BSBHRM614

CONTRIBUTE TO STRATEGIC WORKFORCE PLANNING

BSBHRM614

Contribute to strategic workforce planning

Release 1

Learner Guide

Aspire Version 1.1

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- Foundation skills
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Before you begin

This Learner Guide is based on the unit of competency *BSBHRM614 Contribute to strategic workforce planning*, Release 1. Your trainer or training organisation must give you information about this unit of competency as part of your training program. You can access the unit of competency and assessment requirements at: www.training.gov.au.

How to work through this Learner Guide

This Learner Guide contains a number of features that will assist you in your learning. Your trainer will advise which parts of the Learner Guide you need to read, and which Practice Tasks and Learning Checkpoints you need to complete. The features of this Learner Guide are detailed in the following table.

Feature of the Learner Guide	How you can use each feature
Learning content	Read each topic in this Learner Guide. If you come across content that is confusing, make a note and discuss it with your trainer. Your trainer is in the best position to offer assistance. It is very important that you take on some of the responsibility for the learning you will undertake.
Examples	These highlight key learning points and provide realistic examples of workplace situations.
Practice Tasks	Practice Tasks give you the opportunity to put your skills and knowledge into action. Your trainer will tell you which practice tasks to complete.
Summaries	Key learning points are provided at the end of each topic.
Learning Checkpoints	There is a Learning Checkpoint at the end of each topic. Your trainer will tell you which Learning Checkpoints to complete. These checkpoints give you an opportunity to check your progress and apply the skills and knowledge you have learnt.

Foundation skills

As you complete learning using this guide, you will be developing the foundation skills relevant for this unit. Foundation skills are the language, literacy and numeracy (LLN) skills and the employability skills required for participation in modern workplaces and contemporary life.

The following table provides definitions for each foundation skill.

Foundation skill area	Foundation skill description
Reading	▪ Organises, evaluates and applies content from a range of structurally complex texts relating to human resource strategic planning
Writing	▪ Communicates complex ideas relating to strategic objectives, matching style of writing to purpose and audience
Oral Communication	▪ Establishes and maintains complex and effective spoken communications in a broad range of contexts with relevant managers to determine resources preferences, philosophies and values
Numeracy	▪ Selects and interprets mathematical information that may be embedded in a range of tasks and texts to analyse costs and benefits
Initiative and enterprise	▪ Ensures knowledge of legislative requirements and products is current and accurate ▪ Develops and implements strategies that ensure organisational policies, procedures and regulatory requirements are being met
Planning and organising	▪ Selects and uses appropriate conventions and protocols when communicating with managers at various levels ▪ Participates in conversations relevant to role responding, explaining, negotiating and persuading, as required ▪ Sequences and schedules complex activities, monitors implementation and manages relevant communication when developing the strategic plan
Problem solving	▪ Makes a range of critical and non-critical decisions in relatively complex situations, analysing data and taking a range of factors into account when researching planning requirements and developing the plan ▪ Gathers and analyses data and seeks feedback to improve plans and processes
Technology	▪ Uses digital technologies and actively investigates new technologies for strategic and operational purpose

What do you already know?

Use the following table to identify what you may already know. This may assist you to work out what to focus on in your learning.

Topic	Key outcome		Rate your confidence in each section
Topic 1: Research planning requirements	1A	Analyse strategic plans to determine strategic workforce direction	☐ Confident ☐ Basic understanding ☐ Not confident
	1B	Analyse organisational environment	☐ Confident ☐ Basic understanding ☐ Not confident
	1C	Identify future workforce needs	☐ Confident ☐ Basic understanding ☐ Not confident
	1D	Consider impacts of technology on job roles and job design1E Review changes to industrial and legal requirements	☐ Confident ☐ Basic understanding ☐ Not confident
Topic 2: Contribute to the strategic workforce plan	2A	Consult and agree on workforce preferences, philosophies, values and policies	☐ Confident ☐ Basic understanding ☐ Not confident
	2B	Develop strategic objectives and targets for HR services	☐ Confident ☐ Basic understanding ☐ Not confident
	2C	Analyse options for provision of workforce services	☐ Confident ☐ Basic understanding ☐ Not confident
	2D	Identify technologies to support workforce programs and practice	☐ Confident ☐ Basic understanding ☐ Not confident
	2E	Contribute to a strategic workforce plan	☐ Confident ☐ Basic understanding ☐ Not confident
	2F	Analyse risk and develop risk mitigation strategies	☐ Confident ☐ Basic understanding ☐ Not confident

Topic	Key outcome	Rate your confidence in each section
Topic 3: Support implementation of the strategic workforce plan	3A Engage stakeholders in the implementation of the strategic workforce plan	❑ Confident ❑ Basic understanding ❑ Not confident
	3B Monitor, review and adapt the plan	❑ Confident ❑ Basic understanding ❑ Not confident

Topic 1 | Research planning requirements

1A   Analyse strategic plans to determine strategic workforce direction

1B   Analyse organisational environment

1C   Identify future workforce needs

1D   Consider impacts of technology on job roles and job design

1E   Review changes to industrial and legal requirements

1A Analyse strategic plans to determine strategic workforce direction

In today's dynamic economic environment, organisations are continually looking for a competitive advantage. One distinguishing factor in all organisations is its people: human resources.

Strategic human resource planning (SHRP) is a critical element of strategic human resource management (HRM). It aligns human resource management directly with the organisation's strategic plan. Based on the organisation's strategic plan, you can develop a strategic workforce management plan that will enable the organisation to make decisions to support its future direction. From a budgeting perspective, SHRP enables the organisation to factor in potential costs such as recruitment, training or redundancy into the organisation's operating budget. In order to understand and determine the strategic direction, objectives and targets required for human resources, you first need to understand the organisation's strategy. The organisation is unlikely to achieve its overall objectives if the strategies of its various components are not aligned. Management theory suggests that organisations typically use similar strategies in developing their businesses.

Strategic HRM practices and functions

At its core, strategic HRM is about the planning, foresight and analytical decision-making used to support organisational strategy and some activities.

Strategic HRM is focused on the integration and adaptation of human resources to ensure that HRM is aligned with strategy, policies are consistent, and practices that build employee skillsets are embraced and utilised by line managers.

Strategic HRM core functions and activities can include:

- determining the numbers of employees
- determining the required skills and knowledge for positions to meet organisational objectives
- identifying effective methods for recruiting new staff
- determining how to best use employee skillsets
- engaging and motivating employees to reach productivity targets
- developing processes and systems of accountability
- calculating remuneration and benefits
- ensuring compliance with legal requirements.

Aside from the functions that are central to strategic HRM, there are functions and activities that are focused on the day-to-day management of human resources.

HRM activities revolve around sourcing and selecting suitable candidates for available jobs, training and developing employees to ensure appropriate skillsets, motivating and monitoring for high performance in the workplace, and ensuring compliance within workplace legislative requirements. Traditionally HRM has involved the development and implementation of functions and activities needed to monitor, innovate, plan and evaluate people and their performance in the workplace.

Day-to-day HRM functions include:
• job analysis, evaluation and classification to identify necessary skills • job and work design to clarify work performance, scheduling and relations • recruitment and selection to find and hire the right people for the right job • induction, training and development to socialise staff and update their skills • skills audits to know what skills and abilities staff possess • performance management to develop, evaluate, motivate and discipline staff • managing compensation to ensure payment and benefits are adequate.

Organisational strategy

Strategic human resource planning involves the functions and practices needed to manage people to achieve the organisation's objectives.

Strategy is defined as the direction, scope and focus of an organisation over the long term. It should aim to provide the organisation with an advantage through specific and measurable goals that are designed for achieving success in the market. Therefore, an organisation's strategic plan explains the long-term objectives and direction of the organisation.

Strategic HRM is the planning and management of human resources to support an organisation's long-term goals and objectives. The strategic HRM approach focuses on ensuring that the right people, human resource systems and organisational culture are in place to enable the organisation to implement corporate strategies and deliver best-practice outcomes now and in the future.

Organisational strategies include but are not limited to the following categories.

Corporate growth

When an organisation chooses to grow, it can increase the number of products offered and/or its market share. It can do this by expanding operations or through diversification. Growth can be achieved through related diversification, which is when an organisation merges with another in the same industry. Unrelated diversification is when an organisation acquires or merges with an organisation that operates in an industry other than the industry it currently operates in. For example, a clothing manufacturer may acquire an entertainment company.

Corporate stability

An organisation may pursue a stability strategy to concentrate on utilising existing resources to strengthen its competitive position in its markets. The focus of a stability strategy is to make incremental changes to improve performance. These improvements will hopefully lead to competitive advantage. Competitive advantage is what makes an organisation more attractive than its competition to consumers or current and potential customers.

Corporate renewal

To address performance problems as a result of internal issues, an organisation may implement a range of corporate renewal strategies that usually result in significant changes to organisational structure, people and processes. A retrenchment strategy is one where an organisation reduces the size of operations to overcome weaknesses and improve cashflow. An organisation may also try to restructure or streamline operations to focus on its primary reason for being in business. A turnaround strategy may be pursued to arrest declining performance, and often involves some form of initial retrenchment, followed by restructuring to ensure effective leadership and achieve operational efficiencies.

Generic competitive

In developing a competitive strategy to increase competitive advantage, managers can select a generic competitive strategy. Leading economist and strategy specialist Michael Porter has identified three generic strategies:

- a cost leadership strategy where organisations compete with others in the industry on the basis of having the lowest cost
- a differentiation strategy where an organisation offers unique and valued products
- a focus strategy when an organisation implements a cost or differentiation advantage strategy in an industry segment.

The selection of one or a combination of strategies depends on the organisation's strengths and the competition's weaknesses.

Strategic workforce planning practices to support strategy

The purpose of strategic workforce planning is to ensure that the organisation has the required skilled people to support the mission and vision of the organisation.

Organisations consciously promote mission or vision statements that directly attribute business success to the effective management of their people; however, unless these are supported by a strategic workforce strategy, they are merely promotional statements. Based on the organisation's objectives, a strategic workforce strategy needs to define the following key elements.

Strategic workforce direction

The strategic direction of human resources should align with the strategic goals of the organisation. Strategic workforce planning aims to ensure that the organisation's human resource needs are supported in the short- and long-term. This requires HR professionals to identify what must be done to ensure the required human resources are available to meet the organisation's objectives into the future.

For example, the organisation may decide it wants to grow the business by diversifying both its product base and its geographic location; thus, the strategic direction for human resources will be to grow the available workforce. This could be accomplished either by identifying what skillsets are required and developing these internally, or by looking at where people with these skills can be sourced.

Strategic workforce objectives

The workforce objectives are outcomes that must be achieved to support strategic plans and maintain the future HR needs of the organisation. Workforce objectives should be clear, specific, measurable and time-bound, and have a direct relationship to the strategic objectives of the organisation.

Some examples of a strategic work objective:

- Maintain sufficient staffing levels of skilled salespeople to account for a 25% attrition rate in the next three years.
- In 2021, we aim to foster an inclusive workplace that is free from discrimination and harassment, and values each and every employee regardless of race, colour, gender, disability, age or beliefs.

Strategic workforce targets

Strategic workforce targets break down the objectives into further detail, such as quantitative or qualitative metrics. They should include measurable figures that enable HR professionals to easily track and assess performance of the workforce strategy.

Some examples of a strategic workforce target:

- Decrease annual attrition rate of warehouse and logistics workers from 30% to 20% by the end of the 2021 financial year.
- Implement a leadership development program and succession plans for all team leader and middle management roles that will enable effective career progression pathways over the next five years.

The direction, or aim of the strategic workforce plan must be aligned with the organisation's strategic plans. Organisation strategy and HR direction, and their effect on policies and procedures, are discussed below.

Organisation strategy and HR direction

Should an organisation decide to adapt a growth strategy by acquiring another business, the strategic direction for human resources might be to identify ways to integrate and adapt two human resources systems and manage the employees of two organisations. The focus would be on redeploying people, minimising resistance to change and avoiding the duplication of job roles.

Effect on policies and practices

A change in the strategic direction of the organisation, and subsequently human resources, may also require new policies and practices, such as increased training for existing employees to upskill, graduate programs to develop future leaders, succession planning to ensure access to sufficient skilled labour in the future or a redundancy program.

Example

Align organisational workforce strategies

The alignment of organisational and HR strategies is critical to the success of an organisation.

A health-care services organisation, Third Choice Medicare, has the following strategies:

- Actively pursue quality performance.
- Attain sustainability.
- Create a learning/teaching/research culture.
- Encourage service innovation.
- Engage our community.

To support the achievement of these strategies, the HR strategic plan includes the following statements.

Pursue quality performance

Strategic directions:

- Develop an effective and comprehensive organisation-wide communication strategy.
- Enhance a coordinated range of staff health and wellbeing activities that promotes health self-management.

Strategies:

- Develop and implement a range of communication methods relevant to specific issues, sites and staff needs.
- Ensure all communication is inclusive and effective.
- Enhance the range of activities and opportunities that address the needs of specific staff groups.
- Assist staff to develop the knowledge and skills to identify and manage their own individual health and wellbeing needs.
- Ensure all staff are able to access the range of support services available.

Align organisational workforce strategies continued...

Attain sustainability

Strategic direction:

- Manage workforce planning ensuring associated risks are reduced so that the organisation continues to meet its goals and deliver services within contemporary best-practice standards.

Strategies:

- Systematically monitor and respond to workforce needs/trends.
- Establish clear guidelines for staff that define various responsibilities and decision-making authority.
- Ensure accurate and timely data related to workforce planning is available to support senior clinical managers.

Create an educational culture

Strategic directions:

- Create a learning/teaching/research culture.
- Build business management acumen and skills in senior clinical management staff.

Strategies:

- Ensure clinical management staff possess the required knowledge and skills that enable them to effectively respond to changing needs and demands.
- Utilise integrated information technology systems to manage budgets, performance and accountability.
- Establish a multi-disciplinary/inter-professional teaching and research unit.
- Ensure a coordinated approach to student placements.

Practice Task 1

Question 1

Explain the importance of analysing the organisation's strategic plans when planning workforce direction, objectives and targets.

Question 2

Which of the following are functions and activities associated with strategic human resource management (SHRM)? Tick all that apply.

○ Identifying effective methods for recruiting new staff

○ Engaging and motivating employees

○ Calculating remuneration and benefits

○ Handling a termination process

○ Completing an induction process for a new staff member

Question 3

Draw a line to match each term about strategic workforce direction, objectives and targets to its definition.

» Strategic target   » Increase workforce across the productions, sales and logistics departments to support the expansion plan of the organisation.

» Strategic objective   » Build awareness within the industry as being an employer of choice by the 31 December 2020.

» Strategic direction   » Increase employment of indigenous Australian to 10% of the total workforce by financial year 2022.

1B Analyse organisational environment

The environment, both the internal and external context, needs to be analysed to determine the workforce needs of the organisation.

Every organisation has its own environment that is unique. The environment includes the internal context (inside the organisation) and the external context (the industry, market and region in which it operates).

External factors such as the economy in which the organisation operates, and legal and political influences, will affect the way an organisation does business. What an organisation does and how it does it can be influenced by new and emerging technologies, international environments, and social and industrial expectations. Changes to industrial relations, the labour market and community expectations, for example, may mean that the policies and procedures currently in place are no longer relevant. Internal factors such as the organisation's strategy, structure and culture can also influence the human resources function.

While it is important to understand the environment in which the organisation operates to ensure it can operate effectively, it is also critical for SHRP, both strategically and operationally, to understand the trends in the environment that impact directly on the management of people in the organisation.

Understand the labour market and current workforce

Demographics, labour statistics and community expectations all influence the labour market, which can have significant impacts on an organisation's workforce plans.

Demographic labour market data and characteristics (for example, the average age and gender of labour market participants, occupational groups, skills and competency profiles), as well as internal trends (for example, the number of employees eligible for retirement, job vacancy rates, and staff turnover), need to be considered when analysing the workforce.

Demographics, labour statistics and community expectations all influence the labour market.

Demographics

Changing patterns in labour market demographics may require a new approach to recruitment and selection. An understanding of the labour market will inform how and where an organisation might recruit suitable candidates for jobs. Recognition of skills shortages can provide the organisation with an insight into the steps to take to acquire or develop the skillsets it needs, when it needs them.

Labour statistics

The ABS releases regular reports on the make-up of the labour market in Australia, which are available at https://aspirelr.link/abs-labour-report.

The Australian Government periodically releases information on skills shortages in the Australian workforce. As an example, see the Department of Employment website at https://aspirelr.link/skills-shortages

Community expectations

The expectations of the community encourages, for example, an organisation to maintain a diverse workforce that is representative of society. This may require changes to recruitment and training practices. Managers may need additional training to ensure that employees are not subject to harassment or discrimination.

Review the internal environment

In addition to an external environmental analysis, HR professionals must consider the internal environment under which the organisation operates.

An understanding of the organisation's internal context, such as the current workforce, as well as information to plan for surpluses and shortages in skills and knowledge, can support the organisation to take advantage of opportunities and minimise potential threats to its performance. The internal environment of organisational systems, processes and practices can provide particular information.

An internal review of HR practices might cover:

- strategic plans
- operational plans
- financial plans
- risk management strategies
- health and safety programs
- internal policies and procedures, such as diversity and equal opportunity policies.

Assessing the impacts

After assessing the internal impacts on your organisation, you will conclude which consequences are likely to affect workforce requirements. An analysis of the internal and external operating environments will lead to one of the following outcomes:

Positive impacts	For example, acquire more staff due to growth in the organisation.
Negative impacts	For example, loss of clients, market share, revenue, client confidence, leading to reduced staff requirements due to a decline in performance or scaling back of operations.
No impact	The forces and trends will have no direct impact on your business. Workforce requirements will remain steady.

Gap analysis

It is useful for HR to analyse the information gathered from the environmental analysis so it can identify workforce gaps and determine how to proceed with their strategic workforce plans.

A gap analysis requires HR professionals to identify risks whereby strategic workforce plans may not be achieved due to a range of issues within the internal and/or external environments.

The following is an example of a gap analysis for an organisation wanting to address a new business objective. The information will allow the HR department to identify and implement strategies to meet this objective.

Business objectives	▪ Implement a sustainability plan.
HR requirements to meet objectives	▪ Employees with specialised training and experience in sustainability
Gap – does the organisation have what it needs?	▪ No
Outcome of not addressing the gap	▪ Plan not effectively implemented ▪ High impact on development of corporate responsibility
Potential solutions to address the gap	▪ Explore graduate programs and develop internships. ▪ Build relationships with TAFEs, universities and other organisations to source graduates. ▪ Improve the working environment. ▪ Restructure business units. ▪ Redesign processes. ▪ Develop new job descriptions to incorporate social responsibilities. ▪ Introduce a rewards and recognition system.

Identify emerging trends and practices in HRM

While it is essential to understand the environment in which the organisation operates, it is also important to understand emerging trends and practices in HRM.

The Australian labour market has undergone drastic changes in the past 60 years as a result of innovation, technology, increase in exports and immigration. These factors, coupled with changes to the structure of the economy and global incidents, has led to increases in demand for certain jobs, and an oversupply of qualified people in other job areas.

As a result, employers have been impacted differently depending on their industry. Industries such as trades, education, health, engineering, mining and energy, accounting and construction are currently facing skills shortages across various regions (particularly in rural areas), making it difficult to attract and retain a quality workforce. These trends have **affected** the HR function, in particular how HR professionals source and manage the workforce.

Some of the common trends that have affected HR practices are outlined below.

Qualified workers

Within the industry, there are few professional, trade-based or senior business positions that do not require employees to hold some type of minimum qualification. The availability of skilled workers who hold a nationally recognised qualification is usually a result of employment growth/decline, government funding and skills deepening (the number of people with qualifications has grown faster than the total demand for employment).

Employment growth

In general, employment growth generates an increase in the demand for skills. Several factors commonly affect employment growth including:

- the participation in the labour force by women and older workers
- the ageing of the population and the rise of life expectancy means the demand for specific services is increasing
- exposure to international competition and new technologies including the internet, are affecting the distribution and level of employment across a wide range of industries
- the internet changes the buying habits of consumers
- changes in fashion, technology and lifestyle affecting consumer behaviour, including needs and wants.

Global trends and incidents

Workforce management plans should not only consider the Australian market, but also global trends and incidents that affect your industry, such as:

- global pandemics
- advancements in technology developed in other countries
- innovative business processes, products and services that are growing in popularity across the globe
- major threats to resources
- import/export laws
- social issues trending across the globe
- immigration
- natural disasters
- national debt and financial crises'
- political instability
- threat of war and terrorist attacks.

Local labour supply trends

Demand for skilled labour in a particular industry or region will change as a result of the following key factors:

- level of consumer demand for a product
- the ageing workforce
- unemployment rates
- government assistance for apprenticeships, traineeships and other accredited training courses
- government employment subsidies, which allow a business to employ more workers
- women in the workforce
- growth or decline of the market in which the organisation operates
- competitor activity
- lifestyle choices and consumer behaviour
- advancements in innovation and technology
- work-from-home, part-time and casual work arrangements
- the local economy, including the performance of major organisations, which affects areas of over- and under-supply of certain products and services in the region.

Some of the key HR practices that have arisen in recent times, as a result of these trends, are outlined below.

Workforce retention strategies

Employee turnover is expensive and disruptive to business. While no organisation can realistically expect a zero employee-attrition rate, a business can implement practical strategies in an attempt to retain the best employees and reduce employee turnover. Based on the high annual costs of replacing employees, the investment made in retaining your workforce can be minimal.

Examples of workforce retention strategies used by HR professionals include the following:

- revised recruitment strategies to seek out workers with specific skillsets, values, attitudes and career goals
- flexible work arrangements
- career progression plans
- competitive remuneration and benefits packages
- rewards and recognition programs
- communication strategies
- professional learning and development opportunities
- a safe and attractive work environment.

Recruitment strategies

Improvements in staff retention begins at the recruitment stage. HR professionals acknowledge this importance by hiring the right people who share common values as the business and value longevity in a job role.

Some of the aspects of hiring the 'right' workers may include:

- establishing commonality between personal and organisational values
- finding the behaviours and attitudes that support longevity and loyalty
- ensuring there is the capacity for learning, growth and progression within the business
- high levels of self-motivation
- establishing suitable motives for wanting to join your organisation
- ensuring the candidate has clear professional long-term goals.

Offering flexible work arrangements

Internet-based technologies now make it easier for staff to work remotely, such as from their homes. Rosters can also be made flexible, offering staff a set allocation of work hours that are non-rostered. These arrangements are increasingly appealing to regional workers with extensive commute times, parents with young children, and mothers returning from parental leave.

Practices for dealing with an ageing workforce

There is a growing concern in many organisations regarding how they will manage an ageing workforce. Below is how one public service organisation has dealt with the challenge.

How one organisation dealt with the challenge of an ageing workforce
▪ Created equal employment opportunities (EEO) for all employees.
▪ Introduced a recruitment strategy to draw from the widest possible talent pool across all age groups.
▪ Introduced an age-balanced skills development program.
▪ Created an environment that encourages employees to balance their work and personal responsibilities.
▪ Encouraged employees to be more flexible about their careers in a changing work environment.
▪ Implemented redundancy policies that do not discriminate.

Practice Task 2

Question 1

Briefly explain how HR professionals can analyse the organisational environment to determine emerging HR practices and trends.

Question 2

Based on the industry or organisation in which you are currently work, or would like to work, identify two emerging trends and discuss the impacts on human resource management.

Question 3

Give two examples of new practices used by organisations to respond to the environmental trends.
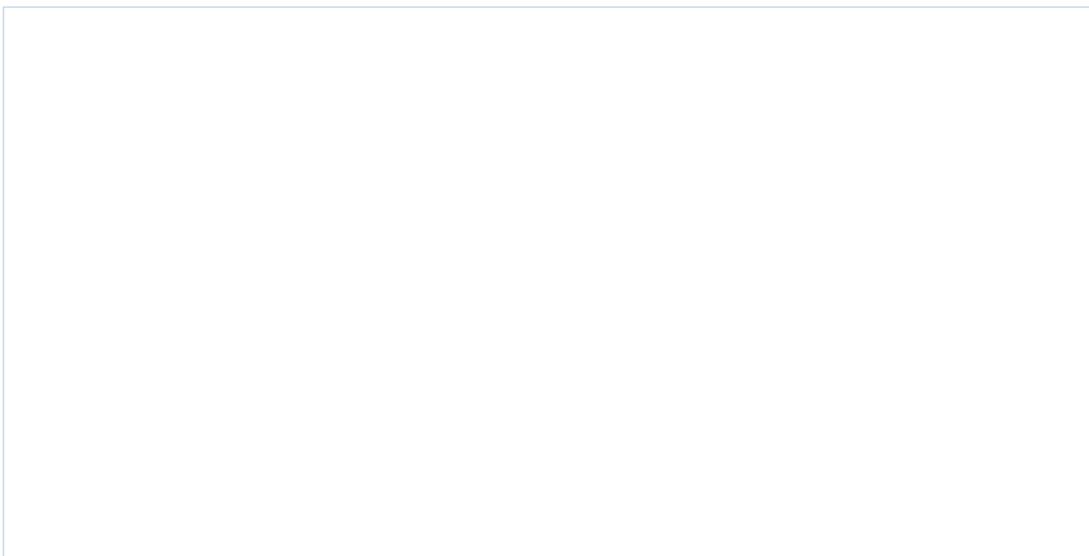
1C   Identify future workforce needs

Having sufficient skilled workers is essential for all organisations, regardless of the market, industry or region in which they operate.

While undertaking regular research and analysis of the current labour market is crucial, it is also important to prepare a clear picture of current and future labour and skill needs within the organisation. The rules of supply and demand are crucial to workforce planning. Managers need to identify potential changes in the demand for labour and adjust the supply levels appropriately.

Estimate future labour needs

Identifying business growth and areas where the business needs to scale its operations is one of the initial steps when planning future workforce needs.

Workforce planning must be closely aligned with the organisation's goals and business strategy. When developing the business plan, management will have included forecasts of predicted areas of growth, as well as areas that may need to be downsized. Management may be required to undertake a situational analysis to identify the state of the business, the current skills required and emerging skills that may be needed in the future. Information needed may include the number of current employees, their current skillsets, staff turnover, business performance such as sales and profits, demand for growth and skills required for the future. All of this can be used to estimate future staff requirements.

Each planned business initiative will have corresponding staffing issues, as indicated below.

Developing new products

> Can the current sales staff effectively handle the increased customer traffic? Will warehousing and distribution cope with the increased workload? Are there enough staff trained to handle customer inquiries? Are technology skills essential?

Expanding the market

> Your product is expected to find renewed appeal in a previously hard-to-reach demographic. Is there sufficient marketing staff to manage the extra marketing requirements? Are there enough sales personnel to meet the new target demographic and customer service demands?

Moving into new markets

⌐ Does your current workforce have the capacity and skills to meet production demands? Does the new market require dedicated sales staff, or sales staff with specific skills? What retraining requirements exist for the production chain?

Improving distribution networks

⌐ Do the new initiatives, systems, processes and practices require new skillsets?

Labour supply forecasting

Forecasting labour supply involves analysing the current workforce and projecting the present workforce profile into the future.

One of the key functions of effective labour supply forecasting is workforce analysis, also known as labour analysis. The aim is to develop a firm understanding of the organisation's current workforce as well as key drivers that will affect the future supply and demand of labour for the business. It also helps to confirm or negate existing assumptions about the workforce that are used to inform or justify organisational decision-making.

To conduct a workforce analysis, you will need to refer to the internal and external environments to identify the current staff turnover rate, staff demographics and the factors that may affect workforce supply and demand. This will enable you to get a firm picture of your organisation's risks and future needs and how these can be addressed.

The purpose of supply forecasting, some questions to help the process, and the status of individual positions all need to be considered as follows.

Purpose

⌐ Supply forecasting helps your organisation to:
- quantify numbers of people and positions expected to be available in the future to enable plans and objectives to be met
- clarify likely staff mixes that will exist in the future
- prevent personnel shortages
- monitor expected EEO and diversity goal compliance
- identify necessary and potentially advantageous skillsets
- identify potential training and development needs.

Questions to help

- Which roles or skillsets have the highest strategic impact on the goals of the organisation?
- Given the scenarios, which roles may become part of the organisation's core business in the future?
- Which roles have had a number of vacancies in the past 12 months?
- Which roles have been difficult to fill?
- Which roles require a long training time to develop the skills for the position?
- Which roles are most numerous?
- Which roles may become redundant in the future?

Individual positions

The status of the individual in each position also needs to be analysed. This includes demographic and personal information required to plan for the future of the role. Such information would include:

- age (including median age of similar positions)
- gender profile (does it meet the organisation's equity and diversity policies?)
- employment status (including separation rates, average salaries and average years of ongoing service)
- part-time and full-time equivalents
- promotion opportunities and career paths.

Labour demand forecasting

Forecasting labour demand looks beyond the current situation within the organisation and estimates future skills requirements and production levels.

The purpose of demand forecasting is to work out how different initiatives will affect workforce size and skills requirements during the next one to five years.

Questions to help with demand forecasting
- What are the skills your organisation currently requires to meet its business needs?
- How will these skills change over the next five years?
- How will these skills vary under the alternative scenarios?
- Will these skills still be required?
- What do you consider to be the most critical skills currently required by the organisation?
- Given the scenarios, will these skills continue to be critical in the future?
- Are these skills readily available in the organisation at present?
- Are there any job roles where the skill requirements will change?
- Will any job roles cease to exist or change dramatically to the point of becoming new roles?

Analyse existing workforce

Every organisation has unique workforce characteristics and needs, varying skillsets, and different approaches to workforce planning.

The workforce analysis approach needs to be tailored accordingly to meet the unique skillsets, needs and context of your organisation. The process must consider employee turnover, which is the rate at which an employer gains and loses employees, usually over a 12-month period.

The key factors that need to be analysed to determine your organisation's labour forecast are described below.

Voluntary departures

In a voluntary departure, employees will have personal and professional reasons for leaving an organisation.

On a professional level, employees leave as a result of:

- seeking out opportunities that are perceived as being more challenging
- being headhunted for a new position
- low job satisfaction – the job is no longer interesting or satisfying
- unrealistic expectations placed onto the job or the person
- a lack of accomplishment within the job
- limited growth opportunities
- a lack of communication and connection with their colleagues
- a decision to study to develop new skills and knowledge to fulfil other goals.

Personal reasons for employees leaving an organisation include changes in their personal goals and priorities, such as:

- leaving work at be a full-time parent or carer
- personal health reasons such as a major illness or injury
- no longer needing to work due to their financial position
- age – no longer able to meet the core requirements of the job.

Involuntary departures

Involuntary departure simply means the worker no longer retains their employment based on a decision made by management, such as termination or redundancy.

The reasons for involuntary departure include:

- serious misconduct, also known as summary dismissal
- ongoing poor performance or behaviours
- genuine operational reasons and restructures, such as redundancy
- expiry of a contract, such as fixed term or short-term workers.

Internal demographics

Workforce demographics refer to the key characteristics of staff across different levels and departments of the organisation. It is beneficial, and at times essential, for a workforce to have a healthy demographical balance.

The demographic of an organisation's workforce should include:

- age
- tenure with the organisation
- culture/ethnicity
- stage in family life
- gender
- skills, qualifications and experience.

Skillsets

A skillset is defined as specific grouping of skills, knowledge and attitudes needed to fulfil the responsibilities of a job. For example, over 2000 different skillsets appear within the vocational education and training system.

Examples of skillsets include:

- sales and customer service
- information technology
- systems management
- sustainable work practice
- leadership and management.

Statistical and mathematical forecasting methods

Statistical and mathematical labour forecasting methods can be useful in identifying the future workforce requirements of the organisation.

The following are some mathematical methods that may be used to forecast organisational supply.

Simple regression

Statistical or simple regression analysis makes a statistical comparison of a range of factors from the past; for example, you may draw a comparison between the gross sales of an organisation and the number of staff that were required to make those sales. You could then work out an equation that would forecast the number of staff that would be required to make a 20 per cent increase in sales.

Multiple linear

Multiple linear regression analysis is a variation of the simple or statistical linear regression model. This model allows for several variables to be considered in the one equation. For example, in addition to sales figures, productivity and turnover data can be factored into the equation. You are then able to gain a more accurate indication of what is required.

Productivity ratios

Productivity ratios can be used to calculate the average number of items produced by a single worker. These averages can then be applied to your projected sales to identify the number of staff needed.

For example, the most useful number by which to measure input is the number of hours worked. Your output number is the number of units produced. Divide output by input to achieve a figure. If an employee produces 800 units and it takes her seven hours, the calculation is: 800/7 equals 114 units per hour. You can measure this figure against those of other employees and determine if you're getting the production you need from any particular individual, or you can use the formula to measure your entire output and the number of hours all employees put into it.

Staffing ratios

Staffing ratios can be used to produce an idea of the required staffing levels by estimating indirect labour. For example, if a company uses one clerical worker for every 100 production employees, you can use that ratio to determine the required number of clerical staff.

Turnover rates (attrition)

To calculate employee turnover, you need to count the number of people who leave (department or organisation) in a given period and divide that number by the average number of people working (in a department or organisation), then multiply by 100 to arrive at the percentage rate.

For example, if the manufacturing division of an organisation has 200 employees and four employees left in February, the turnover or attrition rate for that division in February would be:

4/200 x 100 = 2 (an employee turnover rate of 2%).

Determine excesses and shortages

Once you have analysed the current workforce, the next step requires the HR professional to compare current skills and roles with the future demand to determine gaps.

Workforce gaps may be shortfalls where roles will need to be created, or excesses where roles need to be restructured, redeployed or cut.

An appropriate method to make this determination is to undertake a skills audit of current skills held by staff, and skills they may need in the future. Another appropriate means of identifying skills excess and shortage is a supply and demand table or summary. The following is an abbreviated example of a labour supply and demand table.

Gap analysis – supply and demand summary sheet							
Critical job role	Current workforce (full-time equivalent)	Net demand		Net supply		Difference	
		1 yr	5 yrs	1 yr	5 yrs	1 yr	5 yrs
Store person	12	14	20	8	18	−6	−2

Define options for sourcing labour supply

Labour supply can be sourced internally from within the existing workforce, or externally from the labour market.

In simple terms, labour supply refers to the availability of workers within an industry or region. More specifically, when developing your strategic workforce plan, your main concern will be to ensure there is adequate supply of the right people (skilled and diverse workers) with the right values at the right times (when vacancies exist in the future).

Workforce supply needs to be considered in terms of the organisation's internal and external components. Internal supply refers to the capability, capacity and availability of the workforce within the organisation. External supply refers to the potential sources and availability of candidates to join your organisation from the labour market.

A number of internal and external labour sources are described below.

Internal training programs

Since entry level, low-skill jobs are usually easier to fill than positions for skilled employees, training existing staff to meet future needs is a valuable strategy. These employees can then be monitored to identify suitable candidates for training and development to move into more skilled positions. These individuals may be identified at the initial recruitment phase or through their work appraisals.

This process of identifying and training internal personnel to fill higher-level vacancies is also called succession planning.

Graduate and traineeship programs

Graduate and traineeship programs are usually short-term contracts of 6–24 months. The strategy of setting up graduate and traineeship programs involves the use of recruitment pathways and referral systems through universities, TAFEs and other training organisations. The employer interviews, then selects the most suitable candidate based on their performance in their studies as well as a valid recommendation directly from their trainer/lecturer from the vocational or academic institution. This pathway gives graduates and trainees an opportunity to commence work in their chosen industry, and employing them allows the organisation to prepare the person for a potential ongoing role while they are assisted through their studies.

Outsourcing

Outsourcing strategies can be twofold. First, you can outsource the recruitment process to a specialised recruitment agency. An agency can conduct the whole recruitment process from advertising through to selecting the best candidate, which frees up your workforce to concentrate on its main tasks. They also offer a degree of anonymity to the potential candidate. This means an employee of another firm may be more inclined to apply, since there is less chance of their current employer finding out.

Second, you can outsource the function that you require the employee for, such as those tasks that may be considered non-core; for example, facilities maintenance staff, canteen staff, cleaners and transport or delivery roles. In some cases, this can be a more economical strategy, especially for short-term projects; however, you do lose a degree of control over the day-to-day tasks.

Offshoring

Offshoring involves moving an area of operations to another country to take advantage of lower operational costs or greater expertise. Examples of offshoring are common for information technology and call centre operations. Ireland has become renowned for software development and India has become popular for organisational call centre work.

Contractors

Contractors are often engaged when expertise is required for a specific project. This means that their skills and knowledge are only required for a set period, and this is a cost-effective option to consider when the person's skills and knowledge are not required for the long-term success of operations. Contractors invoice the organisation for the hours worked in a given period, such as a week, fortnight or month. Contractors do not need to be paid entitlements or superannuation.

Casuals

Casual staff are commonly used for a limited number of hours per week or to cope with seasonal demands. For example, retail operations will generally employ casuals to work weekends and to cover the increased demand generated during the Christmas and sales periods. In most cases, casuals do not incur annual and personal leave entitlements; however, they are paid a shift loading as compensation.

Consultants

Consultants are people who have a high level of experience, qualifications and proven expertise in a particular field of work. They are hired on a contractual basis for a short-period of time to assist organisations with specialised work. Consultants can be useful for projects or job roles that are temporary or require a high level of expertise.

External recruitment

External sources are those solicited from outside the organisation. You will need to be strategic in how and through what sources you advertise a job vacancy to ensure you attract the right pool of candidates and receive a good return on your investment. The main external sources you can utilise to acquire skilled workers may include:

- job-advertising websites such as Seek.com
- the organisation's own website
- networking sites such as LinkedIn
- newsletters used to maintain contact with former employees
- Industry journals
- advertisements within universities or other educational institutions
- graduate programs
- recruitment agencies or specialists.

Example

Forecast for workforce planning

Lin is an HR manager at a state railway authority. The authority has recently completed a demographic analysis of its workforce. The analysis revealed that more than 50 per cent of its senior maintenance managers are within five years of retirement. Many of the team leaders are also approaching retirement and there are very few younger team leaders. Lin recognises that when these managers leave, the organisation will lose a lot of expertise, which presents a significant skills gap and risk for the organisation. She decides to conduct a skills audit of the maintenance teams, and asks managers to nominate employees for technical and management training. She begins to draft a succession-planning policy.

Practice Task 3

Question 1

Outline the difference between labour supply forecasting and labour demand forecasting.

Question 2

Briefly explain two quantitative labour forecasting techniques.
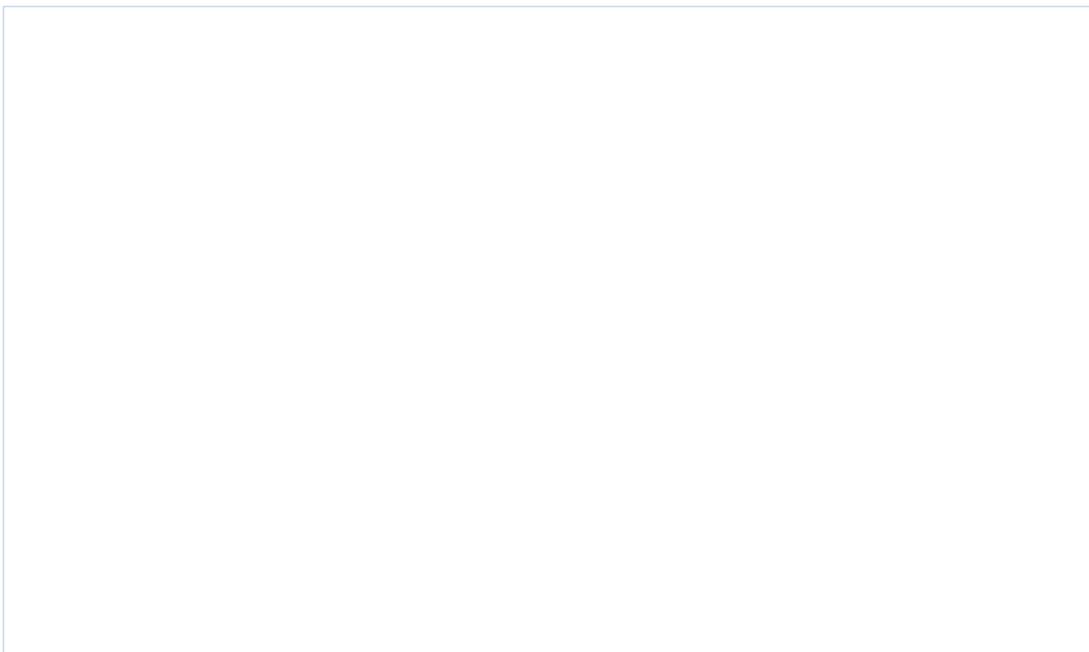
Question 3

Draw a line to match each term about the various options for labour supply to its definition.

》 Graduate and traineeship programs

》 Consultants

》 External recruitment

》 Outsourcing

》 Offshoring

》 Contractors and casuals

》 Sourcing candidates from outside the organisation using strategic advertising campaigns

》 Engaging a specialised company to manage the recruitment process

》 Hiring a person with a high level of experience, qualifications and proven expertise in a particular field of work on a contractual basis

》 Engaging workers when expertise is required for a specific project or for limited shifts per week with no ongoing employment

》 Hiring students on a short-term contract using recruitment pathways and referral systems through universities, TAFEs and other training organisations

》 Relocating or setting up an area of operations in another country to take advantage of lower operational costs or greater expertise

1D Consider impacts of technology on job roles and job design

The development of communication and information technologies has had significant impacts on the types of jobs that are being performed, as well as the design of the roles.

Information technologies has seen many businesses change their workforce structures and innovate their processes and operations. Rapid changes in technology and the increasing adoption of technology in the workplace have meant that organisations need to reconsider how jobs are designed, how workers are trained and how they are managed.

New jobs have also emerged, such as application (app) developers for smartphones and tablets, social media marketing managers and website content developers.

Technological influences

Technological influences may be considered within a PEST (political, economic, socio-cultural and technological) framework, to explain the impact of technology on job roles and design.

A job role refers to the type of job and the core functions that need to be carried out as part of the position. Job design refers to the structures and conditions around the job, such as location, rostered hours, resource requirements, pay structures and reporting processes.

Technological influences include the following:

- technological inefficiencies
- communication systems
- information management systems
- product obsolescence and maturity
- development and impact of new technologies released to the market
- research and development activity
- rate of technological change
- production and manufacturing schedules
- innovative approaches to quality and cost-efficiency.

The following articles provide a perspective on the potential changes to work and job design based on advances in technology.

Articles with additional information
• Pew research Centre, 'AI, robotics, and the future of jobs' at: https://aspirelr.link/pew-research-future-jobs
• MIT Technology Review, 'In a data deluge, companies seek to fill a new role' at: https://aspirelr.link/mit-data-new-role
• The Horizon Report on Technology in Education provides an insight into the technologies impacting on education at: https://aspirelr.link/nmc-horizon

Example

The impact of technology

JR Accountants is a chartered accountant that employs 25 staff, including accountants, bookkeepers, administration, IT staff and management. Prior to the global pandemic, JR Accountants required that all staff commute to the city and work their full rostered week from a central office.

During the mandatory isolation period enforced by the government, workers were required to operate from home, using internet-based technologies. The IT department organised remote network access for all staff, and meetings were conducted using Zoom software.

Once the isolation period ended, feedback from the workforce showed that they preferred a flexible working arrangement, that included at least half of their time working from home, using the IT technologies made available to them. As a result, the directors agreed to allow workers up to 50 per cent of the regular working hours to be based from a remote location of their choice.

Practice Task 4

Question 1

Which of the following are technological impacts on job role and design? Tick all that apply.

- ○ Information management systems

- ○ Innovative approaches to product quality and cost reduction

- ○ New legislation impacting intellectual property rights

- ○ Research and development activity

- ○ Changes in immigration policies resulting in increases in overseas workers

Question 2

List two new technologies that have been implemented in an organisation you are familiar with, and describe the impact on the way work is performed.

1E Review changes to industrial and legal requirements

There are a number of industrial and legal requirements facing organisations that operate in Australia, and HR professionals need to be familiar with these to ensure compliance.

Compliance benefits the organisation by minimising the risk of penalties and loss of income that can occur if the organisation fails to meet its obligations. It is good practice to develop review processes and audit checklists to directly manage the legislation that is related to the nature of the business.

The conduct of businesses and people are governed by a range of legislation. These laws have many purposes, such as to regulate, to authorise, to provide (funds), to sanction, to grant, to declare or to restrict the conduct of organisations.

Changes to existing legislation as well as new legislation must be considered in the strategic workforce planning process to identify any obligations, risks and restrictions on the organisation.

Below are some of the key legislation that applies to organisations and their members across Australia.

Work health and safety

Work health and safety (WHS) legislation includes:
- work health and safety Acts
- regulations
- codes of practice.

There is also a national compliance and enforcement policy to ensure the health and safety of employees and visitors to organisational sites. The *Workplace Health and Safety Act 2011* applies to all states except Victoria and Western Australia, which each have their own Acts.

Information relating to WHS requirements is available from Safe Work Australia.

Anti-discrimination

Commonwealth and state laws cover EEO and discrimination in the workplace. All employees should be able to expect a workplace free from discrimination and harassment. It is important that, as a leader, you understand your rights and responsibilities under human rights and anti-discrimination law. By putting effective anti-discrimination and anti-harassment procedures in place in your team, you can ensure compliance with the law.

The Australian Human Rights Commission can provide information and advice for workplaces, and the Fair Work Ombudsman provides resources about how to prevent discrimination in the workplace.

Privacy

The *Privacy Act 1988* (Cwlth) is an Australian law that regulates the handling of personal information about individuals. There are 13 Australian Privacy Principles:

1. Open and transparent management of personal information
2. Anonymity and pseudonymity
3. Collection of solicited personal information
4. Dealing with unsolicited personal information
5. Notification of the collection of personal information
6. Use or disclosure of personal information
7. Direct marketing
8. Cross-border disclosure of personal information
9. Adoption, use or disclosure of government related identifiers
10. Quality of personal information
11. Security of personal information
12. Access to personal information
13. Correction of personal information

Workplace relations

The Australian workplace relations system is based on a national structure that is underpinned by the *Fair Work Act 2009* as well as other laws.

Australia has historically had a complex workplace relations system that is governed by either Commonwealth or state/territory legislation. It is applied through one of many industrial awards or agreements, either across an industry or through an individual employer.

The complexity of the workplace relations system was simplified when the provisions of the *Fair Work Act 2009* (Cwlth) were introduced in 1 January 2010. Since then, all states except Western Australia have referred their workplace relations powers relating to private industry to the Commonwealth, with the aim of creating a national workplace relations system. Complexities still exist on a state-by-state basis depending on whether a state handed all workplace relations powers to the Commonwealth or retained powers for Crown employees.

In most situations, a workplace will be governed through the Fair Work Act, but there are still complexities, as a workplace may be covered by multiple awards and agreements and, in some situations, by different legislation.

Modern awards

The minimum wages and conditions that employees are entitled to is set out in modern awards.

All employees in Australia are covered by an award, unless the employer has a separate enterprise agreement or registered agreement that covers the employee.

Modern awards contain the minimum conditions that apply to the majority of employees, and form the basis of the Better off Overall Test (BOOT) that applies to new enterprise agreements. For employees not covered by an enterprise agreement, modern awards and the National Employment Standards (NES) determine the minimum terms and conditions of employment. The terms of a modern award are to be read in conjunction with the minimum entitlements under the NES.

There are currently 123 awards that cover most employees in Australia. Details of the most common awards can be researched through the Fair Work Ombudsman website at http://aspirelr.link/fair-work-awards.

National Employment Standards

With introduction of the Fair Work Act, the (NES) were introduced to provide a safety net for employees covered by the national workplace relations system. The NES are set out in the Act and comprise 10 minimum standards of employment, which are outlined below.

NES 10 minimum standards of employment	
1. Maximum weekly hours of work	Maximum of 38 hours per week, plus reasonable additional hours
2. Requests for flexible working arrangements	An entitlement allowing employees in certain circumstances as set out in the Fair Work Act to request a change in their working arrangements because of those circumstances
3. Parental leave and related entitlements	Up to 12 months unpaid leave per employee, plus a right to request an additional 12 months unpaid leave, plus other forms of maternity, paternity and adoption-related leave
4. Annual leave	Four weeks paid leave per year, plus an additional week for certain shift workers
5. Personal/carer's leave and compassionate leave	Ten days paid personal/carer's leave, two days unpaid carer's leave as required, and two days compassionate leave (unpaid for casuals) as required
6. Community service leave	Unpaid leave for voluntary emergency activities and leave for jury service, with an entitlement to be paid for up to 10 days for jury service
7. Long service leave	A transitional entitlement for employees as outlined in an applicable pre-modernised award, pending the development of a uniform national long-service-leave standard
8. Public holidays	A paid day off on a public holiday, except where reasonably requested to work
9. Notice of termination and redundancy pay	Up to five weeks' notice of termination and up to 16 weeks' severance pay on redundancy, both based on length of service
10. Provision of a Fair Work Information Statement	Must be provided by employers to all new employees, and contains information about the NES, modern awards, agreement-making, the right to freedom of association, termination of employment, individual flexibility arrangements, union rights of entry, transfer of business, and the roles of the Fair Work Commission and the Fair Work Ombudsman

Workplace agreements

Enterprise agreements and other registered agreements set out minimum employment conditions and can apply to one business or a group of businesses.

When a workplace has a registered agreement, the award doesn't apply. However, the pay rate in the registered agreement can't be less than the pay rate in the award and the National Employment Standards still apply.

The three main types of workplace agreements are set out below.

Enterprise awards

The Fair Work Commissions defines an Enterprise Award as a unique instrument applying specifically to one or more businesses. They set out the minimum wages and working conditions for employees of the relevant organisation. The name of the business is often part of the title of an enterprise award. For example, the Optus Award 2019.

Employment contracts

An employment contract is an individual agreement between the employer and the employee. An employment contract will outline the terms and conditions of employment that are not covered by either an award or enterprise agreement. The employment contract must adhere to the Fair Work Act and the NES as a minimum.

Enterprise agreements

An enterprise agreement is a collective agreement that sets out the conditions of employment for a group of workers and their employer, which has gone through a bargaining process. EAs were formerly known as collective agreements. Every agreement must be approved by and registered with the Fair Work Commission, who assesses the content to ensure workers receive at least equal to the minimum entitlements of the NES, the Fair Work Act and the relevant modern award.

Keep up-to-date

Industrial and legal requirements change rapidly, therefore it is paramount that HR professionals stay up-to-date with legislation and workplace regulations to ensure their organisations are compliant.

In recent years, there have been the following changes to existing laws:

- National harmonisation of the WHS laws commenced from 2011.
- WHS codes of practice were updated in 2018 and 2019.
- The National Privacy Principles were revised and became the new Australian Privacy Principles in 2014.

HR professionals have an obligation to remain up-to-date with the latest changes in industrial relations laws and relevant business legislation, regulations and codes of practice.

To remain aware of legislative change you might access the following:

- The Australian Government website ABLIS provides a detailed description of licences and legal requirements for businesses, based on industry.
- The Fair Work Ombudsman and the Fair Work Commission provide extensive information on an organisation's obligations under workplace relations legislation, including agreements and pay rates. A news and information section on the Fair Work Ombudsman's website highlights recent changes to legislation.
- The Australian Human Resources Institute's website provides information on the impact of changes on HR practice. They institute also runs networking and workshop opportunities to keep you up-to-date on developments.
- Subscribe to industry association websites, such as the Master Builders Association.
- Subscribe to government regulatory websites, such as Safe Work Australia.

Example

Keeping up-to-date

Yasmina has recently taken a position as the HR manager in a large accounting practice. Having come from the manufacturing industry, Yasmina needs to ensure that she keeps up-to-date with the legislation and practices that apply to workplace relations, WHS, anti-discrimination and privacy for all organisations, and also those relevant to the services industry.

She ensures her subscriptions to Fair Work, Safe Work, the Office of the Australian Information Commissioner, the Australian Human Rights Commission and the Australian Human Resources Institute are updated with her new contact details. Yasmina then contacts the Certified Practising Accountants (CPA) to identify networking and development opportunities to ensure she is brought up to speed and kept up-to-date on issues related to her organisation.

Practice Task 5

Question 1

Draw a line to match each term about business legislation to its definition.

» Anti-discrimination laws	» Protection against the handling of personal information about individuals
» Work health and safety laws	» Regulation of working conditions and protection against unfair treatment from employers in the employment arrangement
» Privacy laws	» Protection against hazards and risks that may cause harm to workers as a result of the conduct of the business
» Fair work laws	» Protection against unfair treatment based on gender, age, ethnicity or disability

Question 2

Which of the following are part of the 10 National Employment Standards? Tick all that apply.

○ Maximum weekly hours of work

○ Entitlements for flexible working hours

○ Parental leave and related entitlements

○ Personal/carer's leave and compassionate leave

○ Long service leave

○ Public holidays

Question 3

List three sources of information you can access to ensure you remain up-to-date with the latest changes with industrial relations and business legislation.

Summary

- An analysis of organisational strategies enables HR management to identify and align the human resource strategic direction to ensure the business is able to perform well.
- Understanding the organisation's environment will enable HR managers to identify trends that might affect the organisation's ability to meets its HR objectives.
- Identifying future labour needs and skills requirements allows the organisation to identify gaps between the current and future situation.
- Determining options for sourcing required labour enables the organisation to plan how it will achieve its needs.
- An understanding of emerging technologies and their impact on job roles within the organisation enables informed decisions to be made when considering the implementation of any new technologies.
- Regular review of industrial and legislative requirements ensures organisational compliance and minimises the risk of poor human resources planning and management.

Learning Checkpoint 1
Research planning requirements

Part A

1. What sources would you use to collect reliable information to identify emerging trends that affect workforce management?

2. List five sources of information you would need to analyse the internal operating environment of an organisation.

3. Which of the following sources of information would you need to review to determine the direction, goals and targets of a strategic workforce plan? Tick all that apply.

    ○ *Competition and Consumer Act 2010*

    ○ Strategic plans

    ○ Annual financial plans

    ○ Operational plans

    ○ Information privacy policy

4. Which of the following are changes to job roles and job design due to new and emerging technology? Tick all that apply.

○ Advancement of mobile devices and software apps

○ Growth rates of the Australian population

○ Internet and information communication technology

○ Innovation, and research and development

○ Changes in business legislation and regulations

5. Outline two recent changes to industrial or legislative requirements that had an impact on Australian businesses.

6. List five key functions and activities associated with daily human resource management.

Part B

Read and analyse the following information from BizOps.

Case study

Document: Business plan objectives

By the end of the 2021 financial year, BizOps will consolidate its position in the market as a lead retailer of sustainable, high-quality products. It will expand its reach and presence across Australia and into parts of Asia.

To do this, BizOps will focus on the following business goals:

- financial stability:
  - Increase revenue by 15 per cent (compared to the previous 12 months) by the end of the financial year.
  - Maintain annual profit levels of 15 per cent of revenue for all products and services, calculated at the end of each financial year.
  - Reinvest 75 per cent of profit back into the business at the end of each financial year.
  - Achieve a budget of $55,000 for advertising, recruitment and selection of new candidates.
- market position:
  - Maintain the number-one rating in the annual national industry customer service awards.
  - Launch new high-quality exclusive consumer products to meet customer demand ahead of competitors, within budget and by the agreed deadlines.
  - Increase reach across Australia and into Asia with enhanced online presence and expansion of home-shopping TV channels in Australia and parts of Asia.
- right people:
  - Recruit 35 new employees into customer service and sales teams that supports diversity policy.
  - Provide induction training at the commencement of employment to train new employees to be knowledgeable, helpful and enthusiastic.
  - Provide the physical, human and time resources to support an annual professional development program for all BizOps employees.

Ensure BizOps has the capacity and capability across all its operations to accommodate the aggressive marketing strategy over the coming year.

1. Analyse the information provided and give an example of a strategic direction for a strategic workforce plan that supports the annual business plan of BizOps.

2. Analyse the information provided and write two possible strategic objectives and two targets for the strategic workforce plan.
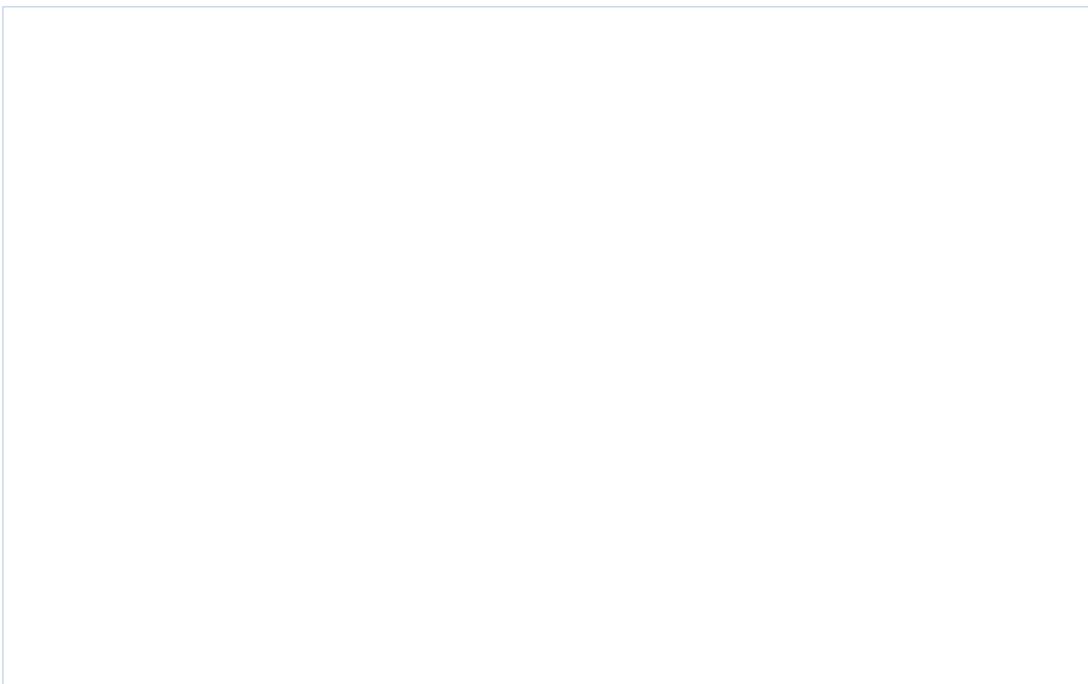
3. Analyse the information provided and outline the skillset requirements of the future labour needs for Biz Ops.

4. Analyse the information provided and determine which of the following sources would be suitable to manage the future labour needs and skilled workers at Biz Ops. Select 'Yes' or 'No' for each one.

    a) online recruitment websites, such as Seek.com   » Yes   » No

    b) using a specialist external recruitment agency   » Yes   » No

    c) seeking professional consultants   » Yes   » No

    d) hiring staff on a contract or casual employment arrangement   » Yes   » No

    e) outsourcing the recruitment process to an external agency   » Yes   » No

    f) setting up an offshore customer service and sales centre in Asia   » Yes   » No

5. Explain how you can keep up-to-date with changes in workplace legislation and regulations when working at Biz Ops.

Topic 2 | Contribute to the strategic workforce plan

2A   Consult and agree on workforce preferences, philosophies, values and policies

2B   Develop strategic objectives and targets for HR services

2C   Analyse options for provision of workforce services

2D   Identify technologies to support workforce programs and practices

2E   Contribute to a strategic workforce plan

2F   Analyse risk and develop risk mitigation strategies

2A Consult and agree on workforce preferences, philosophies, values and policies

Once you have reviewed the strategic documents for your organisation and determined the strategic direction for human resources, you need to consult with key stakeholders to develop a strategic workforce plan.

Continuing consultation and communication with individual managers, employees and teams is essential for establishing and maintaining relevant HR services. Consultation is how an HR team develops cooperative and productive partnerships in operational areas. Consultation with managers throughout the organisation will establish how HR responsibilities can be distributed. Consultation and communication will enable HR to identify customer needs and promote what HR can do to support the business in achieving its objectives.

Consult on workforce preferences

The involvement of line managers in identifying the HR services they require is essential to the effectiveness of an organisation's workforce strategy.

Consultation with line managers will establish how HR responsibilities can be divided; for example, the development of a job description and person specification could be the responsibility of a line manager, with the final product reviewed and amended by an HR specialist. Alternatively, the HR specialist might develop the job description and person specification by observing the job and interviewing the job holder and line manager, and then the associated documentation is signed off by the line manager.

Consultation will also determine what the parties are capable of and what constitutes a realistic basis for defining responsibilities for HR tasks. To be effective, HR initiatives need to be owned by managers and aligned with the organisation's needs. HR professionals need to encourage the involvement of line managers in the planning and design of HR initiatives intended to change the way they manage their teams in the organisation.

Consultation with stakeholders

Consulting with stakeholders is a critical skill in workforce planning. There are various methods and processes that necessitate good communication, input and feedback to establish the strategic workforce plan.

Decisions impacting on strategic workforce planning will be more accurate when the right people are involved from the beginning. Most large companies, and many smaller ones, have key personnel you will need to consult.

Relevant personnel you may need to consult about the strategic workforce plan requirements can include:

- frontline managers and supervisors
- colleagues
- specialist resource managers, such as HR managers
- departmental managers, such as finance, sales or procurement managers
- other people with specialist responsibilities, such as those involved in workplace health and safety committees
- suppliers.

The consultation process

Consultation is an important part of developing healthy relationships with stakeholders and ensuring their opinions are considered in the decision-making process.

Consultation is a two-way process involving the manager and the organisation's stakeholders. An effective consultation process should encourage stakeholders to participate in developing strategic workforce plans that consider the needs and limitations of the organisation.

The standard four-step framework for a consultation process is provided here.

Step 1: Talk to each other about resource requirements.

↓

Step 2: Listen to each other's concerns.

↓

Step 3: Seek and share views and information.

↓

Step 4: Consider what the all parties say before making decisions.
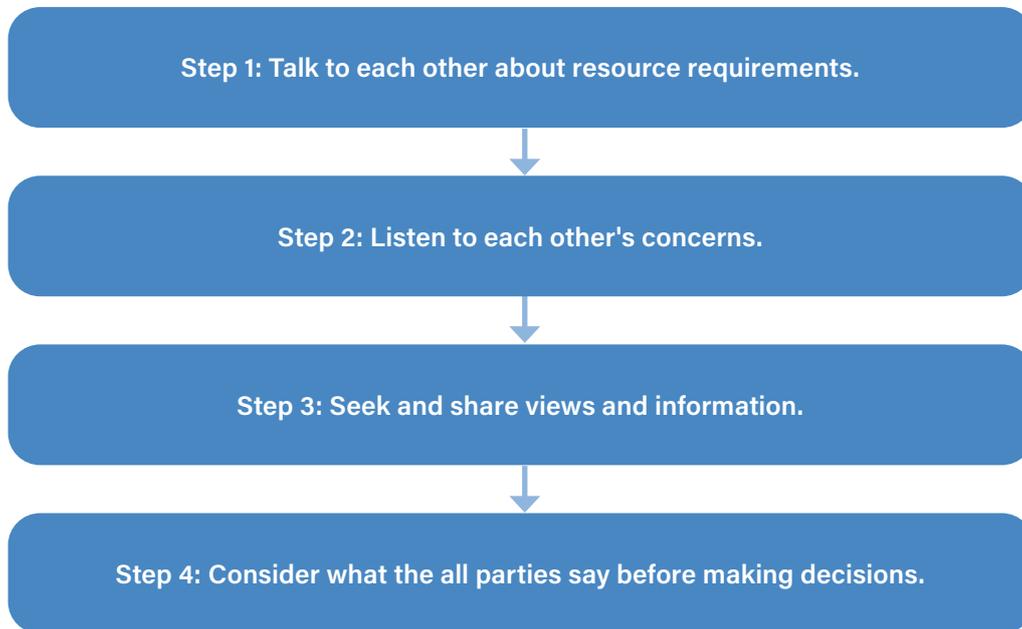
Key questions to determine workforce preferences

When consulting with key stakeholders, prepare for each meeting with a series of key questions to ensure you gather the information you need to build an effective workforce strategy.

Consultation is primarily aimed at gathering input and feedback from your key stakeholders and using this information to make the best decisions for your organisation.

To ensure you gather the right information, a list of key questions can be developed, as part of your planning process.

Key questions that can be used to determine the workforce preferences of your key stakeholders:
• What types of job roles need to be filled? • How many vacancies is the organisation looking to fill? • What are the key selection criteria that a successful candidate must meet? • What skillsets would the ideal candidate need to possess? • What are the essential and desirable qualifications and level of experience of the preferred candidate? • What is the remuneration range for the job roles? • What is the job design, such as working hours, rosters, location and other conditions?

Consultation methods

The timing and format of your consultation methods should be specific to the needs and constraints of each stakeholder within the workforce planning process.

In most cases, a formal meeting with management will be the appropriate method to facilitate a stakeholder consultation session. This may include brainstorming sessions, facilitator-led discussions or open forums. If the key stakeholders work or reside in different locations, a video or teleconference may be more appropriate.

All stakeholder consultation sessions will need to be scheduled in advance with each attendee to ensure each person is well prepared and has the time available in their schedule to prepare and participate fully in the consultation process.

Types of consultation methods include the following.

Meeting

Staff should feel free to voice concerns or raise issues, in either a formal or informal way.

Interview

Interviews can be used regularly during operations or at the end of an activity to discuss specific issues on a one-on-one basis.

Brainstorming session

Brainstorm as a group to generate ideas, raise concerns and discuss issues in a direct yet informal setting.

Email

Email/intranet communications can be used when teams are not located at the same site, or staff work different shifts, to ensure information is available to all employees.

Newsletter

Newsletters are particularly useful in larger settings or in multi-site operations.

Video conferencing

Other consultation processes can be also used to link remote teams, such as workshops, noticeboards, suggestion boxes, planning conferences or video conferencing.

Example

Consult with managers

The A Plus Office Furniture company employs 110 people in two states of Australia. Due to rapid initial growth, the owners are seeking investment from three external organisations, including state government. During a recent review and overhaul of management systems, the HR manager decided to review the HR philosophy, values and policies. Before developing the new philosophy, values and policies, the HR manager meets with the five unit managers and organises a Zoom meeting with the Victorian state manager to determine their requirements. The HR manager then incorporates this feedback into the development of the new philosophy, values and policies, and circulates the documents to the managers.

Modern workforce philosophies

A workforce philosophy reflects how an organisation views its people, as well as the beliefs and assumptions that management has about the nature and work ethic of their employees. How people are treated in the organisation is a reflection of these beliefs and assumptions.

In general terms, a philosophy is a set of values, behaviours and approaches that a person, group or organisation applies to achieve a goal. The modern philosophies of strategic HRM are based on gaining competitive advantage for the organisation by managing its people – its critical asset – through an integrated, shared set of behaviours and approaches that promotes the organisation's culture and strategy.

HR philosophy revolves around the belief that to get the most value and longevity from people, a strong environment and culture must be cultivated. This environment and culture must be strategically planned and shaped through the HR management function and modelled from top-level management down to the frontline supervisors. In summary, the philosophy is highly influenced by the organisation's leadership styles, business strategy, culture and core values.

Workforce values

In developing the strategic HRM plan, you need to seek agreement with relevant managers on newly proposed or revised HR values to support the implementation of the strategic HRM plan.

HR philosophy is about the leadership style of senior management, the current corporate culture and the values of the organisation. Research suggests that modern high-performing organisations are moving away from the centralised, command-and-control HR framework that was traditionally adopted, towards an approach that centres on corporate and employee responsibility. Using this approach, HR can take the lead in initiating, designing and reviewing workforce policies, but senior managers, departments and line managers need to participate actively so that these policies can be effectively implemented.

Workforce policies should be shaped by the organisational values – the underpinning principles that guide behaviour and decision-making in the organisation and largely influence the culture of the workplace. These values might be related directly to concepts such as integrity, diversity, equal opportunity, mobility, communication, consultation, collaboration and skills development. Many organisations choose to represent their core values in succinct statements or by using action words, while others represent their values as a grid of core actions that employees are expected to adopt.

Workforce policies

Once the core values are identified, HR can develop a series of policies that show the values in action and illustrate the kinds of situations that might be encountered in the workplace.

Policies are formal documents that set out the goals and expectations to be achieved by managers and staff for a given topic. They are the internal rules of the organisation and reflect management's standards on important matters that relate to customer confidence and legislative requirements.

Feedback from employees can help refine and solidify workforce policies. With senior management review and approval, policies can then be implemented and communicated to all employees.

Some aspects of HR policies and compliance are shown below.

Purpose

It is important to note that HR policies are the rules and regulations of the organisation. They provide employees with guidelines on what is expected of them.

HR policies:

- advise employees about the values and expectations of the organisation
- communicate compliance requirements
- provide information on best-practice procedures
- guide fair and consistent practices
- protect employees and the organisation from unfair and unlawful practices
- guide consistent and uniform decision-making.

Compliance

Organisations need to be sure that any policies that are introduced are necessary and relevant to the organisation, and that managers have the capacity and capability to work within the policy framework.

Policies need to address compliance issues as well as guide the behaviours of managers and employees. Regular and thorough review of legislation and industry regulations will ensure the organisation meets its compliance requirements.

Areas	
	HR policies traditionally cover such topics as: ▪ codes of conduct ▪ confidentiality requirements ▪ conflict of interest ▪ termination of employment (voluntary and involuntary) ▪ recruitment, selection and induction ▪ compensation and benefits ▪ performance management ▪ learning and development ▪ privacy of information requirements ▪ leave arrangements and management ▪ grievance and conflict resolution ▪ informal and formal complaint processes ▪ discipline procedures ▪ diversity, including anti-discrimination and harassment ▪ workplace health and safety.

Seek agreement

The establishment of HR philosophies, values and policies must involve consultation with key stakeholders. Decisions about strategic human resource planning (SHRP) needs must consider the thoughts and concerns of relevant managers.

Consider the following process for seeking agreement with managers of HR philosophies, values and policies.

Design and deliver a questionnaire	To gain the agreement and commitment of managers, you may like to develop and circulate a questionnaire stating what HR is currently doing; outlining the proposed set of HR philosophies, values and policies; and requesting additional information with questions. For example: ▪ Do you want us to continue doing this? ▪ If so, do you want the same or more or less? ▪ Are we doing well? ▪ Could we do better? ▪ What are the things we are not doing that you think we ought to be doing?

Focus groups and sessions	The questionnaire could be followed up with focus groups and open sessions where managers are invited to give their views on HR. This allows HR to be proactive in reducing duplication and delays in HR services and promoting the empowerment of line managers.
Analyse responses and develop philosophies, values and policies	Responses from both focus groups and the questionnaire will highlight the most appropriate set of HR policies to enable the organisation to achieve its strategic goals. These responses will also generate agreement and commitment to the proposed philosophies, values and policies.

Example

Values statement

The following is a values statement for a manufacturing company.

The company will provide a strategic approach to the management of its people by:

- providing a strategic focus for the management of the workforce
- ensuring transparent human resource policies and practices
- behaving with honesty and fairness in the management of our people
- ensuring all employees are provided with training, development and resources to perform at the best of their ability
- promoting leadership and supporting managers to manage their teams
- creating a safe, supportive, diverse and equitable work environment for employees
- maximising the organisation's return on its investment into our greatest asset – our people.

Practice Task 6

Question 1

List five stakeholders you may need to consult when determining the workforce preferences.

Question 2

Which of the following are examples of effective consultation processes? Tick all that apply.

- ○ intranet announcement
- ○ informal discussion over a business lunch
- ○ sharing resource plans and proposals for comment
- ○ discussion with a team of stakeholders to determine how to address a resource problem
- ○ updating a job description

Question 3

What is the key focus of the modern workforce philosophy?
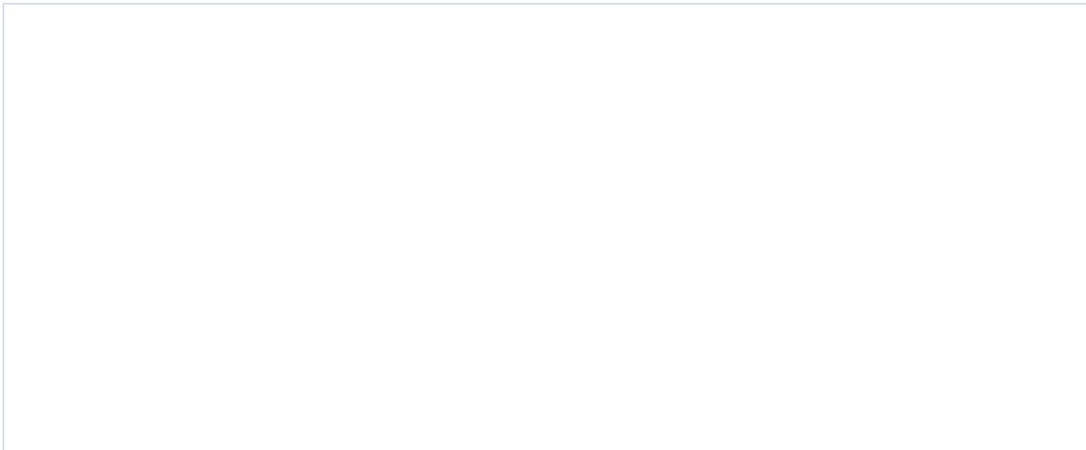
Question 4

Explain the importance of establishing clear HR philosophies, values and policies in the workplace in consultation with stakeholders.

Question 5

How would you reach agreement with relevant managers about their workforce preferences?

2B Develop strategic objectives and targets for HR services

Objectives and targets set out the direction for the strategic workforce plan, and are a way to measure the performance of HR services.

HR professionals must implement workforce plans that integrate with and support the organisation's strategic and business plans. The HR strategies that are developed must reflect the vision, mission and culture/values of the organisation and should benefit all stakeholders, including management and employees. To measure these services to determine their effectiveness, strategic objectives with clearly identified targets need to be developed.

Determine strategic human resource objectives

Strategic workforce objectives are the key human resources outcomes that HR professionals must achieve to maintain the future HR needs of the organisation. Objectives should be specific and clearly focused on strategic outcomes and measurable results, not solely on the activities being undertaken. In setting objectives, many organisations use the management-by-objectives (MBO) approach. MBO involves managers agreeing on objectives based on the strategies.

The following is a process to guide you and your team in setting strategic HRM objectives.

What to do when setting strategic HRM objectives
Discuss ways to establish and implement SHRP objectives with relevant stakeholders.
Identify what actions are required to meet SHRP objectives.
Identify when actions are required to be completed to meet SHRP objectives.
Determine measures to enable the identification of progress towards achievement of the objectives.
Check the SHRP objectives are SMART: specific, measurable, attainable, realistic and timely.

Workforce targets

Based on the strategic objectives you have set in your workforce management plan, you will need to establish specific performance measures – or targets.

Workforce management targets are the detailed performance measures used to determine if the organisation is on track with its objectives. They are used to measure actual performance of the workforce management strategy, in particular, if the goals have been achieved and to what extent.

Workforce targets should be written as performance measures. They can be grouped according to the following categories:

- positive performance/leading targets – used to measure progress towards the workforce management objectives
- outcome/lagging targets – used to measure the final achievements.

Within each of these two groups, the targets may be represented as:

- quantitative targets – based on identifiable numbers and statistics
- qualitative targets – based on quality outputs. These are not as easily measured because the information is often taken from perception and observation, not statistical analysis and core data.

Examples of workforce management targets are explained below.

Quantitative positive performance/ leading targets	Quantitative outcome/lagging targets
- Number of hours delivered in cultural awareness training - Job vacancies for skilled position to be closed and filled within 45 days	- Increase employment of people living with disability to 3% of the total workforce by fy21 - Average length of tenure increased to 5 years within the production department
Qualitative positive performance/ leading targets	**Qualitative outcome/lagging targets**
- Increased awareness within the industry as being an employer of choice - Improvements in staff attitudes as a result of diversity training	- Increase in staff engagement levels - Team cohesion levels reach acceptable standards

For example, a workforce objective that focuses on the retention of skilled labour may be written: 'To facilitate the organisation's ability to attract and recruit skilled workers through advanced recruitment and selection strategies. Our target is to reduce costs associated with staff attrition by 10 per cent and reduce attrition by 10 per cent by the end of the fourth quarter of 2020.'

HR services

HR services are designed and developed to support senior and line management in recruiting and training their staff, managing staff performance, developing their teams, resolving workplace conflict and managing change. Increasingly, organisations are offering their HR services in an online environment, where managers and employees have easy access to information and support.

Practice Task 7

Question 1

Which of the following statements relate to developing strategic workforce objectives? Tick all that apply.

○ Write objectives that are specific, measurable, attainable, relevant and timely.

○ Consult potential candidates about key objectives and targets.

○ Consult managers and HR team members about strategic workforce objectives.

○ Determine when actions are required to be completed to meet strategic objectives.

○ Write objectives that are broad and general in nature, based on other successful organisations.

Question 2

Explain the difference between strategic workforce objectives and targets. Write one example for each to support your answer.

Question 3

What information would you need to analyse to determine strategic objectives?

2C Analyse options for provision of workforce services

HR provides many functions to the organisation, such as payroll processing, employee benefits and career advice. These services must be cost-effective and deliver tangible benefits to the organisation.

The financial benefits of HR service delivery must be calculated to determine the viability of services being provided.

To identify financial viability, you will need to work out how much the services are costing the business and how much value the organisation receives in return. HR services are delivered based on the HR service delivery model. Using quantifiable metrics improves the credibility of the HR service model and allows senior management to identify specific, measurable ways that HR services benefit the organisation.

Here are the three main types of HR service delivery models.

Traditional model

The traditional model of 'generalist' HR staff revolves around a central team of generalists, specialists and administration that provide key services and handle the needs of line managers, employees and senior staff at decentralised locations across the organisation. This is the most common type of service delivery model.

HR business partners

This model places HR business partners within the business and introduces HR centres of expertise, as well as a shared HR services department that is often a call centre, centrally located and administrative in nature. Commonly cited benefits for this three-tiered model include a greater ability for HR to be strategic. Leading HR academic and practitioner David Ulrich has developed this model.

Self-service model

One of the latest developments in HR resulting from advancements in technology is the self-service model, where employees use portals to directly access and input the information they need, such as completing time sheets, pay status and annual leave applications. A common way to facilitate self-service delivery is to include in-depth FAQs (Frequently Asked Questions) hosted on company intranets so that employees can find answers to their questions related to conditions. Outsourced HR services may also involve a different model in that the internal HR team can focus on delivering strategic value rather than administrative value.

There are also the following HR delivery and service options available within an organisation:
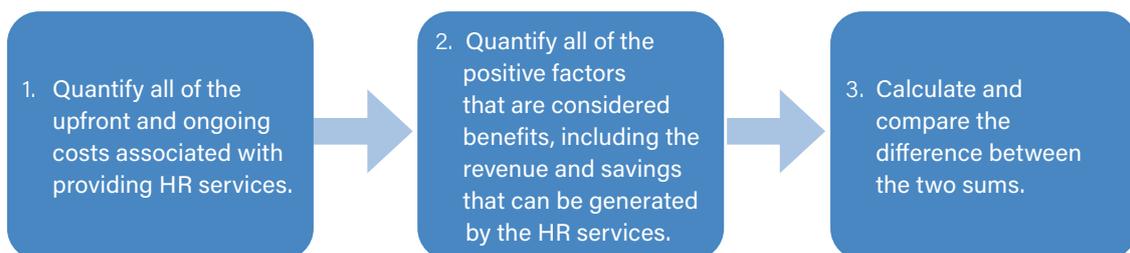
• professional development and training	• attendance tracking
• career development	• selection, recruitment and exit interviews
• diversity management	• work–life balance
• performance management	• rewards management
• annual and other forms of leave	• safety and health
• payroll.	

Cost–benefit analysis

The financial benefits of implementing HR services must be calculated to determine viability.

Cost–benefit analysis (CBA) is a model that is commonly used in business to identify the viability of an investment. It was first introduced in the 1930s by Jules Dupuit, a French engineer. It became popular in the 1950s as a simple means of quantifying the project costs and benefits to identify whether to go ahead with a project.

A CBA requires you to complete three key steps:

1. Quantify all of the upfront and ongoing costs associated with providing HR services. → 2. Quantify all of the positive factors that are considered benefits, including the revenue and savings that can be generated by the HR services. → 3. Calculate and compare the difference between the two sums.

The difference between the two will show whether the HR services are going to be financially beneficial for the organisation. If the value of the benefits outweighs the value of the costs, the services will most likely be of value to the organisation.

Calculating return on investment

Using quantifiable metrics improves the credibility of the HR services being delivered and allows stakeholders and key decision-makers to identify measurable benefits to the organisation.

In addition to CBA, you can also calculate the return on investment (ROI) in terms of a percentage of value of delivering HR services.

The following process represents one method of calculating ROI:

1. Calculate the value (benefits) of the service by subtracting the cost of investment from the total value of the gains (revenue generated).

2. Divide this figure by the costs of implementing the service (total investment).

3. Multiply this figure by 100 to arrive at a percentage.

This process is reflected in the following formula:

$$\text{ROI \%} = \frac{(\text{Benefits-Cost of Investment})}{(\text{Cost of Investment})} \times 100$$

Determine quantifiable costs and benefits

Where possible, the CBA process must involve quantification of the non-monetary benefits of improvements in productivity, work processes, indirect sales and people management.

Quantification involves identifying the monetary value of costs and benefits to the organisation. This process is important as it will highlight the true value received both in the short- and long-term for the organisation.

Examples of cost and revenue areas to considered when undertaking a CBA:

Cost areas (Costs)	Revenue areas (Benefits)
▪ Acquisition and development ▪ Implementation ▪ Operating/maintenance (ongoing)	▪ Direct and indirect revenue ▪ Immediate and long-term revenue ▪ Opportunities to generate more revenue from the development of new systems or products ▪ New business opportunities, such as partnering with other organisations or expanding into new market segments

Identify cost savings

The savings of delivering HR services should be considered when calculating ROI and conducting a CBA.

In addition to potential revenue that can be generated from delivering an HR service, it is important to identify the cost savings, as these can often be of more value to the organisation's bottom line.

There are essentially three types of savings that can be made from the provision of HR services:

Direct savings

Quantitative savings directly attributed to the service being delivered; for example, reduced administration or attrition costs

Costing avoidance

Spending that is no longer required as a result of providing the service; for example, the organisation is no longer required to pay ongoing consulting fees for a third-party HR provider

Intangible benefits

Qualitative benefits as a result of implementing a service; for example, increased automation of administrative tasks allows managers and supervisors to concentrate on more meaningful tasks

Determine the value and costs of the investment

The most challenging part of calculating costs versus benefits and ROI is to quantify the value of the revenue and costs of the HR services being provided. An analysis of key information is required.

The benefits of delivering HR services may sometimes be difficult to quantify and analyse; for example, reductions in staff attrition, increases in productivity or value from indirect revenue as a result of hiring new staff. When quantifying the organisational benefits, you may need to isolate and analyse the portion of the changes to productivity, performance, sales or other measurable outputs that occur.

The key is to focus on producing a quantified metric, such as a rate, percentage or dollar value that can be determined. However, if the benefits are too difficult to objectively quantify, reasonable assumptions based on valid evidence may be used to determine the costs and benefits gained as a result of the HR services being delivered. A detailed analysis will enable you to identify trends, issues and anomalies that can be considered in the decision-making process.

When calculating the ROI of delivering HR services, you will need to analyse the following information:

- salaries of the people involved in using the resources
- difference in hours required compared to the previous model
- reduction in direct costs due to a reduction in staff attrition, lost productivity time, conflicts, disputes, performance problems and work-related injuries
- costs saved by correlated reductions or improvements, based on performance before and after the implementation date – such as a reduced administration costs, increased customer satisfaction or higher productivity.

Example

CBA and ROI

BizOps is planning to implement a new human resource management (HRM), system which will cost the organisation $50,000 for the first year including purchasing, implementation, training and maintenance. The organisation determines the value to the business of implementing that system for the first year will be $60,000 as a result of increases to productivity and greater functionality in managing the organisation's human resources.

Following the CBA process, the investment will yield $10,000 net worth of benefit for the first year:

- CBA = $60,000 - $50,000 = $10,000

- $\text{ROI \%} = \dfrac{(\$60,000 - \$50,000)}{\$50,000} \times 100 = 20\%$

Practice Task 8

Question 1

What are the three key steps in conducting a CBA?

Question 2

Which of the following are examples of benefits in delivering HR services? Tick all that apply.

○ Immediate and long-term revenue

○ Implementation costs

○ Reductions in staff attrition

○ New business opportunities, such as partnering with other organisations

○ Decreases in productivity due to an increase in administration time

Question 3

How do you conduct a CBA if costs and/or benefits are difficult to objectively quantify?

2D Identify technologies to support workforce programs and practices

Small, medium and large employers are increasingly using HR technology and systems to support workforce programs.

One area that sets high-performing organisations apart is how they use technology and systems to deliver their HR services. A number of technologies and systems are available to HR departments to support the delivery of HR services.

Some of these are listed below.

> **Human resources management information systems**
>
> Human resources management systems are integrated systems used to gather, store and analyse information about an organisation's human resources, and deliver services such as payroll, leave management, benefit management and performance review processes.

> **Web services**
>
> Web-based self-service applications allow employees to undertake a variety of administrative transactions. An additional functionality allows managers to approve transactions where required.

Human resource management information systems

A human resource management information system (HRMIS) is an information and data records management system used to maintain information about the organisation's workforce.

An effective HRMIS is an essential part of human resource management. It is used for data entry, data tracking, accessing information and maintaining security of information. The system enables HR staff and frontline managers to perform a range of functions including payroll, processing leave requests, absence monitoring, performance management, training and WHS functions.

There are many different HRMISs available to meet different needs of users and organisational requirements. The type of system you select for your organisation must be based on a systematic process of research, consultation and evaluation with key stakeholders, including system users.

Common functions of an effective HRMIS include:

- attendance and leave use
- pay raises and history
- pay grades and positions held
- performance development plans
- training received
- disciplinary action received
- personal employee information
- management and key employee succession plans
- high potential employee identification
- applicant tracking for interviewing and selection.

Choosing the right HRMIS for your business

The task of selecting an HRMIS for your organisation's HR information needs is a big process that comes with large implications for the business.

Ensure you take time to conduct a system analysis in consultation with HRMIS users to find out their needs and information requirements. There's a wide range of off-the-shelf HRMIS software packages available. An effective HRMIS provides information on anything the company needs to track and analyse about employees, former employees, and applicants.

The HRMIS should also have integration with payroll and other company financial software and accounting systems.

Some of the key information you will need to consider when making your selection includes:

- HRM service delivery objectives
- composition of the workforce, such as size, locations, rosters, type of work being performed, risks associated with the job roles and training requirements
- stakeholder requirements
- user and organisational information and system needs
- critical success factors (CSFs)
- vendor capability
- cost versus benefit
- budget
- training, staffing, maintenance requirements
- timelines.

Self-service delivery

Employee self-service applications mean that administrative HR services are available immediately and the focus of HR is diverted from transactional processes to other operational activities.

The key technical drivers of excellence in self-service HR are web-based HR case management tools that log and track employee inquiries. Call centre–enabling technologies such as interactive voice response (IVR) and automatic call distribution (ACD) have been adopted in some HR shared service centres.

Key trends in HR technology

Research data suggests that key trends in HR technology include improving strategic alignment with the business, talent acquisition and improvement, improving business processes, delivering on cost reduction targets and driving human capital management technology improvements.

A recent survey of companies in the United States identified technology as one area where companies were willing to invest, particularly in the area of service delivery, and that many organisations were willing to try technology without waiting for evidence of long-term results. The push for technology solutions is related to reducing costs and driving innovation in service delivery. The technologies generating the most interest for many organisations are social media, mobile technologies and analytics.

Practice Task 9

Question 1

List five considerations you would need to make when selecting a technology-based HRMIS. Justify your choices.

Question 2

Why is it important for organisations to invest in HR technology solutions for the delivery of HR services?

2E Contribute to a strategic workforce plan

The strategic workforce plan should detail the HR strategies, objectives, budgets, priorities, time frames, risks and monitoring processes that will enable the organisation to meet its objectives.

An effective strategic workforce plan will set out the goals that need to be achieved, the actions that need to be taken to achieve the goals, and the key issues that need to be considered along the journey. It should also identify responsibilities, time lines and priorities, risk and control mechanisms, and monitoring and evaluation processes.

Development of a strategic workforce plan involves determining the purpose of the plan and audience, and working out the specific information that needs to go into the plan – all in collaboration with key stakeholders.

Collaborate with stakeholders

HR professionals must consult with stakeholders when developing the strategic workforce plan.

To assist in developing the strategic workforce plan, you will need a firm understanding of the objectives and actions, as well as key risks affecting the workforce strategy. To achieve this, you will need to collaborate and consult with a number of key personnel.

Every organisation has different types of stakeholders with varying expectations and requirements, depending on its structure, size and relationships. A stakeholder is any person or group who has a 'stake' in the organisation. A 'stake' refers to a degree of influence on the company, or someone that is affected by the operations.

Stakeholders have a direct or indirect influence on HR functions and may include business owners, senior managers, supervisors and subject matter experts.

Examples of stakeholders that you may need to collaborate with when developing the strategic workforce plan include:

- company directors
- business owner/s
- HR managers
- middle-level and department managers
- external HR specialists.

Effective collaboration

As an HR professional, it is your responsibility to develop a climate were collaboration between key stakeholders can thrive to ensure the strategic workforce plan meets the organisation's requirements.

Below is a list of strategies you can use when collaborating with your key stakeholders to develop a strategic workforce plan. The skill is in determining which of these strategies will be effective depending on the circumstances. For example, empowering managers to contribute towards workforce objectives and priorities can be effective, but it relies on each person having the ability to understand the needs and direction of the whole organisation, as well of their individual team.

A shared goal

Provide a convincing reason to be part of the team objective. Clear and compelling causes encourage stakeholders to be motivated.

Clear expectations

Regularly clarify everyone's responsibilities and accountability.

Flat hierarchy

This keeps competition as well as egos in check. This is especially important in organisations such as government and professions where pay scales are public. Groups that collaborate should be on an even playing field.

Empowered stakeholders

Build a culture of sharing and collaboration and allow for 'failures'. Stay curious. Help your stakeholders understand viewpoints outside of their own and constructively address ideas that are not going to be viable.

Cohesion between stakeholders

Work to overcome silos. Regularly review to see achievements and talk retrospectively about problems that the team has solved together. Set and celebrate team milestones. Operate on agreed-upon principles. Develop a charter. Define and emphasise what it is to trust each other.

Foster innovation

Bring people together to solve problems. Encourage diverse perspectives and invite a diverse body of knowledge. Diverse cultural and social backgrounds foster creativity and out-of-the-box thinking. Institute 'no-bad-ideas' approach to problem-solving.

Be reliable

At all times, keep your word. This is essential in dealings with stakeholders. Don't make promises or undertake tasks that you are unable to complete. If you do make a promise that you find you are unable to keep, let those affected know and explain why.

Model the behaviour you want to see

Show your stakeholders your expectations. Model the integrity you want your stakeholders to follow, and hold yourself and others accountable. Take a stand when necessary, and rely on others. Make it visible that executives actively collaborating. Admit errors and mistakes and do not be afraid to say, 'I don't know'.

Invite healthy debate

An effective discussion encounters conflict. Do not be afraid of discussing the 'elephant in the room' or addressing potential conflicts. Healthy discourse can only benefit your project. Conflicts or disagreements pertaining to task-related discussions can be treated as a normal occurrence, so team members do not harbour animosity towards one another after the meeting ends. Conduct should always remain professional and communication respectful. However, too much disagreement is not healthy. Agree on a process to resolve issues constructively.

Open communication

Open communication is when all stakeholders feel empowered to express their thoughts. Employees believe they do matter in the bigger picture, and will receive information as to why decisions are made.

Workforce budget

When collaborating on the workforce strategic plan, it is important to include information regarding the costs of each function and establish a budget. This ensures organisational financial targets are achieved.

A budget sets out how much money is to be allocated on HR programs and services. When setting out the workforce strategy, you must cover all necessary costs associated with implementing HR workforce strategies, including set-up and ongoing costs for each program.

By specifying the costs of your strategies within the workforce plan, you are persuading senior management to spend money on human resources that your business needs, in order to accomplish the objectives of the strategic plan.

The costs and benefits must be presented to management in order to allow them to compare the implications of the strategy. All costings should be presented in a basic spreadsheet, table or budget, or highlighted within your workforce plan.

Workforce programs and practices

The programs and practices implemented to achieve the objectives form the basis of all workforce strategies.

Objectives explain what you want to achieve in your workforce plan. The strategies (or initiatives) are the specific programs and practices that need to be implemented to achieve the business's designated objectives.

The strategies that are described in your workforce plan need to focus on the objectives set out for workforce acquisition and retention. They can be as detailed or simple as the business requires. Some strategies require extensive planning, resource support and time; others can be as simple as implementing a basic rewards and recognition system. The key point is that your programs are strategic and intentional, based on the objectives of the workforce plan and the organisation's strategic goals.

Programs and practices that support workforce objectives are described here.

Recruitment campaigns

Recruitment strategies ensure that the organisation has the 'right people' in the 'right roles' at the 'right time'. It includes forecasting workforce needs, and recruitment and selection to acquire those resources.

Recruitment services included in the recruitment strategy will usually include the following tasks:

- developing a job description
- writing and placing the job advertisement
- screening resumes
- shortlisting applicants
- interviewing candidates
- checking references
- making the selection decision
- making an offer to the applicant
- developing contracts and employment packs
- organising induction and orientation.

Flexible work arrangements

Employees who are better able to balance their work and personal interests and responsibilities, and have more choice over when and where they work, will be more engaged with their employer.

Working from home and flexible part-time hours are becoming increasingly popular for parents with young children, particularly mothers returning from parental leave.

Flexible work arrangements may include:

- part-time work
- casual work
- job sharing
- flexible working hours
- rostered days off
- working from home/remote work
- mobile work arrangements
- phased retirement.

Career progression

Although some employees have little or no aspirations of 'climbing the corporate ladder', a large proportion of the workforce will want to progress through the organisation and experience new and challenging roles. If HR management is attuned to the organisation's future workforce needs, then internal promotion and recruitment should be a priority.

Career progression will result in an increase in the internal talent pool, which enables organisations to better meet the needs of their customers. Furthermore, these strategies will result in more satisfied and loyal employees, which in turn reduces staff turnover.

Career progression strategies include:

- career planning
- secondments, supervisory roles or other temporary roles
- training
- mentoring.

Competitive remuneration and benefits packages

Although money is rarely one of the top reasons why a person leaves their job, it is important to provide competitive remuneration and benefits packages to attract and retain skilled workers.

You will need to stay informed with current market salary rates, and remain competitive with industry expectations. This includes conducting a formal review of each individual's package at least once a year, usually at the performance appraisal time.

Remuneration covers base salary/wages, bonuses, commissions and incentives.

Benefits covers additional non-monetary rewards, such as:

- leave without pay
- a car parking pass
- fringe benefits
- insurance coverage such as private health or income protection
- study leave
- additional superannuation contributions.

Rewards and recognition program

A rewards and recognition program should acknowledge improvements and outstanding performance in the workforce.

Examples of reward and recognition systems include:

- Email notification – Email the team/department/senior manager acknowledging improvements and outstanding results.
- Lunch with the boss – Once a month, a senior manager has lunch with the selected employee.
- Half-day reward – Staff can leave early if they meet their targets.
- Parking space for a month – Reward a team member with one paid parking space for a month.
- Gift vouchers – Online or retail shopping vouchers or movie tickets.
- Catalogue programs – Allow employees to build up points that can be redeemed through a prize catalogue.
- Massage therapist – Hire a massage therapist for an hour.
- Travelling trophy – Organise a trophy for the best performer, which sits at each person's desk for a set period, and is rotated around the team.
- Time off in the field – Access to a specialised conference, training event or seminar.
- Certificates – Paper-based certificates acknowledging high achievements and improvements.

A safe and attractive work environment

Every employee wants to work in a safe, productive and inspiring work environment.

To apply this strategy, organisations should consider the following as a minimum:

- Support workers with up-to-date technologies, tools and equipment.
- Ensure furniture and equipment meet minimum work health and safety requirements.
- Clean and maintain amenities, and rest and meal areas.
- Maintain adequate break/rest spaces where employees can take time out
- Provide suitable heating/air-conditioning systems
- Maintain safe entry/exit points and working surfaces.

Many organisations that are regarded as 'employers of choice' go beyond the minimum to ensure the work environment is fun and engaging, and meets the personal needs of its workforce. This includes providing a gym, laundry service, cafeteria, games room, childcare facilities, reading rooms and prayer rooms.

Document the strategic workforce plan

The purpose of the strategic workforce plan is to set out the road map for the effective acquisition and management of the workforce over the designated period of time.

Organisations will differ depending on their size, the nature of their business, their industry and how they do business. To develop a strategic workforce plan, you will need to access or develop a template, which will enable you to enter the key information as the plan is finalised.

Following this, extensive collaboration and consultation with your key stakeholders will be needed to discuss and agree on the details for each component of the strategy.

A strategic workforce plan will need to include the following information:

Objectives and targets

Outline the key workforce outcomes that the organisation aims to achieve as a result of implementing the plan. Objectives should be clear actionable statements, based on the SMART framework:

- Specific – Set clear, accurate and detailed objectives.
- Measurable – Include metrics that can be used to measure performance, such as percentage increases/decreases, dollar values or other numerical figures.
- Attainable – Set objectives that are challenging yet attainable
- Relevant – Ensure the objectives support organisational strategic objectives and operational plans.
- Time-bound – Set a time frame for when the resources will be allocated and when you expect to achieve the outcomes from the resource plan.

Targets break down the objectives into further detail, such as quantitative or qualitative metrics. They should include measurable figures that enable HR professionals to easily track and assess performance of the workforce strategy.

Workforce strategies

Priorities set out the order in which the workforce programs need to be implemented.

Program and practices are the specific workforce initiatives that will need to be implemented to achieve the objectives. Examples include:

- recruitment campaigns to seek out workers with specific skillsets, values, attitudes and career goals
- flexible work arrangements
- career progression plans
- competitive remuneration and benefits packages
- rewards and recognition programs
- professional learning and development opportunities.

The costs of each program must be clearly set out in a clear and concise budget. The budget must include all direct costs associated with planning, implementing and monitoring the program.

The programs must specify the time frames for when they must be achieved. The time frame may be set as a period of time (such as four weeks) or a due date (such as 30 June).

Risks and contingency strategy

Describe the risk management process that is to be followed to manage and respond to any threats to the objectives.

The risk management process can include:

- internal and external risks that may impact on the achievement of objectives
- risk assessment, including a risk analysis and risk evaluation to determine ratings and priorities for the identified risks
- risk contingency plans, outlining the treatments that are to be used to either avoid, reduce, transfer or retain the risks.

Monitoring and evaluation strategy

The monitoring and evaluation strategy must show how the effectiveness of the programs will be monitored over time. The strategy should be based on gathering reliable information and data, and comparing actual results to the targets that have been set for each program. The strategy must specify reporting and communication processes to ensure key stakeholders are kept informed of the progress of the strategies.

A strategic workforce plan template might look like this:

Objectives and targets

- Objective 1:
  - Target 1
  - Target 2
- Objective 2:
  - Target 1
  - Target 2
- Objective 3:
  - Target 1
  - Target 2

Workforce strategies

Priority	Program/practices	Budget ($)	Time frame

Risks and contingency strategy

Risk	Risk rating	Possible impacts	Risk treatments	Time frame for action	Monitoring and review processes

Monitoring and evaluation strategy				
Target	**Data/ information requirements**	**Reporting/ Communication methods**	**Responsible person**	**Time frame**

Present information clearly

In presenting the workforce plan, the content and structure need to be clear and accurate in order to meet the audience's needs.

The person responsible for collating and presenting the information needs to ensure that the language used helps to communicate the information clearly and concisely. Strategic workforce plans should aim to use clear, simple language, as the English-language skills of the audience may vary. Some plans include complex information, so explanations need to be provided for those with limited experience in these areas. Consider using diagrams and graphs to present complex information.

Common guidelines for using plain English
- Use inclusive language; for example, use 'they' rather than 'he' or 'she' and avoid discriminatory language.   - Don't try and impress your stakeholders with elaborate wording; keep it simple and to the point.   - Try and anticipate the questions your stakeholders will have, and prepare your answers in advance.   - Any request to spend money should be supported with a description of the costs and the benefits, such as a CBA (cost–benefit analysis) or ROI (return on investment).   - If you can't show a financial benefit in spending the money, try and show a financial loss for not doing so – which is almost as effective.   - Be clear in stating the problem/need and the proposed solution. If other solutions were investigated, briefly explain them and why they were not chosen.   - Present your information in an organised manner, and show how it leads to your conclusion.   - Use short sentences with one main point.   - Vary sentence and paragraph lengths to improve readability.   - Avoid repeating content.

Obtain support

The strategic workforce plan must be submitted to key personnel to seek support, before it is implemented.

Once the strategic workforce plan has been developed with the evaluation procedure, risk management process and workforce programs, it needs the formal support – and approval – of relevant decision-makers. This step in the process is important in ensuring your key stakeholders are in agreement with what is contained in the plan. This is the final step before implementation.

The presentation may be through a face-to-face formal meeting, video conferencing, email, file sharing technology or internal mail. Where possible, you should present your plan to upper management in person. Email or internal mail can be useful and should be followed if this is requested by your manager. However, by presenting the plan in person, you are assured that they have received the information and will respond to you accordingly. Face-to-face presentations also allow for effective two-way communication, whereby each party can ask questions, provide input and feedback, and negotiate any changes to the plan.

To obtain support for your strategic workforce plan, the following process will usually apply:

- Formalise your plan, including your objectives, targets, programs, time frames, risk processes and evaluation strategies.
- Present your plan in a formal report or presentation to key stakeholders.
- Discuss, negotiate and refine the objectives and strategies.
- Agree on the most effective way forward.
- Gain written sign-off on the objectives and strategies from stakeholders.

Practice Task 10

Question 1

Which of the following are key principles to follow when collaborating with stakeholders about the strategic workforce plan? Tick all that apply.

○ Bring people together to solve problems.

○ Ask people only with senior human resource management experience to contribute.

○ Build a culture of sharing and collaboration and allow for 'failures'.

○ Steer away from potential conflicts and difficult conversations.

○ Regularly clarify everyone's responsibilities and accountability.

○ Respond to stakeholder concerns, explain your ideas and negotiate inclusions for the plan.

Question 2

Explain the following elements of the strategic workforce plan that require consultation and collaboration with stakeholders:

- purpose
- targets and time frames
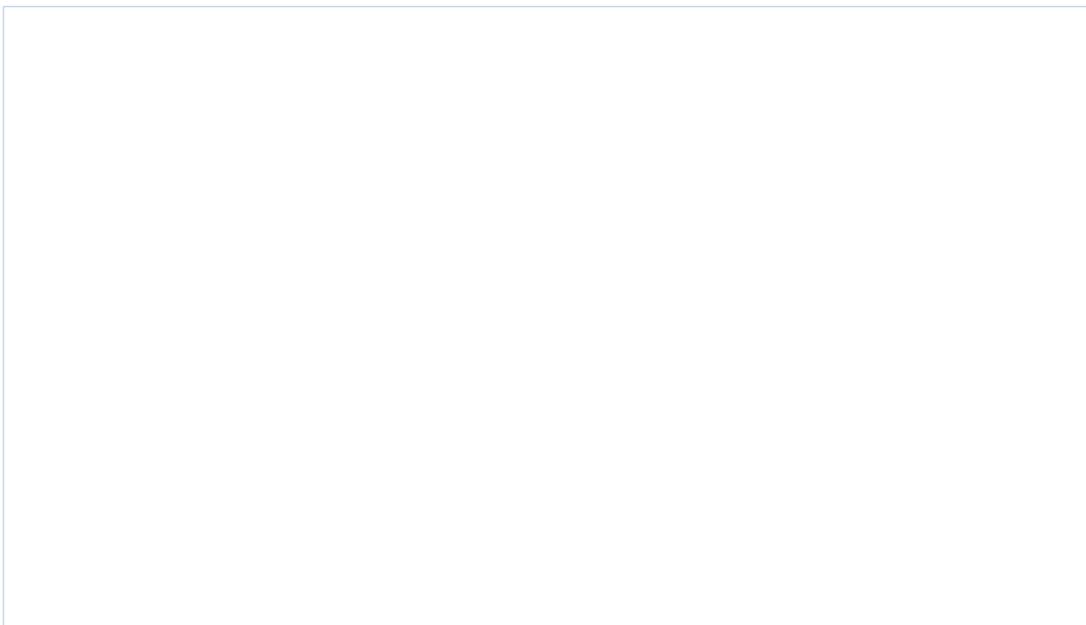- risk management strategies.

Question 3

Explain an effective monitoring and evaluation strategy for the strategic workforce plan.

Question 4

How do you consult with stakeholders to develop a strategic workforce budget?

Question 5

Draw a line to match each term about workforce programs and practices to its definition.

» Competitive remuneration and benefits packages

» Recruitment campaigns

» Flexible work arrangements]

» Career progression

» Approving working from home arrangements, casual rosters and job sharing

» Assisting workers to progress within the organisation, through a structured process of development

» Ensuring that the organisation has the 'right people' in the 'right roles' at the 'right time', through a structured hiring and on-boarding process

» Paying workers more than the minimum entitlements of an award and what other competitors are offering

Question 6

How would you negotiate and work with stakeholders to evaluate the strategic workforce plan against objectives?

2F Analyse risk and develop risk mitigation strategies

Identify and manage risks that can affect the objectives of the plan.

When making any major decisions within an organisation, identify the possible risks, the likelihood of them occurring and the consequences if they do. This is called risk analysis. Many large organisations develop a risk management plan to help identify potential risks and strategies for mitigating against those risks. This will be considered before decisions are implemented.

Here are some aspects of the risk management process that need to be considered.

What is a risk?

Risk is defined as exposure to the threat of danger, harm or loss. In business, risk is the probability of threat and loss that exists within an organisation's operations and environment. Examples of this risk might include loss of staff due to high attrition, lack of skilled labour in the market, and reduction in the organisation's workforce budget. Risk is embedded in every aspect of every business and all risks cannot be eliminated or controlled. It is the HR professional's ability to manage those risks that is important.

Risk management

Risk management refers to processes for identifying, assessing and prioritising risks to the strategic workforce plan so that they can be eliminated, minimised or controlled with minimal impact to the organisation. All new strategic workforce plans should undergo risk analysis and risk management planning before implementation.

There are risk management standards that have been set by various bodies, such as the Project Management Institute, the National Institute of Standards and Technology and ISO Standards. These are intended as benchmarks to be used to guide individual implementation. They have been adopted and adapted by many organisations as standard practice and you may find that your own organisation has a very specific risk management procedure, including templates and guidelines to follow.

Risk management planning

As an HR professional, you may be required to undertake risk management planning before you finalise your strategic workforce plan. Failure to do so may result in encountering an unexpected risk and its consequences. Risk mitigation strategies will either prevent the risk from occurring or allow you to deal with it in an efficient and cost-effective way when it does occur.

The risk management process

A risk management process is the determination of the risks that may impact on strategic workforce objectives, and an analysis of the likelihood and consequences of a negative event preventing the organisation from meeting its goals.

All strategic workforce decision-making carries a measure of risk that must be managed if the organisation is to achieve its objectives. The organisation's risk management procedures can ensure that any decision-making process includes consideration of the risks involved and how these risks will be managed.

The risk management process is a continuous cycle, involving the following steps.

Risk management process
Identify risks: • What are the possible risks?   • How many risks are there?
Assess risks: • How serious are the risks?   • How likely are they to occur?   • What are the possible impacts or consequences? What is their risk level?   • What priority should be placed on controlling these risks, given the above?
Treat or control the risks: • What strategies can we use to control the risks? What can we accept, transfer, avoid and reduce?   • What is involved in this?   • How much will it cost?   • How long will it take?   • What is the desired outcome?
Monitor and review controls: • Did the controls work?   • How effective were they?   • Could they be improved?   • What else can we do?

Identify, analyse and evaluate risks

Risks need to be identified and analysed to determine the consequences on strategic workforce plans. Risk evaluation is process of allocating a priority number or rating to each risk and determining the tolerability of risk.

The following provides an outline of how risks can be identified and analysed.

Identifying risks

Risks can be identified through consultation with key stakeholders about likely risk scenarios and issues relating to the strategic workforce objectives. HR professionals can also review documentation related to previous workforce plans to identify indicators of risk, which may include:

- non-compliance with legislative and regulatory requirements
- high attrition rates
- employee terminations
- financial risks associated with exceeding a workforce budget
- skills shortages
- risks to human resources such as injury or death of a worker.

Analysing risks

You need to determine a risk's likelihood and impact. The likelihood of the risk occurring may be 'very likely', 'likely' or 'unlikely'. Some organisations may use different words, such as 'expected', 'probable' and 'improbable'. The consequences of the risk may be 'major', 'moderate' or 'minor'. Other rating terms commonly used are 'disastrous', severe', 'extreme', 'minimal' and 'negligible'.

A risk assessment matrix can be used to evaluate a risk, where likelihood and impact are identified to determine the overall level of the risk on the matrix. High risks become the priorities for treatment and may require the development of contingency plans. Moderate risks will need attention. Some low-level risks may be seen as a low priority because they can be resolved through routine procedures or practices. Consider the likelihood and impact of an activity you have been involved with and use the matrix below to estimate the risk level.

	Consequences				
	Insignificant	**Minor**	**Moderate**	**Major**	**Catastrophic**
Almost certain	High	High	Very high	Very high	Very high
Likely	Moderate	Moderate	High	Very high	Very high
Possible	Low	Moderate	High	High	Very high
Unlikely	Low	Low	Moderate	Moderate	High
Rare	Low	Low	Low	Low	Moderate

(Likelihood)

Mitigation of risk

Once you have identified and assessed the risks, your goal is to eliminate or avoid risks where possible and control their impacts on workforce plans.

There are various options available for an HR professional to control or mitigate risks associated with strategic workforce plans. These are called contingency plans. The goal of a contingency plan is to document appropriate risk treatment options according to the priority of the risk, the level of urgency required in addressing the risk, and legal implications.

The following information outlines the four major strategies that can be used to manage risk as part of a contingency management plan.

Avoid the risk

Options to avoid risk include the following:
- Do not become involved in HR practices or programs that lead to the possibility of the risk eventuating.
- Outsource risk-related tasks to contractors or specialist providers.
- Discontinue labour source options or other HR practices that may lead to the risk eventuating.

Likelihood

The likelihood of risks can be lowered by removing various stimuli or situations likely to lead to the risk. This may be as simple as:

- reducing exposure to the risk environment
- removing or reducing HR practices or programs that may lead to the risk being triggered
- using ongoing reporting and monitoring controls and quality assurance measures
- ensuring workforce targets and time lines are realistic.

Consequences

Contingency plans are a valuable tool for helping reduce the consequence of a risk event and may include:

- establishing measures to actively control or minimise the risk, such as reducing attrition rates through workforce engagement initiatives
- developing administrative measures, controls, policy or procedures to provide guidance.

Share the risk

If a risk is too high to take on alone (for example, expanding the business into a new industry), partnerships and strategic alliances allow for risks to be shared. Sharing the risk may also commonly involve external investors, such as venture capitalists, or insurers and underwriters, and may include insuring against an event occurring.

Retain the risk

Some negative risks may be at an acceptable level when the likelihood and consequences can be adequately managed within the organisation. Others may have such a low level as to not warrant any effort. For example, low attrition levels may not have a huge impact on meeting time lines, so this low-level risk can be accepted.

Review the risk management plan

A risk management plan should be a living document, which is constantly reviewed as new and emerging risks are identified.

A risk management plan is a tool used to record in detail all of the steps described above. Risk management templates and guides are widely available on the internet and in HRMIS software.

The risk management plan may form part of a larger document, such as a business plan, project plan or strategic plan, or it may be a standalone document. In some organisations, it may be added to a risk register for future reference. Whatever its form or purpose, a risk management plan should include:

- the process for identifying, analysing, evaluating and controlling risks
- personnel responsible
- costs
- actions to be undertaken, including proactive initiatives and corrective actions
- resources required
- reporting requirements.

Practice Task 11

Question 1

Which of the following statements about the risk analysis process are correct? Select 'Yes' or 'No' for each one.

a)	Risk is defined as the impacts of legislation and regulations at a state and national level.	≫ Yes	≫ No
b)	Risk analysis enables HR professionals to determine a risk's likelihood and impact.	≫ Yes	≫ No
c)	Risk treatment is the process of allocating a priority number to each risk and determining the tolerability of risk.	≫ Yes	≫ No
d)	Controlling risk is part of the risk treatment stage.	≫ Yes	≫ No
e)	Risk treatment and contingency planning include methods for avoiding, reducing, transferring or retaining the risk.	≫ Yes	≫ No

Question 2

List five common types of risk associated with implementing strategic workforce plans.

Summary

- Ongoing consultation and collaboration with supervisors, managers, employees and teams is essential if relevant HR workforce plans are to be established and maintained.

- Consultation and collaboration enable HR professionals to identify the needs of the organisation and promote what they can do to support the business in achieving its objectives.

- The HR philosophy reflects how the organisation views its people, as well as the beliefs and assumptions of management regarding the nature and work ethic of their employees.

- An organisation needs to implement HR services that integrate with and support the organisation's strategic and business plans.

- Using quantifiable metrics improves the credibility of the HR services, and allows stakeholders and key decision-makers to identify measurable benefits to the organisation. This can be achieved using a cost–benefit analysis and calculating the return on investment for delivering HR services.

- HR services are usually delivered to large workforces and the ways they are delivered are based on what is known as the HR service delivery model.

- HR systems and technology are increasingly being used by small, medium and large employers to meet the needs of their stakeholders. What sets high-performing organisations apart from others is how they use HRMISs to deliver their HR services.

- Strategic HR planning is the process of identifying the strategic needs of the organisation before they become operational imperatives.

- When making any major decision within an organisation, it is good practice to identify the possible risks involved, the likelihood of them occurring and the consequences if they do, and develop plans to treat and control risks.

Learning Checkpoint 2
Contribute to the strategic workforce plan

Part A

1. Explain how you would calculate each of the following when analysing costs of human resource services:

    •   cost–benefit analysis (CBA)

    •   return on investment (ROI).

2. Explain the key elements in a strategic workforce plan:
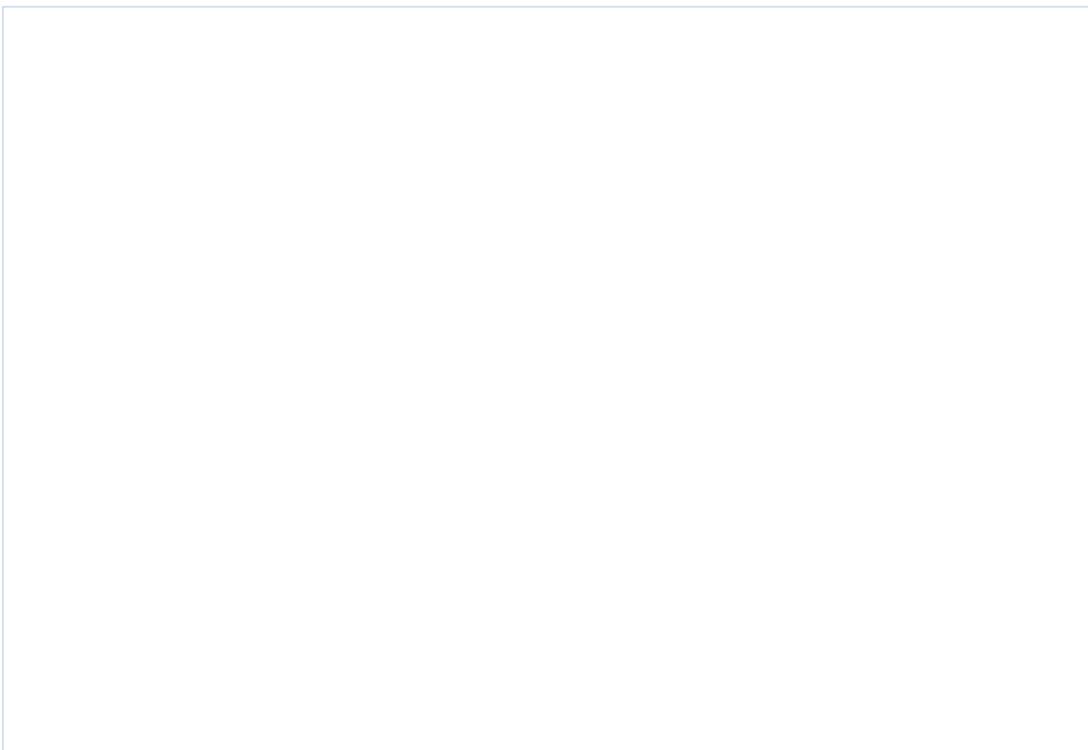   - budget
    - priorities
    - objectives
    - targets
    - time frames.

3. What processes would you include in your plan for monitoring and evaluating the effectiveness of workforce strategies?

4. List five guidelines you should follow when collaborating with others to write a strategic workforce plan?

5. What communication methods could you use when presenting your workforce plan to key decision-makers for support?

6. Provide two examples of how risk management supports strategic workplace planning.

Part B

Read the case study and then answer the questions that follow.

Case study

Bette works as an HR manager for ReKForm – a small building and construction company. The senior management team consists of two partners, a chief executive officer (CEO), the general manager, the business operations manager and Bette. The organisation is currently in a position to expand its operations in the residential housing market and as such, Bette is in the process of developing a strategic workforce plan that will aim to support the organisation's vision to expand. Bette has received a workforce brief from the partners, which will help her develop the strategic workforce plan. A copy of the brief is provided below.

Document: Workforce brief

Human resources objectives:

- Fill 25 vacant roles with highly skilled tradespeople and project managers that support the values and vision of the organisation.
- Acquire a balance of age, gender and ethnicity to support our diverse workforce.

Process:

- Confirm approval from general manager to recruit.
- Advertise internally and externally using Seek.com.
- Screen applications.
- Arrange interview dates with appropriate personnel.
- Conduct first interviews.
- Conduct second interviews.
- Conduct reference checks.
- Make selection decision.
- Make offer to applicants.
- Complete all required administrative paperwork.
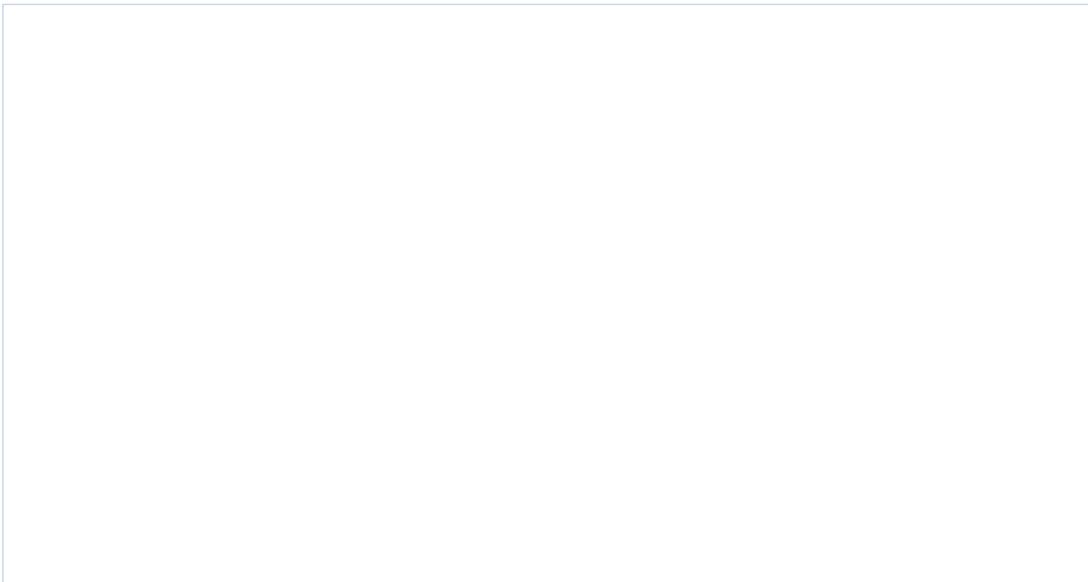- Conduct induction.
- Commence in role.

Time frames:

- Commence advertising process by 1 June. Fill all vacancies by 30 June.

Costs:

- Budget $35,000 for advertising, recruitment and selection of 10 candidates.

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1. List three key stakeholders that Bette will need to collaborate and consult with when preparing the human resource plan.

2. Describe an appropriate consultation method and process Bette should use to verbally communicate with the key stakeholders about their strategic workforce needs and preferences.

3. Explain five types of risks that Bette needs to plan for as part of the strategic workforce plan?

4. Outline a basic risk management process that can be followed to ensure these risks are addressed throughout the recruitment, selection and induction process.

5. As part of the growth plans of the business, Bette has been asked to research a new HRMIS to support the expanding workforce. List five features Better's organisation would benefit from in a new HRMIS.

6. Explain how workforce philosophy, core values and policies are contributing to a strategic workforce plan development. Give an example in an organisational setting. Explain how they are applicable to the HR profession.

Topic 3 | Support implementation of the strategic workforce plan

3A Engage stakeholders in the implementation of the strategic workforce plan

3B Monitor, review and adapt the plan

3A Engage stakeholders in the implementation of the strategic workforce plan

Following the development and endorsement of the strategic workforce plan, the next step is to implement the plan to execute the HR services.

The implementation of the strategic HR plan is a change process that should be treated in the same way as any change in the organisation. Senior management needs to show support for the new workforce strategies and services; leadership will be crucial to the program's success. Management also needs to communicate the objectives of the strategic workforce plan and expectations for staff adoption of the new processes and practices.

Implementation and change

A key part of the implementation process is working closely with senior management, operational managers, team leaders and employees to ensure the implementation and change process is as seamless as possible.

Introduction of any new HR strategies is likely to change the way people work – requiring training or retraining for employees, potential restructuring of departments and teams, redesigning of jobs and rewriting of job descriptions. As every change is different, responsibilities will vary depending on how the change activities are organised. When you have identified how the change will proceed and who is responsible for particular tasks, you will have a better understanding of how you will be working with other people to bring about the change.

The fundamental concepts that apply to any change project implementation should be adhered to.

Change management concepts include:

- ensuring that buy-in, commitment and support for HR strategies exists
- allocating the resources needed to implement the HR strategies
- clarifying the roles and responsibilities of all employees involved in the process
- establishing time frames for strategy implementation
- incorporating identified performance measures to assess the effectiveness of HR strategies
- communicating the strategic HR plan, including the reasons for the strategic HR plan, how the planned strategies will work and how they will affect employees.

Implementation planning

Implementation planning should be a key part of the strategic workforce plan. Focusing on how implementation will be achieved allows for challenges and obstacles to be identified early, which in turn allows for contingency plans to be discussed.

Several options exist for implementation of the strategic HR plan, such as a roll out of all new HR strategies on a specific date, the gradual release of strategies across a period of time, or a pilot program where strategies are trialled with a specific department before full implementation across the organisation.

Before a decision is made on the most suitable option, a cost–benefit analysis of each option should be carried out. This will provide the cost of each option and the likely benefit, including the time it will take to achieve the benefit.

Develop the implementation plan

The implementation plan that has been developed for the strategic workforce plan should ensure that the plan is delivered within agreed time lines, budget and expectations.

When developing your implementation plan, it is important to be aware of the expectations of the organisation's senior leadership team. It is also essential that management looks for potential barriers to the implementation of the plan. Early identification of challenges and issues will give the organisation time to consider alternative actions.

The implementation plan that has been prepared should be flexible and adaptable and should clearly articulate the link between the organisation's strategic plan and the strategic HR plan; it should also outline the risks that have been identified and any contingency plans that have been developed as a precaution.

Plan development process
• Determine implementation activities and tasks.
• Identify, analyse and estimate resources to implement the strategies and services at the HR operational level.
• Develop the communication strategy and stakeholder engagement strategy.
• Develop risk control measure and contingency strategies.
• Allocate responsibilities.
• Prepare the schedule.
• Develop performance indicators for monitoring and assessment.
• Develop monitoring and evaluation strategies.
• Prepare final plan for approval for senior management.

Plan elements and structure
- Objectives – the goals of the plan   - Action steps – a breakdown of the specific activities needed to integrate each workforce strategy into operations   - Resources – people, physical and financial resources required to implement the change   - Roles and responsibilities – identifying key HR or management team members who have a responsibility to implement the strategies   - Communication– how stakeholders will be educated in the new strategies   - Time lines – when each action must be completed

This is an example of an implementation plan template:

Objectives
- Objective 1:   - Objective 2:   - Objective 3:

Action steps

Priority	Program/activities	Responsibilities	Time frame

Reporting strategy

Report name	Stakeholders	Reporting/ Communication methods	Responsible person	Time frame

Develop the budget

The implementation plan must aim to stay within the allocated budget.

All human resource budgets require the input of a range of data sources, which may include the following:

- projected labour figures for the period of the budget (quarterly, half yearly, yearly) – needed to project employee wages/salaries
- benefits cost increases or projections – needed to estimate the cost of benefits across the organisation
- actual costs incurred in the current year – needed to understand the total cost of HR and where finances have been spent; useful guide to determine what level of finance will be needed by HR in the following year
- new benefits/programs planned – needed to estimate the cost of the programs so that they can be added to total finance estimate
- changes to policy, strategy, laws or business regulations that could have an impact on expenses – needed to understand costs and how much money needs to be set aside for contingencies.

Assign key responsibilities

Implementation plans need to specify the key roles and responsibilities of all people involved in the change process.

All roles for implementing the strategic HR plan must be clearly described, explained and agreed to. This can be achieved by creating a matrix that defines roles, expectations and levels of accountability. The following is an example of a responsibility matrix that outlines key roles and responsibilities in a development plan. This matrix allows you to clearly identify and communicate who is responsible for what part of the implementation process:

- A: defines a responsibility for approving (they have ultimate accountability).
- R: defines a responsibility for reviewing material that will be distributed, which may include reports, documents, workbooks or key information.
- C: defines a responsibility for creating or developing. This should be the person who is ultimately responsible, not people in the team who might participate in or contribute to this.
- I: defines key people who provide input.

Role	Core activities				
	Implementation plan development	Budget	Communication and engagement	Implementation	Evaluation
HR director	A, I	A	A	A	A
HR manager	R, C	R, C	R, C	R, C	R, C
HR team leader 1	C	C	A, C	R	C
HR team leader 2	C	C	C	C	C
Leaders/ Area managers	I	I	I, C	I	I, C

All plans need to be monitored, reviewed and reported so that key stakeholders are aware of the performance of the plan in real time.

It is essential that the implementation plan identifies a regular time frame for reporting on progress, both of the implementation of the strategic HR plan and of the HR strategies themselves. The progress report will allow the team to evaluate how things are going and make adjustments to the implementation and/or the HR strategies as required.

Reporting ensures that:

- processes are in line with the overall scope of the implementation
- activities are realistic and happen on a regular basis
- risks are identified and managed
- issues and problems can be identified and corrected
- the team has access to reliable and accurate data to evaluate the plan against objectives.

Implement the plan with support from others

A successful implementation process requires teamwork between a number of key personnel all working together toward a common goal.

Communication is a key part of implementing any workplace change. The more complex the change, the more important it is to make sure the reasons for the change, the expected benefits, and the likely impact of the change are clearly articulated to all concerned.

Effective communication means that the manager, employees and other key stakeholders understand why it is important for the organisation to adopt a strategic HR plan and how the plan will support the organisation's overall performance in the future.

Senior management, the board and those concerned with the finances of the organisation will be interested in the costs of the implementation and delivery of the HR strategies; they will also be very interested in the benefits to be derived. Line managers and employees may be interested in how the plan will affect the way they work: managers may be concerned with how the changes will affect their teams and the way they manage their people, while employees and unions may be particularly concerned with the way the changes will affect employability, including potential job losses. Shareholders, strategic partners and creditors are likely to be principally concerned with the return on investment; that is, when benefits will be realised.

As each of these stakeholders is likely to have a slightly different focus on the strategic HR plan and its implementation, they may also need different information regarding progress.

Effective engagement should include:
• identifying the relevant stakeholders • communicating to meet the needs of each stakeholder • guiding expectations • seeking and acting on feedback • understanding stakeholder roles, interests and their importance to the change program.

Implementation plans will vary from organisation to organisation. When developing one for yours, be guided by your organisation's change and project management policy and procedures.

Examples of implementation guides and plans:

- NSW Education and Communities, Implementation Guide Strategic Human Resources Plan 2012–17
- UK's National Health Service, HR Strategy Implementation Plan
- Australian Public Service, 'Implementation and monitoring, evaluation, review and adjustment'

Practice Task 12

Question 1

Draw a line to match each term that is part of an implementation plan to its definition.

>> Communication

>> Roles and responsibilities

>> Objectives

>> Resources

>> Time lines

>> Action steps

>> The goals of the plan

>> A breakdown of the specific activities needed to integrate each workforce strategy into operations

>> People, physical and financial requirements to implement the change

>> Identifying key HR or management team members who have a responsibility to implement the strategies

>> How stakeholders will be educated in the new strategies

>> When each action must be completed

Question 2

Explain how you will involve others in the implementation of the strategic workforce plan. Who will you involve and why?

3B Monitor, review and adapt the plan

The regular monitoring, reviewing and modification of the strategic workforce plan is crucial to the plan's success and to the changes being implemented.

A systematic approach to monitoring and review processes must be adopted to ensure regular reviews are carried out and the business's operations are effectively monitored and adjusted throughout the reporting period.

An effective monitoring and review process identifies challenges and issues immediately, so they can be addressed as necessary. The review process also provides reliable information about outcomes, issues and benefits.

Key steps in the monitoring and review process are described below:

Monitoring

Collect and analyse quality data to assess actual performance against planned objectives.

Measuring

Analyse the data to measure the actual performance, in terms of changes to productivity, quality or another metric.

Evaluating

Draw accurate conclusions about what went well, what didn't and why based on planned objectives. These summary conclusions are based on evaluating actual results against planned targets.

Adapting

Make changes to plans and implementation processes to allow for unforeseen changes, threats or needs, and improve plans and implementation processes.

The continuous improvement process

Continuous improvement (CI) refers to the ongoing commitment to improving products, services and systems to meet quality standards and customer expectations.

Many organisations do the right thing in developing and implementing plans. However, they forget about them until a problem occurs. Since internal and external environments, equipment, workforce and legislation are always changing, your organisation must also change to adapt to the new requirements of your workplace.

CI means that the workforce plan must be monitored and evaluated to ensure it remains effective as it is being used.

The PDCA cycle

The PDCA model provides a process for effective planning, implementation, monitoring and continuous improvement of the strategic workforce plan.

The monitoring and review process should follow the basics of the PDCA (Plan-Do-Check-Act) framework. The PDCA cycle provides a simple recipe for how CI actions should be conducted from start to finish.

Each stage of the PDCA cycle is described below:

Plan
Develop clear strategic workforce plans that describe the objectives and strategies for the effective acquisition, allocation and use of human resources. Include clear targets to use as the benchmarks for monitoring, measuring and evaluating performance.

Do
Allocate the resources according to the plan, with the knowledge that you may miss the mark in one or more areas.

Check
Collect useful data about staff attrition, budget performance and time lines for recruitment, and assess the actual performance of the plan against the targets, budget and time frames. Identify what hit the targets, which practices worked well and what didn't. Decide the plan can be improved, or how workforce programs and practices could be done differently.

Act
Identify the key learnings from the review. Decide what changes need to be made, what to keep and what to modify to ensure the objectives will be achieved.

Evaluate and review against objectives

A systematic approach to evaluation and review processes must be adopted to ensure regular reviews are carried out throughout the reporting period that are based on the objectives of the workforce plan.

A number of methods can be used to measure the progress of the strategic HR plan, but a commonly used technique is to perform variance analysis between the planned objectives, and actual performance and results. You can compare metrics results from the period before introducing the service to the period post-implementation. If your organisation uses a modern HRMIS, it should be able to generate reports related to various types of HR services that have been implemented, such as training hours and associated costs. You can also gather feedback from discussions and surveys to determine reasons for variances. One of the key activities of the implementation process is monitoring the budget allocated to the strategic HR plan.

Gather quality data

To evaluate the performance of the strategic workforce plan, you will need to know who to speak to, where to find the right information, and how you can access the best information in the shortest possible time.

The quality of your monitoring and review process, will depend on the quality of data and information you collect about HR performance. All evaluation and review processes must be based on the objectives (and their subsequent targets) set out in the strategic workforce plan.

Data sources and collection methods should be documented as part of a review process.

Quality data and information can be defined by four key elements:

Reliable	The information is factually correct, accurate and taken from reputable sources.
Valid	The information has direct relevance to the topic. In this situation, it discusses the impact of resource allocations on operational objectives.
Current	At the time of the review, the information is up-to-date and provides a real-time picture of the performance and outcomes achieved.
Sufficient	There is enough information through multiple sources to ensure the review is valid and reliable.

Root cause analysis

Root cause analysis is about identifying the underlying reasons for variations to planned performance.

To determine the real reasons for variance, you can develop a cause and effect diagram. These are also known as fishbone diagrams because of the shape of the completed diagram. The recorder in the group should position the problem or issue at the head of the fish. The possible causes of the problem should be brainstormed and recorded on the bones that are growing out of the spine of the fish.

To learn more about root cause analysis, read the guidance provided by the American Society for Quality 'What is root cause analysis (RCA)?' available at: https://aspirelr.link/asq-root-cause-analysis

Suggest improvements to work practices

As a result of your review procedure, you will identify how resources are allocated and used as part of work practices. This is commonly referred to as an 'improvement opportunity'.

Human resources cost organisations money and therefore need to be used efficiently to ensure the best possible return on investment (ROI). A review may uncover areas for improvement in the way human and other types of resources are allocated and used within the workforce, based on the objectives of the plan. These may relate to changes to training and communication processes, increasing or decreasing resource allocations, or introducing different implementation processes into business operations.

As part of the review process, possible improvements to the implementation process may be identified. These improvement opportunities must be documented as part of the reporting process, and distributed to key stakeholders for consideration and approval, before any changes are implemented.

Strategies for evaluating HR changes against objectives are outlined here:

Increase productivity

Strategy or service:
- Restructure the organisation.

Evaluation:
- Review company performance and staff morale; for example:
- staff satisfaction questionnaire
- review of organisational performance.

Reduce absenteeism

Strategy or service:
- Offer flexible work hours.

Evaluation:
- Distribute employee satisfaction questionnaire.
- Review findings from turnover and absenteeism metrics results.
- Review performance appraisal feedback.

Decrease staff

Strategy or service:
- Offer voluntary redundancies.

Evaluation:
- Review staff morale and workforce feelings towards the company after the process.
- Distribute employee satisfaction questionnaire.
- Review financial reports on human resource costs.
- Review staff movement metrics results.

Increase diversity

Strategy or service:
- Ensure recruitment advertising emphasises the organisation as an employer of a diverse workforce.

Evaluation:
- Review company performance; for example:
- Workplace diversity questionnaire
- Satisfaction survey
- HRMS report identifying employees from different backgrounds and/or with languages other than English.

Incentive scheme

Strategy or service:
- Implement a rewards and recognition program.

Evaluation:
- Run a staff satisfaction survey:
- Are staff happier?
- Does the scheme make them happier working for the organisation?
- Review findings from turnover and absenteeism metrics results.
- Review performance appraisal feedback.

In addition to collecting data from reporting systems and personal observations, stakeholder consultation can be a valuable process to discover the true value and impact of the workforce plan.

Consultation involves meeting with staff, subject matter experts, customers, suppliers and managers, and discussing their experiences and exploring issues relating to the implementation of the workforce plan. Consultation is a two-way process of giving and receiving useful information, working together to uncover root causes and collaborating on solutions.

Frequency of the monitoring and review process

The rate of monitoring and review processes should be based on a joint agreement between members of the management team and stakeholders, such as the business manager or owner.

There must be regular reviews so that once the reporting period has ended, there should be no surprises as to what has been achieved.

Review periods should be planned and documented as part of a review procedure to ensure consistency in the process.

Reviews may be conducted:

- hourly
- daily
- weekly
- monthly
- bi-monthly
- quarterly
- half-yearly.

Presenting recommendations to stakeholders

Based on your findings from the monitoring and review process, you may have uncovered issues, successes and areas that can be improved. This information needs to be presented to your key stakeholders.

The final step is to present your recommendations to your key decision-makers for consideration. This will usually be in the form of an email, in-person presentation, data point share drive or hard copy (internal mail).

Ensure you attach relevant appendices or documents as noted in your report and follow up to check that your recipient has received the report. You may need to formally present your recommendations to key stakeholders as part of ongoing communication and consultation processes.

Formal presentations are used to inform stakeholders of the progress of the allocated resources, and must be scheduled and planned to ensure optimum outcomes are achieved.

Example

The benefits of monitoring and reviewing progress

Bamforth Communications outsources all of its technology needs for its mobile phone service. Service inquiries are outsourced to a call centre overseas. Partnering with these companies worked well at first and Bamforth's shareholders were happy with the return on investment. This was short-lived, however, as customer complaints started to mount. In 12 months, the complaints rose by more than 350 per cent. The complaints were initially ignored, but as more and more customers took their business elsewhere, Bamforth hired a consultant to evaluate the complaints. Many of the complaints were about poor service and the heavy accents of staff. Bamforth reassessed its outsourcing practices and decided to set up a call/technology centre as a second line of defence – so if the outsourced call centre staff were unable to communicate with customers, they could refer them to the Australian centre. This reduced the complaints. Bamforth now reviews the situation three times a year.

Practice Task 13

Question 1

Outline an effective process for monitoring, evaluating and reviewing the overall effectiveness of a strategic workforce plan.

Question 2

Draw a line to match each term about gathering and reviewing data and information to its definition.

» Sufficient   » The information is factually correct, accurate and taken from reputable sources.

» Current   » The information has direct relevance to the topic. In this situation, it discusses the impact of resource allocations on operational objectives.

» Reliable   » At the time of the review, the information is up-to-date and provides a real-time picture of the performance and outcomes achieved.

» Valid   » There is enough information through multiple sources to ensure the review is valid and reliable.
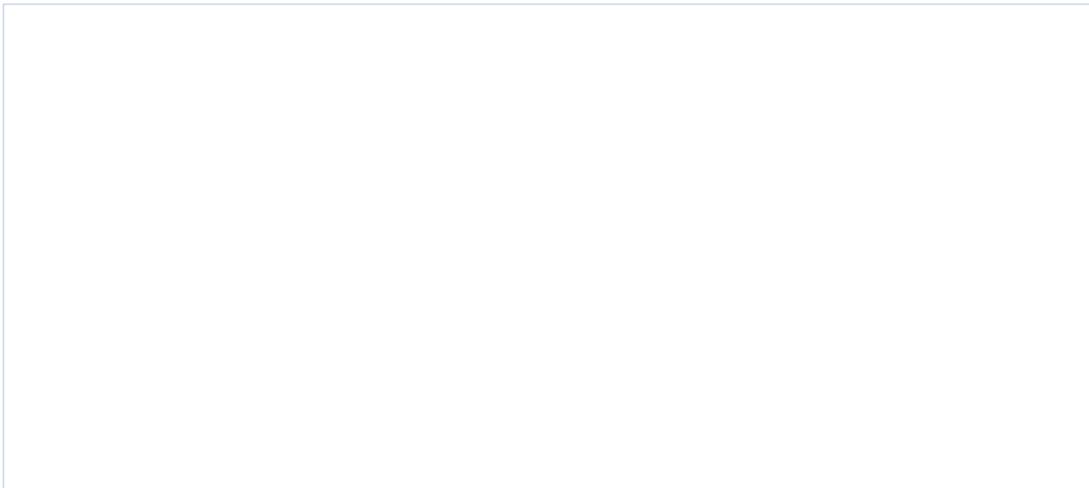
Question 3

List three types of changes that can be made to a strategic workforce plan following a review process.

Question 4

List three ways that adaption to a strategic workforce plan can be presented to stakeholders for consideration.

Summary

- A key part of the implementation process is working closely with senior management, operational managers, team leaders and employees to ensure the implementation and change process is as seamless as possible.
- Change management must be handled in a strategic and sensitive manner to ensure the best outcomes for the business are achieved.
- Implementation plans can be developed to guide the way in which the strategic workforce plan is introduced. It will need to include objectives, actions, time lines, responsibilities, budgets and methods of reporting.
- Monitoring and review processes must be planned to ensure the objectives of the plan are achieved.
- As part of the evaluation and review process, changes to the implementation process and workforce plans may be identified – this is part of the continuous improvement process.
- Based on your findings from the monitoring and review process, you may uncover issues, successes and areas that can be improved. This information needs to be presented to your key stakeholders.

Learning Checkpoint 3
Support implementation of the strategic workforce plan

Part A

1. Which of the following statements are correct? Select 'Yes' or 'No' for each one.

    a) Improvement opportunities should be monitored or reviewed before they are implemented. » Yes   » No

    b) It is important to consult with key stakeholders before implementing changes to strategic work plans and processes. » Yes   » No

    c) Changes to workforce plans must be monitored as part of a once-off process to determine if there are any changes that need to be made to the way in which human resources are managed. » Yes   » No

    d) Successful businesses seek to improve all aspects of their operations as part of the continuous improvement process. » Yes   » No

2. Draw a line to match each term about the monitoring and review process to its definition.

    » Evaluating and reviewing performance

    » Collect and analyse quality data to assess actual performance against planned objectives.

    » Adapting the plan

    » Analyse the data to measure the actual performance, in terms of changes to productivity, quality or another metric.

    » Monitoring the performance of the plan

    » Draw accurate conclusions about what went well, what didn't and why based on planned objectives. These summary conclusions are based on evaluating actual results against planned targets.

    » Measuring the performance of the plan

    » Make changes to plans and implementation processes to allow for unforeseen changes, threats or needs, and improve plans and implementation processes.

Part B

Read the case study and answer the questions that follow.

Case study

Roman is the human resources manager for a medium-sized spare-parts production company. He reports to the general manager. The organisation specialises in producing a range of car parts for a major motor vehicle manufacturer. The production team is the heart and soul of the business. There are currently 16 workers, reporting to a leading hand, who is accountable to the production manager.

Two months ago, the organisation decided it needed to increase the quality and productivity in the production department by 15 per cent, reduce errors to less than 3 per cent, and achieve a five-day turnaround time for all customer orders. To support these targets, Roman developed a strategic workforce plan that included a recruitment campaign to hire five additional team members to work in the production department, increased training for existing team members, and an incentive scheme for on-time orders and error rates.

1. Describe a process that Roman can use to implement the workforce plan.
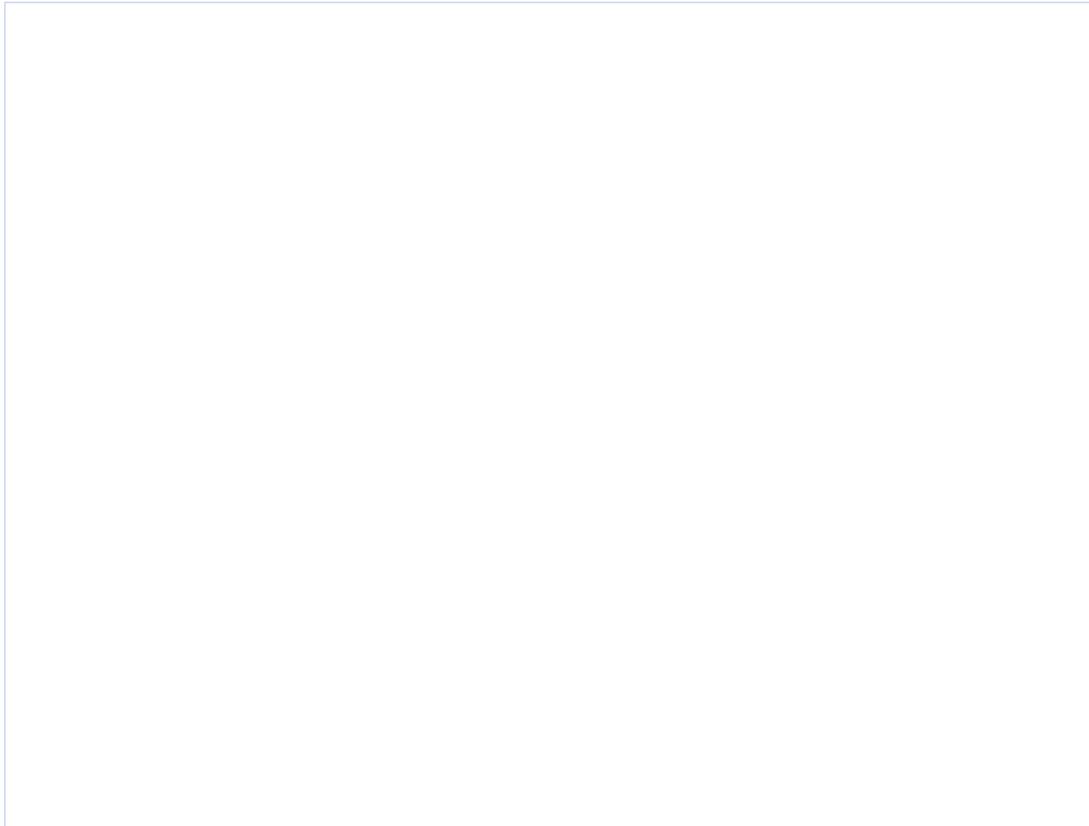
2. Identify who Roman needs to work with to implement the strategic workforce plan. Explain your answer.
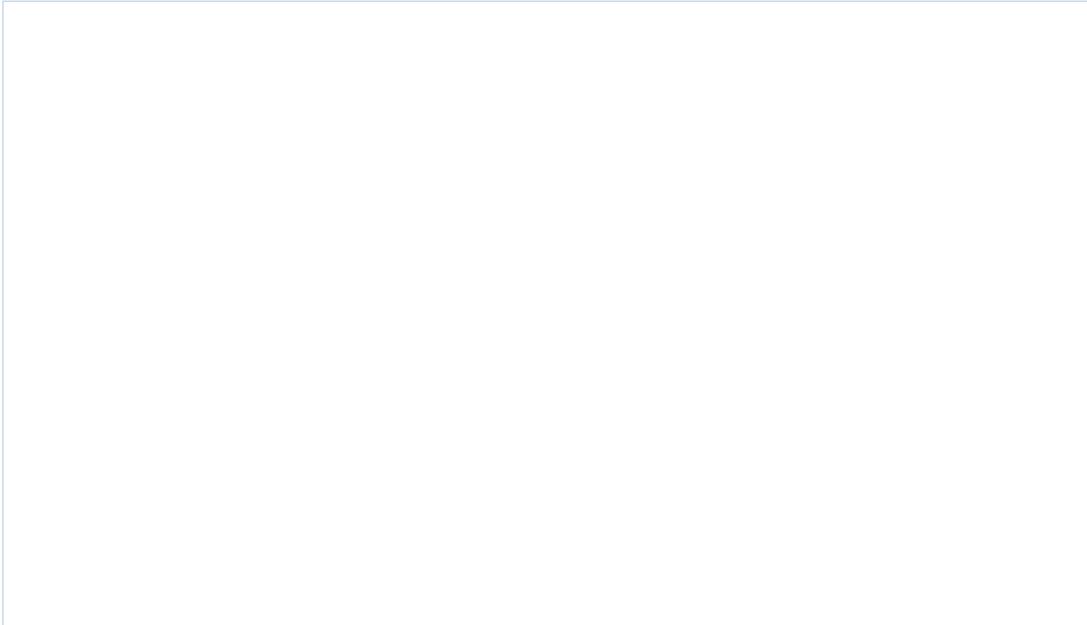
3. Based on Roman's two-month review, productivity only increased by 2 per cent, user errors increased by 15 per cent and turnaround times stayed the same at seven days. What improvements to HR practices and programs can you suggest for Roman, to improve on these results?
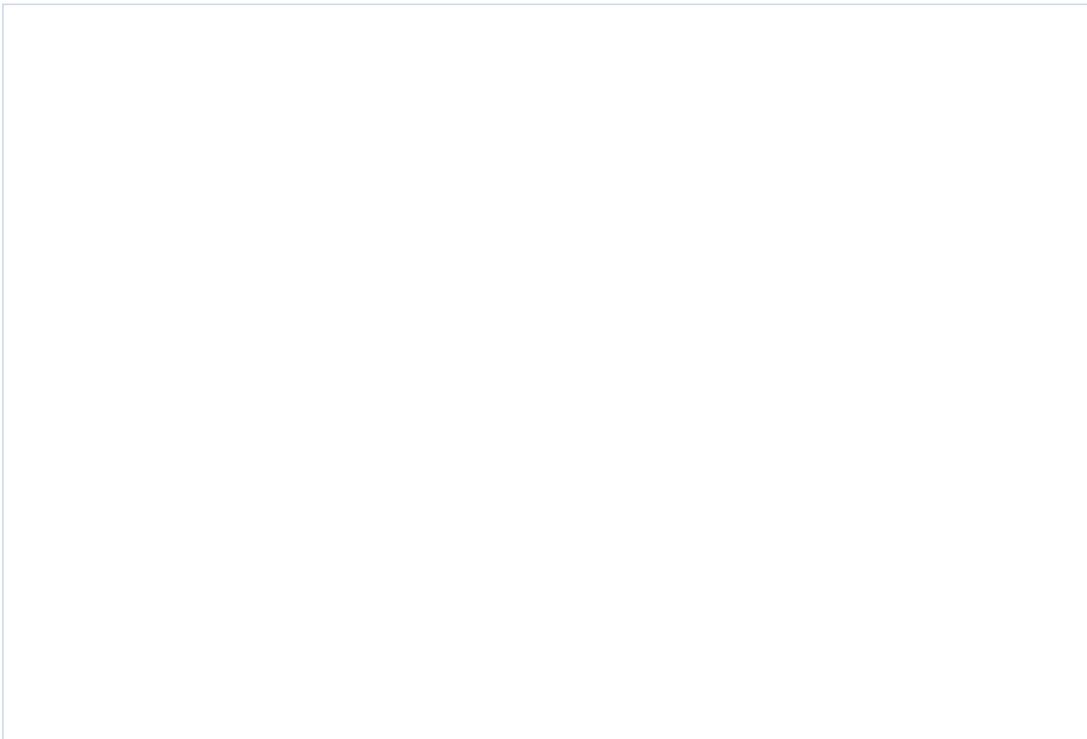
4. Explain how Roman needs to evaluate performance against strategic objectives. How does he need to present his recommendations to the general manager?