management.

### Wildcard

Undertaking a merger with neighbouring Councils – would need to coordinate with similar software/systems to be seamless. It is likely that there would still need at least one support person in each Council location.

# Describe supply and demand

## Strategic plan indicators – whole of Council (Demand)

Determining the supply gap for one segment needs to be considered in the broader context of the whole of Council demand. If there is scope for increase in overall staff resourcing, then Council will need to determine how this is allocated – i.e. to IT or to other priority segments.

Council shire growth is predicted 1% population growth/year.  What does this translate into FTE growth?

Council SRP[10] predicts no growth in FTE, and salary cost increase of 2.3% which covers the Enterprise Agreement increase (1.85% salary increases plus 25% on-coststotals 2.31%)  over 3 years.

| Department | Budget FTE | 2017/18 Permanent Full Time | Permanent Part Time | 2018/19 Total FTE | 2019/20 Total FTE | 2020/21 Total FTE |
|---|---|---|---|---|---|---|
| Executive Office | 4.0 | 3.0 | 1.0 | 4.0 | 4.0 | 4.0 |
| Infrastructure and Development Services | 74.9 | 58.1 | 16.8 | 74.9 | 74.9 | 73.9 |
| Corporate and Community Services | 71.7 | 21.6 | 50.1 | 70.1 | 70.1 | 70.1 |
| **Total Staff Numbers** | **150.6** | **82.7** | **67.9** | **149.0** | **149.0** | **148.0** |

However, based on 1% population growth and therefore a projected increase in servicing, a proportionate increase of 1% of 203 people, you could assume a growth of up to 2 positions.

## Alternative view of demand

One of the tools[11] looks at the ANZSCO occupational groups and seeks to identify current and future requirements by head count and qualification. However in a small organisation the diverse functions are held within a few people. Consequently the demand is as much about refocussing their skills and priorities rather than increasing headcount  - though in areas that may be part of the solution.

As a result the stakeholder group reviewed the full range of skills in ICT[12] and reviewed each one by the capability and capacity of the existing staff resources. The ranking was our own.

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[10] Council SRP 2018-19 (18/23119)
[11] WFP Spreadsheet, Worksheet 6a
[12] WFP Spreadsheet, Worksheet 6b

| Job function | Job role | Job role code | Existing capacity (capability) | Existing capacity - comment |
|---|---|---|---|---|
| 0= NA, 1= none; 2 immature/ad hoc 3=satisfactory 4= able to accommodate and support future | | | | |
| Business Change | Business Process Analysis/Design | 150101 | 2 | Not available as an identified position. Some resides in Customer First Project Manager./ independent consultancy |
| | ICT Program and Project Support | 150103 | 3 | Under-resourced - split between comms and ICT; web technology is outsourced not a lot of down time. |
| | Program and Project Manager | 150102 | 3 | Current projects well planned; not always properly capacitated. Inconsistency on how we resource - projects vs day to day in small team |
| IT Business Management | ICT Quality Assurance Engineer | 150202 | 3 | improved opportunity have schedules and patching. Risk is skill in one person and capacity to all of it (he is capable) |
| | Procurement and Vendor Relations | 150201 | 3 | could manage contracts and suppliers better |
| | Strategic Leadership | 150203 | 2 | Is there enough strategic leadership in Council plan - appetite for integration - improving with new Council |
| Service Delivery | Databases and Data Administration | 150301 | 3 | data administration is in many hands and skills of users need to be improved |
| | ICT Infrastructure and Facilities | 150303 | 4 | increasing demand may require more resources and increased of mobility requirements, remote access challenges and impact NBN |
| | ICT Security | 150305 | 3 | 4 - capability of ICT staff good; increasing challenges to cyber-security may require more resources |

| | | | | |
|---|---|---|---|---|
| | Information/Knowledge Management | 150302 | 2 | Impact of BIG data , digitalisation, AI , future workforce not really have capacity assess |
| | Networks and Telecommunications | 150304 | 4 | capacity good for now , but with mobility will be more challenge of pace of change of tech |
| | Service Management | 150306 | 1 | Nice - but have limited capacity- has been raised by auditors to implement measures |
| | Systems Administration | 150307 | 2 | Patch management has been an issue - automation rolling out of software - being addressed but resource intensive |
| Service Support | Helpdesk/Support | 150401 | 3 | Skills = 4 ; Capacity is limited and under resourced |
| | Training and Development | 150402 | 2 | Limited induction, training insufficient |
| Solutions Development | Development and Programming | 150501 | 0 | |
| | Systems Analysis and Design | 150502 | 2.50 | skills=3 ; capacity =2 |
| | Web Administrator | 150503 | 3 | Includes social media platforms, increased pace |
| Solutions Implementation | Systems Integration and Deployment | 150601 | 3 | skills=3 ; capacity =2 |
| | Testing | 150602 | 3 | Skills = 4 ; Capacity is limited and under resourced |

# Australian Bureau Data - Supply

Information from ABS Census data indicates there is a reasonable supply of ICT employees in Victoria. Within Murrinindi the data indicates 11 people, however we have 3 in local government, so it may be that people in schools, DELWP etc indicate their industry as "Education" or Public Administration.

## WHAT DO THE NUMBERS SAY? MURRINDINDI SHIRE

**INFORMATION TECHNOLOGY OCCUPATIONS INCLUDE:**
- *ICT Managers*
- *ICT Professionals, nfd*
- *ICT Business and Systems Analysts*
- *Business and Systems Analysts, and Programmers, nfd*
- *ICT Network and Support Professionals, nfd*
- *Computer Network Professionals*
- *ICT Support and Test Engineers*
- *Telecommunications Engineering Professionals*
- *Engineering, ICT and Science Technicians, nfd*
- *ICT and Telecommunications Technicians, nfd*
- *ICT Support Technicians*
- *Telecommunications Technical Specialists*

A total of 57,904 persons are employed in these occupations in **Victoria**.
- 148 (0.3%) were identified as Indigenous
- 11,884 (20.5%) were identified as female
- 621 (1.1%) were identified as working in local government

A total of 11 persons are employed in these occupations in **Murrindindi Shire**
- 0 were identified as Indigenous
- 0 were identified as female
- 0 were identified as working in local government

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WORKFORCE PLANNING GLOBAL

# Murrindindi Supply Gap

The supply gap calculation uses elements of both supply and demand.



Using the information we can develop an overview of the potential supply gap

Assumptions

- Temporary Business Systems Analyst included in the ICT Headcount. Although the position is full time it is currently funded for 6 months only (0.5EFT)
- Overall figures include pool staff in entry/exit data (24)
- Although the SRP indicates no growth in FTE, other indications drawn from Council plan resourcing imply need for additional staffing in Tourism/Events, Customer First and IT. So if 1% growth is adopted it equates to approximately 2 positions
- For IT discussions indicate there is a need for a Business System Analyst (maybe fixed term 2-3 years) and increased help desk for end users.

The following table outlines the workforce supply requirements. It indicates that Murrindindi has existing 3 staff (2.68 FTE) . We have an additional 1 (0.5FTE) temporary staff member currently employed in Customer First /Business Analysis.  The tool assumes in raw/numerical terms, that we could retain the temporary employee. This therefore leave 1 (0.5 FTE) to boost Helpdesk.

# Snapshot of Supply Gap

| | | Total Workforce | | Chosen Segment: IT | |
|---|---|---|---|---|---|
| | **Supply gap calculation** | **Head count** | **FTE** | **Head count** | **FTE** |
| **Supply** | Ongoing | 165 | 124.4 | 4 | 2.88 |
| | Temporary | 9 | 8.5 | 1 | 0.5 |
| | Casual | 20 | 7.31 | 0 | 0 |
| | volunteers | 40 | NA | 0 | 0 |
| | Funded vacancies | 9 | 6.92 | 0 | 0 |
| | **TOTAL Current Workforce Supply (excl volunteers)** | 203 | 147.13 | 5 | 3.38 |
| **Entries 2017-18 YTD** | No of positions filled (total) | 51 | 26.75 | | |
| | Graduates | 0 | 0 | | |
| | Ongoing | 12 | 11 | | |
| | Temporary | 14 | 11.35 | 1 | 0.5 |
| | Casual | 24 | 3.4 | | |
| | Cadet/Trainee | 1 | 1 | | |
| | Volunteers | NA | NA | NA | NA |
| | **SUB TOTAL Entries** | 51 | 26.75 | 1 | 0.5 |
| **Exits** | Separations (excluding those below) | 20 | 17 | 0 | 0 |
| | Temporary transfer | 1 | 1 | | |
| | Long Term leave - greater than 56 days | 3 | 2 | | |
| | Retirements | 1 | 1 | | |
| | Contract ended | 26 | 6.42 | | |
| | Total | | 27.42 | | |
| | **SUB TOTAL Exits** | 51 | 27.42 | 0 | 0 |
| **Net mobility** | **Entries minus Exits)** | 0 | -0.67 | 1 | 0.5 |
| | | | | | |
| **Demand** | Qualified demand scenario % growth decline no change | 0.01 | | | |
| | Number | 2.03 | 2 | 2 | 1.5 |
| **Gap** | **Workforce Supply Gap** | 2.03 | 2.67 | 1 | 1 |

# Risks in supply

## Strategic risks

Council's Strategic Risk matrix[13] relating to IT and employee resourcing are quite broad in definition and do not specifically relate to workforce requirements.

Relevant are

- Strategic risk 17 – relating to capacity to meet responsiblities  due to (in part) " staff skills/capacity "
- Strategic risk 15 – relating to failure to work collaboratively/partner with other providers may result in duplication, resource waste among other issues
- Strategic risk 13 – relating to business continuity ( including ensuring robust Data Recovery)

## Operational Risks

The Operational Risk Matrix[14] for corporate community services includes a more specific reference (not updated) to

- Risk 1 - If a qualified and reliable workforce is not maintained due to poor workforce planning … could impact Council's ability to deliver quality services and meet community expectations and contracted targets.
- Risk 7 - If programs and service delivery do not adequately plan for the changing needs of the community the consequences of this could impact on Council's ability to deliver services appropriate to community needs, Council's reputation and financial position.

## Workforce Supply risks – IT

The current risks in IT are mostly around capacity of resources rather than capability. Therefore in a no growth scenario Council may need to prioritise services in IT that can be supported.

A further risk is lack of a clearly articultated strategy on the next 5 -10 direction for ICT. This is also linked to a need for a comprehensive systems/analysis. Likely pressure points will be, increased requirements for in end-user support with increased mobility; increased requirements for system integration and increased challngs on cyber security.

The **highest workforce supply risk** is (timeframe, occupation, location, capability) -

- Lack of systematic business/systems analysis across the whole organisation
- Lack of coherent analysis of existing resources against strategic direction/priorities
- Insufficient training for end users
- Risk in our ablity to retain the existing skilled staff or uncertainty of supply replace high level skils with suitable expertise if they leave.

The **lowest workforce supply risk**  is (timeframe, occupation, location, capability) – The analysis indicates that we may need to boost of help desk resource – but the supply risk is lower

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[13] Strategic Risk Register (18/13152)
[14]Corporate and Community Services Operational Register (16/38425)

as this is technologically less demanding and supply is likely to be readily available in the population; or potentially developed internally.

# Workforce Risk Management and Mitigation Strategies

The preferred workforce risk management and mitigation strategies are

- Work to retain (bind) existing four staff (2..88FTE) members
- Build/redeploy an additional 0.5FTE Help desk (potentially internally)
- Boost/buy the 1 (additional 0.5 FTE if retain the existing incumbents).

## Broad risk management strategies – 2018-2022[15]

| Occupation group | BIND | BORROW | BUILD | BOOST | BUY | TOTAL |
|---|---|---|---|---|---|---|
| IT | 4 | | 0.5 | 1 | | 6 (4.38) |
| | | | | | | |
| | | | | | | |
| Total | | | | | | |

## Workforce development options

An overview and further explanation of the six options risk mitigation strategies knows as 6 Bs : Build, Bind, Boost, Borrow, Buy, Bounce is attached in Appendix A.

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[15] Source: University of Michigan, Ross School of Business 6 'Bs' model.

# Embed Workforce planning

As stated in the intial section, workforce planning should be an integral part of the business planning cycle

To successfully drive through the organisation, it requires coordination and systematic approach by the Leadership team, working with support of the HR Coordinator

| Workforce Planning Task | Responsibility/Accountability | Timeframe | Status /Comment |
|---|---|---|---|
| Review pilot tool with Leadership team | HR Coordinator Leadership team | By 30/6/18 | |
| Establish Leadership team as PCG (or HR, Finance/Payroll, IT as a minimum) | HR Coordinator GM CCS Manager BS | By 31/7/18 | |
| Improve and validate data | HR Coordinator Input more information into Authority with support of IT and Payroll | By 30/9/18 | |
| Agree on strategic priorities and critical workforce segments based on Council strategic plan | As part of business planning/ budget cycle | By 30/9/18 | |
| Conduct interviews with stakeholders | HR Coordinator Respective Managers/Coordinators | | |
| Develop workforce plan with each Manager | HR Coordinator Respective Managers/Coordinators | By 21/12/2018 | |
| Incorporate strategies to address Workforce supply gaps in next financial year budget | Leadership Team | By February 2018 | |

# Key Learning from this pilot project

Feedback to LGPro about the project and whether it has provided sufficient development to enable application across local government in Victoria is documented (18/30400)

In terms of Murrindindi position and capacity to implement workforce planning:

- Murrindindi's data quality is fragmented, ad hoc and maintained in a mix of systems – there is not proper HR Management information system (HRMIS)
- Council has a number of diversity issues a gender imbalance in key areas including senior management, a significant proportion of the workforce in late or end career life stages. In addition, there is incomplete data and limited diversity in areas of disability, CALD and indigenous employees. These are partially reflective of a more homogenous population in the Murrindindi area, contemporary diversity studies indicate that greater diversity can positively affect engagement, innovation and customer service.
- To be effective Leadership Team or delegated project control group needs to increase governance and leadership of the project - with the same level of coordinated effort given to Budget Management.
- It is important to give time and input to subject stakeholders (eg IT Coordinator) to have input into understanding workforce requirements
- Council's Strategic Risk should better articulate Workforce planning risks and mitigation.
- By doing each segment in isolation one is likely to lead towards a request for resource increase in each area. In reality Council would need to do a whole of organisation review to identify where resources can be rationalised to make allowance for priority areas. This would be driven by the Council plan (as per the adage strategy drives structure not vice versa).
- It needs to interlink with service level review.

# Appendix

## Model for workforce risk mitigation strategies

Source University of Michigan, Ross School of Business: 6 'Bs' model.

| 6B's Model | Examples |
|---|---|
| Build | • Grow your own capabilities<br><br>• Formal and informal learning and development initiatives (legacy, established and new)<br><br>• Mentoring and coaching and individual development plans<br><br>• Build Whole of Local Government mobile workforce planning capability team to guide agency's in implementing and delivering systematic approach.<br><br>• Build Whole of Local Government 'specialist skills teams' in known future demand skill sets such as critical thinkers, cyber security, digital literacy |
| Bind | • Improve retention of knowledge and key employees<br><br>• Identify where you are most at risk through exit interviews, surveys and retirement intentions surveys<br><br>• Targeted retention strategies<br><br>• Offer special project engagement opportunities to transition to retirement and former employee with required skills and knowledge |
| Boost | • Credibility and reliability of employee baseline data<br><br>• Establish succession plans for workforce in critical workforce segments and for all levels across Council<br><br>• Provide promotion and advancement opportunities for workforce in critical workforce segments<br><br>• Engage workforce in job redesign<br><br>• Create new jobs to attract graduates<br><br>• Create flexible opportunities for transition to retirement employees |
| Borrow | • Establish cross industry and private sector partnerships and alliances to access required skills and knowledge<br><br>• Encourage intra agency mobility and inter LG regions and state-wide mobility and career development opportunities<br><br>• Re-engage former employees with required skills and knowledge |

| | |
|---|---|
| | • Establish special short-term project and consultancies to address skill and knowledge information gaps and capability<br><br>• Establish innovative and plausible phased retirement initiatives to encourage job creation opportunities |
| Buy | • Engage new employees with skills required<br><br>• Strengthen partnerships and build recruitment agency understanding of agency skills and knowledge gaps<br><br>• Create alternative pathways to employment<br><br>• Review agency branding and employment value proposition<br><br>• Improve efficiency of recruitment and time to fill process |
| Bounce | • Manage poor performance and exit<br><br>• Council restructuring and job redesign to manage over supply |

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