

Making Workforce Planning More Effective and Efficient With Analytics

Roadblocks to effective workforce planning can be overcome with a data- and analytics-driven approach that brings siloed teams together. In this article, we explain how.

There is a lot of discussion these days about what the future of work looks like and how organizations can plan for it. At a basic level, the future of work is the process of institutionalizing a symbiotic relationship between employees and employers so that both parties are resilient and agile in how work gets done. However, the problem with achieving the future of work is that it is often being planned for and executed across disparate workflows.

Indeed, nearly one-third of the 1,357 organizations [we surveyed](#) across the globe in May 2021 said they have multiple task forces or teams addressing the future of work. Some work streams are supported by HR and focused on people-related aspects (e.g., diversity, mobility, identifying and developing future skills, rewards strategies) while other work streams generate from a revenue-producing function with a focus on building the business.

With different stakeholders focused on work streams running at different speeds, activities rarely achieve the end goal of executing on the future of work. To make it all come together, organizations need to engage in better workforce planning.

Overcoming Challenges to Effective Workforce Planning

Common challenges to creating a more effective workforce planning system include a lack of data, not having the tools and sophistication to analyze data to generate insights, and constant organizational change that makes data and findings irrelevant. All of those issues feed into a feeling that organizations can't look too far into the future to make the investments necessary for workforce planning.

The solution to overcoming these challenges is through institutionalizing the practice of workforce planning. Over time, these activities will become part of an organization's culture, built into strategic business and HR activities. Workforce planning can be an iterative process that is easier to execute over time, allowing companies to understand value quickly and inform the focus of next steps.

For example, once you understand how certain employees work best by their individual preferences and job role (e.g., does the role need to be in person to maximize collaboration), that information can inform where people can

work (e.g., remote, on site, hybrid). These answers then feed into a firm’s broader location strategy plans, including where to source diverse talent and where to open a new office.

Let’s take the example of our recent partnership with a global investment bank that wanted to rethink their location strategy. After conducting a diagnostic on the availability of future-leading skills for the client, we were able to overlay that initial work onto another work stream to determine where the firm should source a new Business Processing Outsourcing (BPO) center. If workforce planning were done as siloed activities, these two projects might have been conducted by different teams within the firm and the results may not be shared. Instead, the work was layered together to create recommendations that ultimately focused on a broader talent and location strategy.

In this case, the client decided not to “lift and shift” existing roles into its new location, wanting to avoid a duplication of roles. Instead, the client gained a more complete picture of talent preferences and the competitive landscape. Our analysis determined that Bangalore, India ranked highest among five locations under review for the BPO center based on factors like talent supply for targeted roles and skills, cost of labor and location attractiveness. The initial work to determine future skills and jobs needed informed the analysis to determine ranking factors for locations under review.

Figure 1 highlights some of the key workforce planning initiatives companies are engaged in as they look ahead to business transformation following the COVID-19 pandemic. Given the surge in virtual work, it’s not surprising to see remote working and flexible working at the top of the list along with employee wellbeing.

Figure 1
Workforce-Related Activities Companies are Re-evaluating in Light of the Pandemic

Percent of companies improving existing plans, planning new ones or already implemented new plans:

Employee wellbeing (physical emotional, social, financial and work/life balance)	91%
Remote working	90%
Flexible work schedules	89%
Manager/leadership training	88%
Diversity, equity and inclusion initiatives	88%
Training and development	86%
Agile ways of working	82%
Reskilling/upskilling workforce	67%
Talent mobility	65%

Source: Aon Global HR Pulse Survey #7, conducted April 20-28 with 1,451 global responses

Next Steps

Successful strategic workforce planning requires companies to take ownership of their plans, bring work streams together and allow for flexibility to scenario plan, test and model different outcomes. Aon combines our data, analytics and insights to inform clients on the right steps to workforce planning and recommendations on making the work more integrated to maximize the return on investment.

To learn how Aon can help you with your workforce planning needs, please [contact us](#).

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