

Factsheet: Strategic vs operational Strategic health workforce planning framework

May 2020

Health service organisations ideally undertake both strategic and operational workforce planning. Operational workforce planning assists them to respond quickly to immediate business needs and ensures that work can be done effectively on a day-to-day basis. Strategic workforce planning takes a longer-term focus, providing direction, and positioning the workforce to achieve organisational objectives over time. (Ref: Employment Portal, Public Service Commission, NSW)

Strategic and operational planning follow the same type of cyclical process however they differ in focus, planning horizon, and evidence base.

The *focus* of strategic workforce planning efforts is the objectives and outcomes of the organisation's strategic plan. A strategic view of the workforce requires that the organisation takes a high-level overview of the operation, direction, aspirations and context of the whole health service organisation's business.

The *planning horizon* for strategic workforce planning corresponds to the strategic planning cycle of the organisation, which is typically 5-10 years. Organisations that are new to strategic workforce planning may commence with a shorter horizon such as 2-5 years, moving to longer timeframes as planning capability and the supporting business processes mature. Workforce strategies with longer planning horizons of 10 or 20 years may be undertaken, although it can be challenging to strategise over an extended period.

The *evidence base* used for strategic workforce planning is drawn from the external operating environment with consideration to the broader labour market, regulatory, political and technological influences, as well as from internal data sources relating to organisational strategy, services, infrastructure and workforce. Analysis of this broad evidence base takes a long-term view, in line with the strategic direction of the organisation.

	Strategic workforce planning	Operational workforce planning
Overview	The analysis of high-level workforce trends, pathways, and emerging models and needs, and linking these to long-term organisational strategy.	The detailed tracking of individuals, positions and roles, and team-based requirements for training, culture and performance, and linking these to the daily operations of the business.
Timeline or planning horizon	Usually 5-10 years – matches the organisational strategic plan. Action plans that fall out of the workforce strategy will have shorter horizons such as 1 year.	1, 3, 6, 12 months focus
Inputs	Wide range of internal and external information, including business strategies, service plans, global workforce trends, higher-level workforce strategies.	Mostly internal data, resource allocation information, service delivery obligations and priorities
Outputs	Workforce strategy and action plans	Staffing plans, role/location scheduling
Scenario planning Approach	Explore alternative futures not necessarily based on today's approach	Uses variables to explore different models of staffing such as service demand forecasts
Focus	Strategic Management	Operational Management
Aligns to	Strategic Plan	Business Plan

Source: Adapted from Human Capital Institute (HCI) Strategic Workforce Planning Participant Guide, 2015, p22.