



Workforce Planning – Factors for Consideration

When contemplating workforce planning, certain factors should be taken into account. Following are some of the major factors including changing workforce demographics, recruitment and retention, career development and organisational culture. It should be noted that different factors influence businesses in different ways.

Changing workforce demographics

Age distribution – considerations for businesses may include

- Do we have many/any employees nearing retirement? Do we have the skills and experience within the business to take on the roles of those retiring? What valuable information and experience do we need to capture before those retiring leave the business? What succession plans do we have in place?
- How are we going to successfully manage and integrate those joining the business who are already in their 60s + ? Retirement isn't necessarily at 65 years and the need to find employment and gainfully employ older workers is going to be a major consideration for individuals and many NZ businesses.
- If younger people are heading overseas with prospects of better pay and work experience, how will we find apprentices and those prepared to commit long term to our business? How do we manage and create mutual benefit when employing Generation Y?

Women in the Workforce

The trend for women to be in the workforce is continually increasing and businesses need to both recognise and accommodate this. Be this in terms of equal pay, working conditions or career opportunities.



Women offer so much to businesses and business owners should embrace this by considering flexible options – part time, job sharing and flexible hours for those that have other commitments, such as raising a family.

Education

The level of education levels is rising significantly and employers need to know how to address this. We need to keep our employees challenged and provide opportunities to utilise the skills gained through training and education. If positions are not available to highly qualified candidates, they will likely seek employment with your competitors or go overseas. Taking advantage of increased skill levels should be seized as an opportunity to further develop the strengths and competitive advantage within your business. Though it is important to understand that in demanding more challenging positions, employees will likely seek career progression and salaries to match.

Job Trends

Many more roles are being created within the service industry, with emphasis being on technical and professional positions. In contrast, there is a decrease in manufacturing and agricultural roles. If businesses seek employees to work in manufacturing roles it is important to determine where in the future these employees will come from. How will businesses adapt remuneration packages, career development plans, re-design jobs to ensure that jobs are satisfying, offer growth yet still ensure productivity and profitability for businesses.

The emphasis on flexible working options is also a major consideration for businesses – be this in the form of allowing employees to work from home or work flexible hours. Pluses may include reduced overheads, less time spent in traffic when commuting to work and greater job satisfaction for many – though equally, some employees may become



isolated working on their own, which could result in decreased job satisfaction and reduced productivity.

Recruitment and retention

Hiring the right people with the right skills at the right time and then keeping them within the business, is a critical aspect of workforce planning. Ensuring that effective recruitment processes and policies are adhered to, will help make good hires; and retention strategies will help minimise losing the intellectual capital, experience and skills that are imperative to the success of a business.

Effective recruitment and retention strategies will have a considerable impact on the success of a business.

Recruitment and retention can be affected by factors such as organisational culture, opportunities available within the organisation, pay, and working arrangements.

Career Development

Offering professional development opportunities to employees is a major attraction to potential employees and it is important that employers consider development options for their staff. In addition to improving the capabilities within the businesses, developing the talent within your business enables you to fill skill gaps, address new demands and retain your employees. More and more people are making it clear that they want to work for businesses that invest in their employees.

Organisational Culture

The organisational culture within a business should emphasise that the contributions of the employees are of value and by developing employees and providing a positive work



environment, business owners are showing their commitment to their staff, which often has the result of commitment and loyalty from employees.

Other Considerations

The above factors can not however be considered in isolation, business owners also need to judge whether they have the right level of support from the management team, what funding for resources is available, whether the candidates applying for jobs possess the relevant skills needed, and what is happening nationally and internationally in terms of business growth and employee movement.