

# **A Different Approach to Workforce Management**

## **By Gayla Hodges**

Day after day I talk with clients and with business leaders. I often ask, “What is the most challenging issue your organization is facing?” The top answer to my question is “workforce management.” My second question is, “What is the most difficult part of workforce management?” The top answer to this question is “workforce planning.”

Most of us are familiar with the budget-based process of workforce planning in which we look at future resource need and project how much manpower we will need to meet the needs of the future. This can become an intricate and cumbersome process, particularly for line managers who are busy managing their teams and achieving their strategic goals. The result is that it is often extremely difficult (if not impossible) for the HR staff to get from them the information they need.

The challenge organizations are facing today is not simply using the budget-based process to project future talent needs. The challenge most organizations face today is twofold. First, projecting how many of the organization’s human resources will be leaving with the Great Boomer Exodus. The second challenge is really talent acquisition. We might know that over the next five years we are likely to lose a certain part of our people to retirement. We don’t, however, know exactly how many and we don’t know when. Further, in many industries, we don’t know where we will acquire people with the skills and talent we need.

This is not news to those in leadership and Human Resources ranks. It is just becoming more real every day as people actually declare their intention to retire, and some are actually walking out the door.

The planning process is further impacted by the fact that many industries have had such low attrition over so many years that the common practice of using past attrition history to project future attrition is no longer viable. So, we can analyze when people will reach “retirement age” and have enough years with the company to collect full retirement, but most leaders and analysts I’ve talked with still can only narrow their numbers down to a three-year window. Add to this mix the fact that many people are choosing to work beyond age 65 and that the structure of Social Security payments in fact encourages people to work until age 70 or 72 in order to receive larger monthly payments after retirement. Given the need to run “lean and mean,” many companies are reluctant to fill positions in anticipation of retirements until people have signed on the bottom line that they are really leaving and when that might be.

Human Resources professionals with whom I’ve interacted recently report that they can do the number crunching. The challenge is getting line management to come to the analysis table with all of the competing demands on their time. Line

management input, however, is crucial to the process. So the question becomes, “How do we bring together all of this information to make informed decisions about what talent will be needed, when it will be needed, and where we will find it?”

I had a recent conversation with some clients who are facing these issues. I heard of a concept that is certainly not very “scientific” but seems to use the art vs. the science of management very well. They call it the “back of the napkin approach” to workforce planning. The basic premise of the approach is this: most managers, if given a short time, could take a napkin (of course, this conversation occurred over lunch) and sketch out who is likely to be leaving, and when, based on their knowledge of the person and what they’ve observed over the last several months. This information from line management, combined with the more formal analysis can provide a basis for decision-making that uses the strategic thinking and decision-making skills of the management team as well as the miracles of Information Technology.

I like the “back of the napkin approach” for another reason. While all of the managers with whom I work bring strengths to the table, when using the Natural Effectiveness™ Philosophy at its best, it is clear to me that not all of them will have highly-honed analytical skills or be inclined to put together the structure required by most formal workforce plans. Most line managers are more intuitive, and many are creative and innovative – great qualities for a leader, but they might not play out well in the analytical process. This new approach challenges the thinking and gets the necessary input from Line Management that would otherwise not enter the process.

Those members of the team can then compile the formal and informal feedback and bring it back to the Management Team as a whole to take the next steps of strategic workforce planning. I believe this method can and will actually accelerate the planning process while honoring and leveraging all of the skills of your management and support teams.

Whether you take your line management to lunch and actually give them a napkin and a pen, or you use the principle of the approach in another setting, I think you will find that line management will be far more inclined and comfortable providing the information you need and less distracted from other responsibilities. I think you will also find the input from line management more insightful and precise than you might think initially. In the end, I think you will find that this different approach will both streamline the process and provide better data for your analysis and planning.