Imagine a firm had the perfect workforce, with nobody overworked or underutilized. How much better could they outperform their competition? Now imagine that firm could also determine precisely who they will need to succeed in the future. It would make their competitive advantage even more powerful.

This vision is achievable for your organization with Korn Ferry Hay Group’s Strategic Workforce Planning (SWP) approach.

What is Strategic Workforce Planning?

Strategic workforce planning (SWP) is the practice of mapping an organization’s people strategy to its business strategy so they work together in sync, giving leaders’ confidence that they can deliver on their strategic objectives both now and in the future, in the most efficient way possible.

It also enables leaders to define, track and measure their investment in people, reviewing and improving approaches with continual maintenance, just as they would for other investments.

Figure one: The business cycle and the people cycle
Leaders typically do SWP for three reasons:

1. To **improve the productivity of their workforce** by re-orientating their people investment to the business objectives.
2. To **address a specific workforce issue**, such as increasing gender diversity or dealing with an aging workforce.
3. To **strengthen their workforce for tomorrow** by understanding the skills they will need to deliver on their goals and running scenarios to plan how to best to deploy, reorganize and shape their workforce to deliver on the business objectives.

“Strategy is 90% execution and execution is 90% about people.”
Gary Burnison, CEO at Korn Ferry

Why is SWP important now?

People have always been a source of competitive advantage for companies and they have also always been a significant cost. Understanding who they need and how to get them, then deploying those people in the most effective way possible is critical for leaders to deliver on the strategy.

However, finding, engaging and deploying the right people is challenging. But SWP can help.

As firms face a global war for talent, more and more are turning to SWP. Rapidly evolving technology needs new, equally fast evolving skill sets currently in short supply; a globally aging workforce is creating imminent skills shortages across industries; and the changing expectations of employees is making it harder to engage and motivate people.

For leaders it’s never been more important to create an agile and efficient workforce able to implement the business strategy today and tomorrow, at the right cost. That’s the core benefit of doing SWP.

But actually implementing SWP successfully and sustainably can be complicated.

The complexity of SWP: The flow of the workforce

SWP is complex because the workforce is not a static entity that behaves like figures on a spreadsheet. It acts more like a flow, with individuals getting promoted, taking secondments, leaving or retiring. And with the pace of change in the market at the moment we are also seeing the shape of organizations change quickly and dramatically. It takes a lot of data crunching to understand what it looks like now and how it will naturally evolve. And it’s even more complex to plan how to alter its direction to suit the organization’s strategy.

Cutting through the complexity

How we help make SWP work for your organization.

- We turn strategy into specific skills – we identify the roles and capabilities that are critical to an organization’s success.
- We optimize the workforce for today – via an in-depth analysis of workload, productivity and cost.
- We forecast/uncover the workforce of tomorrow – using powerful new-generation scenario-planning tools.
- We make the change happen – by closing gaps between the workforce an organization needs and the people they currently have.

With these building blocks we help you to achieve the 5 RightS of strategic workforce planning: right shape, right size, right skills, right site and right spend:

Figure two: The 5 RightS of strategic workforce planning

- **Right Site**: Availability of capable staff at the right locations - to be able to meet changing requirements in the future.
- **Right Skills**: Clarity regarding needed and pivotal capabilities to meet future goals and actual gaps.
- **Right Shape**: Right composition of workforce - from enabling vs. operational, insourcing vs. outsourcing, staff vs. management, distribution across grades.
- **Right Spend**: All of this needs to be done at the right cost for the business.
- **Right Size**: Targeted number of staff for the jobs, that are needed to achieve the strategic goals efficiently and effectively.
We partner with our clients to truly understand their:
- values and goals;
- risks and challenges;
- key products and customers;
- structure and decision-making processes;
- key in-house capabilities; and,
- current workforce planning activity.

This allows us to custom-design the right approach for your firm, delivering the optimal SWP plan to strengthen your business.

**Sustainable strength, at scale**

Our offer is completely scalable: we can support you to implement SWP across your whole organization or in just one business unit. We can also upskill your own people to deliver SWP and make sure it’s embedded into your ongoing business planning process.

**Why Korn Ferry Hay Group?**

- **We can turn strategies into skills.** Through our catalogue of job families and our deep understanding of the strategic capabilities it takes to succeed in different roles, we can translate your strategy into the skills you will need to deliver on it.

- **We help you understand your legacy workforce.** Including what it looks like now and how it will evolve over time so you can understand how to close the gap between the workforce they have now and the workforce they will need in the future.

- **We have a unique scenario planning tool.** We partner with Dynaplan, to provide one of the most powerful modelling and simulation tools on the market. It enables our clients to see, at a glance, the gap between the workforce they have now and the workforce they will need to implement their strategy in the future. And it allows them to run scenarios, in minutes not months, to show how pulling different HR levers will impact the flow of their workforce, presenting the data in workforce ready interactive reports.

- **We have 70 years of experience helping leaders release the full power and potential of their people.** And we have all of the expertise you need to develop an action plan and to help you implement it.
How have we helped our clients?

Here are some examples:

Getting back on track
A major international airline hit hard by the financial crisis and political troubles in its home market asked for our help to transform the way it manages its people, focusing specifically on productivity and cost control.

We developed a program with a range of strategies designed to closely match the workforce with the demand experienced, including:
- Identifying where jobs could be outsourced.
- Setting up a subsidiary to manage contract workers more efficiently.
- Setting up a network to source and manage internal and affiliated experts for specialized roles.
- Short to medium term initiatives to reduce staffing costs.

The workforce plan put in place is estimated to reduce people costs by an average of 17% each year – saving the airline a potential $1.4bn in staff costs over 20 years.

Predicting the future
A UK rail infrastructure company we worked with had a big job on its hands - delivering two major multi-billion dollar rail programs at a time when there is a serious national shortage of qualified engineers working in electrical and power related fields which is delaying recruitment. The situation was made worse by an increase in demand caused by other major programs happening at the same time. Because of this, they didn’t have enough people with the right technical skills, organized in the right way to deliver the programs they needed to in the timeframes they had.

We helped them in three phases:
- We clarified the gap between workforce supply and demand in detail.
- We tested the impact of different workforce strategies to close the gap.
- We developed a 15 year workforce plan.

The organization now has a workforce plan that will ensure that they will have the right people at the time, at the right cost to deliver on their plan.

Creating a workforce fit for fluctuating demand
We worked with a division of a Turkish NGO that supplies tents to the Turkish government for use in humanitarian crises (refugee crises, earthquakes, floods and other natural disasters). The organization has to cope with highly unpredictable demand rates, which leads to difficulties planning how many tents they need and when and also with budgeting. They also experience workforce under-utilization issues when demand is low for their tents.

We developed a workforce plan designed to optimize the number of tent builders on hand while ensuring ongoing supply of tents in case of need, despite an unknown demand.

Preparing for growth
Intent on becoming a global leader in its markets, this major drinks company has an ambitious vision. By 2020, it aims to have increased profits by 2.5 times and expanded its global footprint from 10 to 20 countries. But it was going through a challenging time when we started working together. The organization had seen declining profits and recent acquisitions had failed to increase profitability. The company understood recent poor results were partly down to a mismatch between talent and strategy and so they partnered with us to develop an SWP approach.

We helped them identify how to develop the capabilities needed to deliver on the long-term strategic ambition, and we used our scenario-planning tools to model personnel supply and demand over the coming years. This revealed a fundamental imbalance in the workforce structure that would continue to threaten profitability and jeopardize expansion plans if unaddressed.

SWP has added more focus, rigor and cost-consciousness to its long-term plans. The organization is now armed with a clear, realistic view of the capabilities and people it will need to succeed, and it’s now on track to reach its ambitious goals, exceeding investors’ expectations.

Find out more
If you’d like more information about how we can help you plan your workforce, please contact:

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About Korn Ferry
Korn Ferry is the preeminent global people and organizational advisory firm. We help leaders, organizations, and societies succeed by releasing the full power and potential of people. Our nearly 7,000 colleagues deliver services through our Executive Search, Hay Group and Futurestep divisions. Visit kornferry.com for more information.