



Region and industry workforce planning guide



**Jobs
Queensland**



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Overview

Economic development is a key priority throughout Queensland as a mechanism for building the strength and resilience of regions and industries. Investing in developing a skilled workforce is an essential driver of industry and regional economic growth. Without a suitably skilled workforce, many industry and economic development strategies will not be able to be effectively realised.

This is especially the case in the wake of COVID-19 with the Queensland economy changing at an unprecedented rate. The diversity of Queensland's regions and industries is what underpins the Queensland economy. Strong and resilient regions will power our recovery. Both workforce and skills development at the region and industry level will be crucial for businesses, communities and individuals moving forward.

At the region level, workforce planning should be intertwined with regional structures and be driven by local leadership and an appropriate governance structure to ensure collaboration. It needs to be adequately resourced and the associated activities tailored for the local region. At an industry level, workforce planning should be aligned to cyclical planning activities such as strategic planning.

Queensland industries all experience industry transition, a continual event in an industry's life cycle. Depending on their speed, magnitude and severity, industry transitions can have a variety of economic and social impacts on enterprises and their workforce in regions and communities. The impact of industry transitions can be challenging as industry responds to various disruptions. However, industry transition can also be experienced positively by enterprises and individuals.

This guide has been developed for those whose roles intersect with workforce planning at a region or industry level. This would include, though is not limited to, individuals and organisations working in regional economic development, industry peak bodies and government. While the process for undertaking workforce planning in a region or industry is not identical, the underpinning principles can be used for both. Informed by Jobs Queensland's approach to workforce planning and development and other relevant research and resources, the purpose of this guide is to promote an enhanced focus on region and industry workforce planning and development across Queensland. Examples of region (Fraser Coast) and industry (Advancing Manufacturing) workforce plans developed by Jobs Queensland can be found at www.jobsqueensland.qld.gov.au/projects/.

This guide outlines a four stage approach to developing a region or industry workforce plan. The completion of the first two stages will provide an environmental scan. This will assist in identifying workforce related opportunities and challenges for the region or industry. The final stages will see the development of the workforce plan. This should focus on the workforce gaps as they relate to supporting the achievement of region and industry economic goals.

Effective workforce planning at a region or industry level has the potential to grow that region or industry. It is a collaborative partnership between key stakeholders, led by region or industry leaders and supported by sound evidence.



Why is workforce planning important for regions and industries?

A good workforce plan provides a solid understanding of the current workforce and skills available (supply) and the workforce needed (demand) for a region or industry, and how best to prepare the workforce for the future.

Integrating workforce planning effectively into region or industry economic development planning can:

- prepare workforces for transitions that are occurring
- attract new investment, business and economic development opportunities
- identify and address current and emerging skills shortages
- increase overall productivity and economic output/growth
- identify new and emerging markets, trends and technologies
- maintain and retrain required skills levels for individuals and the local economy
- improve workforce participation and reduce unemployment rates
- identify opportunities to collaboratively work with education providers (primary, secondary, tertiary and vocational) to develop 'work-ready' graduates
- build the strength and resilience of regions and industries.

Workforce planning at a region level can create a skills base to attract new industries and businesses to the region. For existing industry and employers, growth can generate skills development and increase employment pathways in the region. Industry-driven skills demand and employment opportunities can attract new residents to the region. New residents can drive an increase in essential services demand, further encouraging regional employment and prosperity.

Figure 1. Workforce planning and development is a key driver of economic and social development



From an industry perspective, workforce planning enables the identification of required skills to help ensure businesses have ongoing access to a skilled labour force.

Stage 1: Get started

What is workforce planning?

Workforce planning is the systematic identification, analysis and planning of future workforce needs¹ to support industry and economic growth. Workforce planning aims to identify future workforce requirements by comparing these to the current workforce and identifying workforce gaps.

Workforce planning is often undertaken at an enterprise level. Similar principles and practices can also be applied across a region or industry.

Effective workforce planning has four stages:



Stage 1 - Get started:

- Define the scope of the workforce plan.
- Identify stakeholders to be involved.



Stage 2 - Gather information:

- Define the region or industry economic development priorities for the desired timeframe.
- Know the region or industry's current workforce composition – occupations / skill mix, key demographic data and geographical considerations.
- Consider future workforce requirements.



Stage 3 - Identify issues and find solutions:

- Analyse and identify strategies and actions to fill workforce gaps.



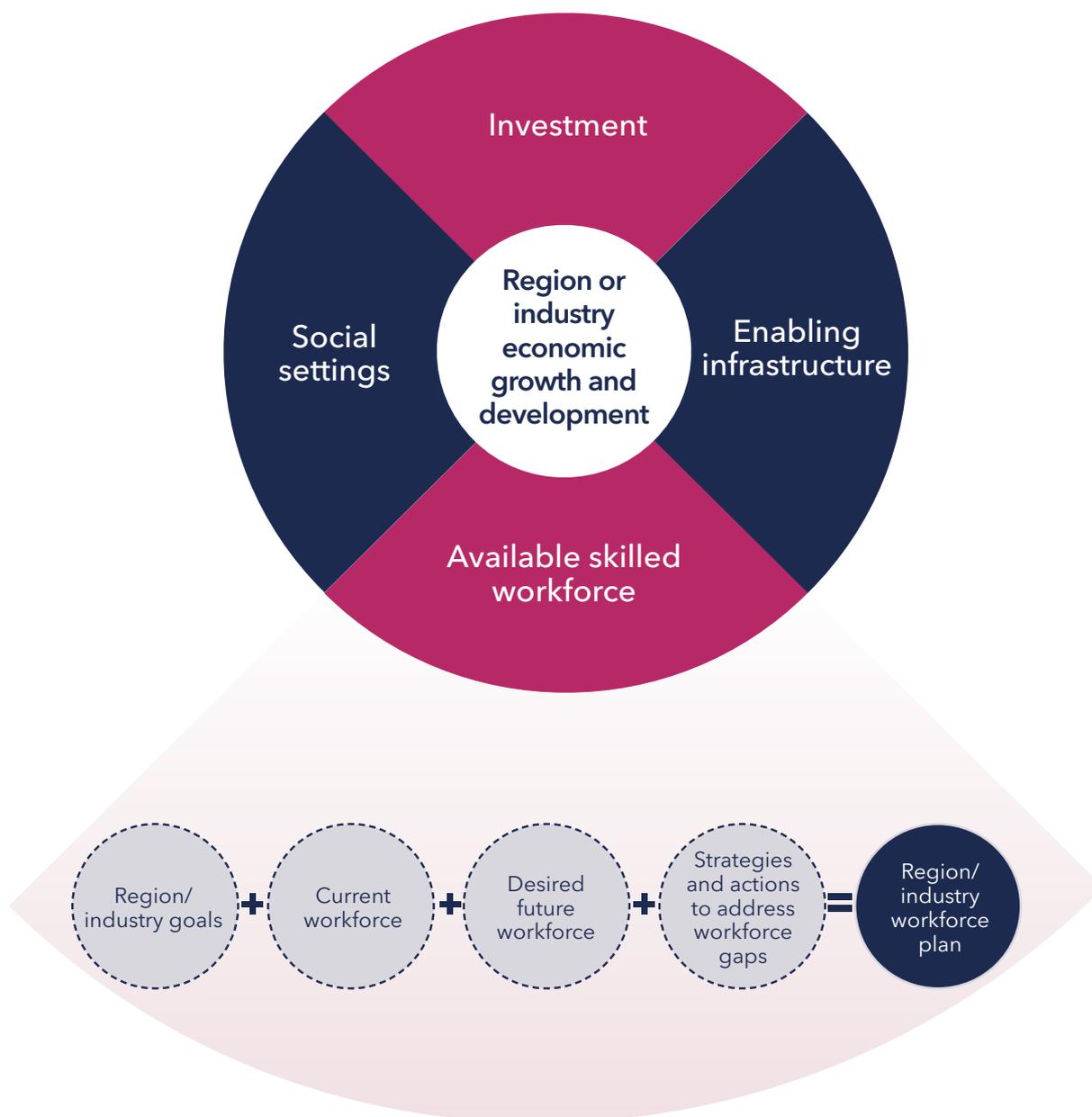
Stage 4 - Develop, implement and monitor:

- Develop the workforce plan.
- Implement, monitor and review the plan to ensure it is achieving its aims.

1. International Standard ISO 30409 *Human resource management - workforce planning*, First Ed 2016-09-01, ISO 30409:2016(E).

Workforce planning provides an evidence base for decisions about workforce requirements, in particular workforce development strategies. Workforce planning is not about being able to predict the future. It's about anticipating how the current external environment is influencing workforce patterns within the region or industry, and what levers are potentially available to influence change.

Figure 2. Region and industry workforce planning framework





Who should be involved?

Region, industry and community leaders play a central role in driving the economic and social development of communities and building stronger regions. Region and industry resilience occurs when communities and governance structures within a region or industry are able to continually adapt, grow or rebound to changing environmental conditions. Collaboration within and across industry sectors will support the identification of required workforce skills and provide development opportunities. This will enable skills solutions that match the region's or industry's specific economic and social settings.

Industry and community leadership

Collaboration and active participation between key stakeholders are fundamental to the development of region and industry workforce planning activities. When government, local business, community, education and training providers, employer and employee associations collaborate, the region and industry can realise its potential and achieve the greatest benefits from workforce planning activities.

An effective mechanism to achieve local ownership and a successful outcome is the establishment of a core workforce advisory group that comprises key region, industry and community stakeholders to oversee delivery of the workforce planning and development activities. Advisory groups may provide advice and support in the design, development and implementation of the workforce development plan to support the desired outcomes. It is expected there will need to be a level of commitment over an extended time period from members of this group.

Recommended membership composition is a balance of representatives from across industries (key growth areas), education and training systems, key government agencies and community, as well as people from under-utilised groups such as migrants, people with disability and Aboriginal peoples and Torres Strait Islander peoples. Member capabilities are also important, and membership should include those who understand workforce planning and development, and have access to strong networks and the ability to build new capability concurrently.

Formalising a governance structure and membership with clearly articulated terms of reference will provide clarity around the scope of the group's activities, interactions and management of potential conflict of interests.

Stakeholder engagement and communication

The value of engagement and communication with key stakeholders cannot be underestimated. Their contribution to the development and implementation of strategies and actions will be most effective if they are engaged in the process, particularly those that will be affected.

Engaging key stakeholders in collecting workforce demand and development data will also assist in the identification of common themes and recommendations. This can clarify the development and prioritisation of actions to achieve the desired workforce development outcomes.

Throughout the life cycle of workforce planning and development activities, communication and engagement with industry, community and government stakeholders is critical to achieving ownership of the workforce development plan. Creation of buy-in to the workforce plan can drive uptake in the implementation of actions and recommendations, leading to the desired workforce outcomes.

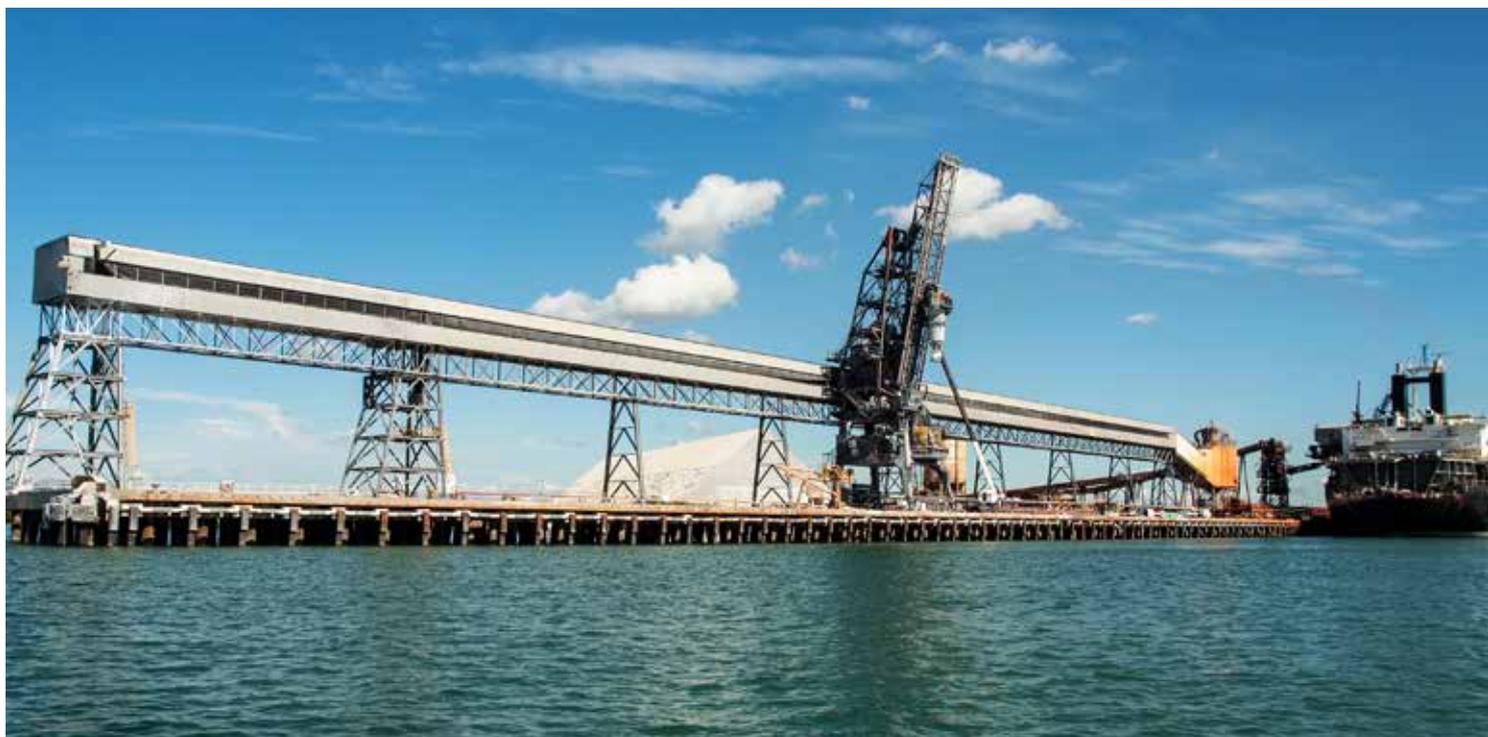
What is the scope?

It is important to define the scope of the workforce that is being considered in your region or industry workforce planning activity. Whenever possible, workforce planning and development should be linked to other region or industry activities, structures and boundaries.

A region workforce plan is usually developed around a regional boundary classification such as Statistical Area 4 Level (SA4) or a local government area (LGA). SA4 boundaries have been specifically designed by the Australian Bureau of Statistics (ABS) for the reporting of Labour Force Survey data. LGA region boundaries represent the administrative division or area that a local government is responsible for. Typically, an SA4 region consists of one or more LGAs. Many other regional boundaries also align to SA4 regions, including Regional Development Australia boundaries. Industry-based workforce plans may focus on workforce planning at an SA4, LGA or state-wide level.

The ABS uses a range of data classification systems in the reporting of data on topics such as employment and businesses. Two relevant systems are Australian and New Zealand Standard Classification of Occupations (ANZSCO) and Australian and New Zealand Standard Industrial Classification (ANZSIC). Using these classifications will provide access to both industry and occupational data.

Workforce planning does not need to be complicated in order to be effective. Even a relatively simple workforce plan can provide benefits for industries and regions. As region and industry workforce planning capability increases, undertaking scenario-based workforce planning can provide a range of future options to assist the development of a workforce plan.





Stage 2: Gather information

What are the region or industry economic development goals?

Workforce planning is most effective when aligned and integrated into broader region or industry economic development plans. This helps ensure that the region or industry is best placed to have a workforce at the right time, with the right skills and right numbers.

Key questions to consider include:

- Are there existing relevant industry / region economic development plans / strategies?
- What are the market forces that will influence the region or industry economic development plan? These can include economy, technology and environmental considerations.
- Is the region or industry expected to grow, contract or remain stable during the designated timeframe? This can be from an economic, population, workforce or business perspective.
- What investment/policy decisions are likely to influence outcomes of the region or industry economic plans?
- How well positioned is the region / industry to respond to external shocks? For example, economic, environmental or technology
- Are key local employers considering operational changes that will impact on workforce requirements?

Capturing this information upfront helps to articulate the link between the region or industry and workforce requirements. In regions and industries where there is an active and resourceful economic development organisation or peak body, the information may already exist. Testing this with the stakeholder group for currency and accuracy may be all that is required.

What does the region or industry workforce look like now?

Environmental scanning is an important component of workforce planning and development as it enables the assessment of the current state of the workforce and influencing factors. Considering the various elements that are influencing or impacting on the region or industry is important. Changes in the composition of the current and potential workforce over time will also require attention. This provides a context and understanding of the interdependencies of workforce planning and development.

Suggested frameworks for an environmental scan and the workforce plan are located in **Appendix A**.

An environmental scan may include:

- current economic development planning activities and priorities or industry development priorities
- infrastructure and investment decisions
- key region and industry stakeholders, including community, employer and employee representatives
- the scope of the plan that can be influenced by physical characteristics such as local government boundaries, regional groupings or industry clusters
- training and education policy settings.

Undertaking an environmental scan using both qualitative and quantitative data provides a solid foundation of information to inform discussion and decision-making in the development of a workforce plan. There are a range of labour market data sources available that can provide a baseline of quantitative evidence that will help to identify workforce trends. Testing, validating and integrating this data with local intelligence gives a fuller picture of the current workforce issues, and can be used to inform the baselines data for future workforce analysis

This workforce information is important as it provides a clear view of the current state and baseline data for a future workforce analysis. It can underpin key findings that inform the workforce plan and provide a basis for identifying workforce skills gaps or expected changes. Standardised data sources can be supplemented via other activities such as industry surveys.

Current workforce information

Sources

- The Queensland Government Statistician's Office provides a wide range of demographic, economic and social data relating to the state of Queensland. Data and information are also available at a Queensland regional level. This data can be found at www.qgso.qld.gov.au.
- The ABS data provides a picture of workforce demand and supply, and future local population projections. This includes local, state and national data on labour market, industry and demography. www.abs.gov.au/browse.
- All occupational data is classified according ANZSCO. It is an occupation-based classification system, so organisational/industry position titles may not always directly align to the occupation titles. A list of all occupations can be found at www.abs.gov.au/ausstats/abs@.nsf/mf/1220.0.
- ANZSIC is an industry classification system, and businesses self-classify according to their primary activity. A list of industries can be found at www.abs.gov.au/ausstats/abs@.nsf/mf/1292.0.

Types

Industry data includes:

- industry overview
- industry data such as the number and size of businesses by employment and/or turnover (ANZSIC).

Labour market data includes:

- occupational data (ANZSCO)
- unemployment data
- job vacancies
- participation, job search and mobility
- characteristics of employment
- working status and other characteristics of families
- average weekly earnings
- employers' recruitment insights.

Demography data includes:

- population size and growth
- educational attainment
- characteristics of people and communities
- migration
- gender and age characteristics of industries.



What does the future workforce look like?

Understanding the region or industry's future workforce needs is about estimating the size of the workforce and the skills that will be required to deliver on region or industry economic development plans.

After considering future workforce needs, match this data to current workforce data and, in doing so, identify the workforce gaps. Workforce gaps can include a variety of considerations such as an aging population or workforce; skilling new entrants to the workforce and upskilling existing workers to accommodate new technologies. For example, a local investment decision to grow an existing niche manufacturing market may identify that changes in the current workforce skills and size need to be made. To close workforce gaps, strategies and actions will need to be devised. These strategies and actions will form the basis of the workforce plan and will need to be prioritised, implemented, monitored and reviewed.

Key questions to consider include:

- What new industries or industry subsectors will emerge in the region or industry?
- What changes are being experienced by industry (growth, decline, demography, climate changes, age of the workforce)?
- What new and emerging technologies are likely to impact on industry employers?
- How many jobs and what types of jobs will be required in the future?
- Is there an available workforce to skill, reskill or upskill?
- What new skills or new ways of working will be required?
- What is the availability of upskilling/reskilling opportunities?
- What are the inflows (immigration, school graduates) and outflows (retirement, people leaving the industry)?

Sources of future workforce information

- Jobs Queensland's Anticipating Future Skills data uses economic modelling of plausible future scenarios to produce employment projections for industries, occupations and regions in Queensland. Data tools can be accessed from www.jobsqueensland.qld.gov.au/afs
- Regional Australia Institute provides various tools and products that produce insight into topics influencing the future of a region's economy. www.regionalaustralia.org.au/home/tools-and-products/.
- The Australian Government has a new tool that identifies jobs in demand in regional areas - www.joboutlook.gov.au/ExploreAustralia.aspx.
- A range of industry bodies and regional economic development organisations also provide relevant region- and industry-related workforce information and planning.



Stage 3: Identify issues and find solutions

What is workforce development?

Workforce development is about building workforce capability and capacity to meet labour market demands.

It is a suite of strategies and actions that can increase workforce attraction and participation and maximise workforce skills to meet local industry or region needs. This can include increasing the qualifications and skills utilisation of the existing workforce and promoting region attraction programs.

Industry capability and capacity building may include:

- collaboration and networking to build and support ecosystems
- sharing information on processes and technologies
- building industry profile/s at a region or local level.

Workforce development can include employer-focused initiatives that cover:

- building leadership capabilities
- coaching and mentoring
- increasing skills and productivity
- training and development of professional and technical skills and knowledge
- industry attraction and retention programs
- building the future workforce pipeline and attracting new entrants.

Workforce development is needed to ensure there is a skilled workforce available.

Developing strategies and actions brings together the analysis, insights and direction that have been revealed in the previous steps. Once the extent of the workforce gaps has been determined and prioritised, effective strategies can be developed and implemented.

Finding workforce solutions

Region and industry workforce plans should be tailored to reflect local workforce needs. The workforce plans should not only align to major employer needs, but also support emerging and expanding industries, as well as those in transition. Current workforce initiatives should be assessed against anticipated future workforce needs to determine if they will remain effective or need to be adapted. If there are gaps, then new workforce strategies that will address these gaps should be developed and implemented.

Workforce planning and development strategies and actions can be grouped into five key areas of focus:

- skill, upskill or reskill the existing workforce
- attraction and retention programs for new and existing employees
- increasing workforce participation and skills for under-utilised workers and those outside the labour market
- supporting the workforce through industry transitions
- fostering opportunities to build connections across industry networks, employers and training providers.

These focus areas cover a wide range of activities that will address most workforce development needs.



Supporting region and industry workforces in transition

Industry transitions occur across the economy, resulting in changing workforce needs for regions and industry. These transitions are often incremental and can be planned for, but may also be rapid, dynamic and unforeseen.

As an industry transitions, there may be significant opportunities for individuals, enterprises and communities, such as reskilling or upskilling for individuals, productivity efficiencies for enterprises, and economic growth for regions.

These opportunities need to be balanced with

recognition that change brought about through transitions can, at times, be difficult for the individuals and communities involved. Appropriate support structures are key.

Eight key elements were identified in Jobs Queensland's *Supporting workforces during industry transition: Key elements for success*². The report provides guidance on how to best respond to future industry transitions and promote positive long-term outcomes for those affected. Consideration of these elements is useful for workforce planning and development.

Eight key elements for success



Time

Long lead time to prepare all parties impacted. Long lag time with programs to help all parties impacted accept and adjust.



Anticipatory planning

Understand the landscape and know the market. Socially responsible restructuring.



Governance and information dissemination

Dedicated and disciplined coordination, management and leadership. Broad consultation.



Focus on the affected region

Localise recruitment and procurement initiatives. Focus transitional support on jobs in the region.



Human capital

Skill, reskill, upskill - but it must be aligned with a job outcome / career. Greater focus on transferable skills.



Economic diversification

Diversifying products, crops and services to remain viable. Building upon existing regional capacities.



Local coordination and case management

Understand that local needs are key to effective program implementation. No 'one size fits all' approach.



Evaluation

Monitor, adapt and adjust. Make recommendations for the future.

2. <https://jobsqueensland.qld.gov.au/projects/supporting-workforces-industry-transition/>.



Stage 4: Develop, implement and monitor

Establishing a workforce plan with timeframes for implementation

Developing a skilled workforce can take time. A good workforce plan will allow for a sufficient lead time to achieve growth in workforce skills and capability. To acknowledge the time required to skill, upskill and reskill a workforce, the workforce development plan should focus on a three- to five-year planning time frame. The plan should contain strategies, goals, recommendations and actions that can be achieved in short, medium and longer time periods. This will demonstrate ongoing progress in the development of skilled workers.

A sound workforce plan will identify:

- strategies to address the identified issues
- who is responsible for overseeing delivery
- timeframes for delivery
- measures that will indicate achievement of the initiative.

Resources should be made available to support workforce planning and development activities. These resources could include funding or in-kind support for the establishment and operation of a local advisory group, such as providing workforce planning and secretariat support.

Some actions identified in the workforce plan may require financial resourcing to progress, such as training initiatives, communication campaigns or local coordination activities. Region and industry stakeholders will need to consider the most effective mechanisms for resourcing these activities to ensure that the benefits can be realised.

Some government funding options may be suitable to support recommended workforce development initiatives that enhance a community's ability to develop identified future skills and to ensure there is a skilled workforce to meet local industry demand. There is a range of Queensland Government resources that can assist in implementing actions in a workforce plan, for example, trainee and apprenticeship programs, Skilling Queenslanders for Work and Back to Work.

At the time of writing, targeted investment programs including the Regional Skills Investment Strategy and Regional Skills Adjustment Strategy were available. For a full and current list of programs visit: www.desbt.qld.gov.au/training/employers/funding.

Like any plan, a workforce plan should be reviewed and evaluated periodically to ensure ongoing relevance to the region or industry, with adjustments made in response to the changing environment.

Moving forward

Effective workforce planning at a region or industry level has the potential to grow that region or industry. It is a collaborative partnership between key stakeholders, led by region or industry leaders and supported by sound evidence.

Jobs Queensland has developed a number of industry and region workforce plans that may assist in considering how workforce planning can be undertaken for regions and industries. These plans, along with links to a range of useful supporting resources, are available at www.jobsqueensland.qld.gov.au.

APPENDIX A

Suggested workforce reporting frameworks

Environmental scan - region or industry current and future workforce profile

The following is a suggested workforce environmental scan framework. Not all information will be required.

Part 1 - Demographics and labour market

- **Demographics**
 - Geographical region or industry defined (ASGS/ANZSIC)
 - Locations of industry concentrations
 - Age and gender profile of the industry (Census/QGSO)
 - Population and projected growth in the next five years (QGSO)
 - Age and gender breakdown of working population (QGSO)
 - Indigenous population
 - Migration (interstate and international if relevant and available)
- **Labour market characteristics (LMIP/ABS)**
 - Unemployment and participation rate
 - Indigenous employment
 - Youth unemployment
 - Change over time
 - Labour force indicators by age and gender
 - Small area labour markets (LMIP)

Part 2 - Region and industry profile

- Historical industries/industry sectors
- Occupational profile of the industry
- Current industries/industry sectors
- Emerging industries/industry sectors
- Change over the last 5-10 years (time period will depend on the region/industry)

Part 3 - Education

- Educational profile including access to post-school education. For example, is there a local TAFE or university?
- Total VET activity data - program commencements by industry (NCVER)
- Apprenticeship and traineeship uptake (DESBT)
- Graduate Outcomes Survey (QILT)

Part 4 - Industry analysis

- Employment by occupation
- Industry employment growth
- Registered businesses by employment size and LGA/SA4/SA3/SA2 and Queensland
- Industry and regional employment projections from Jobs Queensland Anticipating Future Skills data
- Temporary work (skilled) (subclass 457) visa numbers by industry
- Employment vacancy data
- Change over time per industry/industry sector
- Emerging opportunities

Workforce development plan framework

The following is a suggested workforce development plan framework.

Part 1 - Overview

- Region or industry context
- Current workforce data
 - Summary/highlights of workforce data from the environmental scan
- Looking ahead - future workforce needs
 - Existing industry and regional development plans
 - Summary/highlights of workforce data from the environmental scan
- Workforce gaps
 - Challenges and opportunities/key themes
 - Occupations/skills

Part 2 - Workforce development plan

- Short-, medium- and long-term recommendations and actions to address the identified workforce gaps
- Workforce-focused strategies and actions covering:
 - upskilling or reskilling the existing workforce
 - attracting new employees to the region or industry
 - region and industry retention programs
 - managing the workforce through industry transitions
- Implementation timeframe, funding options and who will lead/deliver each recommendation and action
- Key performance measures/measures of success

