

Workforce Planning Guide - Step Two - Analyze Current Workforce

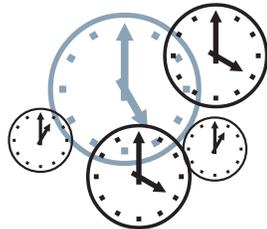


Right People,



Right Place,

Right Time,



for
State of Alaska
Agencies

State of Alaska,
Department of Administration,
Division of Personnel & Labor
Relations

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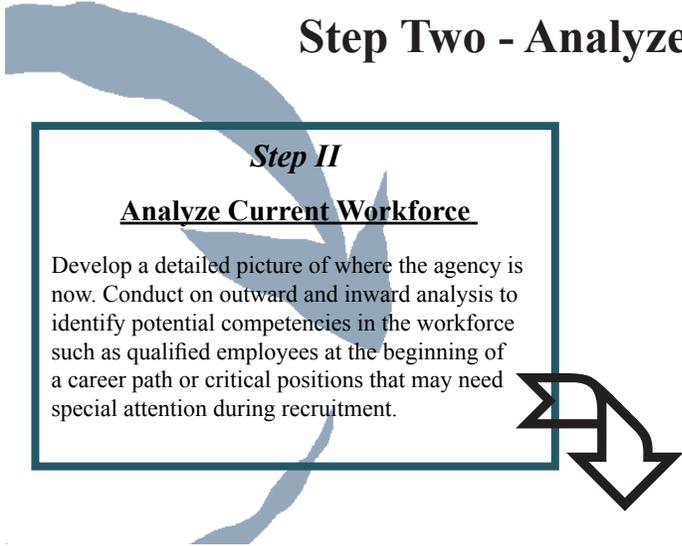
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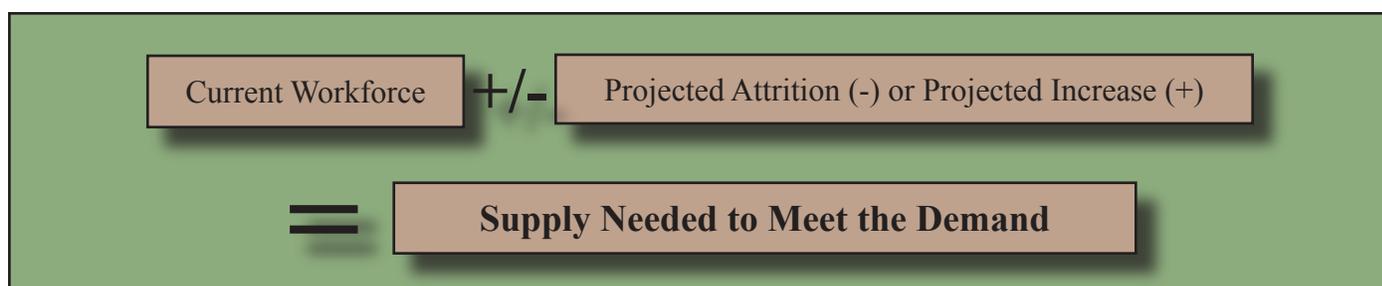
Step Two - Analyze Current Workforce

Step II

Analyze Current Workforce

Develop a detailed picture of where the agency is now. Conduct an outward and inward analysis to identify potential competencies in the workforce such as qualified employees at the beginning of a career path or critical positions that may need special attention during recruitment.





Projecting the Supply to Meet the Demand Forecast

The second step in an agency's workforce plan is to **Analyze the Current Workforce** (see page 20, Workforce Planning Desk Reference and Guide). When doing so, the agency is answering the question "What current employees do we have now that can meet the demand that we have forecast for the next 2, 5, 10, etc years?" In essence, the agency is creating a supply analysis. The supply analysis identifies the agency's available resources so that the workforce plan can, in Step Three, close any gaps between what is needed and what is currently available to meet that need. The purpose of this guide is to assist agencies in performing their supply projection analysis.

There are several assumptions implicit in this guide.

- The agency using this guide has appointed an internal agency workforce champion.
- The agency has completed a SWOT analysis.
- The agency has completed Step One: Define the Future and has created a Demand Analysis.
- The agency is taking a team/working group approach to workforce planning and has a team of highly performing representative employees, front line supervisors, managers, and others leaders who are working through these processes.

The supply analysis is used to focus the agency's workforce plan on the current workforce in the targeted job classes and to identify trends that will impact them in the future. Supply analysis pulls together two components—current workforce and projected attrition or increase—into the projection of future needs.

Current Workforce

Analyzing the current workforce tends to take a two-prong approach. The agency must consider the numbers of employees it currently has and anticipates needing, but it also should consider the competencies of the current employees. An agency with an abundance of employees in targeted job classes who lack the necessary competencies to do the job needed in the future has as big a gap (though admittedly, a different kind of gap) between supply and demand as would an agency with a fewer number of employees available to do the work in the future. Both pieces—numbers and competencies—need to be included in the agency's workforce plan.

Assessing Competencies

A simple, straightforward way to assess the competencies of current employees is to review position descriptions and job class specifications. This is relatively easy to do; however, this approach lacks precision and doesn't really address people's potential, since it focuses strictly on the demands of the current job, not on what additional skills, knowledge, and abilities employees may bring to the job. It is a good place to start, but it is recommended that, once the agency has taken this initial review of current competencies, it complete a more detailed assessment.

As mentioned in the Workforce Planning Desk Reference and Guide, the competency assessment process can become quite complicated. One approach continues the competency ratings begun during the Demand Forecast analysis. During the Demand Forecast analysis, the agency used the *Competency Rating Worksheet* (see Resources section of this guide) where a team of subject matter experts of the work rated competencies needed for the targeted job classes. The worksheet has three columns for the team to use to rate, using a scale of 0 to 4, competencies that are

- Currently possessed by employees in this agency in this job class
- Currently required to accomplish the work of the agency
- Will be required in the future

For the Demand Forecast, the team rated the competencies needed in the future. Now the team will rate the competencies that are currently possessed by employees and are currently required, using the same process as they used before. Some agencies may have selected a consensus approach, while others may have chosen to average the scores. The team needs to be consistent in its rating for the components in this step, using the same method as before. The team is determining the extent of each competency as possessed by employees on average, as a whole. The purpose is to end up with a list of competencies possessed by the whole group of employees in the targeted job class, and how much or how little the group as a whole can exhibit the behaviors that show no, basic, intermediate, or advanced competency in the given desired areas.

Some agencies may want to get input from current supervisors of employees in the targeted job classes. One way to do this is to prepare the same *Competency Rating Worksheet* used by the committee, but omitting any competencies needed for the future that the team rated 0 (not required), and perhaps even 1 (basic level of competency). The revised worksheet can then be sent to a random group of supervisors of the targeted job class, asking them to complete a confidential assessment of each of their employees in the targeted job class. The supervisors would not be asked to identify employees by name, and the team would then tabulate the ratings and compile the results in order to assist them with their own decision making process.

Once the team has completed this part of assessing the current workforce, it is ready to take the next step—developing a workforce profile.

Profile of the Current Workforce

The current workforce profile is the next part of the supply analysis process. A profile is a collection of salient data, including the number of employees, salary, demographic information, age, retirement eligibility, educational background, and other relevant factors that need to be considered (see page 20, Workforce Planning Desk Reference and Guide).

The data can be found from a number of sources. Some of the needed data was discovered during the SWOT analysis. Other data can be found in the Division of Personnel & Labor Relations Annual Workforce Profile, and additional data can be requested through specialized reports available from the Employee Planning and Information Center.

Every agency will develop its own best practice for putting this information all together into one cohesive document. For those agencies that have not yet made a decision, there are sample templates in the Resources section that will provide some guidance in taking this step.

Projected attrition (-) or Projected increase (+)

After compiling the agency's workforce information, the team will examine the trend data to forecast future decrease or increase in personnel. In other words, the agency now knows what competencies it will need and who currently has those competencies. It next needs to find out how many of those employees the agency can expect to be here in the next 2, 5, 10 or more years.

This process involves projecting the profile just completed into the future as if no management action will be taken to replace those leaving and as if no management action will be taken to develop employees. The agency starts by reviewing all available trend data.

Trend data includes such items as hiring patterns, retirement patterns, and employee movement. Specialized reports are available for some of these items through the Employee Planning and Information Center (Division of Personnel & Labor Relations). Some of this data can be compiled through anecdotal and statistical information kept at the agency level. There are worksheets in the Resources section to assist agencies in assembling and calculating attrition numbers, but a partial list of the trends an agency will want to review is below:

- Retirement patterns
- Employment life cycle (where the employee is in his/her career)
- Movement or turnover statistics

The Employee Planning and Information Center can provide a retirement projection report for an agency, based upon years of service and retirement eligibility. However, it is important that an agency understand that it will also need to consider where the employee is in his/her employment life cycle. For example, a 20-year employee may have just been promoted into another job class and is now at the beginning of a new career, and even though presently eligible for retirement, may not be planning on it any time soon. Agencies may want to distribute a *Retirement Intention Survey* (a sample is in the Resources section). Should an agency decide to distribute this survey, there are several very important considerations:

- The survey should be administered with a guarantee of **complete confidentiality**. The workforce champion or some other totally neutral person should be in charge of dissemination, collection, and compilation of data.

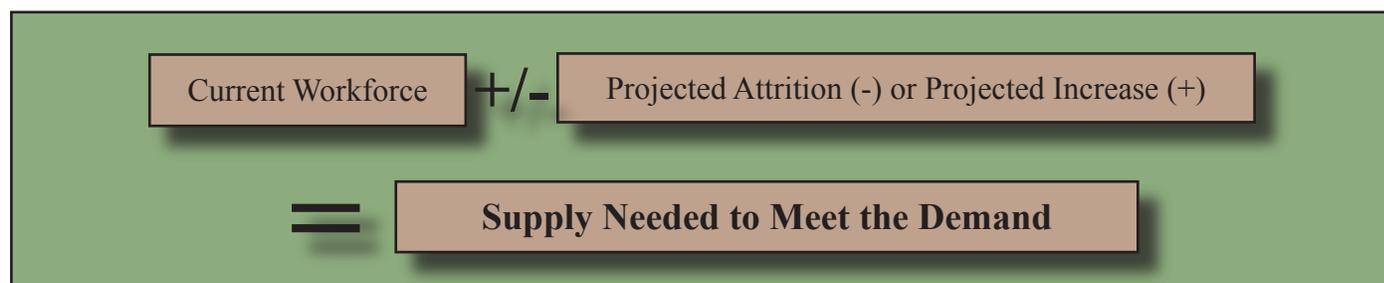
- The survey should be administered to **all** employees in the targeted job class, not just to those that the agency thinks may be close to retirement. To limit participation smacks of age (and possibly other) discrimination. The agency may also be surprised at its findings when the survey is open to all employees in a job class.
- The survey should be fully explained as being part of the agency's workforce planning efforts, and why the information is important to the plan.
- All data should be presented in the aggregate, with no individual data available to supervisors, employers, manager, or other agency leaders.

Another kind of turnover that is often overlooked in workforce planning is that of promotion attrition. Promotions of the targeted job class are often driven by a higher level at the agency and are difficult to predict. However, agencies that typically promote internally rather than hire from the outside will have some unique challenges in its workforce plan. Promotions create a ripple effect and any good workforce plan includes *succession planning* as one piece of it. An agency's retirement projections should also include the possibility of promotion attrition—when an employee retires from a higher level, the group at the lower level also has the potential of losing an employee who moves up due to promotions.

The agency will want to analyze the educational requirements of the targeted job class and who in the current workforce with the appropriate licenses, certifications, or degrees are likely to leave. It would be extremely unfortunate to lose all of the agency's employees who hold a certain certification at one time, but these kinds of circumstances happen. Doing this exercise will also help an agency, in its gap closing strategies, consider sources of employees who hold or will hold those necessary credentials.

Obviously, there will be some cases in agencies with succession plans in place for *increases* in qualified eligible employees. Agencies that have developed their employees so that they can fill anticipated vacancies in leadership roles will find that they have projected increases in certain targeted job classes.

Both of these possibilities will be taken into consideration when the agency is determining what supply will be needed to meet the Demand Forecast.



Once the agency has profiled its current workforce and projected its probable attrition or retention, it has some valid idea of how many qualified employees it will have to fill anticipated needs—in other words, how many *right people* with the *right competencies* at *the right time* the agency will have to fill its mission. It will also have a valid idea of the number of employees for which it will need to compete, recruit, and retain. The differences between supply and need create the gap. Closing that gap is Step Three of the agency's workforce plan.

Resources

The following tools are available for use by any State of Alaska agency. Each tool can be adapted for use by the agency so that it meets the unique needs of the agency's workforce and strategic plans.

- Competency Model
- Competency Assessment Worksheet
- Retirement Intention Survey
- Current Profile worksheet templates
 - Demographic Table
 - Retirement Eligibility
 - Intent to Retire
 - Educational Level
 - Vacancies by Job Class
 - Turnover Projection Summary
 - Projected Internal Supply

Competency Model for Customer Service

Competency: Customer Orientation—the ability to demonstrate concern for satisfying one’s external or internal customers

Supporting Skills with observable Behavioral Anchors:

Presents a cheerful, positive manner with customers

- Greets each customer within X minutes of the customer’s arrival in a pleasant manner
- Asks each customer if he/she needs assistance
- Provides assistance as requested; remains alert for other requests, but is not obtrusive
- Asks if there are any other transactions that the customer needs or wants
- Ends the interaction in a pleasant manner

Quickly and effectively solves customer problems

- Asks customers for specific information regarding the problem
- Paraphrases customer’s conversation to be sure problem is understood
- Determines the nature of the problem
- Takes care of the problem or refers customer to the appropriate division/department to handle the problem
- When referring to another department, contact that department for the customer to make any necessary appointments or other arrangements

Finds ways to measure customer satisfaction

- Monitors and tracks customer comments and/or complaints through various methods such as keeping a phone log.
- Asks customers if service has been satisfactory
- Follow up with complaints or comments with phone calls, letters, or other personal contact

Competency Rating Worksheet Introduction and Instructions

This worksheet contains a list of competencies as a starting point. It is incumbent upon the agency to add any competencies to this worksheet which are needed to fulfill the mission of the agency now and in the future and to delete any competencies which are not mission critical.

In addition, this worksheet includes a rating scale for *currently possessed competencies*. The agency has already used the worksheet in its completion of Step One: Define the Future in its overall workforce plan. At the very least, the agency has completed columns one and two. However, some agencies may have found it more efficient to complete all three columns at one time. In the event that the agency has only completed the first two columns, the worksheet and the instructions are provided again. The guides for Demand Forecasting and Closing the Gaps also refer to this worksheet.

A team of subject matter experts should be assembled by the workforce champion to rate the competencies. This may or may not be the same group of people who will create the Demand Analysis. At the very least, this team should be composed of high performing employees and outstanding front line supervisors who have a clear understanding of the work that is performed now and that will be needed in the future.

Either a consensus of the group for each competency should be reached or an average of the rankings should be used. The objective is to narrow the list down to 10 or so most important competencies needed to perform the job now and in the future.

Instructions: For each competency, indicate the degree to which the competency is

- Currently possessed by employees in this agency in this job class
- Currently required to accomplish the work of the agency
- Will be required in the future

Use this scale:

- | | |
|---|----------------------------------|
| 0 | Not required |
| 1 | Basic level of competency |
| 2 | Intermediate level of competency |
| 3 | Advanced level of competency |

Competency Rating Worksheet				
Competency	Definition	Currently Required (Steps One and Two)	Required in Future (Step One-Define the Future)	Currently possessed (Step Two-Analyze Current Workforce)
Adaptability	Adapts well to changes in assignments and priorities; changes behaviors or work methods in response to new information			
Applied Learning	Able to learn and properly apply new job related information in a timely manner			
Building trust	Interacts with others in a way that gives them confidence in one's motives; is seen as direct and truthful; keeps commitments and promises			
Coaching	Provides timely, helpful guidance and feedback to others			
Collaboration	Builds constructive working relationships with clients, other work units, and other organizations to meet mutual goals and objectives			
Conflict management	Uses appropriate interpersonal styles and techniques to reduce tension and/or conflict between two or more people; facilitates resolution			
Client/ Customer focus	Makes clients and their needs a primary focus of one's actions; gains client trust and respect			
Decision making	Breaks down problems into components and recognizes interrelationships; makes sound, well-informed, and objective decisions			
Delegating responsibility	Comfortably delegates responsibility, tasks, and decisions; appropriately trusts others to perform			
Follow up	Monitors the work of direct reports to insure quality standards			
Formal presentation skills	Effectively presents ideas, information, and materials to individuals and groups; facilitates workshops or meetings			

Used by permission from [Cornerstone for Kids \(2007\)](#)

Competency Rating Worksheet				
Competency	Definition	Currently Required (Steps One and Two)	Required in Future (Step One-Define the Future)	Currently possessed (Step Two-Analyze Current Workforce)
Initiative	Takes actions without being asked or required; achieves goals beyond job requirements; is proactive			
Managing work	Shows ability to plan, schedule, direct work of self and others; balances task requirements; organizes materials			
Negotiation	Explores alternatives and positions to reach agreements and solutions that gain support of all parties			
Safety awareness	Aware of conditions and circumstances that affect one's own safety and the safety of others			
Strategic focus	Understands how an organization must change in light of external and internal trends and influences. Keeps the big picture in mind			
Stress tolerance	Maintains effective performance under pressure; handles stress in a manner that is acceptable to the agency			
Team leadership	Communicates a vision and inspires motivation; engages team in problem solving; helps team stay focused on major goals			
Technical/professional knowledge and skills	Possesses, acquires, and maintains the technical expertise to do the job effectively			
Work standards	Sets high standards and realistic goals for oneself; displays high level of effort and commitment towards completing assignments in a timely manner.			
Add others as needed by the agency				
Used by permission from Cornerstone for Kids (2007)				

Retirement Intention Survey Memo

To: All Employees in Job Class _____
Department XYZ

From: Workforce Champion or other neutral administrator

RE: Workforce Planning Efforts

As you know from previous communications sent to you and announcements at meetings, Department XYZ is currently engaged in a workforce planning effort. This effort concentrates on forecasting what our future workforce will be over the next 2, 5, 10, etc years.

To help us determine future workforce needs, we are surveying all employees in this job class to get a sense of when they may be planning to retire. While we are able to get retirement eligibility data from other sources, that data only tells us who *could* retire at certain times—it does not tell us the *personal* side, which includes *your* thoughts and plans about retiring.

It would be very helpful to our planning efforts if you could give us some idea of your future retirement plans, even though we recognize that these plans may change for a variety of reasons. This data will be used for workforce planning efforts only and the information gained will only be available to the agency workforce planning team in an aggregate form. No individual information will be available to anyone for any purpose.

Thank you for helping Department XYZ to make informed choices about the directions needed for its workforce plan. Please return the completed form on page 2 to

Name: _____ (Department Workforce Champion)

Office Number/ Business Address: _____

Retirement Intention Survey				
Name (Optional)			Date:	
Job Class:				
Division/Agency:				
First Date of Eligibility to Retire:				
How likely are you to retire in the next year?				
1 Very Unlikely	2 Somewhat Unlikely	3 Unsure	4 Somewhat Likely	5 Very Likely
How likely are you to retire in the next 2 years?				
1 Very Unlikely	2 Somewhat Unlikely	3 Unsure	4 Somewhat Likely	5 Very Likely
How likely are you to retire in the next 5 years?				
1 Very Unlikely	2 Somewhat Unlikely	3 Unsure	4 Somewhat Likely	5 Very Likely
How likely are you to retire in the next 7 years?				
1 Very Unlikely	2 Somewhat Unlikely	3 Unsure	4 Somewhat Likely	5 Very Likely
How likely are you to retire in the next 10 years?				
1 Very Unlikely	2 Somewhat Unlikely	3 Unsure	4 Somewhat Likely	5 Very Likely

Templates for Current Workforce Profile

These templates are designed to provide agencies with tools to compile various types of data that describe the current workforce. The data with which to complete the templates will come from a variety of sources:

- The environmental scan and SWOT analysis
- Annual Division of Personnel Workforce Profile
- Customized reports available from the Employee Planning and Information Center with the Division of Personnel and Labor Relations
- Internal surveys (see above)
- Alaska Department of Labor and Workforce Development
- US Department of Labor, Bureau of Labor Statistics

This list is not all inclusive, but it provides the agency with some places to begin compiling the data.

Agencies may also find that they need other kinds of information for which a template is not included. Each agency will make its own decision about what information it needs to effectively profile its current workforce. The templates included in this guide are:

- Demographic Table
- Retirement Eligibility
- Intent to Retire
- Educational Level
- Vacancies by Job Class
- Turnover Projection Summary
- Projected Internal Supply

The workforce champion and agency workforce team can adapt these templates to meet the unique needs of the agency.

Demographic Information										
Measuring diversity in the workplace										
	White		African-American		Hispanic		Asian		Native American	
Age	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
<25										
25-35										
36-45										
46-55										
56-65										
> 65										
Total										

Retirement Eligibility								
Measuring number and percentages of current employees who are eligible to retire								
			Currently Eligible		Eligible in 3 Years		Eligible in 5 years	
Job Class	Div/Agency	Total EEs	# Eligible	% Eligible	# Eligible	% Eligible	# Eligible	% Eligible
Targeted Job Class A								
Targeted Job Class B								
Targeted Job Class C								

Intent to Retire								
Measuring current employees who intend to retire when eligible								
			Currently Eligible		Eligible in 3 Years		Eligible in 5 years	
Job Class	Div/Agency	Total EEs	# Eligible	% Eligible	# Eligible	% Eligible	# Eligible	% Eligible
Targeted Job Class A								
Targeted Job Class B								
Targeted Job Class C								

Educational Level						
Measuring current employees who hold certain qualifications, licenses, or educational degrees						
Job Class	# of EEs	Div/Agency	Certificate	License	Bachelor's	Master's or higher
Targeted Job Class A						
Targeted Job Class B						
Targeted Job Class C						

Vacancies by Job Class Rate			
Measuring the vacancies of current positions in targeted job classes			
Job classes	Targeted Job Class A	Targeted Job Class B	Targeted Job Class C
Number of positions			
Number of employees			
Number of vacancies			
Percentage vacant			

Number of positions = x

Number of employees = y

Number of vacancies = x-y

Percentage vacant = $(x-y)/x$

Note: Another measurement the agency may wish to take is to determine how long the position has remained vacant or how long it took to fill a vacancy of a targeted job class. This kind of specialized information can be obtained from reports in Workplace Alaska.

Turnover Projection Summary			
Targeted Job Class:			
	Column One	Column Two	Column Three
Reason for Attrition	Avg. percentage turnover	Current EEs in class	Projected Average turnover
Retirements			
Resignations			
Terminations			
Promotions			
Demotions			
Transfers			
Other			
Total turnover			
<p>Instructions:</p> <ul style="list-style-type: none"> • Column One: To get an average, use several years' (3 to 5 will give a more accurate number) information, add the annual number of employees leaving for each reason and divide by the number of years used. • Column Two: The current number of employees in that job class. • Column Three: Multiply the number in column one to the number in column two. 			

This template provides a final analysis of the *current employees* who can reasonably be expected to be available to meet the needs that were discovered during the Demand Analysis.

Projected Internal Supply		
Targeted Job Class:		
Current staffing level:		
Projected Attrition (Turnover):		
Internal Supply:		

Putting the Anticipated Demands and the Supply Projections together creates the Gap Analysis, the first part of Step Three of the Workforce Planning and Development Model.

Additional Resources

Websites:

<http://www.naspe.net/>

<http://www.ipma-hr.org/>

Publications:

Cornerstones for Kids: Workforce Planning Toolkit (2007). CPS Human Resources Services

Workforce Planning Desk Reference and Guide (2008). Employee Planning and Information Center, Division of Personnel and Labor Relations

Workforce Planning Resource Guide for Public Sector Human Resource Professionals (2002). International Personnel Management Association

Division of Personnel and Labor Relations, State of Alaska publications:

Workforce Planning—Quick Reference for Managers and Supervisors

Knowledge Transfer Tools

Skill Gap Analysis Power Point

Succession Planning For State Agencies

HR Update (published monthly)

State of Alaska Workforce Profile (published annually)

Division of Personnel & Labor Relations Service Centers:

Division of Personnel and Labor Relations management services consultants are ready to assist you with workforce planning efforts. Contact information for the HR Service Centers is below:

Resource Group Service Center, serving the Departments of Fish and Game, Natural Resources, and Environmental Conservation can be reached at 465-2463.

Public Protection Service Center, serving the Departments of Corrections, Public Safety, and Military and Veterans' Affairs can be reached at 334-2606.

General Agencies Service Center, serving the Departments of Law, Administration, Commerce Community and Economic Development, Education and Early Development, Revenue and Labor and Workforce Development can be reached at 465-2498.

Transportation and Public Facilities Service Center can be reached at 465-6956.

Health and Social Services Service Center can be reached at 465-2308.

State of Alaska
Department of Administration
Division of Personnel & Labor Relations

Annette Kreitzer
Commissioner

Nicki Neal
Division Director

Contributors:
Carol McLeod and Frank Hurt

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DOPLR Workforce Planning Publications Editor
PO Box 110201
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