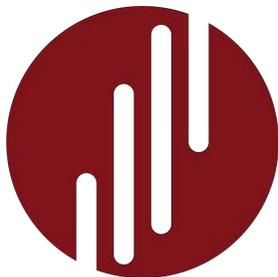




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ENVOL SOLUTIONS INC.

Workforce Planning Guide

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What's Included in this Guide

In this Workforce Planning Guide, you will find helpful and easy-to-adopt information to strategically develop and implement a workforce plan that will optimize your workforce and help prepare your business for facing a recession. We will walk you through the importance of workforce planning during an economic downturn as well as the 5 steps for effective workforce planning with tips on executing these steps.

This guide includes:

1. An overview of workforce planning and its benefits for an organization during an economic downturn.
2. 5 core steps of effective workforce planning.
 1. Deciding on your strategic direction and goals.
 2. Analyzing your existing workforce.
 3. Developing your plan.
 4. Implementing your workforce plan.
 5. Monitoring results, evaluating progress, and revising your plan.
3. Questions to keep in mind while conducting your workforce assessment.
4. Additional resources to broaden your understanding of workforce planning and help you optimize your workforce.





Introduction

What is workforce planning?

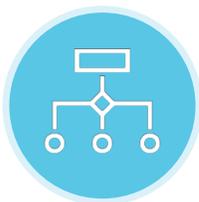
At its core, workforce planning is all about optimizing your workforce by having the *right* number of people with the *right* skillsets in the *right* place in your business at the *right* time. This means that there are neither too many people (overstaffing), nor too few (understaffing).

Workforce planning is all about asking the right strategic questions to help you understand the current state of your business and workforce to help you plan for the future. This will look different for every business; there is no one-size-fits-all solution.

Ultimately, assessing your workforce allows you to ensure you have the experience, knowledge, and capacity within your internal team to execute your business strategy to its fullest potential.

Why do I need workforce planning?

A strategic workforce plan can help you...



Identify gaps in your workforce where you might need to plan for any training or up-skilling.



Plan for the long-term through taking a birds-eye-view approach to assessing your workload.



Reduce turnover; employees feel empowered and supported in your business.



Step One: Determining Your Strategic Direction and Goals

Before you begin developing your workforce plan, it's important to understand the strategic direction of your company's growth and identify what steps are required to move forwards in that direction. This will help you attain a comprehensive understanding of what changes need to be made to your workforce to achieve these goals.

Establishing your SMART goals

SMART goals are essential for effective workforce planning. They help you develop actionable steps to take towards your company's overarching goals and strategic direction, which will ultimately help you in assessing your workforce and identifying any gaps or opportunities.

"SMART" stands for:

- **Specific:** the goal is specific and identifies what needs to be accomplished, by who, with what steps.
- **Measurable:** the goal can be quantifiably measured, and progress can be easily tracked.
- **Attainable:** the goal is realistic given your current workload and considering any adjustments that might have to be made to your workforce.
- **Relevant:** the goal is relevant and will move you in the right direction towards your company's long-term, big-picture goals.
- **Timely:** the goal will be completed within a set amount of time with checkpoints along the way.

Questions to ask yourself: ¹

These questions can help you define your company's strategic direction before you begin to analyze your workforce:

- What direction do you see your business going in?
- What are you hoping to achieve through workforce planning?
- What primary goals/milestones are you targeting?
- Why does your business need new workforce planning structures?

¹Valamis, 2022



Step Two: Analyzing Your Existing Workforce

This step is the most time-consuming, as there are many aspects to consider when analyzing your current workforce. Analyzing your existing workforce involves assessing your workforce needs, understanding what work needs to be done to reach your goals, and identifying where everyone fits into the strategic direction of your business.

Essentially, you'll want to analyze your workforce with the goal of finding out whether you have: (1) enough people, (2) too many people, (3) the right people.

Common strategies to use when analyzing your workforce:

- 1. Demand Planning:** Determining the number of employees needed for each role required to reach your goal based on accurate business predictions and predicted market trends.
- 2. Internal Supply:** Internal supply analysis requires accurate talent evaluations, an understanding of your turnover rate, and the design of training and professional development programs to determine whether your business can meet external demands.
- 3. Gap Analysis:** Identifying the gaps in your workforce by comparing your actual performance to desired performance. This process also involves making plans to close these gaps through recruitment, restructuring, and/or upskilling.

These strategies help answer the following questions: ¹

- Do you have the right-sized workforce?
- What skills, knowledge, and experience do your current employees have?
- Do your employees require additional training?
- What new resources can improve workforce performance?
- Is your workforce correctly structured?
- What is your current employee turnover rate?

Pro tip:

An **organizational chart** that is an accurate reflection of your current workforce structure can help you take a birds-eye-view approach to assessing your workforce and identifying any gaps or demands. [Find out which org chart structure is best for your business here!](#)

¹Valamis, 2022

Step Two: Analyzing Your Existing Workforce

Alternatives for making layoffs:

In all likelihood, you're going to have to cut costs in a recession. We'll say what you aren't going to want to hear: this might mean making some tough decisions regarding layoffs (which suck, but [this tool can help make them suck less](#)).

However, there are some alternatives to layoffs that can help you cut costs, which include:

- **Natural attrition:** Some of your employees might accept new jobs, leave for family reasons, move, or decide to retire – and this is a normal stage in the employee life cycle! Spots can open up on your team naturally, allowing you to decide whether you'd like to hire or hold off for the time being.
- **Upskilling:** Investing in the development of your team's skillsets and enabling lateral movement among your organization can help fill in some workforce gaps when you are lacking the cash flow to hire a new team member.
- **Hiring freeze:** Temporarily putting a pause on the non-essential hiring of new employees can help preserve cash flow and cut HR costs.
- **Furloughs:** A furlough is a temporary leave of absence where the employee is expected to return to work within a specified time period. A furlough can also involve a decrease in typical work hours.
- **Limiting overtime:** Temporarily restricting overtime benefits can help cut costs and may also have a positive impact on your employees' mental wellness.
- **Restructuring:** Combining roles, promoting from within, creating positions, or changing your company's organizational structure are all examples of how you can [restructure your workforce](#) without making permanent layoffs.
- **Finding new "homes" for employees:** Ask yourself: have certain employees shown a different skillset/interest/talent in other areas? This can be discovered through a performance review or growth plan.



Step Three: Developing Your Plan

This third step involves taking your overall goal, applying the assessment of your existing workforce, and producing an actionable plan for the future. Your strategic plan will help you close the gaps that you've identified in the previous two steps. Ultimately, this stage in workforce planning will vary depending on your business and people needs.

Developing your plan might look like:

1. Identifying training opportunities for your employees
2. Recruiting new hires
3. Training or upskilling current employees
4. Restructuring your organizational structure based upon your workforce assessment
5. Contracting work out externally
6. Succession planning for a fresh outlook on strategic direction

Pro tip: A key aspect to remember when developing your workforce plan is establishing and measuring KPIs for assessing strategic progress.

Step Four: Implementing Your Workforce Plan

This step requires interdepartmental collaboration among your entire organization to bring your strategic workforce plan to fruition. This might mean bringing the accounting team on board to provide insights on your budget and recruiting your marketing and HR departments to help with marketing new roles to your desired audience.



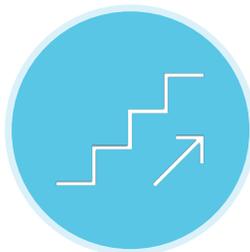
Step Five: Monitoring Results, Evaluating Progress, and Revising Your Plan

The final step in workforce planning is ongoing and may even lead you back to Step One. This fifth step involves monitoring your progress against milestones (remember - SMART goals!), assessing for continuous improvement opportunities, and adjusting your plan to address new workforce hurdles as they arise.



Monitoring Results

- Use your KPIs to monitor the results of your action plan
- Compare your progress to your desired future outcomes



Evaluating Progress

- Identify any weaknesses in your plan or opportunities for improvement
- Formulate appropriate actions to take to further improve your plan



Revising Workforce Plan

- Implement new ideas and action items
- What works and what doesn't?
- Potentially circle back to Step One and adjust your strategic direction with new goals in mind

Questions to Keep in Mind

Where are we going and how will we get there?

1. Where do we want to be in 5 years?
2. What are our top 3 biggest priorities and goals for us to achieve this next quarter/year?
3. What departments and/or roles are essential to build out or eliminate in order to achieve these goals?
4. What roles do we currently not have filled that we absolutely need to reach these goals?

Do we have the right skills to achieve our organizational goals?

1. What are the gaps in skillsets that are currently missing from the workforce?
2. What skills and talent do we wish we could have in the organization?
3. What skillsets can we foresee being relevant to the organization in the upcoming year? 5 years?

If not, how do we get the right skills on our team to reach these goals?

1. Do we have growth and development plans in place for all team members?
 - a. What training/coaching/mentorship needs to take place to support each team member's growth plan?
2. Do we have a succession plan for key roles within the organization?
3. What recruitment strategies are currently in place to attract top talent to fill any gaps and reach a broad and diverse pool of candidates?
 - a. Does my employer brand attract and retain top talent?
4. What systems are in place to allow team members to utilize their skill sets?

Are we overstaffed or understaffed?

1. In what areas of leadership are we investing too much?
2. Where are we trying to find work for people?
3. In what areas or departments are teams feeling strained or overworked?
4. Do we have updated Job Descriptions for our roles to ensure minimal task overlap?
5. Who are the top performers on our teams and who is underperforming?
6. Are there some positions that could be eliminated and tasks that could be rolled into other roles?

Sharing the Love | Other Useful Resources

The collective genius is far greater than our own. We don't believe in re-creating the wheel. Heck, we love to pay it forward and celebrate other brilliant tools and resources. Check out the links below and see what works and what doesn't for your organization.

Create a strategic workforce plan that is custom-built for your business. Use these tools and resources to identify what aligns with your culture and your goals. Build processes and structure with intention in a way that empowers your team. Most importantly, make sure it works for you!

Resources from Other Smart People

1. [Workforce Planning Model](#) by Valamis
2. [How to Write SMART Goals](#) by Work Life
3. [Workforce Planning](#) by National Institutes of Health (NIH)
4. [Workforce Planning: What It Is and Why It Matters](#) by Indeed
5. [How to Survive a Recession and Thrive Afterward](#) by HBR
6. [Workforce Planning During Recessions](#) by Dilys Robinson
7. [Organizational Chart Guide](#) by Envlo



“

Alone we can do so little;
together we can do so much.

Helen Keller

FEELING STUCK?

WE CAN HELP!

[Book a FREE 15-minute consultation](#)
with our team of HR specialists today.

