

Strategic workforce planning

Workforce Supply and Demand Modelling

Workforce modelling (about the numbers) is sometimes also referred to as workforce supply and demand forecasting. It can be hard to do with any accuracy because of the number of variables involved. For example, initiatives to build workforce supply in areas such as senior executives, graduates or technical professionals may be heavily influenced by other factors such as costs of living, competition in the private sector or migration policies.

Similarly workforce demand analysis may provide a sense of the general direction of demand in particular areas, but is also influenced by larger business factors such as global economy, population mobility, and advances in technology. It can be a balancing act to weigh up the demand for public services with the supply of the workforce.

A good place to start is to consider broad workforce indicators such as population growth, turnover and demographics to develop a sense of what may transpire. However, at the more granular level it can be easier to look at discrete groups with a particular scenario in mind. For example, an analysis of key occupational groups likely to be impacted by digital disruption may reveal concurrent challenges with reskilling or organisational design. The education and health sectors in particular engage in more considered workforce modelling for detailed infrastructure and workforce planning exercises.

The many variables that influence supply and demand can be thought of as an ecosystem. It demonstrates that nothing acts in isolation. Below is a snapshot of how this could be represented.

