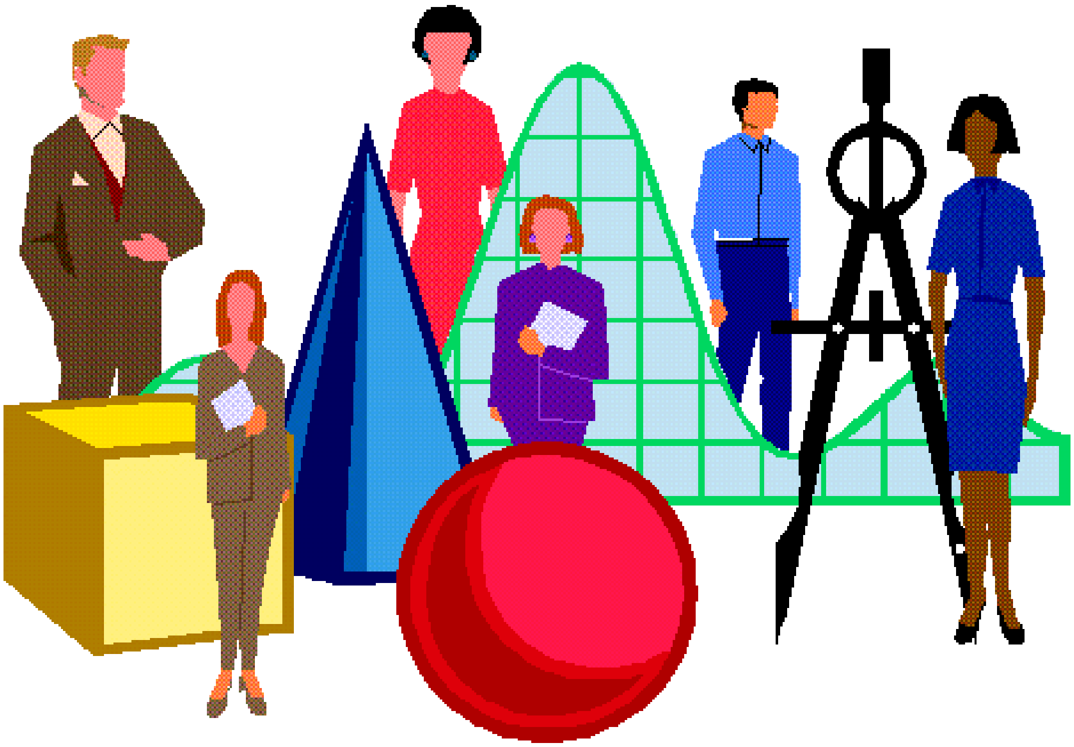
WORKFORCE PLANNING INSTRUCTION MANUAL



U.S. Department of the Interior
Office of Personnel Policy
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Workforce planning can be very simple or very complex depending upon the needs of the organization. It is a multifaceted and dynamic process that requires information from a variety of sources.

Because a “How-To-Guide” cannot be all things to all people, we have provided a brief summary and general information on other processes that are equally important to workforce planning but separate processes. Each section is intended to be a stand-alone document to be used as appropriate.

Acknowledgement: We wish to thank the National Institutes of Health (NIH) who’s Workforce Planning Instructional Guide served as the model for this manual.

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Workforce Planning Summary/Briefing Document

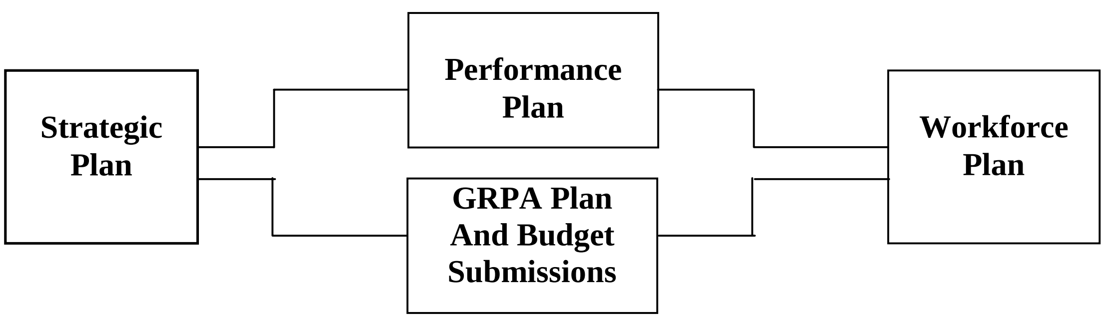
This section provides conceptual information about workforce planning.

WHAT IS WORKFORCE PLANNING?

Workforce Planning (WFP) ensures that "the right people with the right skills are in the right place at the right time." This definition covers a methodical process that provides managers with a framework for making human resource decisions based on the organization's mission, strategic plan, budgetary resources, and a set of desired workforce competencies.

Planning for human resource needs is one of the greatest challenges facing managers and leaders. In order to meet this challenge, a uniform process that provides a disciplined approach for matching human resources with the anticipated needs of the U.S. Department of the Interior (DOI) and its bureaus is essential.

Workforce planning is a fundamental planning tool, critical to quality performance that will contribute to the achievement of program objectives by providing a basis for justifying budget allocation and workload staffing levels. As DOI develops strategies to support the achievement of both long-term and annual performance goals in the strategic plans, workforce planning should be included as a key management activity. WFP must be directly linked to broad-based management strategies that encompass several processes.



It is a dynamic process that facilitates planning for different scenarios. Thus, it can be as complex or as simple as the organizational needs dictate. An organization may choose to conduct workforce planning in an office versus a functional area or a division versus the entire organization. Similarly, it is critical to conduct workforce planning during times of budget reduction as well as budget increases. Staff reductions and increases without any planning in conjunction with the organization's mission will only lead to the inability to fulfill staffing goals.

Essential Organizational Elements

In order to achieve the optimum WFP product, the following have been identified as being essential organizational elements that provide a framework for effectively carrying out WFP activities:

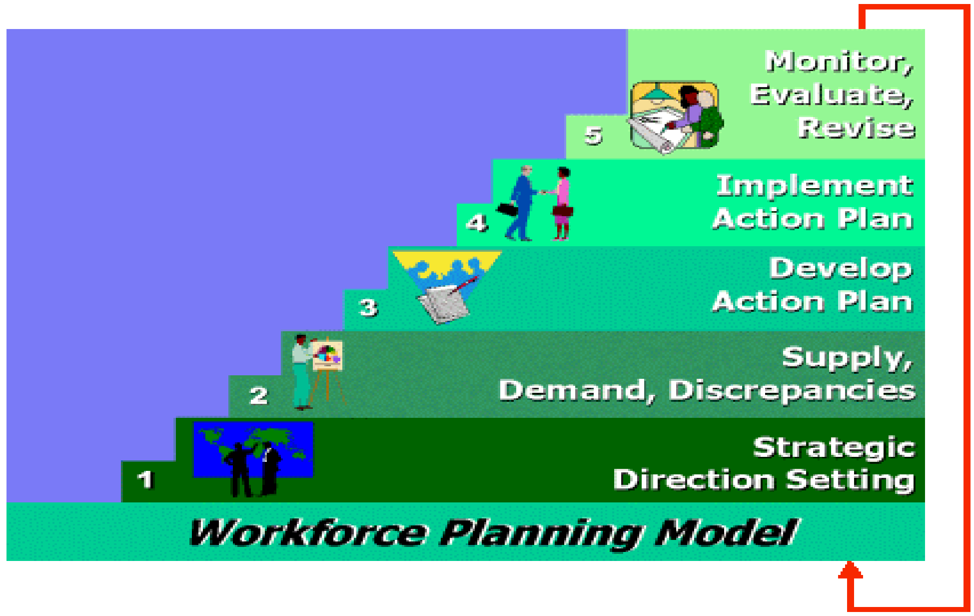
- Organizational Readiness to do WFP
- Top management support
- Accountability at all levels
- Integration of other planning processes with WFP
- A simple, systematic and well-documented process

Components of Workforce Planning

A review of several models has shown that, although WFP will vary depending upon the needs of an organization, the general processes appear to be alike. All rely on:

- **Integration of other planning processes**. In particular, strategic planning, budget, and human resources are key players in workforce planning. The strategic plans required by the Government Performance and Results Act (GPRA) identifies organizational direction and articulates measurable program goals and objectives. The budget process provides information on the allocated funding to achieve objectives. Human resources provides tools for identifying skills/competencies needed in the workforce, recruiting, career development, training, retraining, outsourcing, etc. in order to build the workforce of the future.
- **Workforce Supply -** Analysis of projected workforce supply based on projected retirements and attrition data on the current workforce. The Bureau of Labor Statistics (BLS) provides information on labor market forecasts (www.bls.gov).
- **Forecast Workforce Need -** Identification of skills/competencies needed in the future;
- **Gap Analysis** - Comparison of the present workforce skills/competencies to future needs to identify skill/competency gaps and surpluses;
- **Strategies** - Development of strategies and action items to address needed or surplus skills
- **Evaluation** - A dynamic evaluation process that ensures the workforce model remains valid and that objectives are being met in support of the organization's performance goals.

WORKFORCE PLANNING MODEL



Functional Considerations

Workforce planning requires two important functional considerations:

- **Planning Time Frame**

Organizations need to consider how far into the future to project when carrying out workforce planning. Managers need to balance the certainty of short-range planning against the need to plan for longer-range objectives. Longer time frames may provide more flexibility in planning workforce transitions but also will require regular validation of the analysis of future workforce needs. Shorter time frames run the risks of requiring more drastic workforce transition management and of missing coming changes by not looking far enough into the future. [Note: the Department recommends a five- year time frame.]

- **Planning Levels**

What is an appropriate organizational level for developing a workforce plan? There is no single answer to the issue of appropriate planning levels. The most useful guideline in determining planning levels is to make sure that the outputs of workforce planning will relate to organizational or programmatic strategic objectives.

A workforce planning model should provide flexibility to DOI Bureaus and Offices to adapt models to their own organization. This includes the flexibility to determine planning levels that make managerial sense and support strategic plans objectives. The size of an organization, how it is organized, how programs are managed, and budgeted, all will impact on workforce-planning levels.

Bureaus should make a concerted effort to be consistent across regions when developing a workforce plan. All bureau functions or organizations should develop their plans the same way (i.e., by function, occupation, region, organization, etc.). Failure to maintain consistency may result in “holes” where no workforce planning data exists. [Example: A bureau conducts workforce planning functionally for all mission critical occupations. At the same time 2 of the 3 bureau regions conduct a “wall-to-wall” workforce planning effort on all positions. Such an effort would lack any data on non-mission critical positions in region 3.]

[Note: For budgetary purposes and ease of integration with the strategic planning process, the Department recommends that a bureau/office workforce plan be developed. Organizational or programmatic plans may be developed (and useful) for human resources program development purposes, but an aggregated bureau/office workforce plan has the most value for developing budget and strategic planning input.]

Why Do Workforce Planning?

There are multiple reasons to conduct workforce planning:

- DOI Expectations. In FY 2001, 35 to 40 percent of DOI's discretionary budget involved personnel compensation. It is important that budgeting emphasis can deal with both workforce management and workforce reductions. The Office of Management and Budget (OMB) is increasingly emphasizing the link between dollars and personnel and asks that agencies accompany workforce requests with documentation that ties these requests to overall staffing goals.

  In order to meet this requirement, as well as present strong justification to appropriations, the DOI Budget Office will be asking Bureaus to apply workforce planning methods and techniques in developing staffing requirements. The expectation is that bureaus will include the outputs of workforce planning (including their workforce analysis) as supporting documentation in their budget justifications. The goal is to combine budget, program performances, and workforce priorities into a cohesive strategy that is presented in budget justifications.

- **Strategic basis for human resource decisions**. WFP helps the organization as a whole forecast future conditions and develops objectives for the human resource programs to meet the DOI/Bureau needs. It allows managers to anticipate change as well as provide strategic methods for addressing present and anticipated workforce issues. Changes in skills, competencies, and key positions can be anticipated as a result of retirements and natural attrition.

- **Links expenditures to organization's long-term goals and objectives.** Human resources are expensive. The higher the percentage of the budget comprised of human resources-related costs, the more important is the need to plan. The cost of employee turnover, replacement, retraining, and retention further increases these costs. WFP can reduce these costs by ensuring more efficient and effective recruitment, training, and retention. It also provides other benefits such as background information for position management and succession planning; better identification of training and development needs for the long-term; linkage of training with performance goals; more cost effective programs; more useful information on EEO and workforce diversity.

- **Links recruitment, development and training decisions to organizational goals**. WFP provides a clear rationale for linking expenditures for recruitment, training, employment development, retention, and other human resource programs. The Government Performance and Results Act of 1993 focus on the outcomes and results organizations expect to accomplish. Improvements in skills, personnel, and procedures will assist organizations in achieving GPRA goals.

  This is also emphasized in the General Accounting Office study, "Major Performance and Management Challenges," which notes: "Only when the right workers (employees or contingency workers) are on board and are provided the training, tools, structures, incentives, and accountability to work effectively is organizational success possible."

- **Address changes in program direction** that impacts the type of work being performed and/or how the work is being performed. WFP will help to identify work that can be contracted to the private sector (outsourcing) and opportunities to delayer management. Lastly WFP allows managers to identify ways in which technology and other business changes impact the skills required in the workforce.

  Automation will continue to have a profound impact on the way we do business. It will enable us to conduct our business with ever increasing efficiency. Advances in computer hardware and software will allow us to extensively use interactive and intelligent systems. Major changes to the personnel data system, office processes, and training methods can be expected.

DOI

WORKFORCE PLANNING MODEL

Introduction

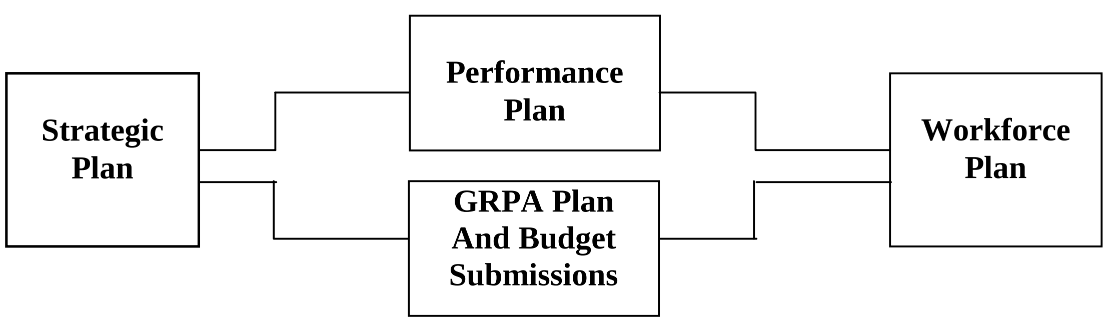
This manual is written for people who are tasked with developing a workforce plan. This manual provides information and processes that can be applied to ensure a systematic approach to workforce planning. It defines fundamental steps to develop and implement workforce plans as well as identifies tools available to assist managers and leaders in the overall process. However, there may be varying levels of understanding, varying reasons to conduct workforce planning, and varying qualities of information available within an organization. As such, whole or parts of this manual should be followed as much as the workforce planners' feel is necessary to accomplish their task, regardless of the complexity.

A sample model workforce plan can be found at Appendix A. Process steps 2-6 will help the user understand how to apply each step outlined in the manual. We recommend that each user refer to Appendix A for further clarification as you proceed through the steps.

What is Workforce Planning?

Planning for human resources needs (competencies and capabilities) is one of the greatest challenges facing managers and leaders. In order to meet this challenge, a uniform process that provides a disciplined approach for matching human resources with the anticipated needs of the U.S. Department of the Interior (DOI) and its bureaus is essential. Workforce planning is key to planning for these needs.

Program goals will not be achieved without having ***"the right people with the right skills in the right place at the right time."*** Workforce planning is a fundamental tool, critical to quality performance that will contribute to the achievement of program objectives. As DOI describes the strategies that support the achievement of both long-term and annual program performance goals in the strategic and performance plan, activities such as workforce planning should be included as an essential component of a broad-based management strategy.



The following are common reasons to conduct workforce planning:

- Helps meet the organization's competency/skill needs

- Provides focus for workforce demographics, retirement projections, and succession planning.
- Provides a clear rationale for linking expenditures for recruitment, training, employee development, retention, and other human resource programs to the organization's long-term goals and objectives.
- Provides managers with tools to address changes in program direction that impacts that type of work being performed.
- Assists managers in creating a high quality workforce capable of continually growing and changing.
- Assist managers in identifying partnering, outsourcing, delayering, and reorganizing opportunities.
- Provides critical information for inclusion in budget requests and Government Performance and Results Act (GPRA) strategic plans.

Key Elements

Although many approaches and techniques exist for doing workforce planning, the following have been identified as being essential organizational elements which provide a framework for effectively carrying out workforce planning activities. The workforce plan should:

- Reflect the management and organizational culture of the organization
- Have top management support
- Integrate other planning resources into the process
- Be user-friendly and systematic
- Seek accountability for results at all levels

Key Steps:

The following are the steps that lead to a full workforce analysis:

1. Prepare for workforce planning
2. Organize and mobilize strategic partners
3. Collect data
4. Examine data
5. Envision the future
6. Project needs
7. Determine gap
8. Develop action plan
9. Implement plan
10. Project costs
11. Develop GPRA/budget information
12. Review effectiveness and Begin Again

Acknowledgement

We wish to thank the National Institutes of Health (NIH) who’s Workforce Planning Instructional Guide served as the model for this manual.

Step One – Strategic Direction Setting

1.1 Identify Parameters

Regardless of how complex or simple workforce planning will be in an organization or unit, it will require input from a variety of functional areas and levels such as strategic planning, executive officers, administrative officers, program managers, human resources, budget and finance, unions, and strategic planners, etc. Ideally, leaders should identify a multidisciplinary team to conduct workforce planning. However, one individual may also be tasked with this responsibility. Before you began conducting your analysis, you should begin with the following (or use ones that are more applicable to your organization) parameters regardless if it is a team or one individual:

- Clearly understand why you are doing workforce planning.
- Identify resources available.
- Adapt models, strategies, tools, and processes to your organizational environment and needs. Concentrate on planning outputs that are organizationally meaningful and which support program objectives, budget requests, staffing requests, and strategic plans. Training, coaching, technical assistance and other support will be required as offices prepare to use models, strategies, and tools.
- Begin with a set of assumptions that set the scope of workforce planning within an organization.
- The capacity to do effective workforce planning will only be developed over time. The time needed to conduct workforce planning will vary depending on the scope of the WFP plan. It is critical to begin carefully and to validate the analysis at each step. It may be helpful for an office to begin with a subset of the workforce and extend planning through the remainder of the organization. This subset may be organizationally based, (such as a State Office), occupational focused (i.e., dealing with all Park Ranger positions), or program focused (such as land reclamation activities).

After you have either adopted these parameters or developed your own based on your organization, you should discuss them with top management to ensure their support.

1.2 Organizing and Mobilizing Strategic Partners

Now that you have established the parameters for the workforce-planning project, you should begin assembling the team of professionals to participate in the workforce study. At the very least, you will need specialists from strategic planning, financial management, budget, human resources, program areas, and a management analyst to assist you. Strategic planning sets organizational direction and articulates measurable program goals and objectives, the budget process plans for the funding to achieve these objectives, and human resources provides tools for identifying competencies needed in the workforce and for recruiting, developing, training, retaining, retraining, or placing employees to build the workforce of the future.

If working alone, notify subject-matter officials of this task and request their assistance when needed. Leadership should appoint specific offices and individuals to serve as key players, including employees from any targeted occupational groups that the plan is examining. This is also the time to discuss the roles, responsibilities, and commitment of each team member. The following information should be addressed for each team member:

- Name of each member
- Occupational group represented
- Specific role
- Responsibility
- Time committed to projected

You are now ready to begin workforce planning according to the following steps that are outlined in the remainder of this manual. Again, be sure to refer to the Sample Workforce Plan in Appendix A when you need clarification of Process Steps 2-4.

Step 2 – Supply, Demand & Discrepancies:

2.1 Data Collection

Workforce planners must gather a variety of information and data in order to conduct comprehensive workforce planning to determine future needs as well as the projected workforce supply. In order to paint the picture of the future, you should begin by:

(1) Examining planning documents (strategic plans, performance plans, etc.)
(2) Reviewing current and projected financial/budget information
(3) Determining major planning issues (external influences, trends, and anticipated changes in budgets)
(4) Developing assumptions and setting objectives accordingly.

The following sections will guide you in collecting all the data you will need to precede with the other steps in conducting a workforce plan analysis.

2.2 Define Scope of Data and WFP for Organization

Understand the scope of your study and exactly what information will help you develop a full workforce plan. It is recommended that you begin by identifying the Scope of Data and Scope of the Organization as outlined below:

SCOPE OF DATA

- Will the workforce plan focus on the entire organization, sub-unit, specific occupation, or functional area?
- Determine the number of years for which the workforce planning process will make projections (A 5 year plan is recommend.)
- Determine whether the "workforce" includes permanent, temporary, non-FTEs, contractors, volunteers, etc. [Note: This includes reviewing positions, organizations, and functions for possible outsourcing. It also involves looking for organizational delayering opportunities. It is recommended that <u>all</u> workers be included in the planning.]
- Examine diversity and/or cultural issues (ensure that the approach does not raise barriers for segments of the labor force)
- Identify baseline human resource and financial data, such as annual and projected budgets, FTE, etc., that will be used for the analysis.

Dealing with each of these issues will help you define the scope of your workforce analysis. This is a critical step in the beginning stages of understanding your workforce dynamics. While no formal protocol exists for capturing this information, it is recommended that these answers be documented as a section of the plan for future reference.

2.3 Collect Existing Documents

You will need to collect as many of the following documents/reports to assist you with understanding your organization's vision, outlook, and overall workforce dynamics:

- ♦ Strategic Plan(s)[1] including Mission Statement(s)
- ♦ Organizational Performance Plan(s)
- ♦ Financial Report(s)
- ♦ Budget Reports
- ♦ Vision Statement(s)
- ♦ Organizational Long/Short Term Goals
- ♦ Organizational Objectives
- ♦ Affirmative Action Reports
- ♦ Workload Reports
- ♦ All Organizational Studies
- ♦ Organizational Charts
- ♦ Staffing Plans
- ♦ FAIR Act Submissions

Once you have collected these documents, follow the instructions below to analyze each document. This information will be referred to throughout the processes and will be the driving force behind each step and strategy hereafter.

2.4 Examining the Data

You will need to examine and analyze the data to determine future needs, changes, and direction within your organization. To assist in analyzing the data you have collected, answer the following questions using the information you have collected.

QUESTIONS THAT WILL IMPACT THE ANALYSIS

(1) What changes are anticipated over the next _____ years regarding:

- ♦ Mission, base functions, strategic goals and objectives, operational goals, etc.
- ♦ Budget, trends and patterns. Do projected funding levels support positions and objectives? Are there any changes to your philosophy or approach to budgeting?
- ♦ Impacts of internal and external environment (legislative changes, Departmental initiatives, social and economic trends.)
- ♦ Planned FTE reductions or increases (what career fields, how many, etc.)
- ♦ Labor force trends
- ♦ Shifting skills/competencies
- ♦ New technology innovations

[1] Valuable data that will be used in the workforce planning process will be obtained directly from the strategic plan. Therefore, the creation and implementation of a strategic plan should be completed for effective workforce planning. However, in the absence of a strategic plan, use any other planning documents that are available and consult with senior managers to obtain the organization's vision and mission

- Changes in organizational structures (including delayering, reorganizing/restructuring)
- Outsourcing (contracting out)
- Partnering
- Use of volunteers
- Privatizing elements of divisions
- Duration of the projects and programs

(2) How will these changes affect:
- The volume, type and location of work to be performed
- Organizational structure and design
- Outsourcing decisions
- Mix of skills
- Supervisory/manager employee ratios
- Increasing/decreasing workforce staffing levels (FTEs and non-FTEs).

(3) What is the planned organizational outlook for the future and how do you plan to meet those goals? Examine the workforce by analyzing:

- The number of FTE's needed in what organization and with what skills and competencies and by when?
- Number and kinds of skills/competencies needed at each level of expertise (full performance, mid-level, trainees)
- Number of supervisors/non-supervisors
- Number of types of teams (teaming cultures and strategies)
- Number of volunteers
- Diversity objectives
- Developmental needs
- Positive education requirements
- Certifications

This information will be needed when you determine your gap and analyze strategies and action items to address those gaps.

This section will focus on gathering information to analyze how the projected workforce supply will look by applying projected retirements and turnover to the current workforce. It will be based on workforce demographics and employment trends. Demographics include occupations, grade levels, organizational structure, race/national origin, gender, age, length of service, retirement eligibility, and similar information and will provide the necessary baselines for analysis. Trend analysis provides both descriptive and forecasting models which describes how turnover will affect the workforce in the absence of management action. Analysis can provide powerful predictors of how many employees will actually retire, resign or transfer. Workforce demographics data will provide a snapshot of your organization by organizing workforce data from the Federal Personnel Payroll System (FPPS) or Data Warehouse.

2.5 Data Assessment By Occupational Series

In order to analyze your current workforce and obtain a snapshot of your organization, you should collect data, as applicable, for each occupational series or for significant occupational series/grouping to determine the following:

1) How many employees at each organizational level?
2) What is the grade structure for these series?
3) What is the average education level/grade/step/time in position for employees in this field?
4) What is the turnover rate? Are employees leaving DOI to transfer to other Federal agencies or private organizations?
5) Are employees in this field moving around within DOI?
6) Are employees retiring when eligible?
7) What is the predicted retirement count for the next five year?
8) What is the average age and years of service at retirement?
9) What are the gender/racial/age/disabilities statistics for this field?
10) How are volunteers utilized?
11) Can any of the work be outsourced?

2.6 Data Collection Method

Information needed to analyze the workforce and answer all the questions cited above is available through electronic systems, such as FPPS, BRIO, FEDSCOPE (www.fedscope.opm.gov), and through the FPPS Data Warehouse. In special instances the Department can also assist with historical information from the Office of Personnel Management’s Central Personnel Data File (CPDF).

Using the information below, you can obtain data sufficient to determine turnover rates, analyze retirement trends, anticipate future retirements, analyze the current total workforce, determine recruitment practices, and provide a snapshot of the entire series:

Steps for Collecting Data: – Obtain electronic human resources reports from FPPS that includes the following data elements:

- **Title:**
  The title of each position within a career field.
- **Series:**
  Information for the entire occupational series will be available, allowing you to analyze each occupation within the series separately or together.
- **Grade:**
  This field allows you to analyze the current grade structure, percentages of higher grades versus lower grades, average length of service in a grade and the average grade of retirees.
- **Date of Birth (DOB**)
  The DOB is needed to analyze retirement eligibility, average time-in-grade and age of new hires, retirees, etc.

- **Service Comp Date (SCD):**
  SCD data is critical for analyzing retirement trends and years of experience for employees in certain grades and series
- **Gender:**
  This information is useful in determining the gender structure of the career field, the typical hiring trends of males and females, and the career paths of both.
- **Race and National Origin (RNO):**
  This information is useful in determining the race or national origin of employees. Employees of mixed race or national origin should be identified with the race or national origin with which they most closely associate themselves.
- **Type of Appointment:**
  The type of appointment under which an employee is serving (competitive, excepted, Senior Excepted Service, temporary limited appointment, Temporary Appointment Pending Establishment of a Register (TAPER), seasonal, etc.).
- **Date of Retirement Eligibility:**
  Gives the date employees will be eligible for retirement.
- **Nature of Action Code (NOAC**):
  The NOAC will give you inclusive information regarding promotions, reassignment, lateral moves, accessions, conversions, and separations. You can then analyze trends for hiring, promotions, retirements and employee movements within DOI, either individually or grouped by series.

The Plans and Systems Division has developed reports from the Federal Personnel Payroll System (FPPS) that provide the information needed as cited above, with the FPPS Customer Support Center. These reports are available for your use (using the information fields identified above) and you can easily access to them by requesting the appropriate report number. However, when requesting these reports, you will need to update the "series" field to the series applicable to your analysis and use your organization code.

2.7 Data Analysis

Now that you have collected the information above, you are ready to begin analyzing this information to answer the questions outlined in Section 4.1.

Follow these steps to prepare your data for analysis of your current workforce:

a. Information is obtained from FPPS.
b. From report: copy data (select, copy and paste) into a spreadsheet (either Excel or Lotus)
c. In Excel or Lotus: block the data – then convert data to columns by choosing the following from the file menu: **Data – Text to Columns – Next - Finish.** The columns will then be divided by each data element.
d. Once data has been converted to columns, block and copy all the text (or data).
e. Then, open up a new worksheet
f. Name the variable (or columns) the same as they appear in Excel or Lotus. For example: If the order of data elements is "grade, series, DOB, etc.", then name the sheet the same (grade, series, DOB, etc.).

g. After the columns are named, paste the data from Excel. This creates a smooth transmittal of data because both columns match.

You are now ready to begin analyzing the data.

2.8 Conduct Skills/Competency Analysis

In order to understand whether your organization will have the skills needed in the future, you need to determine the skills/competencies of the current workforce. [Note: We recommend you not do analyze competencies until the second iteration of workforce planning in your organization. The first time you do workforce planning, concentrate on occupational series. This will allow you to access historical data and build a base-line from which your can later refine your requirements using a skills/competency analysis.]

Two key elements in identifying skills/competencies are:

- ♦ Workforce skill analysis, a process that described the skills/competencies required for today's work.
  - ❑ Conducting workforce skill/competency analysis requires the leaders of an organization to anticipate how the nature of the organization's work will change, and then to identify future human resource requirements. (The process spans the supply analysis and demand analysis aspect of workforce planning).
- ♦ Job analysis, which collects information describing successful job performance.
  - ❑ Job analysis focuses on tasks, responsibilities, knowledge and skill requirements as well as other criteria that contribute to successful job performance. Information obtained from employees in this process is used to identify skills/competencies.

Follow the steps outlined below to conduct a skills/competencies analysis:

1. Identify the job skills/competencies that will be required for future positions in your organization. A matrix can be used as a tool for identifying the skills/competencies that are or will be required for specific positions. This step will likely have been done at some point in the strategic planning, prior to the gap analysis.

2. Determine whether current employees possess the skills/competencies that will be required by the identified positions. This is the data likely to be missing other than in anecdotal ways or based on assumptions related to current grade and series. A skills assessment/competencies tool can be used to measure individual employee competencies.

3. Analyze the difference (if any) between current employee skills/competencies and future organizational needs.

The results of the skills analysis will help to identify potential retraining needs that employees in certain "excess" or "surplus" positions may require in order to transition into other positions within the organization. It will also help establish the focus of recruiting and training efforts.

Note: Many competency and skills analysis models, including automated tools, are available through commercial vendors.

2.9 Documentation of Projected Workforce

After determining the projected workforce that your organization will have based on retirements and natural attrition, complete the “Projected Supply” columns on the Gap Analysis Form in Table 5.1 contained in Step Five.

2.10 Project Needs

The information collected in step 1 will be used in this step to determine your organization’s future needs in terms of specific skills/competencies needed, FTE’s, etc. The mission, vision, goals, and objectives of the organization, which you have already identified in the previous steps, help define the workforce needed in the future.

An important part of the future needs forecasting process is the examination of the needed anticipated occupations, work the organization will do in the future, and how that work will be performed. In particular, computer systems and Internet technology will continue to impact how individuals and organizations perform in the future. To determine the organization’s future needs, list needed skills based on the strategic plan, technology innovations, etc, based on the information collected in Step1. Coordinate with a human resources management specialist who can identify the relevant series.

Also, agencies must incorporate the impact of the Federal Activities Inventory Reform Act (FAIR Act) on the future workforce. The FAIR Act requires agencies to yearly submit an inventory of all activities performed by Federal employees, those inherently governmental and those not inherently governmental in nature (i.e., commercial in nature). The FAIR Act seeks to achieve economy and enhance productivity and quality through competition to obtain the best service at the least cost to the American taxpayer. Federal policy regarding performance of commercial activities is outlined in OMB Circular A-76, Performance of Commercial Activities (www.whitehouse.gov/omb/circulars/).

2.11 Identifying changes

The following questions will assist in identifying anticipated changes:

1) What changes are expected over the planned time period in mission, functions, strategic goals, and objectives? Will the program or organization’s method of doing business change?
2) What are the budget trends and patterns?
3) Do projected funding levels support positions and objectives?
4) Are there any changes expected in the number of FTEs?

5) What factors in the internal and external environment will impact decisions (legislative changes, departmental initiatives, social/economic trends, etc.)
6) What is the nature of the work to be done, in terms of volume, location and duration?
7) Can these services be contracted (FAIR Act or outsourcing)?
8) Will the use of retention allowances decrease critical turnover and help retain important skills?
9) Can volunteers be utilized to a greater extent?
10) Can the organization be restructured by using E-Gov? Can the organization be delayered? Can employees be moved closer to customers?

2.12 Impact of Changes

Once you have identified the anticipated changes, ascertain how these changes will affect:

- The amount, type, duration and location of work to be completed.
- Organizational structure and design
- The mix of skills/competencies
- The supervisors/manager to non-supervisory employee ratio
- Diversity initiatives
- Increasing/decreasing workforce demands
- Moving work to contingency workers and contracts

2.13 Documentation of Discrepancies

Document your projected need by title, series, grade, competency, and location, on the Gap Analysis Form on page 22.

2.14 Determine Gap

The gaps are identified as result of an analysis of the differences between the forecasted human resources needs and future human resource supply. This analysis reveals human resources surpluses and deficits in raw numbers, and will assist you with further planning for addressing these gaps.

2.15 Gap Analysis Form

If you have not already completed the Projected Need and Projected Supply on the Gap Analysis Form as indicated in the previous steps, complete the Gap Analysis form to identify gaps in meeting your future and current workforce needs.

2.16 Gap Calculation

Calculating the gap is important for identifying personnel and/or skills/competencies in the current workforce that will not meet future needs (need *exceeds supply).* It will determine whether the current workforce exceeds the needs of the future – *supply exceeds need*. There are also situations where the supply will meet the future needs, thus resulting in no gap or a difference between supply and need of zero. Depending upon how the supply and needs were determined and the level of specificity, the gap can be identified by specific title, series, grades, competencies, locations, etc. or any variation needed. The comparison requires that the skills/competencies sets developed in the supply analysis and demand analysis phase be comparable – not independently developed.

2.17 Gap Prioritization

Once you have identified the gap between future needs and projected workforce supply, you must consult with management to prioritize the significant gaps that have the most impact on organizational goals. Be aware that management may decide that having large "gaps" in particular series or skills may not be as important as planning for the anticipated retirement of a subject expert.

GAP ANALYSIS FORM

(employees only, not contingency workers)

TITLE	Series	FPL	FTE	Base			Projected Supply					Projected Need					GAP (+ or - no. of positions)			Comments/Remarks
				Line	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004	

3.0 *Step 3*- Develop Action Plan

3.1 Designing a workforce plan to address skill gaps

You can now begin developing strategies and action items for addressing those gaps. When developing strategies, these are examples of some issues to consider:

- The cost associated with the strategies for addressing competency or skill gaps
- How to keep corporate knowledge from being lost?
- What skills are currently vital to the accomplishment of the agency's goals and objectives?
- How is the agency addressing skill imbalances due to attrition, including retirement over the next 5 years?
- Are there ways to maximize recruitment in order to minimize training needs of new employees?
- Explore training, retraining, relocation, or recruiting options for filling competency gaps.
- What retention strategies are necessary and most feasible?
- What are the costs of these retention strategies?
- Are there alternative training mechanisms (training, education)?
- Can needed skills be obtained through sharing of resources?
- Cost-effectiveness of contracting, outsourcing or using volunteers.
- Implementation of career development programs.
- Are there ways to restructure by using E-Gov; delayer; move employees closer to customers?

3.2 Identify and Prioritize Gaps

As stated in the previous section, prioritize and identify critical positions. Then, determine how each position will be filled.

3.3 Identify Strategies and Action Items

Determine strategies and specific action items to address gaps. Strategies are broad categorical statements whereas action items identify the specific person(s) responsible for implementing the strategy and when it will be accomplished. Examples of types of strategies to consider for addressing gaps include:

Strategy: Addressing Gaps with Surplus employees

- Review the list of surplus positions available as outlined on your gap analysis worksheet. Then, review the skills of each of those positions. Once you have completed the analysis, determine which positions can transition into the gaps to be filled. To do this, consider: (1) Are these skills transferable to the positions/work requirements to be filled? (2) Can any of the positions to be filled by retaining employees (career development)?

- ♦ After you have identified positions to be filled and surplus positions, identify and document: (1) positions that can be converted into trainee positions (2) positions with the same skills needed; (3) positions that can be easily reclassified to the positions needed.

Strategy: Partnership with academic institutions with high minority enrollments
This action item(s) could indicate that you would establish a memorandum of understanding with a Historically Black Colleges and Universities (HBCU), Hispanic Association of Colleges and Universities (HACU), National Association for Equal Opportunity in Higher Education (NAFEO) or the American Indian Higher Education Consortium, etc., institution as a means to develop a minority pool of candidates.

Strategy: Use Intern Programs to recruit
The Department has a systematic way for acquiring and developing entry-level employees for mission-critical career fields. These programs include:

- Information Technology (IT) Development Program
- Acquisition Intern Program
- Biological Sciences Development Program
- Office of the Secretary Management Intern Program

Strategy: Increase use of appointing authorities for recruitment

A. Intergovernmental Personnel Act (IPA) authority: Action item could indicate that you will increase the use of IPAs to bring molecular biologists and biomedical information system researchers from universities
B. Presidential Management Intern Program (PMI Program)
C. Student Career Experience Program (SCEP)
D. Severely Physically Handicapped and Mentally Retarded Persons
E. Disabled Veterans
F. Veterans Readjustment Appointments (VRA)
G. Outstanding Scholar Program

Strategy: Use a variety of incentives/mechanisms to recruit and retain staff

A. Development of a formal mentoring program for trainees and junior employees
B. Use of volunteers
C. Other agency agreement (contractual)
D. Recruitment and relocation bonus
E. Creative compensation packages (special salary rates)
F. Expanded outreach efforts (e.g. job fairs, advertising, internet posting, employee referrals)
G. Special hiring authorities (on the spot hiring)
H. Augmentation of work/family programs (e.g. flexible and varying work schedules; telecommuting as appropriate; student loan repayment)
I. Automated hiring systems

DEVELOPMENT OF STRATEGIES AND ACTION ITEMS

Reporting Unit:

Strategy/Action Item	Responsible Official	Expected Completion Date	Date Completed		Remarks
			Yes	No	

4.0 *Step* 4 - Implement Action Plan

Once the strategic direction has been established (Step 1 of the Workforce Planning Model), the workforce supply and demand realities have been identified (step), and the action plan developed (Step 3), the finalized plan can be implemented.

4.1 Management, Leadership, and Support

Successful workforce planning requires the commitment and leadership of top management. Senior-level managers must lead the planning process, must assure that workforce plans are aligned with strategic direction, and must hold subordinate managers accountable for carrying out workforce planning and for using its products.

Workforce planning offers a means of systematically aligning organizational and program priorities with budgetary and human resources needs. By beginning the planning process with identified strategic objectives, managers and their organizations can develop workforce plans that will help them accomplish those objectives. At the same time, workforce plans provide a sound basis for justifying budget and staffing requests, since there is a clear connection between objectives, the budget, and the human resources needed to accomplish them.

4.2 Do I Need External Assistance?

Using a contactor consultant in carrying out workforce planning is optional, but may be desirable in some cases. An experienced contractor may provide a level of expertise in workforce planning that does not exist in the organization. In addition, a contractor may have a more detached view of issues than organization's employees and managers can provide.

The combination of experience and an outside view point can provide legitimacy for workforce planning that is not available to a strictly internal effort. However, care should be exercised on the recommendations from an outsider who may not understand the organizational culture and Federal requirements and realities. In addition to the cost of hiring a contractor, organizations should factor in the time it will take to provide the contractor with necessary background information on the organization.

Bureaus may also consider partnering with other bureaus or agencies to achieve their workforce planning goal. Partnering allows bureaus to share resources including budgetary, labor, knowledge, experience, lessons learned, etc. This may reduce the bureau's cost of hiring a contractor.

4.3 Conduct Recruitment, Hiring, and Placement

Given the increasing mobility that defines today's workforce, it is essential that organizations design, develop, and implement recruitment, hiring, and placement programs that are continuous, innovative, and targeted. These programs should be aligned with and supportive of the organization's strategic direction and provide a reflection of the organizational culture. The plan should outline the actions, steps, and timeline that:

- Identify and “brand” the organization
- Create marketing materials reflecting the “brand”
- Determine timing, where, how, and when the marketing is conducted
- Identify competencies that will be targeted in the process
- Ensure candidate assessment tools are in place and “just-in-time” training regarding those tools is available.

4.4 Implement Retention Strategies

Research has demonstrated that today’s average employee stays on a particular job for average of 36 months. To avoid critical retention/succession situations created by this cycle, supervisors, managers, and organizational leaders must know and understand what valued employees want and need to become long-term assets, applying accumulated knowledge to the accomplishment of the agency’s goals. A progressive retention plan should:

- Determine those employees who are critical to accomplishment of organizational goals.
- Develop an infrastructure to provide constant feedback between these critical employees and supervisors/managers to determine what they want and need to become long-term assets to the organization.
- Develop a means of providing incentives and/or working conditions designed to retain valued employees. This system must provide an accurate measurement of the actual return on invest concerning the retention of valued employees.

4.5 OMB Circular No. A-76 and the Fair Act

Workforce planning can also aid in the implementation of Federal Activities Inventory Reform (FAIR) Act. The Fair Act directs Federal agencies to submit yearly inventories of all activities performed by federal employees, those inherently governmental and those not inherently governmental in nature (i.e., commercial in nature). The FAIR Act seeks to achieve economy and enhance productivity and quality through competition to obtain the best service at the least cost to the American taxpayer. Workforce planning can identify current work that can be moved to the private sector and help in delayering the management infrastructure in the Department.

OMB Circular No. A-76 provides guidance, policies, and procedures on implementing the FAIR Act that are to be used when the Government determines that a cost comparison between in-house (agency), contract or interservice support agreement (ISSA) performance is warranted. When implementing the FAIR Act, the following cost estimates should be considered:

In-House Costs

- Personnel
- Materials and Supply (raw material, parts, components, office supplies)
- Other Specifically Attributable (depreciation, cost of capital, rent, maintenance and repair, utilities, insurance, travel, etc)
- Overhead
- Additional (office and plant arrangements, transport, employee recruitment, training, relocation, and other expenses)

Contract or ISSA Performance Cost

- Contract/ISSA Price
- Contract Administration
- Additional (transportation or purchased services resulting from unusual or special circumstances that may be encountered in particular cost comparisons)
- One-time Conversion
- Gain on Assets
- Federal Income Taxes

OMB provides additional information regarding the Fair Act and OMB Circular No. A-76, on their website at www.whitehouse.gov/omb/circulars/

4.6 GPRA and Budget Information

The Government Performance Results Act (GPRA) requires agencies to prepare annual performance plans that set measurable goals defining what will be accomplished during a fiscal year. The DOI GPRA goals and performance measures focus on the outcomes and results DOI bureaus, offices and partners work to achieve through their many programs. These requirements have led bureaus and offices to establish goals such as the percentage of abandoned land reclaimed. An outcome-focused goal, such as this, is in agreement with the intent of GPRA.

Workforce planning provides the means for achieving overarching program goals. Program goals will not be achieved “without the right number of people with the right competencies in the right place at the right time.” Workforce planning is a fundamental tool, critical to quality performance, which will contribute to the achievement of program objectives. As DOI bureaus and offices develop strategies that support the achievement of both long-term and annual program performance goals in the strategic and performance plans, they need to include management activities (such as workforce planning) as essential components of a broad-based management strategy.

In order to meet a goal (such as reclaiming abandoned land), as well as to present a strong justification to appropriators, DOI bureaus and offices should apply workforce planning methods and techniques in developing workforce requirements. The Budget Office encourages bureaus/offices to include outputs of workforce planning (including their workforce analysis) as supporting documentation in their budget justification. This will optimize the Department's opportunities for success in the budget process.

4.7 Budget Submission Requirements

OMB sets requirements in OMB Circular A-11 to provide the link between dollars and personnel. A-11 requires agencies to submit the following type of information in their budget requests to Congress. Effective workforce plans should include information and documentation in each of these areas:

Required FTE's and Grades Costs (broken out by full-time permanent and other than full-time permanent status). Include all positions including student programs (SCPE, STEP, WTOP, Coop, Summer Aids, etc.)

Customer Service Costs. Project costs for information collection, support tools, training, etc.

EEO Program Costs. Project costs involving training, awareness activities, recruiting programs, etc.

Workforce Training and Development Costs. Projected costs for tuition, travel, per diem, instructors, classrooms, equipment, books, training material, etc.

Award Program Costs. Annual sum of organization's performance management plan projects for award program. This will usually be a percentage of the total personnel compensation program (i.e. 1% of total personnel budget).

Executive Selection and Development Program Costs. Project **c**ost for program administration, contractor support, training, travel, per diem, etc.

Bonus and Allowances Costs. Project costs for recruitment bonuses, relocation bonuses, and retention allowances.

Relocation Costs. Project costs for transportation, per diem, transportation of household goods, storage and care of household goods, allowances for home sale/purchase expenses, temporary quarters subsistence, reimbursement of income taxes, moving expenses, relocation service charges, etc.

Recruitment Program Costs. Project costs for publicity material, program administration, travel, per diem, school recruitment fees, etc.

Downsizing Costs. Project costs or voluntary separation incentive program (buy-outs), early-out retirements, severance pay, etc.

5.0 Step 5 - Monitor, Evaluate, Revise

5.1 Review of Outcomes

The WFP plan, especially the strategies and action items, should serve as a roadmap for managers to ensure the right people are in the right locations at the right time in order to achieve the organization's long-term and short-term goals. The outcomes should be continuously evaluated to determine progress in addressing the gaps and, specifically, where adjustments to the strategies and action items are needed.

5.2 Assessing Accomplishment and Effectiveness of Outcomes

There are many different methods to obtain feedback concerning the achievement of accomplishments and the effectiveness of outcomes. This information can be obtained via meetings, surveys, focus groups, review of accomplishment reports, etc. Regardless of the method, examples of questions to ask in order to determine whether the strategies and action items are effective include:

- Were the actions and strategies completed and do they fulfill the goals?
- Did the action plan accomplish what was needed?
- If not, have the organization's strategies upon which the plan is based changed? Were their other factors preventing the obtainment of the goal?
- Are the assumptions of the need and supply models still valid?
- Have the conditions changed such that the strategies need to be revisited?
- Is there a need to modify the action items?

5.3 Addressing Need for Adjustments to Strategies and Action Items

After the above analysis has been conducted, steps should be taken to remedy problems in implementing action items. Examples include:

- Timeframe for implementation of action items may need to be changed
- Content of action items may need to be adjusted
- Deletion of action items because they may no longer be valid and/or feasible, e.g. budget, reorganization, etc.
- Persons responsible for action item may need to be changed

5.4 Communicate Changes

Changes to the action items must be communicated to responsible individuals in a timely manner to allow for questions and clarification. Similarly, achievement of action items should be reflected in the organization's annual accomplishments and ultimately the fulfillment of strategic goals.

5.5 Dynamic Review of Process Steps

The WFP process is a continuous process of forecasting, clarifying, and identifying organizational workforce needs, assessing competencies, and implementing appropriate interventions. The process should be continuously evaluated to determine how well each of its component parts are functioning and where adjustments are needed.

5.6 Determining Effectiveness of Process Steps

Feedback should be obtained from participants and customers, including managers and top-level officials to determine the effectiveness of the WFP process in producing a useful product. This information can be obtain via a variety of information gathering methods such as interviews, focus groups, surveys, review of the quality of the workforce plan, etc. When ascertaining the effectiveness of the WFP process, examples of questions to ask include:

- What was expected from this process?
- Did this process produce a plan that is useful to managers in support of the organization's strategic goals?
- What worked and why?
- Did the process work well as a team effort?
- If some of the steps did not work, how did you proceed?
- What didn't work and how could it be improved?
- Was there enough time to conduct WFP?
- Were the appropriate offices involved?
- Were adequate resources provided?
- Were the costs and saving estimates accurate?

In addition there may be external and internal forces that precipitate changes to the process. Examples of these include reorganizations, redistribution of resources, new and/or changes to information data systems, budgetary and strategic planning cycle changes, etc.

5.7 Communicate Changes

1. Appropriate actions should be taken to address process inefficiencies.
2. Any changes to the processes and subsequent impacts should be fully discussed and analyzed with the multi-disciplinary team to ensure the changes do not create unforeseen roadblocks.
3. Modifications to the processes should be communicated to everyone as soon as possible to ensure sufficient time for training and/or questions.

Summary

The following is a checklist that summarizes key elements of effective workforce planning.

1. **Vision.** Identify the organization's direction. Project the organizational configuration 5 years from now. Review and analyze the following:

A. Program Plans for the future.
____ Anticipated program/mission changes
____ Anticipated volume, type and location of work to be done
____ Changes in organization/position structures
____ Past patterns/trends
____ Anticipated supervisory/managerial strengths
____ Skill mix of workers
____ Increasing/decreasing workforce demands

B. Budget Situation.
_____ Anticipated ceiling, budget philosophy, or goals
____ Funding levels
____ Trends/Patterns

C. Anticipated Environment (Internal/External) Factors
____ Legislative changes
____ Technological changes
____ Social changes

2. **Current Resources**. Determine the future availability of current workers by doing the following tasks:

A. Conduct work force analyses.
____ Potential losses of current employees
____ Turnover data, retirement rates, retirement projections, promotion and award rates, etc.
____ Organization/position structures
____ Vacancies created by internal movement
____ EEO profiles
____ Supervisory/non-supervisory ratio data
____ Competitive sourcing

3. **Needed Resources.** Identify anticipated shortfalls that need to be addressed.

A. Forecast specific needs in light of mission needs and vision.
Forecast overall numbers by occupations
____ By grades
____ By location of positions if applicable

B. Compare current available resources with needed resources for the future.
____ Net human resource needs
____ Increase/decrease in productivity levels
____ Skills/grade levels
____ Position management
____ EEO profile
____ Under-staffing or over-staffing
____ Career progressions
____ Supervisory/managerial replacements

4. **Action Plan**. Determine how your needs will be met by:

A. Addressing serious shortfalls and critical issues. Establish human resource objectives

B. Develop an action plan.
____ Internal sources of workers
____ Recruitment for external sources of workers
____ Job redesign
____ Training, retraining, career development
____ Succession planning
____ Competitive sourcing
____ Delayering
____ Volunteers
____ Productivity improvement
____ Restructuring (organization/positions)
____ Position management plan

C. Develop a plan for handling Labor Management Issues (if appropriate)
____ Legal and contractual requirements
____ Employee involvement
____ Negotiations
____ Potential for adverse outcomes
____ Union-Management relations climate

5. **Cost Implications**. Identify items with cost implications. Project an annual budget by:

A. Costing out the items requiring monetary support.
____ Grade distribution
____ Recruiting
____ Training, retraining, career management
____ Succession planning, delayering cost
____ Relocation costs, reorganizing cost
____ Increased or decreased staffing

APPENDIX

APPENDIX A

Sample Workforce Plan

HUMAN RESOURCE MODEL

Preliminary Preparation

This workforce analysis will be conducted using an example of a Human Resource Management office. ***Data used for this model is not from any existing database; it is fictitious data used for demonstration purposes only.*** We will demonstrate how to determine the future workforce needs for HR, based on anticipated changes in technology, organizational changes, and different skill set needed in the workplace.

The workforce planning team for this project consists of four employees:

Sinclair Doe, Line-Manager
- Team leader
- Jane will lead the workforce plan study and work on the project full-time.

Darius Adams, Management Analyst
- Analyzing the workforce, statistics, and strategic plans – define future workforce
- Jill is on detail from the strategic planning office and will devote 95% of her time to this study.

Howard Smith, Personnel Management Specialist
- Analyzing the strategic plans, researching, and defining the future workforce. Provide expertise on HR issues.
- John is assigned to this study on a part-time basis two days a week.

Elizabeth Runnels, Budget Analyst
- Analyze the resources needed to perform the tasks
- Kendall is assigned to this study on part-time basis tow days a week.

Data Collection Step

Define Scope of Data – ***Simulated Study***

<u>Scope:</u>
This agency is moving toward a HR system that will potentially automate some to of the same functions as current staff. It's likely these changes will impact personnel processing units and staff, and the data support branches. Acquiring these systems may result in more streamlined services and reduction in FTE's.

This workforce plan will focus on the entire HR function for this agency and will be projected for the next five years. This study will consider all categories of employment, such as permanent, temporary, non-FTE, contractors and volunteers. The team will focus minimally on diversity and cultural issues, however statistical information regarding RNO and gender will be reported.

Data will be extracted from FPPS, Data Warehouse, budget reports and strategic planning documents to assist us with the analysis.

Collecting existing documents:

To understand this agency's vision, mission and workforce dynamics, we have collected and will use the following published documents and reports as a guide for this study:

- Success Through Human Resources: From Strategy to Action (DOI HRM Strategic Plan)
- National Academy of Public Administration (NAPA) Study
- Projected FTE Report
- Hackett Report
- DOI Strategic Plan
- Organizational Chart
- Staff List

Examining the Data

The team analyzed the above documents to summarize the vision, goals, objectives and anticipated changes for the HR community. Included on the attached page, is a summary outlining the agency vision and agency-wide initiatives that will have an impact on the services and workload of the Human Resource Office. In addition, the report analyze the anticipated changes on a table titled, "Examining the Data", which outlines specific areas needing further staff study based on anticipated changes.

The following table addresses each impact on skills affected and uses this information to plan and identify new skills, work processes, FTE's and services to be provided. The full analysis is included.

REPORT OF FINDINGS

AGENCY MISSION: *The Mission of the Department of the Interior is to protect and provide access to our Nation's natural and cultural heritage and honor our trust responsibilities to tribes.*

Human Resources Management Goal: *We will create a work environment in which our diverse workforce is valued, motivated, developed and rewarded for excellent customer-focused service.*

Values and Guiding Principles: We *are committed to building and maintaining an environment where merit principles, effective leadership, excellence, and empowerment are respected and valued.*

Strategic Outcomes:

- Deliver the best human resources services for Interior employees
- Manage Interior' human resources as expected by the American people

The Ten Strategic Actions

1. Hire and promote on merit
2. Train and develop for mission and career advancement
3. Enhance a quality workplace and competitive benefits
4. Reward for excellent performance and discipline fairly
5. Provide quality and timely personnel services
6. Achieve and maintain workforce diversity
7. Streamline innovative policies and approaches
8. Plan for future workforce needs
9. Communicate effectively with employees and the public
10. Resolve disputes equitably and build partnerships with unions

In addition to the HR Vision, our workforce planning analysis will be based on a new paradigm for HR, which is the future direction for HR. According to published documents, HR will be moving towards:

THE NEW PARIDIGM FOR HR

Current HR	**Future HR**
Personnel Office	**HR Management**
Case Driven	**Customer Driven**
Paper process	**Automation of process**
Command/Control	**Creative flexibility**
Hierarchical	**Empowered teams**

Potential agency-wide initiative have been identified that will have a direct impact on services, personnel, budget, skills/competencies and future positions relating to the HR organization. These potential initiatives are outlined below and should be used to assist with planning for future positions in the HR field.

Below is a listing of the agency-wide initiatives that are reflected and analyzed in Table 1:

AGENCY-WIDE INITIATIVES

- **FPPS**
  Federal Personnel/Payroll System (FPPS) is an online, integrated personnel/payroll system developed by the Department of the Interior's Bureau of Reclamation Administrative Service Center. This system is used in the Federal government for the processing of all personnel and pay related function. The system operates on an IBM mainframe computer in a database environment in which data is updated immediately. FPPS contain security controls that allow users to access only the data within their area of responsibility. Interior uses the Federal Payroll Process System (FPPS) to process personnel and payroll information.

- **Employee Express**
  The Employee Express makes it easy for employees to process their own personnel actions using automation. Before EE, employees were required to submit forms and documentation to their servicing personnel office to process any changes in their personal benefits. The personnel office would do all the background work, process the paperwork, follow-up, provide advice and direction and finalized all of these personnel actions. Using Employee Express, the personnel office is no longer needed to process certain personnel actions for employees. The actions include changing/adding/deleting health insurance, thrift savings, allotments and tax withholding information. The agency plans to eventually expand its capability to include all personal actions into this system.

  - **Data Warehouse System**

The data warehouse system makes it easier and user friendly to access various types of information from different computer systems housing the information. This is a one-stop process that allows you to access information from the many systems being utilized at this agency. It allows you to run reports, queries and ascertain information from a variety of administrative databases. Before data-warehouse, employees were required to submit forms to the customer support branch for any information needed. Thus, this system minimizes the operation of the customer support branch.

- **Federal Human Resource Information System (FHRIS)**

FHRIS (currently under construction and in pilot stage) is a state-of-the-art human resources management information technology system designed by SAP and ICRC to improve human resource business processes and functionality in the Department.

FHRIS is an Enterprise Resources Planning (ERP) meaning the product integrates all (or most) functionality needs into one piece of software. For instance, FHRIS will be able to support recruiting, priority consideration, rating and ranking, position management, employee development, career planning, succession planning, training, appraising, performance management, workforce planning, cases/complaint tracking, and reduction-in-force processing all within the same product. Any data collected in one function is available for use in another. Once you collect data from an employee on their competencies and qualifications, that data can be used in employee development, career planning, and workforce planning. Similarly, appraisal information can be used in performance management and Reduction-In-Force placement. Also, FHRIS will be able to integrate with FPPS and other systems.

Examining the Data (analyzing the anticipated changes)

TABLE 1

Initiative	Potential Impact	Volume of work	Type of work	Org. structure	Mix of skills	Supervisory Ratio	FTE change	Workload
Employee Relations	Spec may leave. Multi level spec. New service fee	Decrease – work will go to service center	Higher level duties	Reduction in staff – eliminate some ER positions	N/A	Decrease- ER's may go to SC-very few left in HRM	Less employees in ER field, less needed in HR	More cases for service center. Less cases for HR offices.
New Business System	N/A	Increase in automated work.	Need less high level; less need for CSB.	N/A	IT skills will be needed	N/A	Decrease number of processing staff	Affected by use of computers. Actions processed faster. Less staff needed.
Employee Express	Less support staff/less processing staff	Less payroll type work needed	N/A	N/A	Data Entry skills will be needed/less HR skills	N/A	Less personnel support staff.	N/A
Data-Warehouse	Customer Support Branch	Less processing reports	No reports will be requested	N/A	N/A	N/A	N/A	Employee info will be easily accessible. No effect on workload.
Career Here	Support Staff	Different process 4 posting jobs	No change	N/A	Data Entry Skills	N/A	Decrease in support staff	N/A

TABLE 1 (con't)

Initiative	Potential Impact	Volume of work	Type of work	Org. structure	Mix of skills	Supervisory Ratio	FTE change	Workload
Processing timecards eliminated	Decreased	N/A	N/A	N/A	ITAS Policy personnel needed	N/A	No changes in personnel/TK was an added duty for Staff	
FHRIS	Do recruiting, rating and ranking, position mgmt., employee develop, training, RIF, career planning, etc	Decrease	N/A	N/A	Computer skills will be needed.	N/A	N/A	Decrease workload by integrating with FPPS and other systems
	Staffing will be automated	Different	Job posting and closing will be automated	N/A	Automation skills will be need	N/A	N/A	Employees can post, close, monitor jobs online. The application process will be automated
	Classification	Decrease	N/A	Classifier will become HR Generalist	N/A	N/A	Decrease the number of classifiers	Classification will be automated in the computer system. Less need for classifiers.
	Identify training needs	Employee Dev. will increase the volume of work		N/A	IT skills will be needed	N/A	N/A	Employee will be able to use new competencies increase production

Assessment of Current and Projected Workforce

Based on the assumptions mentioned and the Table 1, the following skills/competencies (overall) will be needed in the future:

- Ability to use HR Database systems
- Computer skills
- Planning and evaluating
- Manipulate data
- Skills in software applications
- Work independently
- Customer Service
- Reasoning
- Flexibility
- Reading
- Problem solving
- Teamwork
- Stress tolerance
- Ability to handle multiple responsibilities
- Time management skills
- Decision making skills
- Analytical
- Written skills
- Interpersonal
- Teamwork
- Integrity/honesty
- Self management
- Learning
- Conflict management
- Memory
- Attention to detail

Data Assessment by Occupational Series

We assessed our current workforce to determine the extent the current workforce would meet the needs of the future. In doing so, we analyzed the current workforce by series, grade, race, gender and retirements. The following is our analysis:

<u>ANALYSIS OF DATA</u>:

1. **Total number of employees:** 52

2. **Occupation breakdown:**
   - ♦ Personnel Management Specialist, 201 series, 21 employees

- Employee Relations Specialist, 260 series, 8 employees
- Labor Relations Specialist, 233 series, 2 employees
- Personnel Asst., 203 series, 15 employees
- Management Analyst, 343 series, 1 employee
- Student, 299 series, 5 employees

3. RNO Information:

- WF -34.0%
- BF - 30.7%
- BM -11.5%
- WM- 9.60%
- AF - 7.70%
- HF - 1.92%
- HM- 1.92%
- AM- 1.92%

4. Average Retirement Age: 60 years old

1. Retirement eligibility for current staff: 12 employees are eligible to retire between now and 2003.

- 2000 - 5 (3 PMS, 2 ER)
- 2001 - 3 (2 PMS, 1 PA)
- 2002 - 2 (2 PMS)
- 2003 - 2 (1 MA, 1 PA)

The results of this analysis are documented on the following Gap Analysis form under “projected supply”.

EXAMPLE: Gap Form with Projected Supply

TITLE	Series	FTE	Base			Projected Supply					Projected Need					GAP (+ or - no. of positions)			Comments/Remarks
			Line	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004	
Pers. Mgmt. Spec.	201	21	21	18	20	16	19	19											
ER Specialists	230	8	8	6	8	8	8	8											
Labor Relations	233	2	2	2	2	2	2	2											
Personnel Asst.	203	15	15	15	15	15	14	15											
Management Analyst	343	1	1	1	1	1	0	0											
Student	299	5	5	2	2	1	0	0											

Projected Workforce Needs

The following chart documents the current workforce, anticipates future need based on new initiatives, new skills needed, new programs, organizational structure changes, and explains the projected need.

Title	Series	Grade	FTE's needed	Current Staff	Gap	Comments:
HEADQUARTER Director	201	15	1	1	0	
PMS	201	14	2	3	+1	Due to technology, support staff will decrease
PMS	201	13	2	1	+1	Retirement
ER	230	14	1	3	+2	Some ER's may go to service centers. This will reduce ER staff
Per. Asst	203	06	1	2	+1	Due to technology, support staff will decrease.
LR Spec	233	14	1	1	0	
MA	343	13	1	1	-1	
PMS (systems manager)	201	13	1	0	-1	Due to the many changes in technology/new systems, a PMS systems manager is needed
COMP A PMS	201	13	4	3	-1	Will need more PMS versus Staffing specialist
ER	230	13	2	2	0	
P. Asst	203	5	1	1	0	
COMP B PMS	201	13	2	1	-2	Will need more PMS's due to phasing out of Staff Spec
PMS	212	13	0	3	+2	This series will be phased out-eliminated by 2003
ER	260	13	1	1	0	
P. Asst	203	5	1	1	0	
Student	299	4	1	1	0	
COMP C PMS	201	13	2	2	0	

ER	260	13	2	0	+2	Increase in ER workload due to service center
P. Asst.	203	5	1	1	0	
Student	299	4	1	1	0	
PMS	212	13	1	1	0	
<u>COMP D</u> PMS	201	13	3	3	0	
PMS	201	12	1	1	0	
PMS	201	11	1	1	0	
P. Asst	203	5	1	1	0	
<u>COMP E</u> PMS	201	13	0	2	+2	Processing function being distributed to other comp. Due to automation, function gone by 2002
P. Asst	203	6	0	8	+8	Processing function being distributed to other comp. Due to automation, function gone by 2002

The information documented above (in the chart) is outlined on the following Gap Analysis form under "Projected Need".

GAP Analysis Forms:

Examples of the GAP Analysis Form to illustrate that workforce planning can be simple or complex, depending upon the needs of the organization.

The following contains a:

- Detailed model in which all positions in a HR functional area are analyzed over a five year period
- Consolidated model that combined the same series within the HR functional area and are analyzed over a five year period
- Consolidate model that combined the same series within the HR functional area and are analyzed for one year.

Example: Gap Form with Projected Need

TITLE	Series	FTE	Base	Projected Supply					Projected Need					GAP (+ or - no. of positions)					Comments/Remarks
			Line	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004	
Pers. Mgmt. Spec.	201	21	21	18	20	16	19	19	20	21	16	16	16						
ER Specialists	230	8	8	6	8	8	8	8	8	8	8	8	8						
Labor Relations	233	2	2	2	2	2	2	2	2	2	2	2	2						
Personnel Asst.	203	15	15	15	15	15	14	15	15	11	7	7	7						
Management Analyst	343	1	1	1	1	1	0	0	1	1	1	1	1						
Student	299	5	5	2	2	1	0	0	2	2	1	1	1						

GAP Analysis Forms:

Examples of the GAP Analysis Form to illustrate that workforce planning can be simple or complex, depending upon the needs of the organization.

The following contains a:

- Detailed model in which all positions in a HR functional area are analyzed over a five year period
- Consolidated model that combined the same series within the HR functional area and are analyzed over a five year period
- Consolidated model that combined the same series within the HR functional area and are analyzed for one year.

Detailed Model

TITLE	Series	FPL	FTE	Base Line	Projected Supply					Projected Need					GAP (+ or - no. of positions)					Reason for Action / Comment
					2000	2001	2002	2003	2004	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004	
Headquarters:																				
Director, HR	201	15	1	1	1	1	1	1	1	1	1	1	1	1	0	0	0	0	0	
Pers. Mgmt. Spec.	201	14	3	3	3	2	1	3	3	1	1	1	0	1	2	1	0	3	2	Retirements
Pers. Mgmt. Spec.	201	13	2	2	2	2	2	2	2	2	2	2	1	1	0	0	0	1	1	Retirements
ER Specialist	230	14	1	1	1	1	1	1	1	1	1	1	1	1	0	0	0	0	0	
ER Specialist	230	13	2	2	2	2	2	2	2	2	2	2	2	2	0	0	0	0	0	
Labor Relations	233	14	1	1	1	1	1	1	1	1	1	1	1	1	0	0	0	0	0	
Management Analyst	343	13	1	1	1	1	1	0	1	1	1	1	1	1	0	0	0	-1	0	Asst. in special proj/org studies
Personnel Asst.	203	6	2	2	2	2	2	2	2	2	2	2	2	2	0	0	0	0	0	
Component A:																				
Pers. Mgmt. Spec.	201	13	4	4	3	4	4	4	4	4	4	4	4	4	-1	0	0	0	0	Comp. E being phased out
ER Specialist	233	13	2	2	2	2	2	2	2	2	2	2	2	1	0	0	0	0	1	Retirements
Personnel Asst.	203	5	1	1	1	1	1	0	1	1	1	1	1	1	0	0	0	-1	1	Comp. E being phased out
Component B:																				
Pers. Mgmt. Spec.	201	13	2	2	1	2	2	2	2	2	3	3	3	3	-1	-1	-1	-1	-1	Need HR generalist with variety of HR duties
Staffing Specialist	212	13	3	3	3	2	2	2	2	2	1	0	0	0	1	1	2	2	2	Move toward HR generalist with variety of HR duties
ER Specialist	230	13	1	1	1	1	1	1	1	1	1	2	2	2	0	0	-1	-1	-1	Increase in ER workload
Personnel Asst.	203	5	2	2	2	2	2	2	2	2	2	2	2	2	0	0	0	0	0	
Student	299	1	1	1	1	1	1	1	1	1	1	1	1	2	0	0	0	0	-1	Graduates in 2003

Detailed Model -- Continued

Title	Series	FPL	FTE	Base Line	Projected Supply					Projected Need					GAP (+ or - no. of positions)					Reason for Action/Comment
					2000	2001	2002	2003	2004	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004	
Component C:																				
Pers. Mgmt. Spec.	201	13	2	2	2	2	2	2	2	2	2	2	2	2	0	0	0	0	0	
Staffing Specialist	212	13	3	3	3	3	3	3	3	1	0	0	0	0	2	3	3	3	3	Need generalists and more ER specialists
ER Specialist	230	13	2	2	0	2	2	2	2	2	2	2	2	2	-2	0	0	0	0	Increase in ER workload
Labor Relations	233	13	1	1	1	1	1	1	1	1	1	1	1	1	0	0	0	0	0	
Personnel Asst.	203	5	5	1	1	1	1	1	1	1	1	1	1	1	0	0	0	0	0	
Component D:																				
Personnel Mgmt. Spec.	201	13	5	5	4	5	4	5	5	4	5	4	5	4	0	0	0	0	1	Retirement; Additional duties distributed. Has heaviest workload; incumbents responsible for SES program and employment
Personnel Asst.	203	5	1	1	1	1	1	1	1	1	1	1	1	1	0	0	0	0	0	
Student	299	4	1	1	1	1	0	0	0	1	1	0	0	0	0	0	0	0	0	Graduates in 2001; studied computer science
Component E:																				
Personnel Mgmt. Spec.	201	13	2	2	2	2	0	0	0	2	1	0	0	0	0	1	0	0	0	Processing function being distributed to other comp. due to automated system; function to be gone by 2002
Personnel Asst.	203	6	8	8	8	8	8	8	8	8	4	0	0	0	0	4	8	8	8	Processing function being distributed to other components due to automated system; function to be gone by 2002

Consolidated Model

TITLE	Series	FTE	Base	Projected Supply					Projected Need					GAP (+ or - no. of positions)					Comments/Remarks
			Line	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004	
Pers. Mgmt. Spec.	201	21	21	18	20	16	19	19	20	21	16	16	16	-2	-1	0	3	3	
ER Specialists	230	8	8	6	8	8	8	8	8	8	8	8	8	-2	0	0	0	0	Increased ER workload
Labor Relations	233	2	2	2	2	2	2	2	2	2	2	2	2	0	0	0	0	0	
Personnel Asst.	203	15	15	15	15	15	14	15	15	11	7	7	7	0	4	8	7	8	Component E will be phased out due to automation system
Management Analyst	343	1	1	1	1	1	0	0	1	1	1	1	1	0	0	0	-1	-1	Needed specific knowledge of org. Assts in special organizational projects
Student	299	5	5	2	2	1	0	0	2	2	1	1	1	0	0	0	-1	-1	Graduates in 2001 and 2003

Consolidated Model – Abbreviated

TITLE	Series	FTE	Base Line	Supply	Need	GAP	Comments/Remarks	Broad Strategies	Action Items
				2003	2003	2003			
Pers. Mgmt. Spec.	201	21	21	19	16	3		Reassign surplus PMS	
ER Specialists	230	8	8	8	8	0	Increased ER workload	Retrain; external recruitment; use Coop	
Labor Relations	233	2	2	2	2	0			
Personnel Asst.	203	15	15	14	7	7	Component E will be phased out due to automation system	Reassignments; earlyouts/buyouts; retraining	
Management Analyst	343	1	1	0	1	-1	Needed specific knowledge of org. Assts in special organizational projects	Recruit agency-wide	Hire 1 in 2003
Student	299	5	5	0	1	-1		Convert when eligible	Convert as PMS, ER, and HR automation pos.

BUDGET ISSUES

According to the Consolidate Model, the following information was obtained for FY 2004:

Title	Series	FTE	Base Line	Supply	Need	Gap	Comments/Broad Strategies/Action Items/Remarks
Per. Mgmt. Spec	201	21	21	19	16	+3	Reassign Surplus PMS
ER Specialists	230	8	8	8	8	0	Increase ER workload; Retrain;
Labor Relations	233	2	2	2	2	0	
Personnel Asst	203	15	15	15	7	+8	Component E will be phased out due to automation; Reassignment; earlyouts/buyouts; retraining
Management Analyst	343	1	1	0	1	-1	Needed specific knowledge of org. Assists in special org. projects; Recruit agencywide; Hire 1 in 2003
Student	299	5	5	0	1	-1	Convert when elig.; Convert as PMS, ER, and HR automation pos.

APPENDIX B

OMB BUDGET REQUIREMENTS

OMB Circular No. A-11 Requirements (FY2001)

Personnel Costs. Required FTE's and Grades, broken out by full-time permanent and other than full-time permanent status. Include all positions including student programs (SCPE, STEP, WTOP, coop, Summer Aids, etc). (This is based on 2004 figures.)

Total FTE's – 34
Total STEP – 1

Personnel Costs- $2,975,000

Total Personnel Cost **$2,975,000**

Customer Service Costs. Project costs involving training, awareness activities, recruiting program, etc.

Training costs - $50,000
Recruiting expenses - $25,00

Total Customer Service Cost **$ 75,000**

EEO Program Costs. Project costs involving training, awareness activities, recruiting programs, etc.

The office plans to implement diversity training for all managers

Training costs - $50,000
Related expenses – $15,000
Travel cost - $25,000

Total EEO Program Costs **$ 90,000**

Workforce Training and Development Costs. Projected costs for tuition, travel, per diem, instructors, class- rooms, equipment, books, training material, etc.

The office plans to implement the new FHRIS projects. Training cost associated with the implementation include:

Workforce training and retraining:

Tuition	$150,000
Equipment (computer)	$ 10,000
Travel (recruiting)	$ 25,000
Per diem	$ 2,000
Equipment	$ 10,000
Conferences	$ 50,000
Books	$ 5,000
Training material	$ 5,000

Total Training and Development Cost **$257,000**

Award Costs. Annual sum of organization's performance management plan projects for awards program. This will usually be a percentage of the total personnel compensation program (i.e. 1% of total personnel budget).

$1,975,000 x 1% = $19,750

Total Award Cost **$ 19,750**

Executive Selection and Development Program Costs. Project cost for program administration, contractor support training, travel, per diem, etc.

Bonus and Allowances Cost. Project costs for recruitment bonuses, relocation bonuses, and retention allowances.

The Labor Relations (series 233) department has two employees that are crucial to the operation of the office. Because of the labor relations' shortage and Department's upcoming labor contracts we must offer retention bonuses to ensure we retain these employees.

Employee One	GS 13 Step 5	Salary	$71,642@25%=$17,911
Employee Two	GS 14 Step 2	Salary	$77,187@25%=$19,297

Total Retention Bonus Cost **$ 37,208**

Relocation Costs. Project costs for transportation, per diem, transportation of household goods, storage and care of household goods allowances for home sale/purchase expenses, temporary quarters subsistence, reimbursement of income taxes, moving expenses, relocation service charges, etc.

We have three personnel assistants (series 203) displaced because Component E will be phased out due to the automation system. These employees will be relocated to our Atlanta, GA office.

Transportation of household goods	$ 12,000
Storage allowance	3,000
Allowance for home sale/purchase	$100,000
Temporary quarters subsistence	10,000
Moving expense	$ 3,000
Reimbursement of income taxes	$ 1,000

<u>Total $129,000</u>

We have 5 students currently serving in the STEP Program. Upon conversion, the moving and relocation costs are:

Cost to convert Student (STEP) 5@ $3,000 each

<u>Total $ 15,000</u>

Total Relocation Cost **$144,000**

Recruitment Program Cost. Project costs for publicity material program administration, travel, per diem, school recruitment feeds, etc.

New recruitment brochures $1,000
Publicity (advertise for recruitment and program administration in trade magazines, conferences, etc) $5,000

Total Recruitment Program Cost **$ 6,000**

Downsizing Cost: Project costs or voluntary separation incentive program (buy-outs), early-out retirements, severance pay, etc.

Early-out incentive program– 4employees @$25,000 each
Project cost –$25,000

Total Downsizing Cost	**$125,000**
<u>Grand Workforce Planning Total</u>	**<u>$3,728,958</u>**

A-11 also allows the organization to document results from streamlining, reduced overhead, creative uses of technology, and elimination of low priority tasks or program.

APPENDIX C Glossary of Terms

Action Item
Specific activity within the WFP Action Plan assigned to an individual or group for completion within specified time frame.

Action Plan
A collection of specific activities, which will address the significant WFP gaps as identified in the gap analysis form.

Attrition
The reduction of staffing levels from an organizational level due to resignations, reassignments, transfers to other agencies, deaths, etc., in a fiscal year. Retirements are normally included in attrition; however, it will be projected separately in the WFP process.

Baseline
The total number of staffed, permanent positions identified at the beginning of the WFP process.

Competency
Underlying characteristic of an employee (traits, skills, body of knowledge, etc.)

Competitive Sourcing
Comparing the cost of using Government employees and other resources to perform work in-house versus the cost of contracting with commercial firms

Fair Act
Directs Federal agencies to submit each year an inventory of all activities performed by Federal employees that are not inherently governmental in nature (i.e., commercial in nature).

Full Performance Level (FPL)
The fully functional grade level of a properly classified position.

Full-time Equivalent (FTE) Employment
The total hours worked divided by 2087 hours. FTE is projected on a full fiscal year basis. One FTE is equivalent to one staff year.

Gap
The difference between projected positions and human resources supply. It can be a positive number indicating surplus workforce or a negative number indicating unmet projected positions.

Government Performance Results Act (GPRA)
Requires agencies to prepare annual performance plans that set out measurable goals that define what will be accomplished during a fiscal year.

Human Resource Need
Organization's forecast of needed staff size and skill mix for the designated planning period.

Occupational Series
A numerical designation given to position(s) that have similar specialized work and qualification requirements.

Organizational Level
The administrative subdivision to which an employee is assigned

Outsourcing
Contract-out for functions or services in accordance with acquisition regulations (FAIR Act, A-76 studies, management decisions, etc.)

Permanent Workforce
Consists of all permanent positions (full-time and part-time) within the workforce.

Projected Positions
Based on budget expectations the projected skills and tasks identified by series, title and FPL grade necessary to achieve the work of the agency.

Projected Workforce Need
Organization's forecast of needed staff size and skill mix for the designated planning period that will be needed to conduct the work in the future.

Projected Workforce Supply
The projected number of employees by series, title, and FPL grade available in the future based on projected retirements and attrition trend data.

Retirement Projection
The number of employees anticipated being lost due to retirement.

Skill
An observable and measurable expertise needed to perform a task.

Staffing Assessment
The determination by the organization of the ideal staff size and skill mix needed to carry out its strategic objectives.

Strategy
An approach to addressing an issue.

Surplus –
The amount by which the supply exceeds needs.

Volunteers
Individuals that offer their services at not cost to the government. Use of such individuals must be in accordance with law.

Workforce Planning

A process that ensures people with the appropriate skills are in the right place, at the right location, at the right time to meet the customers' changing needs. It examines what an organization needs to accomplish in a given period of time; what knowledge, skills, and experience are required to get the job done; and how large and what type of workforce is required to provide that mix of skills, knowledge, and experience.

Workforce Planning Team
A group of individuals with multi disciplinary backgrounds from the agency involved in activities within their respective organizational level and who can ensure the right skills are in the right location at the right time to meet conservation issues.

APPENDIX D

References and Sources

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APPENDIX E

WORKLOAD ANALYSIS GENERAL CONCEPTS

WORKLOAD ANALYSIS

Workload analysis is viewed as a separate set of processes that contribute to workforce planning. As such, this section provides general information and basic steps when conducting workload analysis only.

WORKLOAD ANALYSIS

What is Workload Analysis?

Workload analysis is a descriptive baseline of the workload requirements by discipline in an organizational unit. It provides leaders with a process to assist with allocating resources, communicating priorities, and identifying skills and training needed by employees to accomplish the workload.

Once an organization completes an accurate assessment of the work and the staff required to complete the work, then management can discuss longer-range resource priorities and staffing needs based on realistic resource improvement goals and staffing requirements. Plans can be developed to allocate funding to filling gaps, improve operating efficiencies, and improve technical skills and competency.

Uses for WLA:

- Management decision making tool
- Analyze workload by activity, discipline needs, current location of specialists, and where staff is needed to address emerging issues.
- Analyzing current work processes and discuss potential ways to improve efficiency and effectiveness.
- Provide supporting data to tie the costs of program to social, economic, and medical research benefits.
- Facilitate discussion and review of priorities associated with work products.
- Project impacts of new or additional programs and mandates on current and future workload and workforce.
- Provide data to tie workload and personnel needs to more comprehensive resource assessments.
- Help managers determine how to reduce excessive or uneven workload.
- Assist in the development of training needs for employees.

- Provide human resource data when organizational changes are being considered.
- Project what disciplines will be needed for the future workforce
- Assist in the development and evaluation of performance measurements.
- Provide supporting data in resource allocation decisions.
- Produce database of work process for future reference.
- Provide data for budget justifications
- Provide data for strategic planning decisions

How should it be conducted?

Workload analysis should be conducted in two parts. The first major part is to determine both the total amount of work activities needed and what will be accomplished within the next fiscal year in each organizational unit. For each work activity, a measurement unit (number), the source of the data to use (if applicable), and any additional considerations for clarity, consistency, and accuracy.

The second major activity is to determine the amount of time required to complete the work activities by discipline. For each work product, a time analysis should be conducted. The time analysis consists of documenting the time required by different disciplines to carry out tasks needed to accomplish the work activity.

Basic WLA model is:

Time Data x Number of work activities next year = Total Time Required

To determine staffing levels (FTE) required:

Total Time Required / 2080 hours = FTE Workforce Required.

Verification of data:

To check the reasonableness of the time study data, estimate the progress of each activity for last year, then multiply the time study data. The result should be the approximate workforce that existed last year.

Time study Data x Work activity for last year = Total Time Required for last year

To determine workforce (FTE) required:
Total time required / 2080 hours = FTE Workforce required for last year.

The reasonableness test of using last year’s accomplishments to compute the number of staff that is required to complete the workload should provide a basic check of the time study data. If the time study data is reasonable, then the staff required to complete last year’s progress on each activity should approximate last year’s workforce. If the time study numbers are too high then the model will show that more staff was required than was available to complete last year’s workload.

Identification of time by discipline:

Record the discipline skills/competencies necessary to accomplish the work activity. The working title of the individual currently in the position is not relevant to this process, but the skills/competencies needed to complete the activity should be captured. For example, a microbiologist may be a biologist by training. If the microbiologist acts as a biologist accomplishing a work activity, then record that time in the biologist column of the spreadsheet. Use the same methodology for all disciplines used in the organization.

In completing the worksheet, it may be necessary to consider the various employee titles of the organization, however, place the employees in the most applicable category, depending upon the skills/competencies needed to accomplish the work activity.

It is recognized that there may be variations in the amount of time required for each work activity. A typical unit (type and/or size) must be determined and all time identified as it relates to this typical unit.

Please pay attention to those tasks, steps, or components that should be counted in other work activities. This will avoid duplication of time between activities. Care should be exercised to prevent double counting.

In order to get a comprehensive accounting of total time required to complete a work activity, it is important that all time, including that of other employees, non-FTEs, volunteers, are included.

LIMITATIONS OF WLA

- It is only an estimate of the workload
- Estimates are only as good as the “estimators”

EXAMPLE OF WORKSHEET TO ESTIMATE TIME

Work Product: ____

Typical Size Unit: ____

Describe typical unit and assumptions used:

____
____
____
____

Typical practices/activities:

____
____
____
____

Task (Per Unit)	**Time (Staff hours)**
A.	______
-	______
-	______
-	______
-	______
-	______
Other:	
______________________________	______
B.	______
-	______
-	______
-	______
-Other:	
___________________________________	______
TOTAL PLANNING TIME (Staff Hours/Unit)	______

EXAMPLE OF WORKLOAD ASSESSMENT – ACQUISITIONS

Assessing the current workload involves reviewing financial analysis and analyzing the performance measures. This analysis will answer two issues: (1) are you efficient compared to your operating costs; and (2) are you performing within the realm of your goals and objectives. This information will help managers understand their workforce needs by examining the work output against the work inputs. It will also identify areas of improvement based on the results from measuring the organization performance. This could include: identifying additional FTE's, delegating work, increasing work, increasing efficiency among employees and/or setting new standards of performance.

PART 1

Cost Effectiveness

This part of the document focuses on analyzing the financial aspects of specific functions. Below, the Acquisitions field is used only as an example of how to submit adequate data for analyzing your operations cost effectiveness and resource utilization.

DATA COLLECTION

Questions

1. List all applicable expenses for overhead, FTE's etc.:
   For example: In Acquisitions, this would apply to both Central Procurement and any Service Center in order to demonstrate consistency in the charges. To compare the efficiency, service, and cost effectiveness of these services, please include all costs associate with your fee for processing procurement orders, such as: Rent charges, Utility charges, Training, Equipment, policy, protest administration and FTEs total cost.
2. Are you allotted an appropriated budget?
3. What percentage of your appropriated budget covers overhead?
4. Do you charge a Fee-for-Service? What is the Fee?
5. What percentage of each overhead charge is included in the "Fee"
6. Does this "Fee" include all employees in the 1100 series or only actual employees processing contracts?
7. Name the services that you provide (in general). Which of these services are included in the fee?
8. What types of contracts do you process and how long does it take to process each?
9. Is the fee standard for all contract types?
10. What is the level of difficulty of each type of contract? For example: Contract Type A – 30 days to process; Contract Type B – 10 days to process; Contract Type C – 9 days to process
11. For the contract types above, what grade level of specialist processes each?
12. How many actions (each type) were processed this fiscal year? Last fiscal year?
13. How many actions do you process monthly?
14. What were the dollar amounts of each contract type?

MEASURING:
In order to measure your work output and inputs, you need to establish units of measure. The following assists in determining what units to use for measuring.

To Quantify:
1. How many contracts processed?
2. Per type of contract
3. Dollar amount for each type

Unit of Measure:
Contracts completed per type

Analyzing the output (actions processed):
1. How many contracts submitted?
2. How many processed?
3. How many customers (ICD's, internal, etc)?

Analyzing the input (resources)
1. How many FTE processing contracts?
2. How many FTE in series but are not processing contracts?

For example: To process contracts, the following are units of measure:
- Number of customers
- Type of contracts processed (What kind?)
- Pre-established timeframes
- How many specialists worked on a particular contract?
- Level of difficulty for contract

Note: The above data, collected and analyzed, will answer the following questions: Is the amount of output (contracts processed) sufficient to the fees charged and resources used?

PERFORMANCE GOALS:

This part of the document focuses on analyzing whether you are meeting your performance goals. Question 1 through 7 will determine whether you are meeting your goals:

Questions
1. What are your performance goals per contract? Per action?
2. How many actions do you process per week?
3. Do you track the number of actions processed?
4. If yes, how do you track actions processed, such as by type?
5. How much do you anticipate collecting each year from fee? How much do you actually collect?
6. Is there a Gap in expected revenue?
7. How do you address the Gap?

PART 2
Analyzing the data from Part 1 and using the formulas below, you can measure your efficiency level.

Measuring Efficiency:

Units of Measures:
Outputs

- Contracts Processed (unit of measure)

Input (use a unit for the resources) used that is the most meaningful)

- FTE's
- Staff hours
- Square feet
- Hours of use
- Dollars

For input, include all resources (FTE) used in producing an output (processing contracts) by using cost in terms of dollars. For example: Give the total cost per FTE.

To measure levels of efficiency, use the formula below:

To determine Unit Cost:
Use dollars as input; Work completed as output
Formula to use to determine unit costs:
Unit Cost = Costs (Resources Used) / Output Quantity

To determine Productivity Ratios: (Expressed as "output per units of input")
Use resource quantity as input; work units completed as output
Formula to use to determine productivity rate:
Output / Resource Quantity used = Productivity Rate
Example: Contracts processed per month divided by the number of contract specialist

To determine Productivity Indices: (Expressed as a measure of the change over time of the quantity of products or services produced (output to the quantity or cost of resources used in production (Input).
Formula to use to determine productivity indices:
Change in output / change in input = Productivity index
(contracts processed decreased) / (number of specialist changed)
OR
Index of output / Index of Input = Productivity index

To determine Operating Costs to Transaction Dollar (A unique productivity ratio, usually expressed as a percentage)

- Use dollars as inputs; dollars as output; output dollars are a proxy indicator of work done.

Formula to use to analyze operating costs to transaction dollars

Operating cost (FTE costs) / Transaction Dollars = Efficiency Rate (how much does it cost per contract)

Examples:

- Operating costs as percent of sales
- Operating costs as percent of benefit payments
- Operating costs as percent of taxes collected

To Determine Resource Utilization (show the usage rate of a given resource. This would be used for critical resources)
Formula to use to determine if resources are utilized efficiently

Amount used / total available = usage rate

Example: Two out of 10 contract specialist worked on a project.

APPENDIX F

COMPETENCY/SKILLS ASSESSMENT GENERAL CONCEPTS

COMPETENCY/SKILLS ASSESSMENT

This type of analysis is viewed as a separate set of processes that contribute to a quality workforce plan. Because we focused strictly on workforce planning processes and not separate, but related processes such as competency analysis, we have included this section to provide a basic understanding.

COMPETENCY ANALYSIS

What are competencies?

Competencies are a set of behaviors that encompass skills, knowledge, abilities, and personal attributes that, taken together, are critical to successful work accomplishment. Competencies may be defined organizationally or on an individual basis. Identifying competencies on an organizational basis provides a means for pinpointing the most critical competencies for organizational success. These are an organization's core competencies.

Individual competencies are those that each employee brings to his or her function. Individual and team competencies are critical components of organizational competencies. If the individual competencies in the workforce are not in accord with those needed by the organization, workforce planning will point out these gaps.

What is a competency model?

A competency model is a map to display a set of competencies that are aligned with an organization's mission, vision, and strategic goals. The competency model is future-oriented, describing an ideal workforce. The competencies that make up the model serve as a basis for employee management, since they play a key role in decisions on recruiting, employee development, personal development, and performance management.

A competency model helps bridge the gap between where an organization is now and where they want to be in the future. This occurs in two ways. First, the competency model serves as a guide for management in making decisions, since it is based on the competencies that support the mission, vision, and goals of the organization. Second, the competency model serves as a map to guide employees toward achieving the mission of their organization and their functional area. This provides management and staff with a common understanding of the set of competencies and behaviors that are important to the organization. A well-developed and documented competency model will serve as the basis for organization training and development activities as well as the means for identifying competencies to be sought in new recruits.

How are competencies identified?

Competencies are developed based on information collected by studying what top performers do in the defined job context. Competencies focus on the attributes that separate the high performers from the rest of the workforce. Information can be gathered in a variety of ways, including employee questionnaires, focus groups, and interviews with managers and employees.

Two key elements in identifying competencies are:

- Workforce skill analysis is a process that describes the skills required for today’s work. Conducting workforce skill analysis requires the leaders of an organization to anticipate how the nature of the organization’s work will change, and then to identify future human resource requirements. (This process spans the supply and demand analysis aspects of workforce planning.)

- Job Analysis, which collects information describing successful job performance. Job analysis focuses on tasks, responsibilities, knowledge and skill requirements as well as other criteria that contribute to successful job performance. Information obtained from employees in this process is used to identify competencies.

Workforce planners can use competency analysis as a method of analyzing workforce gaps. Competency analysis is a process that identifies the current competency levels of the workforce, as well as the competencies required by the jobs of the future. As a part of competency analysis, planners can distribute a questionnaire (individually, by groups, or via e-mail) to employees at large or in positions that are subject to significant change in order to collect skills and education data and to assess their qualifications.

The competency analysis will help planners to determine if it is possible to retrain these employees so that they may develop the competencies that the organization will require in the future. Timing and presentation of such a questionnaire is critical.

Steps for Conducting Competency Analysis:

1. **Identify the job competencies that will be required for future positions in the organization.** A competency matrix can be used as a tool for identifying the competencies that are or will be required for specific positions. This step will probably have been conducted during the strategic planning and preliminary data gathering step in the workforce planning processes.

2. **Determine whether current employees possess the competencies that will be required by the identified positions.** This is the data that will probably be missing or available only in anecdotal methods or based on assumptions related to current series and grade. A skill assessment tool can be used to measure individual employee competencies.

3. **Analyze the difference (if any) between current employee competencies and future organizational needs**.

The results of the competency analysis will help identify potential retraining needs that employees in certain “excess” or “surplus” positions may require in order to transition into other positions within the organization. Employees may also want to know the results of the analysis for their own career development purposes. This may be helpful for retention if well-qualified current staff believe there are growth and learning opportunities for them within the organization.

If the organization determines that current employees will not have the ability to attain the competencies that will be required in the future, workforce planners will then need to identify the most appropriate recruitment strategies for filling the skill gap.

Competency Matrix*

B-Basic **I=Intermediate** **A=Accomplished**	**Job A**	**Job B**	**Job C**	**Job D**	**Job E**
Good Communicator: **-Listening** **-Presentation-Formal** **-Oral** **-Written**	B	A	A	B	I
Self Management: **-Time Management** **-Stress Management** **-Assertiveness**	A	B	I	A	B
Interpersonal Skills **-Conflict Management** **-Teamwork** **-Negotiating**	A	I	B	I	I
Leadership **-Team building** **-Coaching** **-Change Management**	B	B	I	A	A
Management **-Financial** **-Human Resources** **-Technology** **-Info. Management**	B	I	A	B	A

*Note: This competency matrix is intended to be a generic model. Planners should adapt or adjust competency models and matrices to correspond to organizational needs and characteristics. *(Tool Adapted from U.S. Department of Transportation, Office of Human Resources Management)*

Skills Assessment Tool:*

The following is an example of an assessment tool that measures skills in each competency. In order to develop a well-rounded analysis, it is recommended that an employee complete the assessment and have the supervisor and at least one peer complete the assessment of that individual with respect to these skills.

Once all individual assessments are completed, compile all results on a single table and refer to analysis instructions below for completion of "Level Required for the Position" and "Areas to Improve" columns, and interpretation of results.

Directions:

In the table below, indicate the appropriate measure assessing the skill exhibited for each area.

1 - Basic level of Skill; has knowledge of general terms, concepts, processes and objectives relative to competency
3 - Intermediate level of Skill; has ability to apply competency to perform common tasks
5 - Accomplished level of Skill; Uses competency to perform common tasks.
0 - Indicates need for basic skill development
Leave Blank - A skill cannot be assessed

Competency	*Self Assessment (0 to 5)*	*Peer or Employee Assessment (0 to 5)*	*Supervisor Assessment (0 to 5)*	*Level Required for Position (B, I, or A)*	*Area to Improve*
Good Communicator: **-Listening** **-Presentation-Formal** **-Oral** **-Written**					
Self Management: **-Time Management** **-Stress Management** **-Assertiveness**					
Interpersonal Skills **-Conflict Management** **-Teamwork** **-Negotiating**					
Leadership **-Team building** **-Coaching** **-Change Management**					
Management **-Financial** **-Human Resources** **-Technology** **-Info. Management**					

*Note: This skills assessment tool is intended to be a generic model. Organizations should adapt the tool to correspond to their needs. *(Tool Adapted from U.S. Department of Transportation, Office of Human Resources Management)*

ANALYSIS OF INFORMATION

In the column marked "Level Required for Position", an employee should indicate the appropriate level for his/her position (basic, intermediate or full performance level) by referring to the proficiency level grid in the framework. Remember: Full Performance Level (A)=5, Intermediate (I)=3, and Basic (B)=1.

Place a ✓ in the rows where two of the three (or both if you only have two columns completed) assessments of your skills fall below the required proficiency level for your role as identified in the skill requirements grid in this framework. For example, if your role requires an intermediate level of skill (3) in Technical Knowledge and you rated yourself a 2, your supervisor a 3, and your peer a 1, you should mark that row with a ✓. This identifies a need for development in that competency. This information should then be used, with your supervisor to develop an improvement plan.