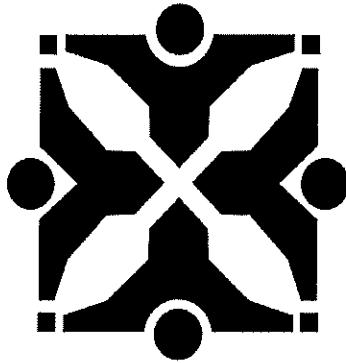


Workforce Planning Guide



**City of Columbia—Human Resources Department
July 2008**

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Background Information

Like other state and local governments, the City of Columbia is constantly faced with the challenge of recruiting and retaining a workforce capable of delivering efficient and quality services to its citizens. The Human Resources Department anticipates that this task will become even more difficult in the near future as Columbia experiences a significant increase in the number of employees reaching retirement. This trend in the labor force is not isolated to Columbia however, as state and municipal governments across the nation anticipate similar degrees of turnover. The changing profile of the workforce—both in Columbia and nationally—is due primarily to the increasing age of the baby boomer generation.

Baby boomers, or those Americans born between 1943 and 1965, constitute a significant percentage of the public workforce. The year 2001 officially marked the beginning of the baby boomer retirements and over the next few years the number of retirees is projected to grow rapidly. Some estimates, for example, have concluded that as much as 45 percent of the total federal, state and municipal workforce will retire in the next 5-10 years. The demographics trend, although anticipated, has never before been so pronounced. The nation's workforce continues to get older, the average age reaching 41 in 2006. This is considerably older than in the past, a full ten years more, for example, than it was in the 1960s. Part of the reason for the increased aggregate age is the decreasing number of younger workers (25-34) who are drawn to positions in government. In addition to the increasing age of the nation's workforce, there has also been and will continue to be a transition in its general composition. In recent years a growing percentage of women, Hispanics and Asians have entered the public workforce. All indications point to this trend continuing as these groups increasingly replace white males, a significant number of who are retiring.

If anything, the profile for the City of Columbia's workforce is even older than the national one. Human Resources data, for example, reveals that approximately 50 percent of the city's current employees are at least 40 years old, with the median age being 47. Over the next 5 years, several city departments will experience a high number of retirements, many of these coming from the ranks of the departments' supervisor or managerial staff.

Retirement Forecast for City of Columbia

Department	Within 5 Years (80 and out)	Percent of Dept. Employees
City Manager's Office	3	37.50%
Finance	11	21.50%
Human Resources	3	37.50%
Law	3	33.33%
Municipal Court	1	11.24%
Information Services	4	16.67%
Police (Civilian)*	7	20.60%
Fire (Civilian)*	3	100.00%
Health	10	17.00%
JCIC	2	6.10%
Planning and Development	3	25.00%
Cultural Affairs	1	36.00%

CVB	1	14.29%
Parks & Recreation	11	13.96%
Public Works	62	18.44%
Water & Light	62	26.32%
Totals	187	

(All calculations based on FY 2007 figures)

* Does not included sworn officials

Police and Fire Retirement Forecast for City of Columbia

Department	Within 2 Years (20 and out)	Percent of Dept. Employees
Police	13	8.70%
Fire	17	12.90%
Total	30	

(All calculations based on FY 2007 figures)

The effect of these retirements will mean a rapid loss of experienced personnel, the results of which will, among other things, include a loss of institutional knowledge. The large number of aging and retiring employees will also present an increased burden for the city's health insurance plan. The impending wave of retirements compounds an existing concern caused by the City of Columbia's comparatively high rate of turnover. Whereas the average rate of turnover for other cities (calculated by combining retirements, terminations, and resignations) between 1999-2006 was 9.2 percent, the rate for Columbia over the same period was 9.6 percent. An additional focus may have to be given to those positions which have proven particularly susceptible to turnover as well as those which continue to be most difficult to recruit for.¹

With these challenges in mind, the City of Columbia and the Human Resources Department has made the development of a comprehensive workforce plan a major emphasis.

What Is Workforce Planning?

The simplest definition of workforce planning is getting the right number of properly qualified people in the right jobs at the right time. The International Personnel Management Association's Resource Guide provides a more detailed definition, defining workforce planning as the "strategic alignment of an organization's human capital with its business direction...[and the]... methodical process of analyzing the current workforce, identifying future workforce needs, establishing the gap between the present and future, and implementing solutions so the organization can accomplish its mission, goals, and objectives."

A diverse range of organizations, both public and private, have developed workforce plans and while differences may exist in terminology or definition, the process and goals involved are usually very similar. All initially begin with a shared vision of the organization's purpose or function, before proceeding with an

¹ These include: PSJC—operators, police, planners, engineering positions, refuse collectors, bus drivers, vehicle mechanics and service workers, animal control officers, and entry level administrative support assistants.

examination of the existing staff, competencies and the expected future needs. After a careful analysis of present and future needs the plan must provide strategies for achieving the future needs and/or objectives. The process is not a static one, however, and an ongoing assessment of the plan and the results it yields is essential to eventual success.

Workforce planning, if done properly, can provide managers with a strategic basis for making human resource decisions. It allows decision makers to anticipate change and make proactive decisions, rather than simply being surprised by events. Often the long term success and continuity of an organization can be greatly benefited by a workforce plan that ensures an adequate level of staffing and the proper institutional knowledge is always maintained. Although workforce planning is often pursued by managers or an organization's Human Resources division, the proper level of involvement from a broad range of staff can make a profound difference. A successful workforce plan is truly a cooperative effort.

Why a Workforce Planning Guide?

In its ongoing attempt to coordinate the efforts of all city departments in the selection, hiring, evaluation, promotion, training, and development of a staff of dedicated and qualified personnel, the City of Columbia's Human Resources Department has compiled this Workforce Planning Guide. The guide is designed to provide the municipal government and each city department with the information, guidance, and resources to implement a successful workforce plan. The guide is designed to provide a basic overview of the process, critical definitions and considerations, as well as a number of recommendations and strategies for implementation.² The underlying goal of the guide is to ensure the City of Columbia's municipal government continues to have a qualified and professional workforce, one which reflects the diverse and dynamic nature of our changing community. More specifically the plan is designed to better prepare the city, its departments, and the relevant staff, for the anticipated turnover created by impending retirements. The workforce plan should also fulfill the goals of increasing employee retention, encouraging competency development for existing employees, and improve the city's competitiveness in order that it is better able to attract new workers from the shrinking pool of younger applicants.

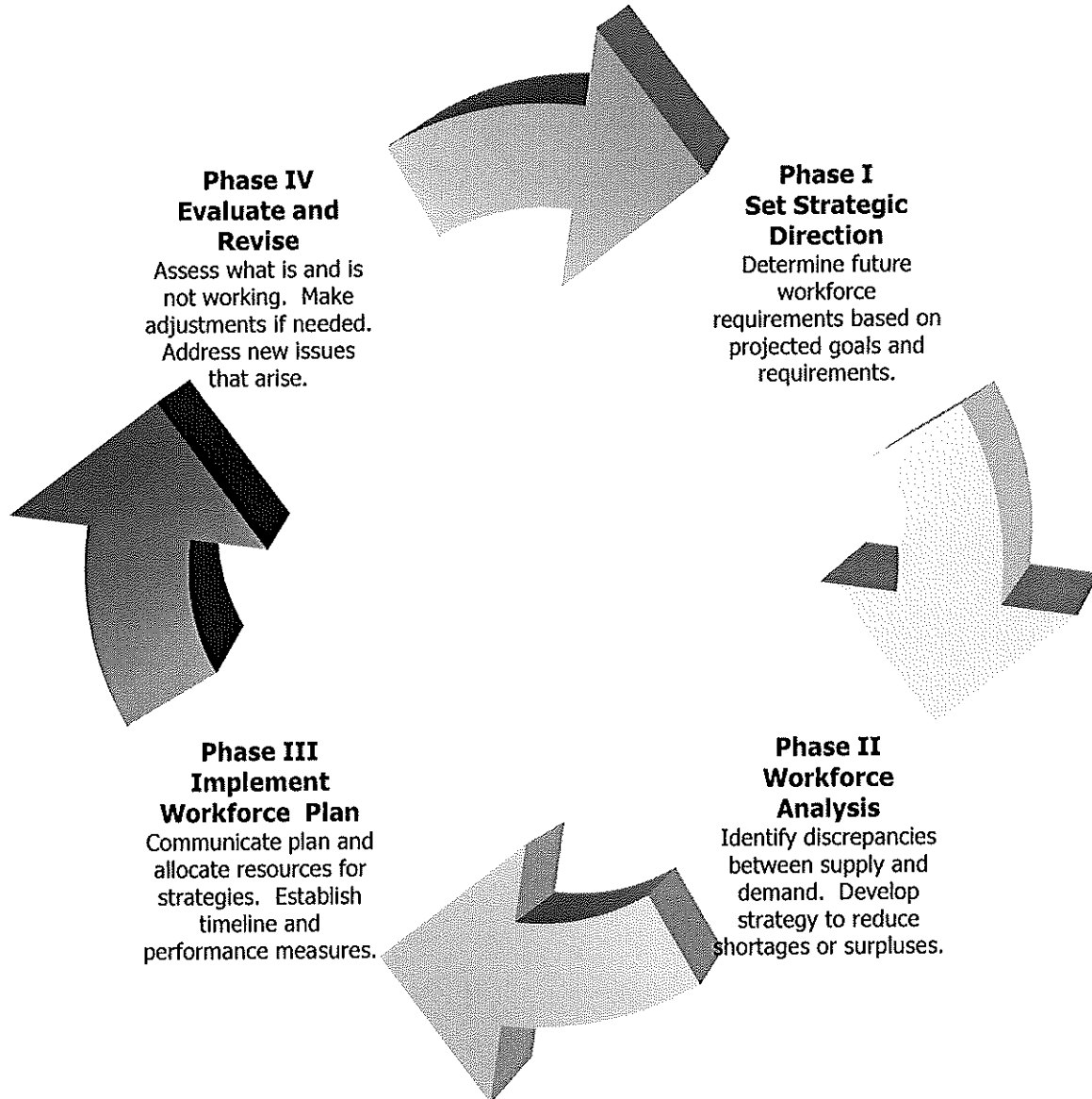
Where did the guide come from?

The City of Columbia's Workforce Planning Guide is derived from considerable research into the planning procedures of other public jurisdictions. Additional information came from a general review of literature on the topic.³ More specific data relating to the labor force was provided by the Human Resources Department. A list of helpful resources can be found in the bibliography which concludes the packet.

² Further information and resources can be found in the brief bibliography attached to the packet.

³ The three most beneficial resources for the production of this document were: the *Texas State Auditor's Office's Workforce Planning Guide*; the *State of Washington Workforce Planning Guide*; and *Washoe County, Nevada's Workforce Development Planning Guide*.

Workforce Planning Model



Workforce Planning Outline

Phase I.

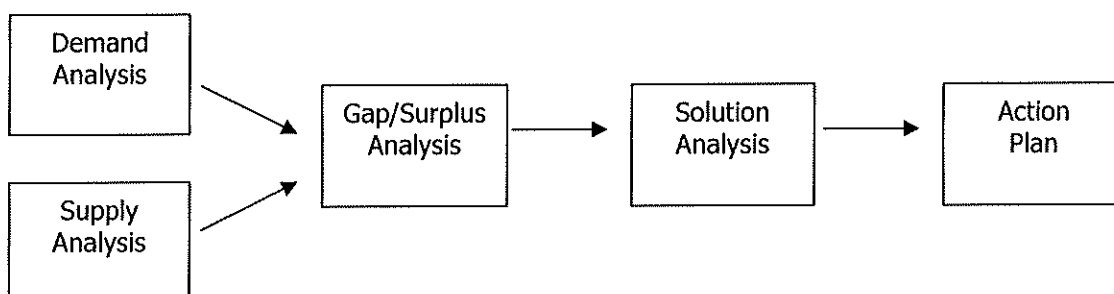
Set Strategic Direction

- a. Where are we today and what is the direction of the department in the future?
- b. How do we/clients view us?
- c. How will technology change the way we work with one another?
- d. What will be the economic changes on the service provision?
- e. What state/federal mandates affect our department?
- f. How do we get where we are going?

Phase II.

Conduct a workforce analysis – usually the most challenging part of the WFP process but the most important phase because it sets precedent for subsequent stages

- a. Supply analysis
 - i. Calculate attrition patterns
 - ii. Project attrition rates
 - iii. Identify employee specific competencies
 - iv. Without factoring in hiring, what will the demographics/competencies of the organization look like in the future?
- b. Demand analysis
 - v. Must take into account not only changes in workforce, but also changes in workload and changing work processes
 - vi. What will the staff need to do in the future?
 - vii. What competencies are necessary to complete tasks?
 - viii. How do we best complete what we need while meeting the needs of a changing workforce?
- c. Gap/surplus analysis
 - ix. Put together supply and demand analysis to determine future workforce's gaps or surpluses in terms of people and knowledge/skills
- d. Solution analysis
 - x. Provides the strategic plan for addressing competency gaps and surpluses
 - xi. Takes into account changes that take place in the workforce on an ongoing, unplanned basis
 - xii. Prioritize staffing gaps
 - xiii. Consider reengineering



Phase III.

Implement Workforce Plan

- a. Set goals with timelines, milestones, and responsibilities
- b. Include a communication strategy –
 - xiv. How will you get people to buy into the strategy
 - xv. How will you communicate goals/expectations/outcomes with staff
 - xvi. How to attract good employees?
 - xvii. How to keep good employees?
 - xviii. What sort of leadership/preparation is needed to groom employees to take over leadership positions in the future?
- g. Implement the action plan with the strategic plan
- h. Allocate resources to carry out the plan
- i. Clarify roles and responsibilities
- j. Establish timelines
- k. Determine performance measures
- l. Communication of plan to all employees

Phase IV

Evaluate and Revise

- a. Review performance measures at regular intervals
- b. Assess what is working and what is not
- c. Adjust the plan and strategies as necessary
- d. Address new workforce and organizational issues that occur

Building a Knowledge Culture

Knowledge management is acknowledged as an interest of the City of Columbia as well as a concern for numerous other organizations and agencies all over the country. It is vital to the future success of a company to capture existing knowledge that is often in employees' heads. There are two forms of knowledge (1) Explicit knowledge comes in the form of books, documents, white papers, policy manuals, and databases.⁴ (2) Tacit knowledge is much harder to capture as it is in the minds of employees, experiences of customers, and memories of past partnerships and projects.⁵ Building a culture of knowledge includes both types, but focuses more specifically on tacit knowledge. Below are some commonly used tactics to transfer information throughout various departments in the City of Columbia.

- **Job shadowing/Internships**—The City of Columbia might be able to better utilize its proximity to and relationship with local secondary schools and the eight post-secondary college and universities which are located within a thirty minute drive. Mutual benefits exist for both students and local government if such a relationship can be fostered. For the City of Columbia an expanded internship program—whether paid or simply for credit—fulfills

⁴ Carlson, Floyd W. *A Guide to Planning: A Knowledge Management System*

⁵ Ibid.

dual needs: providing existing city employees with additional aid and, perhaps even more importantly, encouraging younger and potential future employees that public sector work—especially with the city—can offer a rewarding career.

- **Leadership training/programs/seminars/workshops**—These can take two forms. The first type is geared for current employees, usually middle managers who have demonstrated an inclination and potential to eventually become senior leaders. Several public jurisdictions have created programs designed to facilitate just this growth. The community of Plano, Texas and the California cities of Seville, and Anaheim are just a few examples. These particular programs having received praise for their innovativeness.

The other type of leadership program is designed in hopes of attracting future employees. The California Affiliate of the International City and County Management Association, for example, currently sponsors a workshop designed to develop aspiring local government leaders. Taking a similar approach, the City of Columbia could also sponsor an event geared for interested students. An annual joint program with the University of Missouri's Truman School of Public Affairs might be advantageous, promoting municipal government and giving the city a leg up on other public and private sector employers in later job searches involving former participants. Other local and regional partners, like Boone County, may also have an interest in participating in similar ventures.

- **Workforce Development**—A program of workforce development allows employees to increase and diversify their skill sets. Ideally this greater knowledge and flexibility will provide individuals with the tools they require to move up the career ladder with greater ease. A program of workforce development goes beyond simple job training or even a more limited course for professional development which is designed primarily to enhance the skills required for a certain career path.
- **Internal surveys**—The City of Columbia and many other institutions—both public and private—utilize exit surveys. These surveys are a great means of capturing important information from exiting employees; however, there is strong evidence to suggest the city might benefit from additional surveys. Surveys provide managers and Human Resources professionals' additional information regarding a host of topics related to the workforce. This information can be analyzed so that potential problems may be averted or existing conditions improved. Additional surveys have the benefit of securing feedback prior to an employee leaving the workforce.
- **"Coaching"**—Older employees helping younger workers. This approach allows more experienced employees to gradually pass their expertise and institutional knowledge to younger employees. This strategy might also expedite the period of time it takes newer employees to become proficient at their positions.

- **Rehiring recently retired employees**—In the next 5-10 years, this may become an increasingly utilized approach to maintaining institutional knowledge as greater numbers of baby boomers retire. The vast majority of Baby Boomers are planning on financially contributing to their “retirement” years outside of Social Security and pension plans. The City of Columbia contributes to LAGERS (the Missouri Local Government Employee Retirement System) and as such, is held accountable under their rules. They are as follows:

“The laws governing LAGERS retirement substantially changed August 28, 2003. A LAGERS retiree may become re-employed full time with a different LAGERS employer and continue to receive his or her monthly benefit, and also accrue additional benefits with the different employer. If the retiree becomes re-employed in a covered position with the same employer from which he or she is retired, the monthly benefit will be suspended during the time of full time re-employment. (The retiree may work full time for any non-LAGERS employer while receiving his or her monthly retirement benefit.)

The retiree is eligible to accrue service toward an additional benefit from LAGERS. To be eligible for the additional benefit, the retiree must be employed in a full time covered position for a minimum of 12 consecutive months. Any required employee and/or employer contributions would begin immediately upon re-employment.

Upon the retiree’s subsequent termination of employment, he or she should make application for “re-retirement.” The retiree’s original benefit, as well as the additional earned benefit, would then become payable.” (MOLAGERS Summary Booklet, pg. 20)

As the above states, employees may not be re-hired as full-time employees but may serve in part-time positions, especially in advisory or mentor roles for recently hired, new employees. Like surveys and “coaching,” rehiring former employees is a way in which a jurisdiction can increase its knowledge retention. Ideally, an institution should have a method of knowledge retention and dissemination that does not necessitate rehiring former employees. Nonetheless, in the short-term this may prove to be a practical necessity for many institutions.

Per an email from the finance department and extensive examination of City of Columbia ordinances, there are no limitations placed on the rehiring of any employees (including police and fire department employees) aside from the yearly hour limitation of 1500 hours. If an employee works more than 1500 hours per year, then they will subsequently lose their LAGERS pension plan. However, as long as the employee does not exceed this hourly limit, the City is free to rehire them on a temporary basis without fear of losing their pension.

- **More stringent hiring requirements**—Departments should make a point to hire personnel that are considered more likely to possess leadership potential, even if the available position is an entry level one. A more conscious approach such as this is likely to eventually allow the city to fill more advanced positions through internal promotion rather than more expensive and time consuming external searches.
- **Long-term approach to the hiring process**—closely related to a more stringent hiring process. In addition to fulfilling short term employment needs, managers and Human Resources professionals should consciously make an effort to attract younger employees, especially those who exhibit a commitment to working for longer periods of time. This approach may require a more proactive recruitment strategy.
- **Reevaluation of compensation philosophy, job classification and work schedule**—designed to make the City of Columbia more attractive to potential employees, the need to address the issue has been illustrated by exit surveys conducted over the last few years. These exit interviews revealed that workers felt better compensation and benefits were something the City of Columbia needed to improve. In addition to helping employee retention, these potential changes will hopefully allow Columbia to attract more employees from the shrinking pool of younger applicants (25-34). Thus far a significant proportion of younger professionals have, for various reasons, been disinclined to pursue careers in public service with the city. The problem is not isolated to Columbia; however, it does present a concern for the city. Possible considerations include:
 - Providing more flexible hours
 - Creating a 4 day work week, composed of 10-hour days and 3 day weekends
 - “Broad banding” or allowing a greater range of salary for a decreased number of positions and thus providing more wage flexibility (process already underway)
 - Instituting performance-based pay and rewards (when appropriate)
 - More competitive pay and benefit packages (contingent on funds)
- **Cross-training employees** – provides numerous benefits to both employees and employers. Cross-training allows employees to interact on a different level than normal, day-to-day interactions. It also diversifies the skill sets possessed by individuals, increasing self-esteem, self-worth, and providing relief to employers in cases of sick or vacation leave.
- **“Stretch” training employees** – allows employees to test the waters in other areas of the company while giving employers and opportunity to see how the employee reacts in a new situation. “Stretch” training usually consists of giving an employee a temporary assignment outside of his or her normal responsibilities. Examples include sitting on a hiring board or representing the company in a public gathering. This training can provide the basis for additional skills and also allow the employer to determine leadership

abilities as well as responses to stressful or different situations, often a necessary component of a successful manager or director.

Putting the Plan into Practice

Consultants - Conducting a workforce analysis and continual updates can be time consuming, overwhelming, and ineffective if not conducted correctly. But who is the best person to spearhead this new initiative? There are two options, both with positive and negative aspects. The organization could use existing personnel to complete the task or hire an independent consultant to begin the process.

Using existing personnel may seem, at first glance, the obvious choice for lack of extravagant expenses as well as a personal attention to detail and commitment to the organization. However, the existing workforce may not be trained on specific policies and procedures relating to workforce development and as such, may face a steep learning curve. Additionally, transferring responsibility of workforce development to a current employee(s) may result in an overload of work, thereby requiring the department to hire an additional worker to help out either temporarily or permanently.

Hiring an external consultant would address some of the above concerns with using the current workforce. A consultant would free up the time it would take internal staff to conduct the initial interviews and analysis. He or she could offer insider information to which other may not be privy and can also provide an objective viewpoint of the organization and its associated strengths and weaknesses. Despite these positives, a consultant would require time to get to know the inner-workings of the organization, something that usually requires interviewing current employees which utilizes employee time. Moreover, a consultant incurs additional expenses which may or may not exceed those incurred using internal personnel. Finally, a consultant may not be around long-term to continually evaluate the workforce plan, leaving that work to permanent employees and bringing up workload issues again.

Overcoming barriers – As previously stated, the most important step in creating a knowledge culture is to assess current knowledge and sharing capabilities. That will create a jumping off-point for future changes. Too often organizations jump right into phase three without first identifying goals and current strengths and weaknesses. This often results in failure of one or more components of the workforce development plan; thus wasting precious time and money.

Additionally, barriers involving both employees and management may emerge throughout the process. Barriers such as resistance, fear of sharing knowledge, increased competitiveness, and fear of failure can threaten the success and future of a workforce development plan. Without shared knowledge, the organization runs the risk of stagnation when the “experts” leave. However, overcoming these barriers greatly increases the probability of success. To best address these issues, appropriate precautions must be taken prior to implementation. For example, resistance is usually the result of fear of change. Especially in government, workers grow accustomed to specific roles and responsibilities. Changing daily activities, or

in some cases, a request to share the specifics of those activities, create anxiety and resistance amongst participants. To ward this off, the organization should slowly implement changing policies as well as test them out on a smaller group before widespread implementation. This can allow small issues to surface that would have turned into bigger issues later on. It will also help overcome the overwhelming nature of such a large undertaking. Trying to reform and implement a new workforce plan all at once can seem daunting and negatively impact the outcome. Increased competitiveness is usually a cause of fear of sharing knowledge. In the case of workforce planning, it is vital that workers exchange ideas and suggestions for the good of the organization. Without this exchange of information, the company cannot grow and prosper in the future.

Strong Leadership – Gaining employee buy-in to the programs will prove much easier if upper management is aware of all the programs and promotes them accordingly. This requires preliminary meetings and education on the various program components and understanding on all parts. Management must be encouraged by the project manager, whomever that may be (a consultant or a current employee). A strong project manager can continually drive momentum into the initiative and keep the program on track. An option to increase visibility and strength in leadership for the City of Columbia is to combine the project manager with a point person in each department. One, overall project manager will provide cohesiveness but given the spread and diversity of departments within the City of Columbia, individualized representatives from each department, whether it be the manager/director or another employee, could better serve the project as a whole. With a different point person for each area, department-specific practices and language will remain intact and the project manager will not have to visit each department directly when looking for updates and the like. In addition, having a constant presence and reminder of knowledge management within the office at all times may boost morale and positive feelings about the program.

Evaluating the Plan – Creating a workforce plan is a large task and any employees involved in the process will probably be ecstatic when the process is completed. What these workers fail to realize is that a workforce plan is nothing without continual evaluation and updates. The workforce plan must be a living document to be most effective as the workforce continually evolves over time. Employees acquire new skills, change positions, and the company usually hires additional personnel. These changes necessitate an evaluation of current workforce planning and implementation of updates where necessary. It would be a shame to put time and effort into a plan to see it flourish for a year or two and then flop. Workforce planning was designed for the long-term and should be evaluated and amended as necessary.

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Washoe County, Nevada. *Workforce Development Planning Guide*. <http://www.washoecounty.us/repository/files/13/WorkforcePlanningGuideApril2005.pdf>. June 2005.

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Additional Resources

Plans –

<http://www.missouriwestern.edu/masterplan/workforce.shtml>

<http://www.pimaworks.com/plan/WIBfinal.pdf>

<http://www.ci.phoenix.az.us/EMPLOY/wiaplan.pdf>

<http://www.rollacity.org/comdev/forms/Workforce-2006.pdf>

<http://www.doi.gov/hrm/manual.html>

<http://humancapital.doe.gov/pol/hcmp/pdf/SCWorkforceManagementPlan.pdf>