Introduction to Strategic Workforce Planning

CHAPTER OBJECTIVES

1 Define Strategic Workforce Planning (SWP) and its practical application for companies and organizations.
2 Define the purpose and benefits of SWP.
3 Outline the challenges of SWP.
4 Outline structuring of an SWP function.
5 Outline key jobs, roles and skills involved in SWP.

What is Strategic Workforce Planning?

Fundamentally, the easiest way to define Strategic Workforce Planning (SWP) is to drop the first two words in the term 'Strategic Workforce Planning' and explore the meaning of the last word 'planning'. Doing so in the context of the organization's people will provide a much more intuitive explanation as to what SWP is. SWP at the most fundamental level is a framework for analysing both the current and desired future states of the workforce. Assessing these different workforce states across different points in time will provide insight into what, if any, gaps exist between where the company is with its people today, and where it should be with those same people in the future. If done properly and with the right support and direction, this type of analysis will shed light on specific areas in the workforce that

require attention to achieve that desired state. Identifying improvements is the first step in a guideline towards specific action steps that need to be taken for the desired future state. For example, suppose the fictional company Widgets-Are-Us decides to embark on an SWP assessment. The company starts by looking at its current workforce structure in key verticals across the business. It does this by analysing some basic workforce metrics like average tenure and age. This simple analysis reveals that, within the engineering function, 70 per cent of the workforce are over the age of 50, with 60 per cent of that workforce possessing over 20 years' experience.

Let us assume that the next step in this assessment involves looking into how future aspects of the broader organizational strategy could impact on the company's people strategy. This part of the analysis revealed that the Research and Development (R&D) team had developed some breakthrough products that will leverage 3D print technology. This new technology is a massive opportunity for Widgets-Are-Us and will position the company for success in a whole new niche market in the widgets industry. The catch, however, is that this new 3D print technology will require a new set of skills in the engineering function.

From an SWP standpoint, we now have two clear themes that have emerged from the analysis. The first key finding is that the company's engineering function is clearly at risk of losing a large portion of its knowledge base due to impending retirements. The second is that, not only will there be a gap in current skills within this function, but also there will be a gap in future skills required for the company's new strategic direction.

The next step in this fictional example would be to develop a detailed 'plan' to mitigate against the impending risk of a potential knowledge and skills gap. It is here that the strategic part of SWP comes into play. SWP practitioners, human resource business partners (HRBPs) and business leaders will need to collaborate on developing a plan of key actions, timelines and deliverables required to ensure that systems, processes and owners are in place to mitigate the risk of these two. A simple Strategic Workforce Plan in this example might seek to answer such questions as the following.

Knowledge drain

- What are the key skills that will be lost due to impending retirements?
- How do we ensure we have captured the knowledge that these employees possess once they leave?
- Do we have a system in place to capture these skills?
- If not, how would a system look?

  - Is it a technology?
  - Is it training material developed for new employees by the retirees?

- Is there an opportunity to bring these retirees on as part-time consultants?

3D print technology

- How do we assess the skills needed for effective 3D print technology?
- Can we build on skills that are already in place?
- Do these skills exist in the external labour market?
- Can we develop a training programme to develop these skills?
- Would it be more cost-effective to buy or build these required skills?
- Are there other companies that either have or are developing these skills?
- How much are these skills worth in the external labour market?
- What is the impact to the business if we are unable to develop or acquire these skills?
- What is the timeline for when these skills will be required?

The preceding bullet points are examples of the strategic questions that a good Strategic Workforce Plan should address, but that is just the beginning. A good Strategic Workforce Plan will not only address the strategic questions but also outline the plan's execution in detail. In essence, it will be a comprehensive project plan that

has clear owners, with defined timelines, action items, deliverables and outcomes for success. It should also provide metrics success and risk metrics, as well as outlining a communication and change-management plan. Operational questions in a Strategic Workforce Plan that require significant thought include:

- Who are the stakeholders that need to be involved in the plan's action steps?
- Who will sponsor the plan?
- Is there an executive sponsor in place?
- Will a steering committee or project team be established?
- Will there be an ongoing meeting rhythm established?
- What is the timeline for the plan?
- What are the specific actions that need to take place?
- What are the plan's success metrics?
- Will the plan require change management?
- Will the plan be across all locations or more targeted?
- How much time and effort will be required to execute the plan?
- How will the roles and responsibilities for the plan be decided?
- What are the costs associated with the plan/project?
- How will these costs be measured and tracked?

So, to answer the original question: SWP is the process of thinking through the challenges and opportunities that an organization's people could/will face as market conditions change and business cycles mature (see Figure 1.1). It seeks to define how the organization's workforce structure should evolve as these market conditions change and the business develops. Simply put, SWP is the function within a company tasked with identifying people-related opportunities and challenges associated with changes to the business, then developing a plan to capitalize on the opportunities and mitigate the risks linked to those changes.

What SWP is not

SWP is not a silver bullet that will solve all the challenges that an organization faces. Rather, it is a map that can help to guide the business

Figure 1.1   Fundamentals of SWP
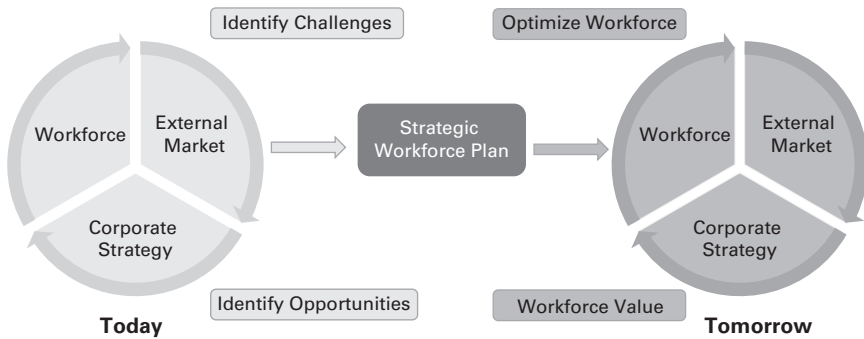
towards some desired state. To that end, executive sponsorship is very important. There needs to be a sense of organizational commitment and a willingness to see the plan executed from start to finish. It is also not a simple 'one-size-fits-all' methodology or framework. In fact, an important part of the SWP process involves understanding – in the context of the organizational culture – how to customize and develop a plan that will meet the cultural nuances and operating processes of that organization. The organization should approach the plan with a level of creativity and openness to interpretation. Good SWP is not something that will happen overnight; hence the need for commitment. Embedding SWP into a cross-functional, enterprise-wide operating process takes time. Moreover, realizing and being able to measure the impact and return on investment (ROI) of SWP will require even more time.

For an organization that has laid out a five-year Strategic Workforce Plan, it is not unreasonable to see the net benefits to the company for up to two to five years after the initial execution of the plan. It is necessary to think of SWP as being a cultural shift towards becoming an organization that is proactive and future facing. It is also something that will probably not be well understood by the masses. Like implementing any new initiative, process or programme in an organization, it is likely to face significant resistance due to paradigm shifts in thinking (Lewin, 2008). Anticipating this resistance by incorporating a well thought-out change management and communications strategy as part of the broader Strategic Workforce Plan will greatly increase the likelihood of a successful implementation.

While workforce analytics is an important aspect of SWP (there will be an entire chapter (Chapter 10) in this book dedicated to workforce analytics), there is much more to it than just the analytics. As it relates to SWP, it is often useful to think of workforce analytics as the biggest tool in the SWP toolkit. It is the data and analysis portion of the SWP process that will help the organization to understand key gaps in current versus future workforce structure. Identifying and understanding these gaps cannot be accomplished without a level of data and analysis. When it comes to analytics in SWP, it is worth noting how broad the spectrum between sophisticated and basic the analyses can be. It can be something as simple as plotting tenure across a histogram on one end of the spectrum to developing sophisticated machine learning algorithms designed to predict employee-level attrition on the other.

Finally, SWP will not be easy. The more time, effort and commitment invested in the plan in the long term, the more effective the planning will be at helping the organization align its people with its strategy. It is not easy to develop and execute a Strategic Workforce Plan in a couple of days or even weeks. There are many dimensions and 'moving parts' that require thought. The development and nurturing of cross-functional relationships and partnerships is imperative. Data will have to be structured and analysed. Also, developing project plans and allocating resources can make or break the success of a project. These things all take time and patience, which is why it is so important to have the commitment and vision in place before diving head on into the process of developing an SWP function and ultimately a Strategic Workforce Plan.

The purpose and benefits of SWP

What is the purpose of SWP? There will be a discussion on this in future chapters. But for now, at a high level, the purpose of SWP is to improve the performance of the company or organization (see Figure 1.2). Improving the organization's performance through its people can be achieved by better alignment of skills, programmes, teams and day-to-day work with the strategy, objectives and goals of that company or organization (Noe *et al*, 2003).

Figure 1.2   Improve company performance by aligning the workforce to the corporate strategy

To help illustrate this point, let us go back to our fictional company, Widgets-Are-Us, and explore an example of what this might look like for a typical company. We know that Widgets-Are-Us is a company that manufactures widgets. We also know that, to remain competitive and innovative in its industry, the company must continue to bring newer and better products to market faster than its competitors. Doing this requires the company to invest heavily in R&D and the newest technologies. From our earlier example, we learned that the company has decided to invest heavily in 3D print technology, so much so that the organization has shifted a large part of its strategy to developing more customized products created through 3D print technology. Because the company's longer-term strategy will change, it is important to note that the change will also have an impact on the company's longer-term workforce strategy. Let us examine how this new strategy might affect certain processes in the HR function. For starters, the recruiting team will need to understand the profile of candidates they will be required to source from a background and experience perspective, while HR business partners will need to understand the necessary skill sets for optimal performance of the new strategy. They will also need to understand how this new product approach will affect the traditional manufacturing processes in place. There also will be additional questions that arise, for example:

- Will this new strategic direction have an impact on the size and headcount requirements for the organization's traditional manufacturing workforce?
- Will there be a reduction in the size of this workforce or will the employees in these more traditional roles be cross-trained to meet the operational requirements of 3D print technology?
- How about location, will the new product strategy call for a more geographically dispersed workforce?
  - If so, will this require current employees to transfer?
  - Could this have an impact on attrition?
  - Would attrition be a good or a bad thing?
- How will the cost structure of this new workforce compare to the past workforce structure?
- Will these more specialized skills require higher levels of compensation?
- Will a 3D print technology strategy require more or fewer employees than the current manufacturing process?
- What is the typical profile of an employee with 3D print technology experience?
  - Do they prefer to be contractors or freelancers?
  - Consequently, does the company need to develop a contingent workforce strategy?

From these questions, it becomes apparent that a simple change in strategy has the potential to have a profound impact on the structure of the company's workforce. At a minimum, it raises some philosophical workforce-related questions that require answers. In addition to these fundamental questions, it sheds light on the fact that a change of strategy does, in fact, impact the workforce. How the organization deals with the new workforce requirements will be a major deciding factor as to whether the new strategic direction is successful.

The point of this example is to illustrate that making organizational strategy decisions in a vacuum, without considering the impact of these decisions on the workforce, can lead to ignoring one of the biggest factors that could make or break the success of that new strategy. It is here that we can start to see the true purpose of SWP, which

is to ensure that the right questions are being asked and answered with regards to how the organization's workforce will contribute to the success of its current and future strategies, subsequently resulting in the development of a robust plan to address these questions.

The benefits of SWP across the organization

SWP benefits the organization because it provides managers, leaders and HR professionals with insights regarding the current and future state of the workforce. Workforce insights of this nature provide these managers, leaders and HR professionals with the information they need to make optimal workforce-related decisions. Having the knowledge and ability to make the 'best' decisions for the organization's workforce, in turn, will lead to cost-effectiveness, efficiency gains and performance improvement for the organization (Wood, Bandura and Bailey, 1990). SWP is also a mechanism for bridging the gap between the organization's corporate strategy and its workforce strategy. Aligning corporate and workforce strategies is crucial for maximizing future company performance. This is because so much of the organization's corporate strategy is dependent on having a workforce in place that has the talent necessary to execute on the strategy's objectives. Developing a workforce with this talent begins with alignment of the workforce and corporate strategies, which is exactly what SWP helps the organization to do.

What parts of an organization stand to benefit most from SWP? A better question might be to ask: what parts of the organization will not benefit from SWP? The purpose of SWP is to align the current and future workforce with the organization's strategy. The organizational strategy is dependent upon the separate components or functions of the business, which are in turn dependent on the people working in these functions. It is easy to see why every aspect of the business stands to benefit from SWP.

A good Strategic Workforce Plan should look across the entire organization to see how, within these functions, employees – both at an individual and a group level – contribute to improving the organization's performance (see Figure 1.3). Looking across the organization as described above provides the SWP practitioner with insight into

Figure 1.3   A good SWP process operates across different levels
of the organization
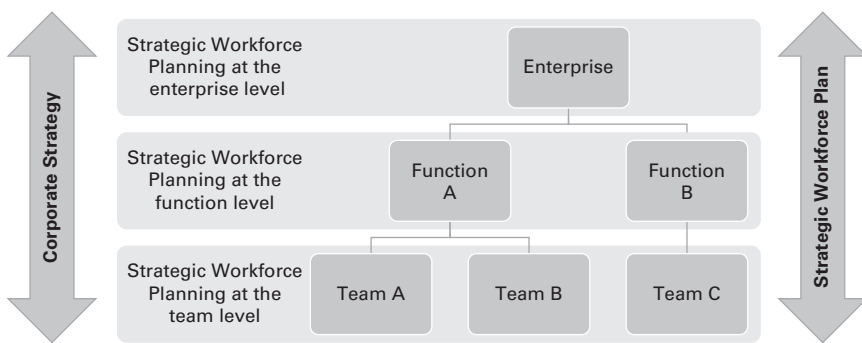
the cause and effect relationships between different functions, and how relationships across those functions must be considered holistically to develop a robust and efficient Strategic Workforce Plan. For instance, suppose our fictional company, Widgets-Are-Us, makes the decision to build a new office in Asia. One of the first considerations that must be thought out before construction of the new office can begin is how many employees will work in the office?

Regarding different functions in the organization, thinking through this example and how it could potentially impact upon the required decisions and information for those functions reveals much. One example is the facilities and real estate team, which will be dependent upon a strong Strategic Workforce Plan in order to understand building size requirements. They will also need to know how much lead time will be required to scout out a location and secure a lease, along with key planning decisions on how the office environment should look. Presumably, these teams will require detail at this level to ensure they are optimizing the space and internal environment necessary to attract and retain the talent needed for the new strategy. To this end, it is quite possible the expectations of what that office environment should look like will vary dramatically depending on the skill level and generation of the employee who ends up working in the space, which further points to the case for better planning.

More examination of the Widgets-Are-Us example reveals that finance will need to understand the Strategic Workforce Plan in order

to know how much incremental headcount should be budgeted for the new office. Meanwhile, the recruiting team will need to know how many recruiters will need to be dedicated to sourcing the established incremental headcount. The HR team will require insight into the size and experience level mix of the future office employees, so they can appropriate the correct amount of support. Global mobility will need to know if there will be employees transferring to this new office and, if so, how many. The compensation, benefits and tax teams also will need to understand what the employee mix will look like in order to understand the market conditions, government regulations and tax structures required in the due diligence process. Learning and Development (L&D) will need to consider if there are any cultural implications in the training they deliver; while the IT team will need to understand technology requirements for the facility's future employees.

While not comprehensive, this example provides an illustration of how, within a typical organization, the simple strategic decision to build an office in a new location creates the need for a vast amount of people-related data and insights necessary for planning across a wide variety of functions. The more comprehensive and aligned the data and planning are on these functions in the construction and build-out of the office, the quicker the organization can turn the new location into a profitable asset.

Utilizing an SWP methodology will be useful for any role within the organization that is dependent upon or has some direct or indirect relationship with people. While people managers and decision makers in the organization tend to be the stakeholders most likely to use the insights gained from a Strategic Workforce Plan, there are additional roles that can also benefit from SWP. For example, an analyst sitting in the compensation and benefits department might require knowledge on how the changing size and demographics of an organization will impact future healthcare costs. A recruiter looking to fill a technical senior-level role could utilize SWP to understand the talent supply in the external labour market. An IT technician tasked with providing laptops and cellphones to new hires on a company's orientation day will gain insight into how many new hires will attend the orientation class each week in each location in which they are held. To that end, an onboarding coordinator will also need to know how many new hires will be starting each week to ensure the proper facilities and space are in place for the actual onboarding class.

SWP becomes exponentially more impactful to the organization when it becomes an embedded process and a mindset for the enterprise that is considered par for the course regarding how it plans and makes workforce-related decisions (Bechet, 2008). There will be more detail discussed on this topic throughout the book but, for now, just know that the basics of embedding this mindset into the organization involve realizing who, when and where it will be most effective. The more flexible organizations are regarding the who, when and where, the more the organization lends itself to developing creative solutions to workforce challenges and decisions. Furthermore, the more visibility and alignment of how different functions, teams and employees are using SWP, the more the company will benefit from the partnerships and cross-functional cooperation that will ultimately translate into a workforce that works synergistically with the broader goals and vision of that organization.

The challenges of SWP

While it is clear that the benefits of SWP to an organization have the potential to be plentiful, there are also a series of challenges that many companies face when embarking on their initial journey.

Awareness

One of the first roadblocks when attempting to build out an SWP function is creating awareness. Like introducing any new process or initiative, if there is no clear understanding of what it is and why the company is doing it, chances are it will meet resistance from both direct and indirect stakeholders. The awareness challenge can take on many forms. Some employees may simply not be clear on what the term means. Others may understand the meaning, but may not be clear on why the company has started doing it. Some may have an awareness and understanding but fail to see the real business case or upside benefit of doing it, especially given the effort that will be required.

The organization will require a solid communications strategy to roll out with the broader SWP process. Specifically, the communications strategy should address the who, what and why of SWP. There

will be a deeper discussion on the positive impacts and benefits of a good communications strategy in later chapters; however, for now, just understand that a good communications strategy is beneficial because it outlines how the organization will communicate the objectives of the SWP function, when these communications will happen, how the communication will be delivered and to whom the communications will targeted. All of this helps to create awareness and reduce the resistance to change.

Roles and responsibilities

Another potential challenge the organization could face regarding SWP is confusion regarding where the function should be situated. While it is not uncommon for SWP to be owned by HR, it is just as easy to make a case for the function or role to sit in finance, operations or even be a stand-alone 'floating' function. Wherever it does end up being positioned, it is important to remember and communicate that gaining the most value and impact will be a function of making the process a cross-functional, enterprise-wide exercise.

Data quality and quantity

A key tenet of SWP is data. Data help the SWP practitioner to understand what is happening in the workforce today, what happened yesterday and what should or could happen tomorrow. So, what is the origin of these data? It is usually safe to say that data come from a multitude of sources. One of the primary and most important sources of data, however, originates from the organization's Human Resource Information System (HRIS). Often, the challenge with many of these systems is that they are not well maintained. It is not uncommon to see incomplete or inconsistent fields in the data tables. There also can be confusion concerning data sources and definitions. In addition to these challenges, the creation of ad hoc fields is common. These ad hoc fields often require manual entries, which can lead to inconsistent or inaccurate data entries.Inconsistency in an organization's HRIS systems poses a challenge to the SWP practitioner because the use of these data can potentially lead to erroneous outputs in the analysis. Anytime an analysis with inaccurate data or erroneous

results is shared with someone in the organization, there is a risk of losing credibility. A credibility hit can be particularly troublesome to the SWP practitioner trying to influence and persuade stakeholders on the value of SWP.

Scaling

It is not uncommon for organizations to begin their SWP journeys by starting with a small pilot project. Pilot projects of this nature often start in some obscure part of the organization with one or two stakeholders attempting to solve an organizational challenge. A successful pilot project can provide an epiphany of sorts to the company or department new to SWP. It can essentially act as proof of concept regarding the validity of the practice. With this small win under their belts, the organization might then make the decision to formalize a role or function in the organization that solely focuses on SWP. Once the decision has been made and plans put in place to try and replicate the success of the small pilot project at the enterprise level, the challenge of scaling begins to present itself (see Figure 1.4). The reason for this is because the complexities of SWP company-wide are much more intricate and challenging than for a smaller project where there are fewer dependent stakeholders, less data and a much smaller

Figure 1.4   Common challenges in Strategic Workforce Planning
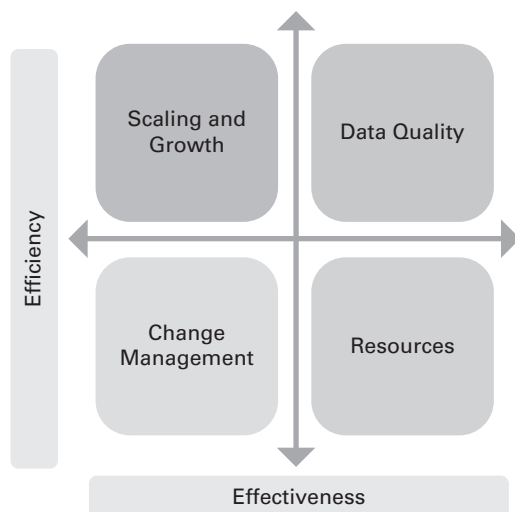
scope. It is for this reason that it is so important for the company to have a strong vision in place for successful SWP across the enterprise. Regarding this vision, the organization should create a detailed road-map and project plan that outlines the steps required for successful execution and implementation. Future chapters will explore the building blocks for developing an SWP roadmap in much greater detail.

Structuring an SWP function

How is a typical SWP function organized? The answer to this question is that there is no typical structure of an SWP function. Rather, the structure should depend on what the company's goals, vision and strategy are for the SWP function. To that end, tailoring the structure of an SWP team or individual to the unique circumstances of the company embarking on the journey is critical. It is important to acknowledge that the decision on how to structure the function, team or role that will own the Strategic Workforce Plan for the company should be developed as part of the upfront design. In fact, it should be one of the first questions to consider in the design phase.

Dependent upon the previously discussed goals and visions of SWP in an organization, there are many different structures that the organization could potentially pursue for its SWP function. The first one that is common in many organizations would be to have a single point of contact or individual contributor owning the entire programme. A structure of this nature is popular with organizations that have constraints around headcount (which is not uncommon) and want to start small, demonstrate proof of concept and potentially grow a team around the successes of the individual running that programme. The challenge with this approach is that it often can be difficult for a single individual alone to gain traction. Attending meetings, building relationships, influencing stakeholders and doing the analyses alone can prove to be too much. The resultant effect is the individual contributor delivering work that lacks quality and quantity.

Another possible structure is in the form of a more traditional team. A team-based approach can take on many forms. Generally speaking, there should be distinct roles and responsibilities across the team that, when brought together, provide the team with the ability

to scale its impact way beyond what could be accomplished by an individual contributor alone. The structure of roles across this team should consist of a leader who works with other leaders across the organization to craft a vision, lay out a roadmap and provide leadership in ensuring that vision and roadmap are commensurate with the broader organizational expectations for the function. In addition to providing leadership for the operational execution of the SWP function, the team leader should also be a subject matter expert (SME) with the requisite knowledge, skills and experience needed to work through challenges, identify opportunities and communicate progress against goals to the rest of the organization. Other key roles within the team include a statistical specialist whose primary purpose involves developing forecasts and conducting quantified statistical analysis on the current and future workforce trends. The team should also consider including a data engineer whose role would consist of writing structured query language (SQL) queries to pull and manipulate data from data warehouses. SQL is the language a data engineer uses to communicate with a database. The data engineer writes programming code for the computer that delivers a message to the database, which in turn has the database retrieving different variations and structures of data for the data engineer. SQL allows the data engineer to join and merge disparate data sources together to create new data tables along with developing dashboards for the tracking of metrics. Finally, the team should have an insights partner whose role involves working directly with stakeholders across the business. Their primary goal would be to better understand business requirements, strategic drivers and future organizational trends and objectives. The insights partner will also work with these same stakeholders to communicate the results of analyses, along with providing consulting support in the form of recommendations. Regarding the insights role, the organization might want to include project management as being in the scope of activities for this role. Alternatively, the company could have a standalone project manager whose role would include typical project management activities, such as scheduling and leading meetings, developing and owning project artefacts and tracking project deliverables and activities. Ideally, the project manager would also own the change management and communications plans.

The size of an SWP team is once again dependent upon the ultimate vision and impact the organization hopes to derive from this team. That said, the larger and more matrixed the organization, the more complicated it becomes to deliver on an enterprise-wide Strategic Workforce Plan. It is at this inflection point that large global companies need to consider the SWP function in the context of either a centralized or decentralized approach. Before deciding upon either of these approaches, however, the organization should reflect on some key questions, such as:

- Should there be regional teams?
- Should the function organize teams by business units and, if so, what should be the size of these teams?
- Should the function develop a centralized centre of excellence?
- Should the function have in-person support at every site?
- Finally, where should the function be based?

On the final question, it is not uncommon to have questions regarding which function or part of the organization an SWP team should sit within to have maximum impact. In the more traditional model, SWP teams sit in HR, but there is also a solid case for having these teams sit in finance or operations. Team location once again becomes a question of end vision, strategy, organizational competencies and broader enterprise-wide organizational design.

Jobs, roles and skills in the SWP process

Consideration of the different types of roles required for an optimal Strategic Workforce Plan was touched on in the previous section. While this is a good place to begin, there is more to consider than just the types of roles within the team. More important than the roles themselves are the skill sets and competencies that the employees who are in those roles possess. While there will be an entire chapter dedicated to this topic later in the book (Chapter 7), it is still worth mentioning the importance of this topic as part of the introduction to SWP.

Developing the criteria for the skills and competencies that an SWP team requires for success is once again dependent upon many

factors, such as the goals and vision for SWP in the organization, the industry within which that organization operates and the availability of talent with regards to office and company location. These factors aside, there are certain must-haves when it comes to skill sets for an SWP team to possess for maximum impact. Furthermore, depending upon the role in the team, those skills can vary widely. The following list provides a good starting point when considering the unique skill sets that an individual should possess in the roles that were discussed earlier in this chapter:

Team leader

- leadership experience;
- executive presence;
- communication skills;
- ability to influence;
- negotiation skills;
- analytical mindset;
- attention to detail;
- SWP and analytics experience;
- storytelling with data;
- project management;
- ability to work under pressure;
- problem solving;
- creativity.

It is clear from this list that the characteristics an SWP leader should possess are like the leadership qualities that would be considered desirable in any leadership position. The primary difference is the actual background in more specialized skills like analytics, SWP and project management.

Data engineer

- database administration;
- SQL language;

- Python;
- R;
- Structured Query Language (SQL);
- Excel;
- statistics;
- ability to ask the right questions;
- ability to work under pressure;
- ability to break down complex problems into manageable outputs that are easy to explain.

The skill sets essential from the team's data engineer are deeply rooted in database administration with the ability to write complex SQL queries. Individuals in this role must be able to merge and join disparate data sets and have the ability to communicate the methodology and approach that was used to create these data sets. These individuals must also be able to work under pressure and have the ability to manage competing priorities.

Insights partner

- consulting background;
- communication skills;
- analytical skills;
- data visualization;
- storytelling with data;
- project management;
- change management;
- meeting effectiveness;
- managing competing priorities.

Many of the skills that the insights partner possesses are similar to the team leader. The biggest differences are that the insights partner will not require the same level of executive presence and influence as the team leader. The insights partner role should serve as a confidant to the external stakeholders. Project management and managing change and communications plans will be a big part of this role.

Analytics specialist

- data modelling;
- statistics;
- SQL;
- R;
- forecasting;
- data curiosity;
- data visualization;
- data creativity;
- highly analytical;
- abstract thinking;
- ability to communicate methodology and statistical findings in layman's terms;
- ability to manage competing priorities.

The analytics specialist should be considered to be the team's deep quantitative expert. This role should not be confused with the data engineer role, where the focus is more specifically on pulling reports from the HRIS, manipulating data and building dashboards. The analytics specialist, in contrast, is a role that provides the team with the majority of the statistical analysis. Daily activities might include creating statistical forecasts, inferential studies and predictive analytics.

Summary of chapter objectives

SWP and its practical application for companies and organizations

SWP is the process of thinking through the challenges and opportunities that an organization's people could/will face as market conditions change and business cycles mature. It seeks to define how the organization's workforce structure should evolve as these market conditions change and the business develops. Simply put, SWP is the function within a company tasked with identifying people-related opportunities and challenges associated with changes to the business

and then developing a plan to capitalize on the opportunities and mitigate the risks linked to those challenges. SWP is a process that can be leveraged across the entire organization to improve performance. It gives managers in all functions across the business a set of tools to assess and improve their team's performance by being proactive in how they plan for the future.

The purpose and benefits of SWP

The purpose of SWP is to improve the performance of the company or organization. Improving the organization's performance through its people can be achieved by better alignment of skills, programmes, teams and day-to-day work with the strategy, objectives and goals of that company or organization. SWP benefits the organization because it provides managers, leaders and HR professionals with insights regarding the current and future state of the workforce. Workforce insights of this nature provide these managers, leaders and HR professionals with the information they need to make optimal workforce-related decisions. Having the knowledge and ability to make the 'best' decisions for the organization's workforce in turn will lead to cost-effectiveness, efficiency gains and performance improvement for the organization.

SWP is also a mechanism for bridging the gap between the organization's corporate strategy and its workforce strategy. Aligning corporate and workforce strategies is crucial for maximizing future company performance. This is because so much of the corporate strategy is dependent on having a workforce in place that has the talent necessary to execute on the strategy's objectives. Developing a workforce with this talent begins with alignment of the workforce and corporate strategies, which is exactly what SWP helps the organization to do.

The challenges of SWP

Change management and communications plans are essential parts of any SWP programme. The likelihood of facing resistance when first embarking on a journey into SWP is high. Practitioners should be prepared to defend the business case behind creating a Strategic Workforce Plan and/or team. In addition to having strong change management and communications structures in place, executive

support is crucial for scaling the programme and gaining credibility across the organization.

Structuring of an SWP function

There are many possible team structures that can be implemented in building out an SWP function. Structures can range from a one-person team to a fully built-out matrixed function that spans across regions and business units. The structure of the SWP function is largely dependent on the goals, mission and vision for the programme within the individual business.

Outlining key jobs, roles and skills involved in SWP

Independent of the structure of the SWP team are the skill sets required for optimal impact. These skills are largely a function of the goals, mission and vision for the team, but there are certain skills that should be included in any SWP programme. These skills can be thought of in terms of soft (non-technical) and hard (technical) skills and include but are not limited to those listed in Table 1.1.

Table 1.1   Common challenges in Strategic Workforce Planning

Soft Skills	Hard Skills
• Leadership experience	• Data modelling
• Executive presence	• Statistics
• Communication skills	• SQL
• Ability to influence	• R
• Negotiation skills	• Forecasting
• Attention to detail	• Data curiosity
• Project management	• Data visualization
• Ability to work under pressure	• Data creativity
• Problem solving	• Analytical skills
• Creativity	• Storytelling with data
• Change management	• Project management
• Meeting effectiveness	
• Communication skills	
• Prioritization skills	