A BEST PRACTICES GUIDE TO WORKFORCE PLANNING FOR THE CANADIAN BUS INDUSTRY

Motor Carrier Passenger Council Of Canada
Conseil canadien du transport de passagers

Overview

Workforce plans are the foundation upon which other human resources management activities such as: recruitment, selection, orientation, training and retention, are built. It is therefore vital that if the bus industry in Canada is going to meet the human resource challenges of the future it has to be effectively planning its workforce. This guide primarily focuses on two positions within the industry: bus operators who make up almost 70% of the workforce and mechanics/skilled trades who make up an additional 7%. It has been developed as a companion for and to complement other resource documents and tools that are available through the Bus Council of Canada, particularly:

- Behind the Wheel – A Best Practices Guide for the Planning, Recruitment and Orientation of Bus Operators
- National Occupational Standards for Bus Operators

What is Workforce Planning?

Workforce planning is the process of identifying an organization's human resource requirements and developing plans to ensure those requirements are satisfied. More simply put, it is making sure: the right people, with the right knowledge, skills and abilities, in the right numbers are in the right jobs, at the right time.

Workforce planning is an organized process for:

- Identifying the number of employees with the types of skill sets required to meet your goals and strategic objectives.
- Developing a plan to ensure that the appropriate workforce will be available to provide quality services.

Workforce Planning – The Bigger Picture

Workforce Planning has become increasingly more important in the past few years for a number of reasons:

- Demographic pressures, particularly related to baby boomer retirements, have made the job of staffing organizations more challenging
- With declining birth rates, increased educational requirements and technical complexity there is both a labour and talent shortage nationally and internationally
- Organizations are increasingly realizing that one of the best ways to create a long-term competitive advantage is through developing and leveraging their human assets. Much of which comes about through effective workforce planning
- Due to increased complexity and specialization, greater amounts of time and money are being committed to workforce training and development which in turn requires effective workforce planning
- The achievement of strategic objectives for many organizations can only be accomplished if they have the workforce to carry out their strategic plans. Hence the need for workforce planning to go hand-in-hand with strategic planning. Even to the point where, for some organizations, strategic planning is really workforce planning

Why is Workforce Planning Important?

Workforce Planning provides a strategic basis for making human resource decisions. It allows you to anticipate change rather than being surprised by events, as well as providing strategic approaches for addressing present and anticipated workforce issues.

Workforce planning allows an organization to be pro-active as opposed to reactive by:

- Linking recruitment, development, and training, deployment, and retention decisions to organizational goals, including diversity objectives.
- Allowing more effective utilization of employees through efficient alignment of the workforce with strategic objectives.
- Providing realistic staffing projections for budget purposes.
- Providing better-focused investment in development, training and retraining, career counseling, and productivity.

Workforce Planning Approaches

In the face of workforce challenges, organizations have adapted a variety of different approaches to workforce planning, the most prominent of which are:

Traditional Gap Analysis – The traditional or classic approach to workforce planning is to determine the workforce requirements in terms of numbers needed in the future - i.e. demand - assess the supply available within the organization identify the gap between the two and develop plans, usually in the form of recruiting strategies, for filling the gap. The traditional approach is often seen as a "headcount exercise" devoid of many of the more sophisticated approaches to human resources management that include career and succession planning, training and development and a generally more holistic approach to human asset development and growth.

Workforce Analytics – Sometimes referred to as "human resources data mining", workforce analytics focuses on gaining greater insight into the nature of an organization's existing workforce and to use that information - be it demographic, developmental, performance-related or movement based - to build human resources plans for the future management of individual employees or employee groups. A key strategic element of an analytics approach is "segmentation" whereby identifiable groups or employee cohorts have specific development and succession plans that are fitted to their situation and needs. Examples are: research scientists, engineers, clinical specialists and other groups with highly specialized skills and hard-to-acquire qualifications. Analytics are also used to identify "hot spots" in the organization where there may be vulnerability - such as one individual or a small group of individuals who have key skills that need to be retained - or problems – such as excessive turnover or where talent is being horded by a manager or organizational unit. The use of advanced statistical and financial techniques such as multiple regression, trend analyses and return on investment and economic value added assessments are characteristic of an analytics approach.

Scenario Building – Built upon ideas developed in the field of risk management, scenario building or modelling is directed towards answering the "what if" questions that are such an important part of any planning process. With scenario building, multiple business plans are created which in turn leads to the identification of workforce requirements and plans to fill those requirements. Scenario building is not restricted to testing business plans alone. Human resources policies, such as a decision to eliminate mandatory retirement or the introduction of early retirement enhancements to the pension plan can be tested using scenario building techniques.

Human Capital Planning – Conventional thinking says that workforce planning comes after business planning and that it is only when the business plan has been developed and agreed to that a workforce plan can be created. Human capital planning reverses this approach by assessing the qualities of an organization's workforce, determining what competitive advantage that workforce offers and then develops business plans based on that assessment. As with a workforce analytics approach, human capital planning requires a comprehensive and in-depth understanding of the organization's workforce, particularly related to competencies and performance. Additionally, human capital planning involves more than identifying employee numbers to be deployed at certain points in time. It includes plans for employee development and movement, all with a focus on how human capital can be grown and best utilized.

Strategic Workforce Planning – Whereas other approaches tend to be quantitative and numerically based or relate to data manipulation and analysis, a strategic approach is much more qualitative in its focus. Strategic workforce planning is, in its simplest form, an "informed discussion" that takes place at the executive level. The focus of the discussion is on the workforce, its strengths and weaknesses, and where the organization wants and needs to go in terms of developing and utilizing that workforce in the balanced best interest of employees and other stakeholders. This discussion is part of the larger overall process of strategic planning and is one of the foundations upon which strategic plans are laid.

As can be seen from these outlines, there is a variety of ways to look at workforce planning. In terms of sophistication and complexity, there is a hierarchy starting with basic gap analysis and working through analytics and data mining to scenario planning and finally a holistic approach aimed at maximizing the value of the organization's human assets through strategic integration of a number of human resources processes. None is mutually exclusive of the other and in many cases organizations will use an amalgam of approaches depending upon the nature of their business and internal and external circumstances. Whatever approach or approaches an organization decides to use, Workforce Planning experts have a number of suggestions that should be followed in order to be successful:

- Use simple tools – Although there are some very sophisticated data management and analysis tools available, it is best to keep them as simple as possible so that workforce planning does not become a "black box" exercise that managers don't understand and inherently don't trust or support because they do not understand it.
- There needs to be good data – Workforce planning can only take place if there are good employee data available. Without good data, workforce planning is doomed to be a failure; particularly if it involves data-based approaches such as: analytics, scenario building or human resources capital planning.
- Integrate with other processes – Workforce planning has to be integrated with the other planning process that go on in the organization if it is to be carried out successfully. This includes not only the business planning process but also other human resources processes (more is said about this in the section entitled - Workforce Planning and Human Resources Management).
- Strategic yet detailed – Effective workforce planning involves not only the detailed development of staffing plans based upon the determination of demand, supply and a gap analysis; it also has to be strategic in a big picture way that avoids the pitfalls to which workforce planning too often falls victim – short-term, quick-fix thinking.
- Segment the mission-critical positions - In every organization there are positions that are vital to its survival and success. These need to be identified and given special emphasis and attention.
- Essential support systems need to be in place – Workforce planning will only be effective if other systems, particularly human resources systems related to recruitment, selection, hiring, orientation, training, performance management and career and succession planning are in place. If these are not part of the "way the organization manages it human resources" then the workforce planning process will be seriously compromised.

Most importantly, the particular approach that an organization uses needs to be tailored to the characteristics of the industry. A process that works for a power utility or telecommunications company will not necessarily work for a manufacturing or transportation company. It is with this thought in mind that the next section of this guide has been developed.

Essentials for the Bus Industry

Workforce planning has been identified by human resource professionals as one of the most challenging and complex of objectives to achieve. The reasons for the existence of these challenges are numerous with the most significant being:

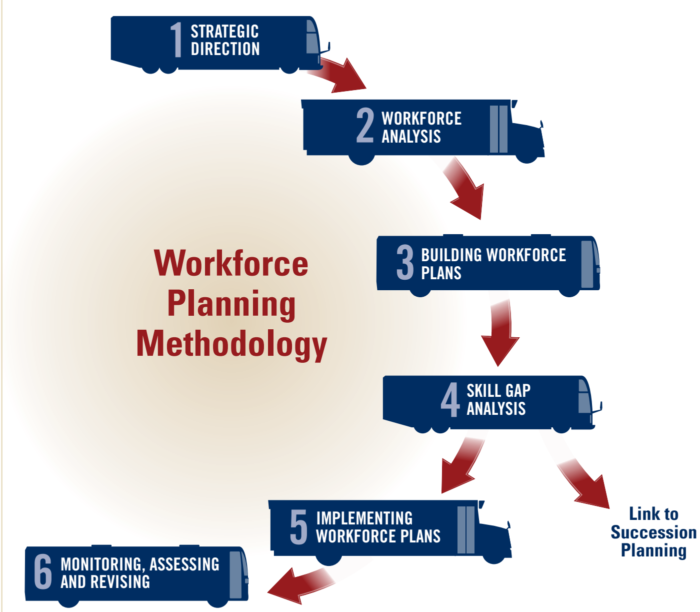
- Workforce plans are based on business plans and will only be as good or effective as the business plan. If the business plan is flawed then it is highly probable that the workforce plan will be as well.
- The development of good workforce plans relies upon having good information and data with which to work. Too often this information is not available, out of date or is very difficult to access or gather.
- Workforce plans involve a determination of demand and supply for human resources. Even if an organization can do an effective job of determining demand based upon its business plans and information, it may not do a good job at determining or acquiring the supply.
- Although workforce planning has been studied and written about in human resources management literature for the past several decades, there is still a very loosely defined understanding of what "best practices" represent.
- Although it appears to be an area where they should be utilized, there is no apparent consensus as to what extent computer-assisted and statistically-based modelling techniques can or should be applied to the practice of workforce planning.

Notwithstanding these issues, it is evident that workforce planning is an important part of the human resources management process and something that is vitally important to the future of the bus industry in Canada, given the challenges it faces.

Each organization has unique operating cultures and business needs; therefore, the Workforce Planning Model and its associated considerations and strategies can be modified by each organization to address its unique needs. However, all workforce plans should address critical staffing and training needs, including the need for experienced employees to impart knowledge to their potential successors.

The Workforce Planning Model

Model Part 1: Strategic Direction



Strategic planning establishes the organization mission; defines goals and measurable objectives and determines necessary financial resources and workforce needs.

Workforce planning complIments strategic planning by translating strategy into actions to identify workforce staffing and training needs. It responds to:

The number and types of jobs and skills needed to meet the mission and strategic goals of the organization

Strategies to be used to hire, retain, or teach these skills

To understand the organization's direction and future workforce needs, a summary of anticipated changes to the mission, strategies, and goals over the next one to five years will need to be documented and analyzed.

In the case of the bus industry the key business plan elements are:

New Services – what new services are being added (or deleted) to the schedule and what does this represent in terms of increased or decreased total service hours?

Route times – Are route times on existing routes expected to increase or decrease due to service changes, route itinerary changes, increased or decreased congestion, increased or decreased ridership or other business considerations?

Frequencies – Is the service on existing routes going to be increased or decreased and what does this represent in terms of increased or decreased service hours?

Equipment – Is new or modified equipment going to be introduced that will impact the number of hours of service being provided? Will new equipment have an impact on maintenance requirements?

Markets or Business Initiatives – This item relates to any initiative the company may be planning that will either reduce the available workforce or require increased person power. Examples include: an early retirement incentive program or a training initiative that takes members out of the workforce in significant numbers and for a significant period of time. Equally, it applies to changes the Company is planning on making - beyond those identified above - that will increase the demand for personnel. Example might include the introduction of a ride-share service, offering an employee transportation service or getting into courier and express services.

The essential aspect of the link between business plans and workforce planning in the bus industry is that every aspect of the plans needs to be translated into increased or decreased service hours on an aggregated basis and then translated into personnel requirements that need to be filled at certain points in time in the future.

Activity	Considerations
Document and Analyze Organizational Direction	• Review and analyze strategic plan • Determine if there are pending changes that would affect the workforce now or in the future
	• Analyze budgets • Determine if there will be budget issues affecting the current or future workforce
	• Determine if there will be changes in technology that will change the way the work is performed
	• Determine whether current, new or anticipated legislation will affect the organization
Determine Scope	Determine whether the plan will cover the entire workforce or a limited scope, such as: • mission-critical occupations • occupations that are difficult to recruit or retain

Model Part 2: Workforce Analysis

Analysis of workforce data is the key element in workforce planning. Consider information such as occupations, skills, experience, retirement eligibility, diversity, turnover rates, education, and trend data. There are three key steps to the workforce analysis phase. These steps are:

- Determining Workforce Demand
- Determining Workforce Supply
- Gap Analysis

Step 1 - Determining Workforce Demand

Identify: Workforce skills required to meet projected needs, staffing patterns and anticipated service and workload changes.

Demand analysis identifies the future workforce needed to carry out the organization's mission.

Some of this information can be obtained from the Strategic Plan (Phase 1 in the Model). Additional workforce-specific analyses can be conducted through environmental scanning, which involves examining external trends in the environment in which the organization operates, and examining internal factors that are affecting or could affect the workforce.

Permanent Changes in the Workforce - Permanent changes that have to be planned for are:

- ***Retirements*** – How many employees does the company anticipate will retire during the planning period? What has been the company's past experience and are there any factors, such as: changes in retirement policy, pension plan benefits or government legislation that might alter historical performance?
- **Voluntary and Involuntary Departures** – What has been the Company's experience with employees leaving voluntarily or, involuntarily - due to death or termination? Are there any factors that might change the historical performance with respect to these two items? Other than historical performance is there any other indicators - such community unemployment rates - that correlates with employee departures? If so, what are they and are they a reliable predictor of future performance?
- **Promotions/Transfers** – During the planning period are there anticipated temporary or permanent promotions or transfers from the workforce?
- **Collective Agreement** – Have there been changes in the provisions of the collective agreement – hours of work, breaks and rest periods, training requirements, shift scheduling requirements and vacation entitlement – that will require an increase/decrease in personnel?

Temporary Changes in the Workforce - Temporary or episodic changes are different in as much as the current workforce numbers reflect current experience – for example current workforce numbers will have built into them a number of full-time equivalents (FTE's) to account for absenteeism or employees on disability leave - and, unless the organization is experiencing personnel shortages, current workforce numbers will include personnel to cover these items.

Therefore, accounting for them in the workforce plan only needs to take place if it is anticipated performance in the future will be different than in the past. The most significant of these demand items are:

- **Absenteeism** – What has been the Company's historical performance regarding attendance and is there any reason to believe that performance in the future might be better or worse than in the past. Some of the reasons why performance might change are: changes in working conditions, attendance management programs, changing demographics and workforce composition. If there are changes from past performance expected in the future – in terms of increases or decreases – then these have to be accounted for in the workforce plan.
- **Disability/Worker's Compensation** – What has been the historical performance regarding employee departures due to employee disability or workplace accident and can it be anticipated that performance in the past will continue into the future? As with absenteeism, the introduction of disability management programs, changing demographics or changing working conditions can influence these numbers.
- **Maternity/Paternity/Adoption/Leaves of Absences** – What is the past experience for employees taking any one of these types of leaves? Are there changes in the workforce demographics that indicate future experience might vary from the past? If so what impact will these changes have on the workforce plan?

The outcome of the demand analysis is the determination of how many employees will have to be hired above existing levels to satisfy demand requirements. Beyond this determination, it has to be realized that with any workforce increase beyond existing levels, additional employees have to be hired to cover for absenteeism, vacation, and holiday and leaves (disability, maternity, etc.) for this incremental group of employees.

Activity	Considerations
Examine Internal and External Environment	• **Demographic** • Identify demographic issues that are likely to influence the demands placed on the organization, such as the aging population, language, employment equity, education levels
	Technological • Review how technology can and will be used to enhance services • Identify jobs that will be affected by technological enhancements • Determine whether any changes in technology will affect the number of employees needed to do the work or the type of skills needed
	Economic • Identify economic considerations that have particular relevance to the organization and its services
	Labor market • Identify and examine labor trends, including student information available from educational institutions
	Summary • Will the way the work is being done need to change? • Will new services be added or deleted? • Will current employees have the necessary skills to do the work in the future? • Will the workload change? • Will more or fewer employees be needed?

Step 2 - Determining Workforce Supply

Consider: Staffing levels, workforce skills and demographics, employment trends.

Create an Existing Workforce Profile and Future Profile

Review organization trend data and project future workforce supply required.

You will need to apply assumptions about how various factors will influence the future workforce. Trend information, census data etc. combined with the current workforce profile, is an essential building block for forecasting workforce supply.

The determination of workforce supply is a function of two elements – what is happening in the external labour market and how the company is sourcing candidates from that market and what is happening internally with employees who are not part of the active bus driver and mechanic/skilled trades workforce.

External Labour Market

The supply of candidates to fill the required demand will be a function of a number of elements, the most significant being:

- **Economy** – The local labour market plays an important role in determining workforce supply. A robust market, where jobs are plentiful and wages are increasing, means that recruiting efforts will not yield the same number and quality of candidates as when labour markets are softer and fewer jobs are available.
- **Schools and Institutions** – Schools and training institutions play a vital role in providing a reliable supply of labour, particularly with respect to skilled trades and mechanics. Building strong links with these institutions through apprenticeship or joint training programs can significantly increase the supply and availability of candidates.
- **Social** – Social attitudes regarding the desirability of certain jobs and careers can influence the supply of candidates. Although there has been considerable effort on the part of individual companies and industry associations to increase the profile and status of the bus driver role there are still challenges in making it a career of choice for many Canadians. Additionally, changing demographics, immigration patterns and increased urbanization are all having an effect on supply of candidates.
- **Recruitment Program** – The most influential aspect of external supply is a company's recruitment program. A well-designed and executed recruitment program that dovetails with effective demand determination is one of - if not the most - important aspect of effective workforce planning. Details of how to develop such a program for bus drivers are included in the Bus Council of Canada's document Behind the Wheel – A Guide to Best Practices for the Planning, Recruitment and Orientation of Bus Operators. It will be the company's recruitment program that supplies the vast majority of candidates who fulfill the demand requirements. It is for this reason that a well-designed and executed recruitment and selection program is an essential element in any workforce planning process.

Internal Labour Market

In addition to external supply, there is internal supply. In the case of bus operators and mechanics, this source will be limited due to the fact that both positions are entry-level or near entry-level jobs and therefore there are limits to the number of internal candidates who will express an interest in them. Notwithstanding this consideration, there are internal supply elements that should make up part of the workforce plan.

- Transfers-in – Although not a major consideration, there may be employees who are normally part of the bus driver or mechanic/skill trades workforce but are away from it involved in special assignments, working in an acting supervisory capacity, fulfilling training roles or involved in training and are transferring or available to transfer back into the workforce. Another source can be demotions or where there has been a reduction of a service elsewhere in the company giving rise to employee redundancies. In this case, many employees will want to continue working for the Company and provide a potentially valuable source of internal recruits.
- Recruitment – In addition to transfers, there may be employees within the organization who become part of the supply equation through internal recruitment and postings.

Activity	Considerations
Determine Internal Supply	• Identify employees' ages, genders, ethnicity factors, education levels, and lengths of service • Identify skills and short and long term competencies • Identify vacancies and those that will not be filled • Assess the workload and determine if and how it can be restructured to utilize available staff • Continually assess the work environment for indication of change
Determine Future Supply	**Projection** • Review retention, turnover, promotion patterns, and leave usage • Determine whether the turnover rate affects the organization's ability to conduct its work • Review retirement patterns • Project what the skill and experience level of the current workforce will be in the future • What challenges might affect the organization's ability to recruit and retain mission-critical skills?

Step 3 - Gap Analysis

Gap analysis involves comparing the projected workforce supply to the forecasted workforce demand attempting to answer the following questions:

- What new skills will be needed to accomplish goals and objectives?
- Does the organization's workforce currently have the anticipated needed skills?
- What job functions or skills will no longer be required?

Results may show one of the following:

- A **gap** (when projected supply is less than forecasted demand), which indicates a future
- shortage of needed workers or skills. It is important to know what critical jobs will have gaps so the necessary training or recruiting can be anticipated.
- A **surplus** (when projected supply is greater than forecasted demand), which indicates a future excess in some categories of workers and may require action. The surplus data may represent occupations or skills that will not be needed in the future or at least will not be needed to the same extent.
- Calculate the Gap between the projected need (Step 1, determine workforce demand) and the projected supply (Step 2, determine workforce supply)
- Identify areas where future needs exceed the current resources and projections
- Identify areas where the current workforce exceeds the projected needs of the future
- Identify areas where the current supply will meet the future needs, resulting in a gap of zero
- Once gaps are identified, prioritize the significant gaps that will have the most impact on organizational goals

Staffing Plan

The staffing plan is the essential document that comes out of the Gap Analysis. Typically it is a spreadsheet or series of spreadsheets that identify how many bus operator or mechanic/skilled trade positions need to be filled and the date or period when they need to be filled. Staffing plans are the output from the supply and demand analysis. They are also the input for the next step - staffing which is made up of a number of activities - recruitment, promotion, demotion, transfer, lay-off/termination or contracting. It is only when the gap analysis is completed and there is confidence that the organization will need the positions filled (or emptied in the case of downsizing) that it can move ahead with recruiting, hiring, moving (transfer, promote, demote), terminating/laying-off or contracting for staff.

New Hire Attrition

Another consideration in the workforce planning process is the inclusion of a contingency in the plan for attrition that takes place while the plans are being executed. Not all candidates who are recruited, selected, hired, orientated and trained will stay on as employees of the company. It is well known within the bus industry that new hire attrition is a reality and needs to be accounted for in the staffing plan. The questions that need to be asked in trying to establish a number for new hire attrition are:

- What has been the historical performance in new hire attrition?
- Have the factors that have contributed to this attrition been identified and if so, are there any changes that might increase or decrease the rate?
- Have there been changes made in the way the organization recruits, selects, orientates, trains, deploys and manages these new hires that will impact this attrition?
- If so, how might this affect performance in reducing historical rates of attrition?

Model Part 3: Building Workforce Plans

This phase involves the development of strategies to address future gaps and surpluses. Strategies include the programs, policies, and practices that assist in recruiting, developing, and retaining the critical staff needed to achieve the mission and strategic goals and in dealing with workers or skills no longer needed.

Strategies include:

- Position classification actions, including redefining positions
- Salary actions, including equity adjustments, promotions, and merit increases
- Staff development strategies to prepare employees for specific positions
- Recruitment/selection strategies to find and hire candidates including recent school graduates and apprentices
- Retention strategies to encourage employees to stay
- Organizational interventions such as redeployment of staff or reorganization
- Succession planning to ensure that there are highly qualified people capable of filling critical positions
- Knowledge transfer strategies to capture the knowledge of experienced employees before they leave the organization

There are several factors that influence which strategy or, more likely, which combination of strategies should be used. Some of these factors include, but are not limited to, the following:

- **Time** - Is there enough time to develop staff internally for anticipated vacancies or new skill needs, or is special, fast-paced recruitment the best approach?
- **Resources** - What resources (for example, technology, and web sites) are currently available to provide assistance, or must resources be developed?
- **Internal depth** - Does existing staff demonstrate the potential or interest to develop new skills and assume new or modified positions, or is external recruitment needed?

Model Part 4: Skill Gap Analysis

- Identify existing employee skills/qualifications/short-and long-term competencies required for the planned organization
- Identify focused career planning and development programs
- Identify required job knowledge and skills needed for the planned organization
- Perform skill gap analysis of employees' existing skills and those needed in the planned work environment
- Perform skill gap analysis between current organizational skills and the skills required to function in the planned environment

Model Part 5: Implementing Workforce Plans

Before implementing a workforce plan, you should consider:

Degree of executive support for the workforce strategies

- Allocation of necessary resources to carry out identified workforce strategies
- Roles and responsibilities in implementing strategies
- Establishing time lines, defining performance measures and expected deliverables
- Communication plan

The workforce plan should be implemented in connection with the requirements of the strategic plan. If the strategic plan changes due to unanticipated customer, leadership, or legislative changes, adjustments to workforce plan strategies may be necessary.

Model Part 6: Monitoring, Assessing and Revising

Workforce plans should be reviewed annually to respond to unanticipated changes.

A process should be established that allows for a regular review of workforce planning efforts to:

- Review performance measurement information
- Assess what is working and what is not working
- Adjust the plan and strategies as necessary
- Address new workforce and organizational issues that occur

Workforce Plan Outline

[to be designed as a Form template]

STEP 1

OVERVIEW

Describe the mission, strategic goals, objectives, and business functions. Discuss what changes, if any, may take place over the next five years that could affect the organization's mission, objectives, and strategies.

Basic Information to Include in the Workforce Plan:

- Mission
- Strategic goals and objectives
- Core business functions
- Anticipated changes to the mission, strategies, and goals over the next five years

STEP 2

A - FUTURE WORKFORCE PROFILE (DEMAND ANALYSIS)

Determine trends, future influences, and challenges for business functions, new and at-risk business, and workforce composition.

Basic Information to Include in the Workforce Plan:

- Expected workforce changes driven by factors such as changing missions, goals, strategies, technology, work, workloads, and work processes
- Future workforce skills needed
- Anticipated increase or decrease in the number of employees needed to do the work
- Critical functions that must be performed to achieve the strategic plan

B- CURRENT WORKFORCE PROFILE (SUPPLY ANALYSIS)

Assessing whether current employees have the knowledge, skills, and abilities needed to address critical business issues in the future.

Basic Information to Include in the Workforce Plan:

- Demographics information, including age, gender, ethnicity, and length of service
- Percent of workforce eligible to retire
- Turnover
- Projected employee turnover rate over the next five years
- Workforce skills critical to the mission and goals

C - GAP ANALYSIS

Identify gaps and surpluses in staffing and skill levels needed to meet future requirements.

Basic Information to Include in the Workforce Plan:

- Anticipated surplus or shortage in staffing levels
- Anticipated surplus or shortage of skills

STEP 3 - BUILDING WORKFORCE PLANS

Basic Information to Include in the Workforce Plan:

- Changes in organizational structure
- Succession planning
- Retention programs
- Recruitment plans
- Career development programs

- Leadership development
- Organizational training and employee development

Career and Succession Planning

The role of career and succession planning in workforce planning can be significant particularly as it relates to managerial and technical positions in the organization. The development of succession plans that fit with employee career aspirations are an important aspect of effective workforce planning, the management of supply and demand and ensuring that future gaps are planned for.

Career and succession planning are the human resource functions that have the most direct link to workforce planning. Successful implementation of career and succession planning requires an understanding of what is meant by each term and what the goals are for each process.

Succession planning: is the process used to ensure positions in the organization, needed to achieve its goals, are staffed by fully competent and motivated employees.

Career Planning: is the process used to provide for employees' career aspirations within the context of the organization and individual employee goals.

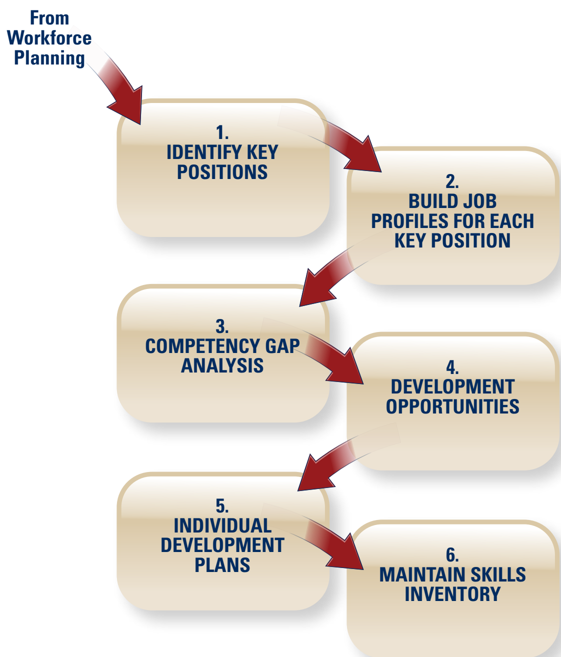
Effective Methods and Tools for Career and Succession Planning

Put in the simplest of terms, succession planning looks after the organizational and human asset needs of the company; while career planning addresses the development and career aspiration needs of the employees in the context of the organization's long-term human resource needs.

Career and succession planning in the bus industry is most applicable to the management and technical workforce and does not constitute a significant part of workforce planning for bus operators or mechanics/skilled trades. Particularly, the focus of career and succession planning efforts should be on "mission critical" managerial and technical positions. The goal is to have in place plans that ensure individuals have been identified and are being developed to succeed to these positions in a logical and orderly manner and with all of the competencies required to perform the jobs. As can be seen in the model below, career and succession planning are linked to other human resource management processes and ultimately feed into the workforce planning process.

The relationship of career and succession planning to these other processes is as follows:

- Performance Management (PM) - supports career and succession planning by providing essential performance information on employees. As well, it forms the basis for identifying development needs of employees, and ensures ongoing managerial attention and coaching is given to employees in order to achieve the readiness requirements of the succession planning process.
- Compensation Program - supports career and succession planning through the development and ongoing management of an equitable and visible process for positioning employees within the organizational pay structure. In addition, it ensures valuable human assets are retained in the organization by providing market competitive compensation and financial rewards.
- The Training and Development Program - supports career and succession planning by providing the necessary educational and development opportunities for employees to increase their competency in line with career and succession plans.
- Workforce Planning – The outcome of the career and succession process is the inclusion of employees in the organization's workforce plan.



Step 1 – Identify Key Positions

Succession Planning identifies necessary competencies within key positions that have a significant impact on the organization. Criteria for key positions may include:

- Positions that require specialized job skills or expertise.
- High-level leadership positions.
- Positions that are considered "mission-critical" to the organization.

Step 2 – Build Job Profiles for each Key Position

Determine the key success factors of the job and how proficient the job holder would need to be. This information can be obtained several ways, including performing job analysis or gathering critical information during the performance appraisal process. The information that should be gathered includes the knowledge, skills, abilities, and attributes that the current employee in a position possesses that allow for the competent and efficient performance of the functions.

Step 3 – Competency Gap Analysis

- Using the job profile of competencies determine the tool required to gather data on current employee competencies for the key positions
- Analyze the difference between current employee competencies and future needs
- Document findings for development opportunities

Step 4 – Development Opportunities

- Assess the abilities and career interests of employees
- Candidates should demonstrate high potential or ability that will enable them to achieve success at a higher level within the organization. Preferably, the list of possible replacements should be stored in a database so that the organization can easily track candidates.

Step 5 – Individual Development Plans

- Design a plan for each candidate – developmental plans should be available for candidates and then incorporated into their performance management plans. Plans may include identifying career paths for high-potential candidates and others who have the interest and ability to move upward in the organization
- Provide development opportunities – This can be accomplished through job assignments, training, or job rotation, and it is one of the best ways for employees to gain additional knowledge and skills

Step 6 – Maintain Skills Inventory

- Continually monitor skills and needs to determine any gaps and develop plans to meet deficiencies
- Keep an inventory of current and future needs and maintain the information for individual and group development

How Do You Determine which Employees Are Candidates for Succession?

After the profiles for key positions are defined, organizations must evaluate employees on the qualifications within those profiles to identify individuals with a high potential for promotion.

There are many methods to identify which employees are possible candidates for succession.

These include:

- Evaluation feedback from peers, supervisors, and subordinates.
- Demonstrated leadership characteristics, which are defined by the organization. You should keep in mind that the best technical skills do not always translate into good management skills.
- Asking other leaders, mentors, and employees who they see as leaders or potential leaders.
- Demonstrated interest.

KNOWLEDGE MANAGEMENT

If succession planning is not currently possible or if an organization is too small to truly benefit from a succession plan, then at a minimum the organization should ensure there is a plan to "transfer knowledge" of key employees to other employees.

All employees will leave at some point in time, and many of them will take valuable knowledge gained from experience and training with them. Agencies need to plan so that years of accumulated knowledge, both technical and historical, do not leave the organization when an employee retires or pursues other opportunities.

How to Transfer Knowledge

There are many ways to transfer knowledge of key staff. Strategies for transferring knowledge may include:

- Developing a method to document processes – This documentation may include the reason for the processes, steps in the processes, key dates, relationship to other processes that come before and after, key players and contact information, and copies of forms and file names associated with the processes.
- Training – Often, key employees can make excellent instructors on tasks in which they specialize. This method also allows many employees to learn directly from someone who is an expert in their field.
- Conducting "lessons learned" meetings – This allows other employees to understand what worked well and what needs improvement so they can learn from those experiences. These meetings should be conducted immediately after an event or project, and the results should be shared quickly among those who would benefit from that knowledge.
- Developing job aids – These are tools that help people perform tasks accurately. They include checklists, flow charts, diagrams, and reference guides.
- Allowing employees to work closely with key staff members – This can take many forms, including pairing key employees on projects with other staff, internship programs, and mentoring programs.
- Allowing employees to "shadow" other employees who are leaving – This involves "double filling" a position temporarily so that the position can be filled with a new employee before the current employee leaves. It allows for a transfer of knowledge and adequate training of new employees.

Elegant as career and succession planning may appear conceptually, they are processes that are fraught with potential pitfalls. Some of the more significant of these are:

- Career and Succession Planning can become very "political" processes that involve: favoritism, lobbying, deception and misrepresentation
- The processes are built upon the notion of having an effective performance management system; something that many organizations lack
- Career planning is aimed at identifying employee aspirations, something about which employees can, at times, be very fickle, indecisive and unrealistic
- There is an implicit assumption that the organization will be relatively stable. An assumption that is, at times, questionable in our modern, fast-changing world
- The process can be viewed as another "human resources initiative"

that provides limited or no value to line management, the group that has the ultimate responsibility for making sure there are the right people in the right number with the right skills at the right time needed to get the job done.

- Ultimately, Career and Succession Planning requires assessments to be made of individual employees. Any assessment, even one done by skilled assessors, will involve a level of subjectivity and the potential influence of biases in making the assessment

Career and Succession Best Practices

The human resources department should be responsible for designing the process with line managers being responsible for the "deliverables".

The processes need to be linked to the organization's overall business plan and be part of a comprehensive human resources management strategy.

- Career and Succession Planning need to be on-going and continuous, and like good performance and compensation management not a "one-off" activity.
- Career and Succession Planning only work if the organization has effective processes for delivering on training and development requirements that include: temporary or special assignments, job sharing, mentoring and coaching and action learning along with more formal, structured development efforts.
- Senior management has to support the program and be prepared to invest significant time in the development of succession plans.
- Along with having a well-functioning, best practices performance management program, the identification and assessment of individual core competencies and the use of a competencies model as part of the employee profile and review has proven to be important in making the processes work.
- The processes need to be viewed as both top-down - whereby senior management demonstrates its commitment - and bottom-up - whereby employees and front-line management become engaged and committed to the processes.
- Because not all employees can be promoted there needs to be recognized that "progress in place" is an important element of Career and Succession Planning.
- Other organizations should be benchmarked to ensure that the best, state-of-the-art elements make up the organization's Career and Succession Planning processes.
- The processes should be introduced in iterations or phases whereby segments of the organization are identified, Career and Succession Planning are introduced and the processes are made workable before being "diffused" to the rest of the organization.
- Someone needs to be organizationally responsible for facilitating the process and making sure it happens (within the context of line management being accountable for the "deliverables").

Career and succession planning should be an integral part of an organization's workforce planning, particularly with regard to "mission-critical" managerial and technical/support positions. As has been identified, the implementation of Career and Succession Planning is not without its challenges. However, the pay-off in terms of achieving the goal of best practices workforce planning is significant and certainly worth the investment of time and energy.

Workforce Planning and Human Resource Management

Workforce planning impacts on or is impacted by a wide variety of other human resources program areas such as: labour relations, occupational health and safety, disability management, training and development, organization development, employee communications, management development and recruitment and selection, to name the most prominent ones. In order to build a credible and functioning workforce plan and staffing plans - the ultimate output of the process - significant information has to be assembled and accessed. Additionally, assumptions/predictions have to be made in order to effectively forecast where the numbers go in the staffing plan and what the numbers are.

For example, employee retirements are part of internal workforce change that has to be accounted for in developing the workforce plan. The numbers that are entered on the planning spreadsheet and the timing associated with those pending departures can be influenced by a host of human resources-related factors such as: provisions in the company pension plans, benefit entitlements for retired employees, mandatory retirement requirements, early retirement incentives and work-life balance programs to name a few. In order to forecast the timing and number of retirements on the staffing plan, all of these factors have to be evaluated and a judgement/guesstimate made as to what their probable impact might be.

In other words, for each demand-side element i.e. retirements, absenteeism, leaves, etc. in the Workforce Planning Model, human resources-related considerations have to be accounted for and included, otherwise serious over- or under-calculation of requirements, in terms of numbers and/or timing, can result.

Similarly, but to a lesser degree, human resources-related considerations need to be assessed for each of the supply-side elements. Return-to-work numbers can be influenced by benefit policies, accommodation requirements, collective agreement provisions and employment standards legislation. Internal recruitment can be impacted by staffing activities in other parts of the company whereby redundant employees wishing to preserve service and seniority entitlements are available to transfer into bus operator positions. Or, changes to the provisions in the collective agreement may encourage employees in other job classifications to apply for posted positions. In a similar sense, proactive programs such as career and succession planning with entry-level employees could lead to the creation of a pool of internal candidates for both bus driver and skilled trade apprenticeship positions.

Beyond these supply and demand considerations, there is the vitally important human resources issue of retention. Reductions in turnover due to voluntary departures can significantly impact the need for workforce planning and reduce recruiting requirements. In addition to avoiding the costs associated with recruitment, selection, hiring and training, there is the added benefit of workforce stability that comes with reduced voluntary departures. Retention strategies are generally built on a clear understanding of why employees are leaving and usually involve the conducting of exit interviews. Although the decision to leave an organization can be specific to each departing employee, it is generally recognized that the way employees are managed has as great an impact on their decision to leave as their conditions of employment and that companies using human resource management best practices are less likely to experience turnover than those that are not.

Another important human resources consideration is employment equity. Certain aspects of the bus industry operate within the federal jurisdiction and therefore are subject to Canadian federal employment equity legislation or, although operating within a provincial jurisdiction, are considered to be federal contractors and therefore governed by the federal contractor provisions in federal employment equity legislation. As well, certain provinces - British Columbia, Saskatchewan and Quebec - have employment equity legislation and therefore it has to be a consideration for companies operating in these jurisdictions even if they are not affected by federal legislation. Beyond these legislative requirements, it is generally recognized that having a diverse workforce that reflects the make-up of the community in which a company operates should be a long-term goal of successful companies, particularly companies that operates in the public domain such as transit and school bus companies. Therefore any workforce plan that is developed should include elements that allow for the fulfilment of the company's employment equity obligations and goals.

What is important to realize is that the workforce planning process – although a distinct and vital part of human resources management with specific elements and steps associated with it - does not work in isolation from other aspects of human resources management. At each step in the process, whether it is determining demand, supply, the gap or building staffing plans, the question needs to be asked – what other aspect of the human resources management process is having or will have an impact and, how does that impact affect the overall goal of workforce planning of getting: the right people, with the right knowledge, skills and abilities, in the right numbers, in the right jobs at the right time?

Conclusion

As outlined in the these notes, workforce planning for staffing bus operator and mechanic/skilled trades positions is, in its most basic form, a numbers exercise where demand and supply are analyzed and the resulting gap determines the company's staffing plan and related recruitment, hiring and training programs (see Behind the Wheel). There are three main elements to the process – Demand, Supply and Gap. The output of the process is a staff plan outlining how many bus operator and mechanic/skilled trades positions have to be filled and when they have to be filled. The development of a workforce plan, however, provides an opportunity to do much more than determine recruitment numbers requirements. It is a chance to examine the reasons for turnover and to ask questions regarding the company's overall strategy for managing its human resources. Questions that will arise in the course of preparing a workforce plan are:

- Are there policies and programs currently in place or being offered by the company that contribute to demand such as: mandatory retirement, early retirement incentives or inappropriate recruiting, selection and training approaches?
- Are there changes that should be made that will reduce demand such as improved health and safety, better disability management or day care programs that allow for early return to work from parental leave?
- Has the organization exploited all possibilities in determining and accessing supply both internally and externally?
- Has the issue of employee retention been addressed and examined thoroughly to determine what the organization should be doing to reduce voluntary departures?
- Are there shortcomings in management practices and policies that have contributed to involuntary departures?
- Are there employment equity considerations that need to be addressed and planned for in the development of the workforce plan?

Answering these questions goes to the heart of an organization's strategy (or lack of strategy in too many cases) for managing human resources and it has been identified by human resources professionals that in many ways it is this aspect – increasing awareness of the importance of good human resources management practices – that makes workforce planning such a vital human resources function.

The Bus Council of Canada has developed this explanation to assist bus companies in Canada to plan their workforce by being better able to determine demand and supply, identify the gap and build staff plans for bus driver and mechanic/skilled trade position. That being said, the answering of these questions should not be done solely with these two organizational positions in mind. They apply to all positions in the organization that are considered to be "mission critical".

Forecasting Tools and Techniques for Predicting Future Staff Requirements and Building Workforce Plans

Workforce planning at its most fundamental attempts to predict what is going to happen in the future, regarding the demand and supply of personnel. As outlined in the workforce planning model, determination of demand and supply is based on numerous factors, each of which has to be forecasted. For example demand is going to be affected by the number of retirements or parental leaves that take place during the planning period. Each of these elements has to be forecasted in order to build the plan; and the better the forecast the better the plan.

It has been recognized that certain forecasting techniques help the workforce planner to be more accurate in making these predictions. There are numerous forecasting techniques available. Some such as trend analysis and regression analysis are statistical in nature; others such as Nominal Group and Delphi technique rely more upon expert judgement than the manipulation of numbers. For the purpose of assisting bus companies in Canada, it has been identified that the following forecasting techniques have applicability in developing their workforce and staffing plans:

- Delphi Technique
- Regression analysis

- Trend analysis
- Direct and Indirect Ratio
- Nominal group technique
- Consensus Decision-making

Delphi Technique

The Delphi technique is based on the principle that when predicting the future "two heads are better than one"; particularly if those two heads are experts who are insulated from the negative or corrupting effects group dynamics can have on the quality of decision-making when decisions are made on a group basis. The goal of the Delphi process is to achieve a consensus regarding some aspect of the future – say impact of fare changes on ridership or number of lost-time injuries, maternity/paternity leaves or retirements that will take place over a given period in the future. It involves asking the experts, individually, to predict what will happen in the future. That information is then consolidated, summarized and fed back to the experts so that they can re-assess their original prediction; this time with the knowledge of what their colleagues have said. The process of seeking expert prediction, consolidation and feeding back the summary of the group's input continues through a number of iterations until a consensus or "area of general agreement" emerges.

In addition to the experts, the key person in the process is a facilitator who initiates the process, does the consolidation and keeps it going until agreement is reached. The most effective way in which the process is facilitated is through:

- Identifying the factor that needs to be forecasted and assembling any relevant information that can assist in the prediction process.
- Developing and distributing a list of questions to be addressed by the experts
- Consolidating the responses and issuing the consolidation to the experts
- Continuing the process until consensus is reached
- Building the consensus into the work plan

The following is an example of how Delphi technique might work in a bus company situation.

Using Delphi to Predict Apprentice Employment Decisions

A municipal transit company has been involved with a local community college for a number of years in the operation of an apprenticeship program for mechanics and skilled trades. Historically, employees in the program, when they have completed their course requirements and become ticketed tradespersons, continued to work for the company. In the past eighteen months, conditions in the labour market have changed quite dramatically with increased competition from other employers for qualified mechanics. In order to assess what impact these changes might have on the likelihood of graduating apprentices continuing to work for the company, it engages line management, union leadership and representatives from the community college in a Delphi exercise to predict what might happen in the future and to determine how many apprentices will not continue in the transit company's employment once they become ticketed tradespersons.

Situations where it has been found that the Delphi technique is most appropriate are when:

- Other statistical-based methods are not appropriate or where there are not data available to use a statistical method.
- The problem involves some external element over which the company has little or no control
- No single person has all of the information needed to accurately predict what might happen

Regression Analysis

If there is a correlation between two variables – say, frequency of accidents and number days of absence the organization experiences due to injuries – then a regression analysis can be performed. To do so, the data needs to be identified as independent and dependant variables. Without getting into the mathematics of how regressions are calculated a regression analysis allows for the determination of this correlation. In turn that correlation can be used to predict the future, as illustrated in the accidents and absents example below:

	Injuries and Days of Absence Correlation			
Year	Accidents	Days Absent		
1996	152	3352		
1997	121	2801	Slope	Constant
1998	143	3140	1.32	2356
1999	198	1922		
2000	115	2541		
2001	130	2654		
2002	160	2311		
2003	144	1954		
2004	124	2644		
2005	198	3150		
2006	120	1856		
2007	133	2246		

The above table contains accident (the independent variable) and days absent (the dependent variable) statistics for the period 1996 through 2007. Using the linear regression statistical methodology tool on MS Excel™, two estimations - the Slope and Constant - can be determined. In this example the Slope is 1.32 and the Constant is 2356. These two numbers are then used in the linear regression formula: $y = mx + b$ to determine future values for the dependent variable – days absent. In this example: y is the dependent variable, i.e. days absent and x is the independent variable - accidents - and m and b are, respectively, the Slope and Constant.

If we estimate that the number of accidents for the year 2008 is going to be 140 then our formula produces the following results:

$$Y = (1.32 \times 140) + 2356$$

$$Y = 2541$$

In other words the statistical prediction for days absent in 2008, using linear regression is 2541 days. The value of a regression analysis is that once the Slope and Constant have been determined then a number of scenarios for different predictions for the number of accidents for subsequent years can be tested quickly and easily (using MS Excel™) and the corresponding number of days absent can be determined. In turn, these figures can be applied to the staffing plan in order to determine staffing requirements.

Correlations can be developed for a wide array of factors that influence the workforce demand planning process. For example, a correlation could be built between the number of employees reaching the age of 60 and number of retirements or the percentage of women in the workforce and number of maternity leaves. On the supply side, correlations potentially exist between local unemployment rates and number of applications received or number of internal transfers and percentage increase in bus driver wages.

Trend Analysis

Trend analysis works in a similar manner to regression analysis but the statistical methodology is different. Essentially what it does is it uses statistics to project forward what the results will be for the next year, given an array of past results. Trend analysis works in a similar manner to regression analysis but the statistical methodology is different; it can be viewed as a regression analysis where the independent variable is time. As such, it's most useful when only a single set of data points is known, or when predicting the value of the independent variable for a regression analysis. Therefore, with our example of accidents and days absent for the period 1996 through 2007, we can use trend analysis to project what performance might look like for the forthcoming year – 2008 - for each of the variables independently, as follows:

Trend Analysis - Accidents/Days Absent

Year	Accidents	Days Absent
1996	152	3352
1997	121	2801
1998	143	3140
1999	198	1922
2000	115	2541
2001	130	2654
2002	160	2311
2003	144	1954
2004	124	2644
2005	198	3150
2006	120	1856
2007	133	2246
2008	146	2915

In other words, Trend Analysis predicts that given past performance over the twelve year period from 1996 through 2007, there will be 146 accidents in 2008. If a further trend analysis is done on the 12 year period for absences the result is a prediction of 2915 days of absence for the year 2008.

Both regression and trend analysis will produce a number. Whether the number that these two statistical approaches produce is an accurate reflection of what will happen in the future may or may not be accurate and therefore any statistically generated number needs to be evaluated in light of other considerations and made part of an overall prediction or forecast.

Direct and Indirect Ratio Analysis

Direct and Indirect ratios are referred to as "heuristics" in the forecasting world. They are the "rules of thumb" that forecasters use to help predict and plan for the future.

Direct Ratios: Are those where a direct link can be established between an aspect of the business and the number of employees required to perform it. A prominent example from the bus industry is the number of mechanics/skilled trades people required for a certain fleet size. There are three ways in which direct ratios can be developed:

- Historical Data – what has been our historical performance i.e. in terms of mechanics per vehicle or operators per operating hour and how does that translate into personnel requirements given the number of vehicles in the fleet or operating hour?
- Industry Comparison – What are comparable companies in the industry doing and can their ratios be applied to the company's situation?
- Engineered Analysis – Can the work be broken into measurable elements with man-hours attached to each one and then aggregated to determine total personnel requirements?

Indirect ratios: Are those that are built on numbers that are developed through the use of direct ratios. In our example for mechanics/skilled trades people, the use of a direct ratio will yield a figure for increased personnel requirements if a bus company is planning to expand the number of vehicles in its fleet. However, an increase in the number of direct staff (mechanics/skilled trades people, drivers) leads to a corresponding increase in indirect support and supervisory staff and that figure is calculated using an indirect ratio.

Nominal Group Technique

Nominal Group Technique (NGT) is an expert, group-based, decision-making process that can be easily adapted to forecasting and the development of predictions. It has been found to be effective in situations where one or more individuals might dominate the discussion and information-sharing/decision-making process or where it is thought that some individuals might be too intimidated or retiring to fully participate. Because it is highly structured, it tends to reduce the potential for conflict and ensures greater participation by everyone involved.

As with the Delphi Technique, experts are enlisted to input into the process. However, instead of the participants operating in isolation from one another as happens with a Delphi process, they work in a group situation. There is a facilitator involved who takes on the task of determining the purpose and directing the group meeting(s) which normally includes:

- Generation of ideas by the participants without discussion or sharing at the outset. This is usually done by having them record their input on a sheet of paper.
- The sharing of ideas where the facilitator records each idea on a flip chart until all ideas have been presented and recorded. There is no discussion about items and participants are asked to write down any new ideas that may arise in the course of hearing others ideas and share them with the group. This process continues until all ideas and thoughts have been captured.
- Once all relevant thoughts have been recorded, verbal explanation or further details about any of the ideas or information put forward is dealt with. This is a crucial stage in the process because the goal is to get out as much information as possible – in as open and supportive manner as possible.
- The final step is that the members of the group, after full discussion, vote on the alternatives with no special considerations

or voting rights being given to any one member of the group.

Using NGT for forecasting is a natural application of the technique and can be applied to either the demand or supply side considerations of the workforce planning model and a number of the elements that make up demand and supply.

Consensus Decision-making

Many of the decisions that are made related to workforce planning are done on a group or committee basis and involve the members of the committee coming to a consensus. As anyone who has work on a committee can attest to, consensus decision-making is not easy. That being said, as an ideal it has tremendous appeal. Its benefits in terms of long term effectiveness, commitment and conflict resolution are obvious. However, in order for it to work there needs to be certain pre-requisite beliefs by members. They are that:

- win-win outcomes are possible
- collaboration is worthwhile
- better decisions will be achieved through consensus
- trust can exist between people

In addition to these beliefs, consensus decision-making works if the members of the group attempt to do the following when trying to reach a decision:

Focus on the Problem: In many instances the process of reaching a consensus decision breaks down because the members of the group are not prepared or fail to focus on the problem. In these cases, the breakdown sometimes occurs because there is overriding concern for protecting power or guarding certain rights. In other instances, it occurs because the parties have different information and therefore cannot agree on the problem. As an essential step in consensus decision-making, there has to be agreement on what is the problem (or opportunity) and agreement to focus attention, effort and analysis on that problem without getting side-tracked by other issues not related to it.

Avoid Sub-optimal Processes: The alternatives to using a consensus process are: 1) voting and majority rules, 2) use of authority (i.e. the boss makes the decision) and 3) bargaining or trading off. Each of these processes has its place and in certain circumstances is the best and only way in which a decision can be reached. They are not, however, consensus-based for they involve: a minority - in the case of voting/majority rules – losing out; non-involvement by subordinates - in the case of authority-based decisions (and therefore a lack of commitment to the decision in many instances); and the giving up something of value - in the case of bargaining. Consensus decisions will only take place if the parties are prepared to avoid using these sub-optimal processes and work to find win-win solutions.

Seek out Facts, Information and Data: The identification of clear irrefutable information, upon which to build a common understanding of the problem is a powerful aid to reaching agreement. Time, energy and resources devoted to data collection and analysis are a worthwhile investment of time. Too often, the ability to reach consensus is frustrated by the parties working with inadequate, invalid and unreliable information and they succumb to the use of opinion or anecdotal evidence. Not only does this lead to the potential for conflict but also results in poorer decisions.

Use an Agreed Problem-Solving Process: Having an array of problem-solving processes or techniques (such as those outlined in this model) available can greatly assist groups in making consensus decisions. The discipline of following a step-by-step methodology (or in this case workforce planning process) reduces the potential for perceptions to narrow and positions harden. An agreed to process allows for more involvement in problem definition, data gathering, alternative identification and solution development. It provides a more rational basis upon which group members can focus; with energy being directed to making the process work as opposed to positions being more defensible.

Accept and Deal with the Human Element: Accepting that any group process brings with it the dynamics that go on between people is important for the group to be successful in making consensus decisions. Emotions, personalities and behaviours will play a significant role in the group's effectiveness. If members are prepared to: deal with these human elements of the process in a rational and accepting manner; communicate openly and to accept and understand others and their perceptions, then there is a greater likelihood they can reach consensus decisions. Implicit in this approach is that members avoid self-oriented behaviour directed towards their own needs and personal agenda.

Check Out How it is Going: Decision-making is a very task-oriented process - gathering and analyzing data, determining alternatives, choosing between them, building implementation plans etc. - because of this, the parties too often forget to concentrate attention on themselves as a group and evaluating how they are doing. The periodic examination of the group's process and "checking out" whether it is working from the perspective of the members is very important to the consensus process. A simple mechanism for doing this is to have the group evaluate on a scale of 1 to 5 or 1 to 7, how it is doing with each one of the elements identified in this note. The discussion around the elements will help the group become more effective in using it.

Conclusion

Predicting the future is never easy and decision-making is always a challenge. That being said, a workforce plan cannot be constructed without some prediction as to what will happen during the plan period. The accuracy of many of the predictions and decisions that are made based on them can be significantly improved by the use of recognized forecasting and decision-making techniques such as the ones that have been outlined here.

Glossary of Terms

Absenteeism – The non-attendance of employees at work due to sickness, non-work accident, short-term disability or willfully not coming to work for personal reasons.

Attrition – The permanent loss of a workforce member due to any one of a variety of factors such as retirement, death, leaving to work for another employer, leaving to return to school etc.

Career Planning - the process used to provide for employees' career aspirations within the context of the organization and individual employee goals.

Coaching – The application to employee development of leadership, communication and teaching/instruction skills learned in the athletic world about how to develop and build commitment and competency with athletes.

Demand Total – The total incremental workforce demand per month in man-hours

Internal Supply Total – the total expected workforce supply per month form internal sources in man-hours.

Demand – Supply – Total monthly workforce demand in man-hours minus internal supply in man-hours.

Exposure – A term related to succession planning whereby it is determined that either 1) no successor has been identified to potentially fill the position should the incumbent vacate it or 2) it is anticipated the incumbent will leave the position prior to the successor(s) being ready to move into it.

Full-time Equivalent (FTE) – The staffing notion of one employee working or being available to work on a full-time basis according to the organization's regular work schedule of 35, 37.5 or 40 hours per week.

Gap Analysis – Gap analysis lies at the heart of the workforce planning process. It is the determination of the difference between the demand for personnel and the supply of personnel in terms of what kind of personnel is needed, when it is need and where is needed.

Internal Labour Market – A recognition by the organization that a "market" for labour exists within the organization and that effective workforce planning involves understanding that market and fully utilizing it to meet workforce demands.

Job Sharing – Whereby two individuals share the work of one job thus allowing them better work-life balance and/or to develop the skills that are associated with the job on a part-time basis and with the other job incumbent acting as a coach and/or trainer.

Just-in-time Hiring – JITH is a strategy for staffing the organization on as cost effective basis as possible due to there being no supply "inventory" available in the organization to meet demand should it occur. JITH requires very good business forecasting and highly efficient recruitment and selection process if is going to be successfully part of a workforce planning strategy.

Long-term Disability (LTD) – An employee absence from work due to a disability that is long-term in duration and where the employee is receiving income through a long-term disability insurance program.

Mission-critical Position – A position or job category in the organization considered absolutely essential to it achieving its mission and goals.

Progress in Place – An element of career and succession planning that recognizes that not all individuals should necessarily be promoted. This does not mean they are left out of the process but rather that a development plan is created around their staying in their current job and that progressing in place in terms of this development plan can be a legitimate and desirable career outcome.

Readiness – An assessment as to whether a particular employee is “ready” to be moved into a position based upon a succession plan that has been established for him/her and his/her career aspirations.

Replacement Capability – The process used to identifying potential candidates for positions within the organization, should they become vacant. In addition to identifying the individual(s), an assessment is made as to their “readiness” and the development experience they should follow in order to make them ready to replace the current job incumbent.

Revolving Door – Where organizations do not do an effective job of workforce planning they often end up in a “revolving door” situation where they are terminating and then re-hiring employees on a regular basis. This generally seen as an undesirable situation because it leads to the most talented of employees caught in the revolving door taking their skills elsewhere.

Segmentation – The approach to workforce planning that “segments” particular jobs – often mission critical ones – or employees or employee groups and develops plans tailored to the characteristics of the job, the individual or group.

Staffing Plan – A staffing plan is the output from a gap analysis. It is usually developed in the form of a spreadsheet showing the kinds of positions that need to be filled, how many have to be filled and the date or time period when they need to be filled.

Succession Planning - The process used to ensure positions in the organization, needed to achieve its goals, are staffed by fully competent and motivated employees.

Turnover – A measure of the number of employees leaving the organization for whatever reason (retirement, quitting, termination for cause). Turnover is usually measured as a percentage of the number leaving over the total number of employees. Turnover can be viewed as either good or bad. When problem or under-performing employee leaves it is considered to be good turnover with the opposite being bad turnover.

Worker’s Compensation Board (WCB) – Where an employee is absent from work due to a workplace injury or illness that is being compensated for by the provincial worker’s compensation board.