



Workforce planning in the Australian Public Service

This case study was prepared in the context of the work undertaken by the OECD in the context of the OECD Future of Work Framework in 2020-2021. The case study focusses on strategic workforce planning in the Australian Public Service (APS) to support organisations in assessing and preparing for current and future needs. Aligning with the three pillars of the OECD Future of Work Framework, forward-looking, flexible and fulfilling, the Australian workforce Strategy 'Delivering for tomorrow – APS Workforce Strategy 2025' coupled with the APS Workforce Planning Centre of Excellence programme build a long-term strategic programme of work to strengthen workforce planning in APS agencies and shift it from an operational to a future-focused skill and capability based strategic activity.



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Introduction

Strategic workforce planning supports organisations in getting the right people in the right job or position at the right time. It enables organisations to assess and prepare for current and future needs such as the size of the workforce, deployment of the workforce and the knowledge, skills and competences available and needed to achieve its mission and strategic objectives. A forward-looking public sector conducting business-linked workforce planning on a regular basis can proactively anticipate workforce needs instead of merely reacting to any crisis or other challenges. Throughout the Covid-19 crisis the need for strategic workforce planning became evident to be able to leverage a workforce in moments of crisis and deploy the workforce where and when needed.

Strategic workforce planning, done right and in close partnership with business areas and leaders, can deliver the required workforce transformation for public sector entities. Mindful of the value of strategic workforce planning, in 2020 the Australian Public Service (APS) initiated a long-term strategic programme of work to strengthen workforce planning in APS agencies and shift it from an operational to a future-focused skill and capability based strategic activity. In practice, this programme takes the form of the APS Centre of Excellence (CoE) for Workforce Planning. Strengthening strategic workforce planning capability across the APS supports the implementation of [Delivering for Tomorrow – APS Workforce Strategy 2025](#) - the first whole-of-service workforce strategy, launched in March 2021.

Work in building the CoE and workforce planning capability in the APS commenced in April 2020, leveraging the momentum for workforce planning created by the Covid-19 crisis, and in anticipation of the release of the APS Workforce Strategy. Strategic workforce planning capability in APS agencies will allow the service to adapt to changes within the future workforce such as digital-driven transformation, data and evidence based policy and service delivery, and data driven regulatory models.

Establishing the APS Workforce Planning CoE was underpinned by evidence and data from several studies, audit reports and independent reviews of the APS. For example, the 2015 Report on “Unlocking potential- APS workforce management contestability review (2015)” finds “talent practices are not sufficiently linked to the long-term needs of the business”. It finds opportunities to improve the sophistication of talent management practices, connect them to other business planning processes. One of the opportunities identified is to link talent management more closely to succession planning. APS senior executives and senior HR leaders also raised the lack of capability to conduct workforce planning.

The report sets out a vision for HR redesign which positions strategic workforce planning as a core function in a well-functioning HR system, that is “an architect of high performance, a driver of agility and a lever for lifting workforce engagement”. To achieve this, the HR function requires the right skills mix, increasing focus on analytical and consulting skills, and a much better understanding of business strategy and operations. It also requires technology and data to measure HR performance and drive decision making insights. The report suggests that 76% of organisational capability reviews conducted in the APS identify strategic workforce planning as a specific concern, often due to lack of workforce planning skills and insufficient data. Without these, workforce planning remains a “budget-planning headcount approach” rather than a strategic tool to address critical future risks (e.g. scenario planning, workforce affordability).



The Covid-19 pandemic further highlighted the need for workforce planning capability across the APS. The challenge for agencies was to identify critical functions and staffing availability to assist in creating a surge capacity in the system to deploy staff fast. In some instances, APS agencies needed to conduct critical workforce planning exercises and make decisions in a crisis environment within a couple of days, sometimes a few hours, as opposed to months.

In order to develop a more strategic approach to workforce planning across the APS the APS Workforce Strategy & Planning team was established within the Australian Public Service Commission (APSC) in mid 2019. The mandate of the team is to develop, implement and measure *Delivering for Tomorrow – APS Workforce Strategy 2025* - a sector-wide workforce strategy supported by strategic workforce planning capability across the APS, providing tools and resources to support agency-level workforce planning, and partnering with agencies to support workforce planning capability development. In this way, a decentralised approach was taken in which the central team at the APSC develops standards, recommendations, tools and strategic workforce foresight, and advises agencies how to implement these.

Developing a strategic programme for building workforce planning capability

Collecting evidence from agencies

As a first step, the Workforce Strategy & Planning team analysed the capability of workforce planning practitioners and APS agencies as assessed through agency surveys in 2017 and 2018. These are annual surveys of agencies that the APSC are running, to collect information for the annual APS State of the Service Report. Whole of service data on workforce planning capability gaps was supplemented by a survey of workforce planners, and conversations with the APS Chief People Officers Working Group.

In addition, the team reviewed the existing workforce plans from agencies, assessing them against a framework for good practice workforce plans, looking to find certain elements in those plans such as, for example, the identification of workforce impacts from digital transformation and the resulting workforce transition planning. As a result of the analysis, strategic workforce planning gaps could be identified across the APS. These included:

- Limited use of skill and capability based strategic workforce planning;
- Low strategic utilisation of whole of APS workforce datasets, both quantitative and qualitative data;
- Limited skills in workforce planning and data analysis and insights across the group of HR practitioners performing workforce planning and insights roles in the APS;
- Perception of workforce planning as an isolated activity in HR; and workforce planning activities being conducted in isolation of business strategy and planning, and general workforce management processes;
- Limited follow-through on workforce plans resulting in static approaches to workforce planning. The resulting workforce plans were many times not translating through to implementation to drive workforce transformation;
- Static workforce plans were updated infrequently, not aligned to changes in the business environment and strategy- these plans lost their relevance within the first 6 months of being produced;



- Limited change management expertise to support implementation of workforce planning strategies
- Low awareness of the benefits of strategic workforce planning, including at senior leadership level. Senior leaders found the process cumbersome and too technical, without any practical, immediate outcomes being delivered; and
- Limited opportunities for strong accountability for strategic workforce transformation in the APS. By and large, strategic workforce planning was seen as a HR responsibility, with limited involvement of senior leaders throughout the process.

In order to build support and gather further input, the APSC team organised individual discussions with senior workforce planners of the five largest APS agencies, and held discussions with workforce planners from smaller agencies through the APS Workforce Planning community of practice. All this evidence supported a current state analysis, to inform the longer term programme of work to build APS workforce planning capability through the Workforce Planning CoE. The programme concept and the minimum viable product were then tested with senior workforce planners and the Chief People Officers' Working group.

Building a maturity model to draw a clear path

As the principal guiding framework, the APSC team designed a maturity model which rates strategic workforce planning capability across four dimensions: business strategy, people and culture/implementation, reporting and data/workforce analytics and governance & tools, in four maturity levels (Table Error! No text of specified style in document..1). In this way, the model looks beyond the work of workforce planners and analysis, taking into account the broader ecosystem that supports their work in agencies, including senior leadership capability and buy-in, business alignment and a culture of implementing workforce strategies and plans to drive business-aligned workforce transformation. Overall, the APS was categorised as reaching level two (of four) of maturity for business strategy, people and culture/implementation, and governance & tools. In the dimension of reporting and data/workforce analytics, the APS reached level one.

Table Error! No text of specified style in document..1. Simplified APS Maturity model on workforce planning capabilities

Level 1 Ad hoc/ initial	Level 2 Foundational	Level 3 Competitive/Organised	Level 4 Differentiating/Mature
Limited strategic approach to workforce planning. May occur at a local level, is conducted in an ad-hoc manner with no formalised process, and is disconnected from business planning processes	Formal workforce planning processes in place and deployed in at least part of the organisation; not yet fully embedded across the entire organisation or integrated into the business planning cycle.	Workforce planning is developed and deployed throughout the organisation, fully integrated into the business planning cycle. Senior leaders and the HR team have the skills needed to engage in (strategic) workforce planning. Focus tends to still be on output and not outcome.	Workforce Planning developed and deployed throughout the organisation as an ongoing process of continually aligning the workforce to organisational deliverables and strategy. It is fully integrated into the business planning and risk management cycles & contributes to organisational performance. Formally evaluated and incorporated into continuous improvement processes

Source: Information provided by APSC. Detailed maturity model can be accessed from the APS Centre of Excellence for Workforce Planning at apswfp@apsc.gov.au .



Based on the maturity assessment, the APS Centre of Excellence for Workforce Planning was set-up. The CoE delivers initiatives and services across four streams:

- **Capability:** focused on workforce planners, leaders and managers, including building the capability pipeline for workforce planning roles
- **Leadership:** building leadership accountability for workforce planning outcomes
- **Tools & Technology:** supporting workforce planning in agencies and across the APS at the highest level, through policy advice and frameworks, tools and resources, and technology solutions
- **Analytics & Insights:** data-driven workforce and labour market insights to inform evidence based strategic workforce planning in individual agencies and across the APS.

One of the prioritised deliverables of the CoE was a Workforce Planning Capability Development Programme targeted at workforce planning and insights practitioners. This programme will build both foundational and specialist workforce insights and planning skills for employees undertaking workforce planning roles. Implementing the programme

The delivery of the APS Workforce Planning CoE offering is organised across five years through to 2025. This includes the roll out of the Workforce Planning Capability Development Programme through:

- Start Up (foundational) and Boost (specialist) workforce planning capability development modules alongside recognition of learning resources for Continuing Professional Development credits and a certification pathway for participants, in partnership with the Australian HR Institute. This will further incentivise staff to build their workforce planning capability.
- A Workforce Planning community of practice with regular forums, including hackathons and design/ co-design workshops delivered virtually, for workforce planners to come together and learn from each other.
- A digital portal of resources for workforce planners, including an APS workforce planning guide for agile delivery, the latest relevant research, data and curated bite-sized learning, workforce planning case studies from other APS agencies or domestic or international jurisdictions, or from the private sector, a workforce planning career development blog, and a news/ interaction channel for workforce planners to link in and learn from each other.
- Building talent pipelines into workforce planning roles, including through partnerships with education institutions, skill assessments and career pathways for workforce planners, an intensive workplace coaching programme to advance specialist workforce planning capability and mentoring, coaching and peer review services for workforce planners.
- Building the APSC's strategic workforce insights function, to generate strategic workforce planning insight from APS and labour market datasets.

A strong evaluation approach for each of the components of the programme and more broadly, for the APS Workforce Planning CoE offering has been built into the operation of the CoE, to ensure that initiatives aimed at building workforce planning capability deliver outcomes, and, longer term, business benefits. In the design and implementation of the



programme, the APSC team concentrated on three guiding principles to ensure engagement from the agencies:

- **User-centred design:** Using digital tools and methods to engage APS workforce planners in co-designing solutions to workforce planning capability gaps. Ideas are tested before full adoption through open beta releases to the community. In this way, trust is being built and a cohort of early adopters/ champions are prepared for formal launch of the various products and services. By engaging agencies in design sessions, challenges in implementation can be identified from the start, feedback is gathered from the ground and ownership among the agencies strengthened.
- **Behavioural Insights:** Using behavioural insights to advance workforce planning capability development and design simple and effective workforce planning approaches and interventions that deliver outcomes in agencies. The APSC team is also applying behavioural insights and nudges to actively seek ideas from the agencies and seeking an exchange on challenges and opportunities for workforce planning through regular meetings
- **Strategic Business Partnering:** Ongoing engagement with senior workforce planners and Chief People Officers to understand needs across the system, inform central initiatives and support their workforce planning work. Given that the agencies are the ones implementing the policy advice developed centrally at the APSC, it is essential to build relationships with them and engage them in the process. To be able to provide the best support to agencies, the Workforce Planning CoE team seeks to understand deliverables against business strategies, challenges and opportunities for support across the client group.

The APS Chief People Officers' Working Group oversees the programme of work, and are consulted at critical decision points throughout programme development and implementation. Reporting on the deliverables of the Centre of Excellence will be done annually, as part of the yearly reporting on the implementation of the APS Workforce Strategy.

Success factors

Ultimately, the successful implementation of *Delivering for Tomorrow- APS Workforce Strategy 2025* depends on workforce planning capability uplift delivered through the APS Workforce Planning CoE. Concerning the design and the implementation of the Centre of Excellence, and in particular of the workforce planning capability development programme in the APS, crucial success factors can be identified:

- **Leveraging evidence and data and detailed gap analysis:** Before designing the workforce planning capability programme, the Workforce Planning Centre of Excellence team analysed the available data and collected further inputs through discussions with staff. This allowed drawing a clear picture of opportunities and challenges as well as being able to pinpoint priorities.
- **Building a common understanding of workforce planning:** Throughout the agencies, workforce planning was often perceived as a task done by HR without acknowledging it as part of the organisational strategy. It was essential to build a common understanding of workforce planning as part of the organisational strategy of the agency to be able to anticipate future trends.



- **Moving beyond silos:** In line with workforce planning as part of the organisational strategy, workforce planning will be integrated and mainstreamed in other areas within APS. For example, each digital transformation plan in agencies will have to be accompanied by a workforce transition plan taking into account the interlinkages of digital transformation and workforce planning.
- **Taking into account the broader context:** While traditionally workforce planning might aim simply to strengthen capabilities of workforce planners, the maturity model on which the programme builds takes into account the broader context within the APS. In this way, it includes factors such as the organisational culture, business strategy, the need for data & analytics and governance tools to ensure effective implementation.
- **Engaging leadership through clear communications and accountability:** In order to ensure take-up within the agencies of the workforce planning programme, the engagement and ownership of leaders is essential. The Workforce Planning Centre of Excellence team focussed on developing outputs that could be easily communicated, such as the maturity model providing leaders with a snapshot of the current and desired status. Furthermore, one key theme for interventions was to strengthen accountability of leaders for advancing workforce planning. To achieve this, the team is coordinating with the Department of Finance – who oversee corporate planning processes in the APS, to build accountability mechanisms for workforce planning/ workforce transformation for senior leaders.
- **Nudging agencies towards implementation:** Given that the Workforce Planning Centre of Excellence team can consult and advise agencies, but not enforce implementation of its advice, it collaborates with the Behavioural Economics Team in the Prime Minister’s Office to shape guidelines, tools and communications to encourage uptake and engagement of agencies.

Conclusion

The workforce planning programme in the APS, while still one year into its implementation, offers insights on how to build the systems to be able to plan for a more resilient workforce. It underlines the need for a solid understanding of the organisational operating model of the public sector. Given the decentralised nature of the APS, the Workforce Planning Centre of Excellence focusses on supporting and equipping agencies with the skills to be able to align initiatives with high-level directions on workforce planning as outlined in *Delivering for Tomorrow – APS Workforce Strategy 2025*. These skills include understanding business strategies and deliverables, promoting strategic foresight, building data analysis skills and better utilising data sets and establishing enterprise resource planning systems. Furthermore, it makes evident how workforce planning is not an isolated activity, but needs to coordinate with other areas within agencies, and across the service, such as the Department of Finance to build accountability mechanisms for leadership at the highest level through whole of system frameworks.

The APS Workforce Planning Centre of Excellence programme is a key component of a future-ready public service workforce aligning with the three pillars of the OECD Future of Work Framework:



- It builds a **forward-looking public service** that has the tools to plan ahead by developing a solid understanding of the current workforce and future needs based on data and evidence and planning actions to address gaps.
- It can also contribute to a more **flexible public service** by developing a better understanding of the overall workforce and available skills. By overcoming organisational silos, it allows the public service to react to changing situations and placing people with skills where needed. In this way, it can support building a resilient that can anticipate crisis and changes within the public service better.
- Lastly, it may also lead to a more **fulfilling public service**. Workforce planning and data can help to determine where further actions is needed to advance diversity and inclusion to reinforce a variety of skill sets, professional backgrounds, experience and ways of thinking. Workforce planning can also identify where skills need to be developed offering opportunities for staff development and training. It can also reinforce purpose and meaning of positions by clearly identifying employees' role in building a future-ready workforce aligned to the mission and vision of the public service. This may increase employee engagement and motivation.