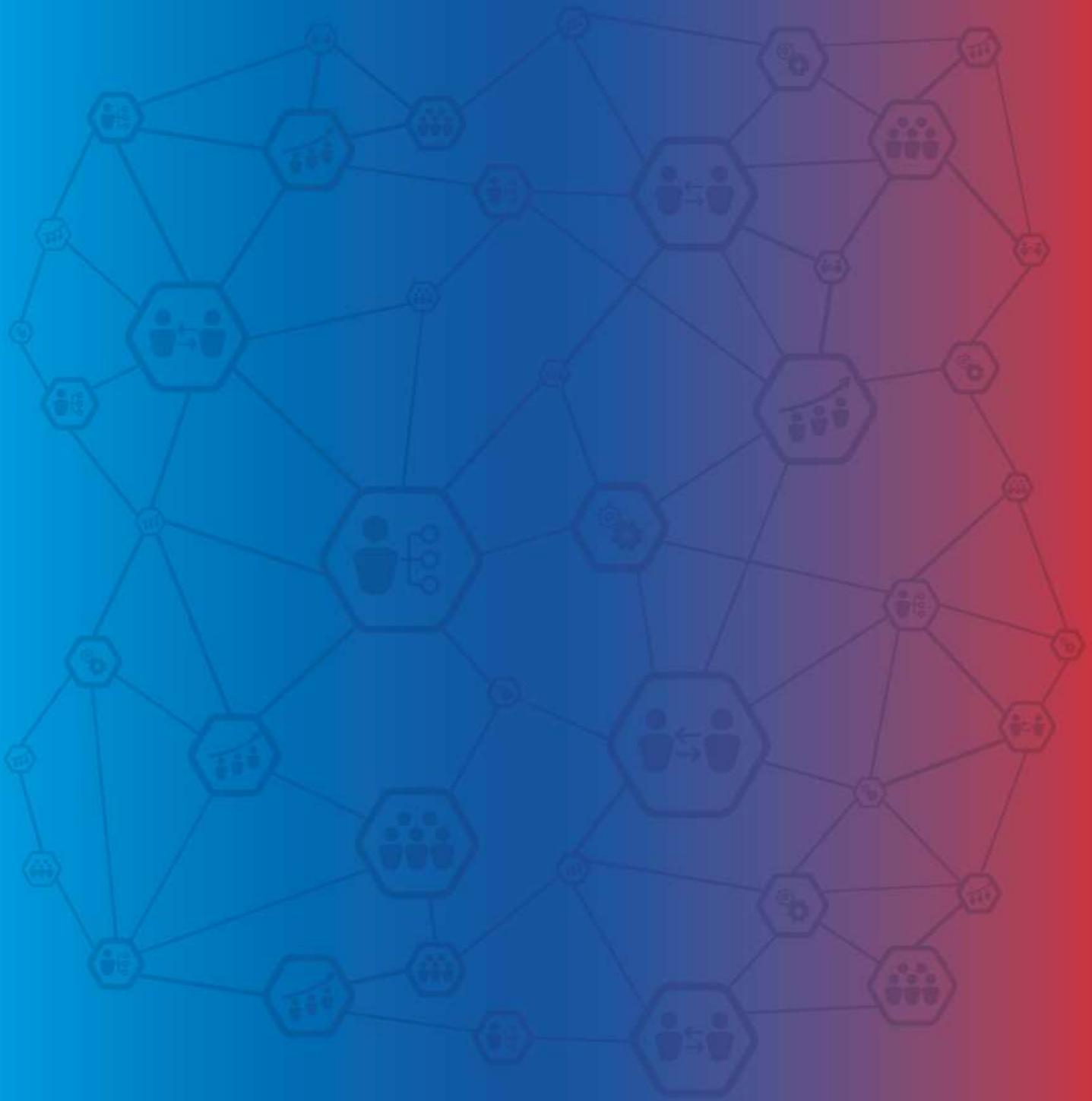


LOCAL GOVERNMENT
**CAPABILITY
FRAMEWORK**

WORKFORCE PLANNING GUIDE

CONTENTS

PART 1 – OVERVIEW OF THE FRAMEWORK.....	1
Introduction.....	2
Overview and background	2
Capability framework aims.....	3
Capability framework structure.....	3
Capability framework uses	3
Capability framework benefits – organisational	4
Capability framework benefits – individual	4
Supporting material and tools provided by LGNSW	4
PART 2 – INCORPORATING CAPABILITIES INTO WORKFORCE PLANNING	6
Incorporating capabilities into workforce planning process	7
Introduction.....	7
Capabilities in workforce planning	7
Developing a workforce plan	8
Further Information.....	10
Attachment 1 – Workforce Planning Considerations	11
PART 3 – TEMPLATES	13
TEMPLATE 1 – Workforce Plan Template.....	14



PART 1 – OVERVIEW OF THE FRAMEWORK

Part 1

Introduction

This guide was produced by Local Government NSW (LGNSW) to assist councils understand how capabilities can be incorporated in their workforce planning process. It is not intended to be a comprehensive guide to establishing a new workforce planning process. Instead, the guide focuses on how the Local Government Capability Framework can be incorporated into existing workforce planning processes. The guide consists of two parts: Part 1 is a general introduction to the Local Government Capability Framework and Part 2 specifically addresses incorporation of capabilities in council workforce planning processes.

Overview and background

The Local Government Capability Framework (the capability framework) provides a set of core capabilities, expressed as behaviours, which set out clear expectations about performance in local government: “how we do things around here”. It builds on organisational values and creates a common sense of purpose for elected members and all levels of the workforce.

- LGNSW proposed the development of a local government capability framework in response to changes in legislative and community expectations of councils, including the performance and behaviours of its people in delivering a professional service to the community. The proposal received strong support when put to councils across the state in the second half of 2016. It was developed in close consultation with elected and council representatives and approved by the LGNSW Board in August 2017.
- The capability framework does not displace or override the *Local Government (State) Award 2017* (the Award) or any relevant industrial instrument and is not linked to the Award. The Award is the enforceable industrial instrument setting the minimum terms and conditions for the majority of local government employees in NSW. The framework does not alter councils’ obligations to:
 - Evaluate positions in their structure in accordance with the Award's skill descriptors; and
 - Ensure progression through councils’ salary systems based on the acquisition and use of skills, or employee performance, provided that progression beyond the entry level based on the acquisition and use of skills is also available.
- Councils implementing the capability framework should, where appropriate, have regard to provisions of the following Award clauses:
 - cl 2. Statement of Intent
 - cl 5. Skill Descriptors
 - cl 7. Salary System
 - cl 8. Use of Skills
 - cl 9. Performance Evaluation and Reward
 - cl 31. Training and Development
 - cl 39. Workplace Change
 - cl 40. Termination of Employment and Redeployment due to Redundancy

Capability framework aims

The capability framework was developed for use by local government to:

- create a common view of “what good looks like” when working in local government
- align elected members and the workforce in delivering community outcomes
- improve performance and capacity
- attract and retain highly capable people
- enhance mobility both within the sector and between sectors
- provide a shared basis for workforce planning
- provide broader career options and develop the next generation of local government leaders in NSW; and
- provide a common foundation for the professional development required of elected members by legislation.

Capability framework structure

The capability framework describes 16 core capabilities across four groups: Personal Attributes; Relationships; Results and Resources. These capabilities apply to all elected members and local government employees though expressed in different ways to reflect the different roles.

In addition, there are four capabilities in the Workforce Leadership group for employees who manage people and another four capabilities in the Civic Leadership group for elected members.

The capabilities work together to provide an understanding of the common knowledge, skills and abilities required of elected members and local government employees.

The capability framework complements the specific technical and professional skills required by certain positions.

Capability framework uses

- For council employees, the framework may be used as a foundation for all aspects of people management, from workforce planning through creating structures and roles, to recruitment, performance management, professional development and career planning. The framework may also inform the performance agreements that underpin the performance review of general managers and senior staff employed under the standard contract.
- For elected members, the framework may be used as a basis for community and prospective candidate information, councillor induction and professional development.

Capability framework benefits – organisational

Sector-wide implementation of the capability framework has the potential to result in measurable improvements in:

- outcomes for the community through better alignment of workforce and elected member capabilities with strategic and operational needs
- budget performance through time saved and better match to needs when using capability-based recruitment and selection; training; performance management and career and succession planning
- community perceptions of local government; and
- support for NSW local government as an employer of choice.

Capability framework benefits – individual

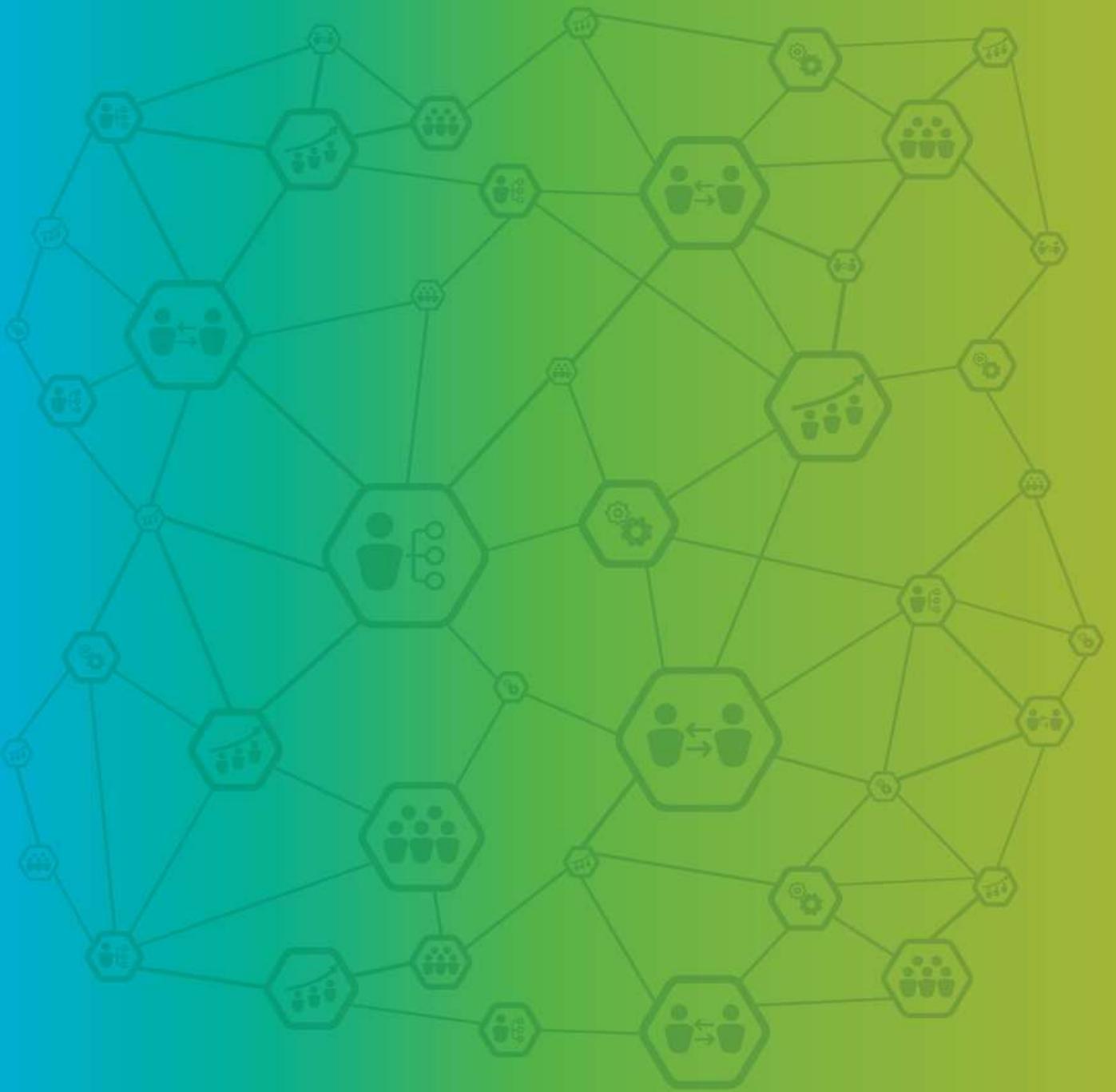
- for managers:
 - provides a common language to describe expectations
 - enhances mobility where links can be established between different roles that share similar capabilities (e.g. administration, planning and customer service)
 - builds on award variations to broadband positions by making them more contemporary and further removing barriers between professions, positions and occupations across the council's organisation structure
 - helps target scarce training and development resources and encourage individuals to take more responsibility for their own development
- for employees:
 - helps understand the capabilities required to work at their current level (or in a different position), in particular the behaviours expected of them in performing their roles
 - provides a basis to conduct a self-assessment as an input to professional development and career planning
 - helps identify well-targeted opportunities for development in their performance management discussion
- for elected members:
 - provides a clear picture of core expectations in the role
 - provides a common foundation for assessing and planning personal professional development

Supporting material and tools provided by LGNSW

- A suite of supporting materials and tools has been developed to assist councils in implementing the framework. These include:
- a [Position Description Builder tool](#) – an online interactive position description template that can be used by councils to develop position descriptions that include the capabilities required for the positions

- a guide on how to use capabilities in **recruitment and selection**
- a guide on how to use capabilities in **performance management and development**
- a guide on **implementation and change management**
- a guide on how to use capabilities in workforce planning [this guide]
- an online tool to guide the professional development of councillors and mayors known as Professional Development in a Box (PD in a Box)

For further information on the capability framework and support available from LGNSW refer to www.lgnsw.org.au/capability-framework or contact LGNSW at jennifer.james@lgnsw.org.au.



PART 2 – INCORPORATING CAPABILITIES INTO WORKFORCE PLANNING

Part 2

Incorporating capabilities into workforce planning process

Strong workforce capabilities in areas such as self-management, relationships with others, planning and prioritising and responsible use of resources are essential to the success of any organisation. Clear, positive and inclusive workforce leadership is also vital.

The capabilities represent the type and level of behaviours that are expected on the job. They have a strong basis in organisational values and are the 'glue' that binds the organisation together around a common purpose and joint understanding of 'what good looks like'.

A decision to fill a position should be made in the context of workforce planning, as it is an opportunity to include or review the capabilities required for successful performance in the role.

Considerations when creating or reviewing a position might include:

- council objectives and priorities
- expected future changes in service or program mix
- expected future system changes
- budget
- current workloads
- current team's technical skill and capability mix
- labour market availability for specific technical or professional skills
- council talent management strategy

Introduction

In simple terms, workforce planning is the process of translating the council's strategic and operational objectives and priorities into workforce requirements, including capabilities, then developing a range of Human Resources (HR) strategies to ensure the workforce composition matches those requirements. Workforce planning is an ongoing strategic process, which aligns council's workforce requirements to its business objectives. It involves considering the future council environment and identifying the expected future demand for workforce skills and capabilities. **Attachment 1** provides examples of workforce planning considerations.

Evidence based understanding of demand and capability requirements, allows councils to determine the strategies most appropriate to manage shortages and surpluses in capability levels and to resource anticipated council directions appropriately.

Capabilities in workforce planning

Councils need employees with a variety of knowledge and technical or professional skills to work in a wide range of occupation types and levels. They also need all employees to demonstrate the core capabilities that are built on common values and typify the behaviours that will support a strong, positive and productive organisation ('how we do things around here'). The capabilities are an important driver of organisational culture and employee

engagement, which in turn drive employee satisfaction and successful organisational outcomes. Good organisational culture is an increasingly important factor in attracting external applicants.

The core Local Government capabilities apply to all roles in council. When applied in a consistent way across council, they provide a common foundation and a basis for career path planning, lateral mobility options and other options that provide enhanced opportunities for employees.

Developing a workforce plan **Forecasting council needs**

Starting with the council's Integrated Planning and Reporting (IP&R) plan and any known forthcoming internal and external changes and developments (e.g. system changes, organisational changes, etc.), determine the mix of services and functions that will be needed to deliver the future vision, including an estimation of resource levels.

Translate the services and functions into the technical and professional skills, knowledge and capabilities they will require. The capabilities should be considered at a whole of council level, as well as by level and type of workforce group (for example, the leadership group or the service centre staff or the outdoor staff).

Workforce analysis

Analyse the current workforce profile to identify:

- Current distribution of employees across services and functions, together with any known information about their experience knowledge, skills and capabilities
- Strength in key skill, knowledge and capability areas, focusing particularly on risk points where expertise or capability is only available from a small number of people
- Turnover and recruitment patterns
- Age and retirement patterns
- Demographic characteristics compared with the demographic characteristics of the community served by council
- Workforce issues that require action, including business succession planning, skill shortages, staff shortages, service successes and shortcomings, and capability shortcomings.



Compile labour market information on key workforce occupation groups to assess potential recruitment difficulties.

Liaise with surrounding or similar councils to identify common issues, discuss potential solutions and potential collaboration in areas such as recruitment or sharing of expert resources.

Analyse the gaps

Gap analysis involves comparing the workforce analysis to the forecasting needs. The organisation should establish workforce strategies based on the results of this analysis.

Analysis results may show one of the following:

- A gap (when projected supply is less than forecast demand), which indicates a future shortage of skills and capabilities. It is important to know what critical positions will have gaps so the necessary capability development or recruiting can be anticipated.
- A surplus (when projected supply is greater than forecast demand), indicates a future excess in some categories of skills and capabilities and may require action. The surplus data may represent occupations or skills that will not be needed in the future or at least will not be needed to the same extent.

Develop strategies

Having identified and prioritised the gaps between the current and the future workforce profile the next element of workforce planning involves the development of strategies to address the identified gaps. These strategies need to be linked to the workforce plan and council business plans.

Strategies to address workforce planning issues can fall into the following categories:

- changes in structures and/ or position descriptions to reflect changes in services, products or systems
- changes in the mix of employee categories, e.g. permanent, temporary, casual, full time, part time, etc.
- capability-based mobility to new priority areas
- introduction of new workforce management arrangements to improve attraction and/or retention
- system changes
- process changes
- capability development program in key gap areas
- technical training and development priorities
- employee engagement and participation

- talent management
- career management and mentoring
- recruitment and selection priorities
- succession planning
- joint action with one or more other councils on common issues, etc.

Implementing

Implementing the workforce plan will require detailed project planning, including a change management plan.

The plan should include a communications strategy focused on employees, so that they are aware of planned changes and the opportunities that may be available to them as part of that change.

The plan (**Template 1**) should contain realistic milestones and timeframes and there should be regular reporting on progress to the leadership group, the consultative committee and all employees.

Further Information

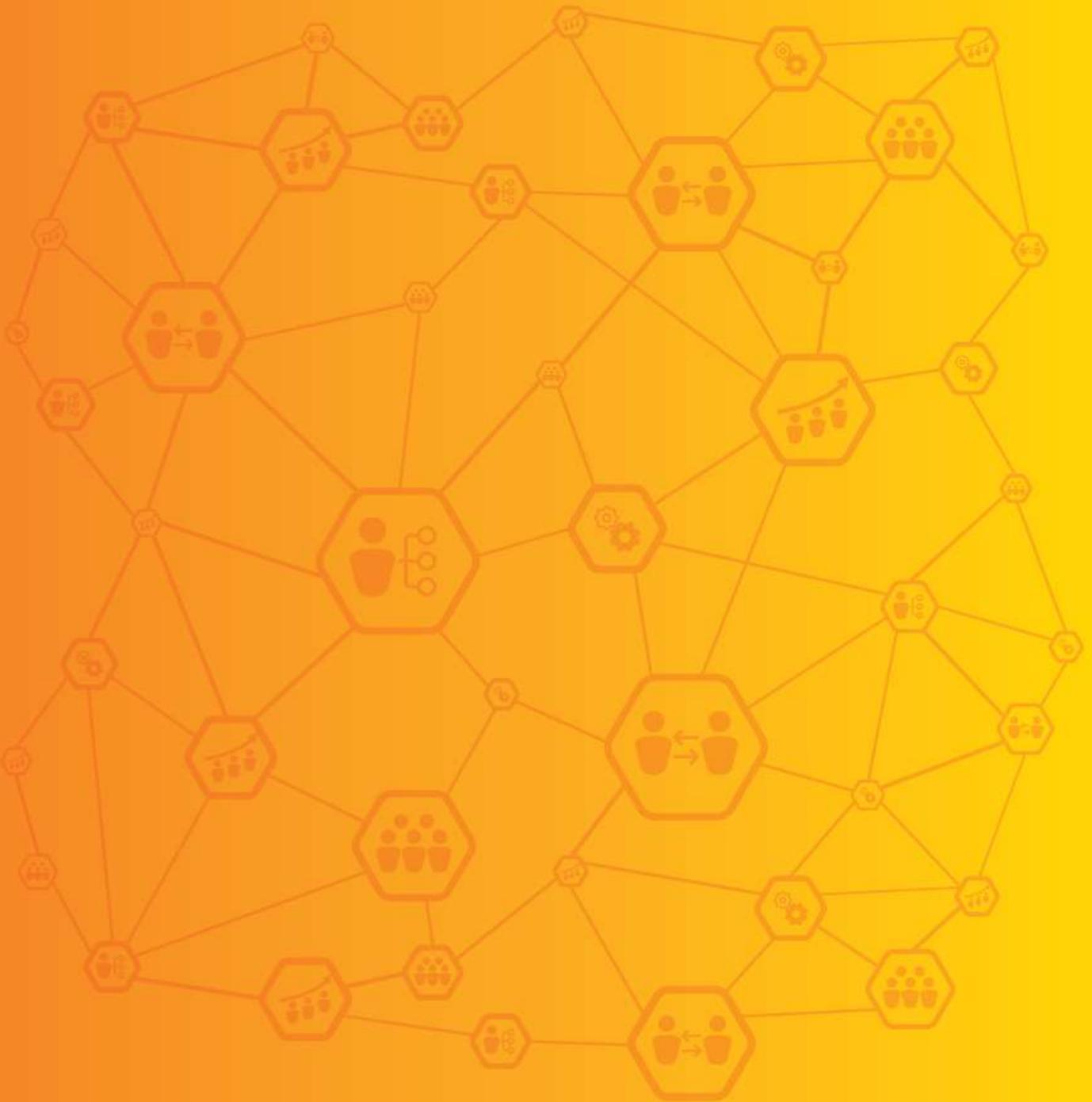
Councils can also find more detailed support and advice on recruitment and selection and compliance with the Act, the Award in [LGNSW HR Advance](#).

Council's training plan and budget, determined in accordance with Clause 31 of the Award on Training and Development, can be expected to complement the workforce planning process by identifying current and future skill requirements at the corporate, departmental and individual level.

Attachment 1 – Workforce Planning Considerations

Organisational Element	Needs Analysis	Workforce consideration
Skills and capabilities needed	What new skills and capabilities are required in future to support Council strategic and operational objectives?	<ul style="list-style-type: none"> • New or modified services to the community • Projects requiring specialised skills • Process re-engineering • Workload increases and decreases in specific areas • Ongoing or seasonal needs • Service hours • Technological changes requiring new skills • New compliance or legislative obligations
Workforce composition	Does the current workforce composition meet future requirements?	<ul style="list-style-type: none"> • Technical or Professional Skills • Capabilities, including management/supervision skills • Permanent, fixed term or casual staff • Full time or part time staff • Staffing levels
Structure	Will the current structure meet future operational requirements?	<ul style="list-style-type: none"> • Classification of positions • Position descriptions • Number of positions • Flexibility and responsiveness • Reporting lines/structures
Turnover and staff mobility	<p>Are there any foreseeable losses of staff within the next 3 years?</p> <p>What are the reasons staff leave?</p>	<ul style="list-style-type: none"> • Planned retirements • Rate of employee initiated turnover • Succession planning opportunities • Retention strategies to reduce risk of losing highly skilled staff • Involuntary turnover – performance management • Knowledge transfer
Workforce diversity	<p>Do all groups of staff have the same opportunities?</p> <p>What equity and diversity issues have been identified?</p>	<ul style="list-style-type: none"> • Male/female/part-time/casual/professional • Capabilities, skills and qualifications • Recruitment rates • Career opportunities • Indigenous employment strategies

Organisational Element	Needs Analysis	Workforce consideration
		<ul style="list-style-type: none"> • Disability inclusion/adjustment
Critical positions	Are there any critical positions that are difficult to fill, retain or develop?	<ul style="list-style-type: none"> • Market variables • Recruitment strategies • Retention strategies • Career development programs • Mentoring programs • Staff turnover reasons
Strategies to fill skill, capability and capacity gaps	How will critical skills and capabilities be developed?	<ul style="list-style-type: none"> • Training and development opportunities • Internal/external recruitment • Mentoring or coaching • Secondment opportunities • Leadership development • Talent management • Succession planning • Diversity inclusions • Graduate programs • Knowledge transition



PART 3 – TEMPLATES

Part 3

TEMPLATE 1 – Workforce Plan Template

1. Overview

This section is a high-level overview about the aims of the workforce plan and expected outcomes. It should also include the following sections.

Key Activities		Outputs/Requirements
1	<p>Scope and scale of the workforce plan</p> <p>The scope and scale of the workforce plan and reasons for this selection.</p>	
2	<p>Allocate resources</p> <p>The resources which will be used to carry out the workforce planning process.</p>	
3	<p>Alignment with other plans</p> <p>How the workforce plan will align with other strategic and operational plans.</p>	
4	<p>Key stakeholders</p> <p>The key stakeholders who will be needed to successfully develop and implement the workforce plan.</p>	
5	<p>Staff engagement and communication</p> <p>How the workforce plan was prepared in consultation with staff and the consultative committee, and how the plan and implementation activities will be communicated.</p>	
6	<p>Data and information sources</p> <p>The data and information used to build an evidence base to inform the workforce plan.</p>	
7	<p>Inter- and intra-organisational commitment</p> <p>How commitment has been built within and across organisation as needed.</p>	
8	<p>The project plan</p> <p>The timeline for the implementation of the workforce plan, resourcing, key deliverables and the governance process.</p>	

2. Forecasting Needs - where we need to be in the future?

Key Activities		Outputs/Requirements
1	<p>The current external context</p> <p>The current contextual issues which impact on workforce planning such as:</p> <ul style="list-style-type: none"> • Current national/ New South Wales context • Current Local Government context • Current regional context. 	
2	<p>Strategic documents and service provision</p> <p>The linkages between the workforce plan and the successful implementation of strategic goals and operational service provision</p>	

3. Workforce Analysis - where are we now?

Key Activities		Outputs/Requirements
1	<p>The forecast: external context</p> <p>What the external environment might look like in the future.</p>	
2	<p>Future demand for services</p> <p>Any changes in the external environment might have on service delivery in terms of services and levels of services.</p>	
3	<p>Workforce needed to meet demand</p> <p>The impact of Sections 3.1 and 3.2 on staff needed in the future, taking into account the scenario analysis.</p>	
4	<p>Overall Summary</p> <p>The information gathered into a summary section and provides an overall picture of workforce needs in the future over one, three, five and ten year time frames.</p>	
5	<p>The current workforce</p> <p>Analysis of the current workforce to highlight key issues which will impact on capacity to delivery on strategies and services.</p> <ul style="list-style-type: none"> • Data Sources The sources of data and information used. • Workforce analysis Analysis of the current workforce to understand the components of the workforce to identify key trends and issues. 	

Key Activities		Outputs/Requirements
	<ul style="list-style-type: none"> • Critical roles Those roles which are critical to achieving strategic and operational outcomes at state, regional or local scales. 	
6	<p>Overall summary</p> <p>This section pulls together the information gathered into a summary section with graphs and tables which presents the narrative and analysis of the current situation.</p>	

4. Analyse Gaps – where are the gaps?

Key Activities		Outputs/Requirements
1	<p>The gaps</p> <p>Brings together all of the knowledge so far to identify the gaps.</p> <ul style="list-style-type: none"> • Capabilities and Skills This section identifies the gaps in terms of capabilities and skills. • Numbers and roles The gaps in terms of numbers of roles. • Profile This section identifies the gaps in terms of workforce profile. 	
2	<p>The risk of not addressing the gaps</p> <p>The risk to organisational strategy based on the likelihood and consequence of not filling the gaps.</p>	
3	<p>Priorities</p> <p>The priority gaps to address depending on a range of criteria, including risk.</p>	
4	<p>Overall summary</p> <p>A high-level summary of all the gaps and their relative priorities.</p>	

5. Strategies to address the gaps

Key Activities		Outputs/Requirements
1	<p>Strategies and actions to address the gaps</p> <p>A detailed summary of the strategies and actions plus associated responsibilities, budget and performance measures.</p>	
2	<p>The costs/benefits of actions</p> <p>The relative costs/benefits of the potential actions in order to assess various scenarios for change and the impact on financial sustainability.</p>	
3	<p>Implementation plan</p> <p>Pulls together the prioritised actions into a plan for implementation. Identifies actions for change, responsibilities for implementation, resource required and expected outcomes.</p>	

6. Monitoring and evaluation

Key Activities		Outputs/Requirements
1	<p>Evaluation of the success of the workforce plan</p> <p>How the outcomes of the workforce plan will be evaluated to assess whether the aims of the workforce plan have been achieved.</p>	
2	<p>Opportunities to share learnings</p> <p>How learnings and reflections from the workforce planning process will be shared to build sector knowledge and capacity for the future.</p>	



For further information:

T: 02 9242 4185

E: jennifer.james@lgnsw.org.au