



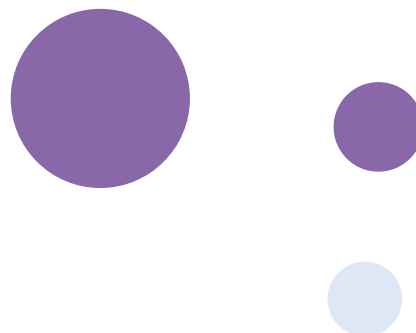
Revista de Casos de Estudio en HR Analytics

Journal of HR Analytics Case Studies

02

Digitalising strategic workforce planning to enable group wide measurement of workforce capability gaps and risks.

Digitalización del proceso de la planificación estratégica de recursos humanos para facilitar la medición de capacidades a nivel de empresa.



La Revista de Casos de Estudio en HR Analytics

Journal of HR Analytics Case Studies

La **Revista de Casos de Estudio en HR Analytics** nace con la misión de facilitar el intercambio de conocimiento especializado entre profesionales y académicos en el ámbito de la **analítica de Recursos Humanos**, con el objetivo de mejorar la **efectividad de las organizaciones**. La entidad responsable de esta revista es la **Asociación para el Desarrollo de la Ingeniería del Conocimiento** (ADIC), siendo esta publicación on-line editada por el **Instituto de Ingeniería del Conocimiento** (IIC) con una periodicidad de un número anual.



Objetivo

La revista tiene como **objetivo** principal ser un vehículo para la reflexión y la difusión de las **buenas prácticas, últimos avances y líneas de investigación** en el ámbito de la analítica aplicada para la toma de decisiones sobre la gestión del capital humano en las organizaciones.

La revista tiene un **carácter científico** y una **vocación divulgativa**, por ello propone artículos fundamentalmente de **carácter aplicado**. Con ellos se pretende que los profesionales de las organizaciones accedan a un conocimiento relevante acerca de cómo otras organizaciones desarrollan HRA. Y, también, acercar a los académicos el conocimiento respecto de cómo se desarrolla HRA en la práctica.



Alcance

El **enfoque de la Revista**, que pretende ser **multidisciplinar**, da cabida (entre otros) a manuscritos que: reflejen **casos prácticos** de aplicación del HRA en las organizaciones; que analicen, comparen y relacionen la utilidad de diferentes **técnicas y/o herramientas** para el abordaje de diferentes objetivos analíticos; que planteen y valoren la efectividad de diferentes **metodologías de trabajo** para el desarrollo de proyectos HRA; que ayuden a entender el **mapa de ruta** por el que transitar desde los niveles básicos del HRA hasta los niveles de excelencia; y que en general ayuden a entender cómo **mejorar la efectividad organizacional** a partir de la analítica de datos referidos a la fuerza de trabajo.



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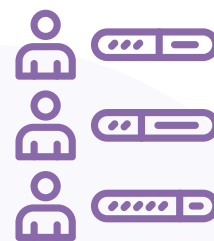


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Abstract

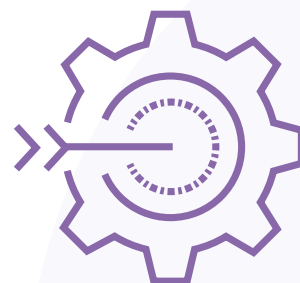
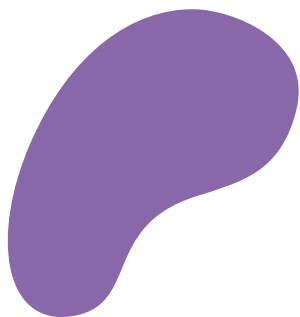
Legal & General has digitalised their Strategic Workforce Planning (SWP) process through the creation of a SWP App and a SWP Dashboard. The resulting output has been a substantially more automated process to capture, review and identify strategic workforce capabilities across the organisation, making the process of measuring current and future capability gaps and risks more effective and efficient.

Improvements achieved through the digitalisation of the SWP process included time saved by most of the stakeholders involved in the SWP cycle, increased accuracy of the workforce capabilities captured and greater consistency across business areas due to the standardisation of the information collected on workforce capabilities. This has resulted also in tangible business value thanks to the improved SWP insights informing key people strategic decisions, including the talent acquisition and development approach to close capability gaps and the direction provided to address the impact of emerging technology on roles and skills.

All in all, the digitalisation of the SWP process has produced important short-term benefits to the SWP process itself and through the associated strategic people insights it has generated, which have informed business planning and strategy. Furthermore, this SWP digitalisation has also paved the way for new possibilities to enhance the value of the SWP process in the future through further enhancements that could be introduced in the SWP App and SWP dashboard.

Keywords:

Strategic workforce planning; workforce capability; digital HR processes, automation, group wide measurement approach, people risk.



Resumen

Legal & General ha digitalizado su proceso de planificación estratégica de recursos humanos (SWP) por medio de la creación de una aplicación y un cuadro de mando de SWP. El resultado ha sido un proceso considerablemente más automatizado para capturar, revisar e identificar capacidades estratégicas de la fuerza laboral en toda la organización, haciendo que el proceso de medir brechas y riesgos en las capacidades, tanto actuales como futuras, sea mucho más efectiva y eficiente.

Las mejoras obtenidas a través de la digitalización del proceso de SWP incluyen reducción del tiempo necesario para producir el ciclo de SWP, incremento de la precisión de las capacidades de la fuerza laboral recogidas durante el proceso y mayor consistencia debido a la estandarización de la información obtenida. Estas mejoras han resultado también en valor añadido tangible gracias a la mejora de la calidad de los insights generados en el proceso de SWP, que han informado decisiones estratégicas de recursos humanos, incluyendo cómo se puede cerrar las brechas de capacidades de la fuerza laboral y la dirección proporcionada a la organización en relación con el impacto de tecnologías emergentes en puestos y habilidades.

Palabras clave:

Planificación estratégica de recursos humanos; capacidades de personal, digitalización de recursos humanos, automatización, medición a nivel de empresa, riesgo humano.

La digitalización del proceso de SWP ha producido importantes beneficios a corto plazo con respecto al proceso y también a través de los insights estratégicos generados a través de este proceso que han provisto de dirección al proceso de planificación y a la estrategia del negocio. Asimismo, esta digitalización de SWP ha generado nuevas oportunidades para seguir incrementando el valor del proceso de SWP a través de futuras mejoras que ahora son posibles por medio de la aplicación y cuadro de mando de SWP.

1. Introduction

1.1. Introduction to Strategic Workforce Planning (SWP)

Strategic Workforce Planning is the process through which we identify and address critical capability gaps between the current workforce and future needs (Pillans et al, 2021).

Understanding how the organisation will change allows to plan to ensure the right workforce is in place to execute the business objectives now and in the future – helping in this way the organisation to succeed (Gibson, 2021).

In other words, the Strategic Workforce Planning process enables to translate the business strategy into workforce strategy, through including people insights into the overall business planning process.

The frequency in which organisations carry out their Strategic Workforce Planning process varies. However, most organisations opt carry this exercise annually to align with the overall business planning process, which tends to take place on a yearly basis. Some companies review their SWP plans throughout the year with regular reviews as business priorities evolve (Hirsh, 2021).

McKinsey conducted a survey with global executives about the workforce post-pandemic, in which more than 1 out of 3 respondents stated their organisations were not ready to address the skills gaps exacerbated by automation and digitalisation (Lund et al., 2020). The shift to digitalisation has increased during the pandemic: 85 percent of companies have picked up the pace of their digitalisation. Considering these trends, there is a clear business rationale behind workforce strategy and planning.

Some of the more specific benefits that are commonly obtained by organisations that carry out regular Strategic Workforce Planning are the inclusion of people insight in the long term business plan, the identification of future critical capabilities, informing the people strategy to enable capability, greater alignment

between the people and finance functions and an improved FTE forecast accuracy for the mid and long term (Kemsley, 2020). More recently, another benefit that has gained increased importance over the past few years is a greater understanding of the impact of technology on roles and skills (Chui et al., 2018).

1.2. Objective of this paper

The objective of this paper is to share with the HRA community an example of how the quantification of capability gaps and risks to inform action plans can be enhanced and largely automated through digitalisation the Strategic Workforce Planning process. The purpose is to share best practice which can be of relevance for any function that is trying to build or improve SWP in their organisation.

Measuring capability gaps and risks tends to be a complex exercise, mainly for large organisations due to the evolving nature of the capabilities that comprise their current and future workforce (Louch, 2014). Roles and capabilities are being created, becoming obsolete, automated, and augmented at the fastest pace in history (Fleming, 2020), and this poses a challenge to standardise the measurement of workforce capabilities for organisations.

Furthermore, the context of the organisation in which this paper is based is of a federated business model, meaning that there is diversity of business objectives, plans, strategy and therefore workforce capability requirements on each of those businesses within the overall organisation. This presented both a challenge and an opportunity to innovate through digitalising the SWP process to standardise the measurement of capability gaps and risks.

1.3. Why digitalising SWP matters?

By sharing the example of how Legal & General digitalised their SWP process we hope the HRA function and community will be better equipped

to turn their respective SWP exercises into a more simple and digital process, in which there is greater people data and insights visibility in the business planning process across the whole group, regardless of the diversity of workforce capabilities, and of the complexity and diversification of their business model.

This in turn will better equip organisations to enhance their headcount planning and forecasting in collaboration with finance and to better approach their people strategy to close any existing and future capability gaps (Sukhanov et al., 2018).

The headcount planning and forecasting process is the process through which they plan the right size of their people, monitor budget against actuals, forecast future headcount, optimise plans, and reduce over or under capacity. This is of paramount importance for organisations because a connected headcount planning & forecasting approach between finance, HR and the business improves our ability to see a true picture of headcount and its dynamics, monitor actuals against budget, forecast headcount and cost based on expected movements, set targets, model scenarios, manage vacancies and inform hiring plans.

All of this enables shaping the design of the organisation as having the right organisational structure in place to execute business plans enables optimal decision making, agility, innovation collaboration and cost (Guenole et al., 2017).

In essence, having a robust Strategic Workforce Planning process is key for organisations to translate business strategy into workforce strategy (Bailie and Styr, 2021). Therefore, simplifying this process and making it more accurate through its digitalisation provides value an enhanced ability to address present and future workforce capability risks and gaps.

2. Methodology

2.1. The SWP yearly process

The yearly Strategic Workforce Planning (SWP) process at Legal & General aims to translate business strategy into workforce strategy through answering the following questions:

- Business strategy & ambition: what is our strategic focus?
- Strategic capabilities: what is most vital for strategy execution?
- Emerging technologies: what will be the impact of emerging technologies?
- Workforce strategy: what are our critical capability gaps and what is the people strategy to close them?

In alignment with the business planning process, the above information is gathered from the business in a yearly basis and is summarised for the whole of L&G into a group-wide Strategic Workforce Plan. This plan is reviewed and discussed by the HR Leadership Team prior to be submitted as part of the group strategy papers for the yearly business planning review.

Collecting this information from the different business areas and combining it into a cohesive narrative proved complex and time consuming in the past. Therefore, to gather this information in a simpler and more digital manner L&G decided to develop a SWP App and Dashboard.

The methodology for developing these tools and, ultimately, digitalise and improve the SWP process is described below.

2.2. SWP App

The software that was employed to develop the SWP App was Power Apps (Microsoft). This was the chosen tool due to its availability for the SWP & People Analytics team who worked developing the digital products and because of its functionality to quickly build and share apps with other users without requiring in depth coding effort.

The app was built with both the end user and the objective of simplifying and improving the overall SWP process in mind. A crucial success factor in this process was to involve our SWP Champions, a community of relevant stakeholders to the SWP process, as part of the development process.

The below describes the journey that a user follows when inputting their SWP information, which could be done during conversations with business leaders or after those discussions, usually facilitated by Senior HR Business Partners.

2.2.1. Specify which Strategic Workforce Plan is going to be edited

The first step involves selecting the business area for which the SWP information was to be inputted. If information had already been introduced to the app for that business area previously, the user could come back to the app and edit their information as many times as desired before the agreed submission cut-off deadline.

2.2.2. SWP App Summary Page

The second step for the user is to land in the App summary page. The objective of this page is to provide to the user an overview of the process they need to follow when completing their SWP in the App and easily see which elements they have already completed. Users have the option to return to this summary page as they complete the App sections. Outstanding elements are flagged with an alert icon.

2.2.3. Getting started

In this section a couple of open-ended text questions were included to help the user reflect on the previous SWP process and its impact to the business and increase its focus of the key objectives for the new SWP cycle. Some examples are shown below

- What did you do on Strategic Workforce Planning last year? What has stopped, changed, or accelerated as a result?

- What will you focus on this year? What actions might you take?

2.2.4. Business Strategy & Ambition: What is our strategic focus?

In this section the user must answer to the following two open-ended text questions:

- Provide a high-level overview of the business strategy and priorities over the next 3 years.
- Outline specific outcomes we must deliver on.

At Legal & General we recognise that thinking strategically about the direction of the business in the future is a complex activity, increasing in difficulty the further the time horizon goes. Furthermore, SWP is a HR capability that not all HRBPs and HR professionals have been able to develop as they may not have worked in the past in companies that followed a structured SWP process. Therefore, we have included guidance questions to help the user to provide meaningful information in this section of the SWP App. By using this approach, we also upskill the SWP capability of users whilst they complete the SWP exercise.

2.2.5. Strategic Capabilities: What is most vital for strategy execution?

In this section users are asked to input strategic capabilities which disproportionality enable the business strategy and whether they have the right conditions to enable and execute such strategy. Like with other sections, we decided to include guidance encouraging the users to consider the wider organisational context and how it impacts strategy when populating this section of the app.

Something to note is that these questions were open ended but may evolve over time to be limited to a set of options, for instance through a drop-down menu. We opted for this format in this iteration because we wanted to use this year as a mechanism to capture the breadth of strategic

capabilities referred to by different business areas before summarising in a more streamlined set of capabilities in the future.

2.2.6. Emerging technologies: what is the anticipated impact of emerging technologies?

In this section the user is first asked to provide, through an open-ended text question, a high-level overview of the anticipated impact of tech, digital and automation on their strategy over a time span of the next 3 years. The guidance offered on the right-hand side explains how understanding the impact of emerging technologies can inform the future people strategy for the areas affected by this change.

Users are asked to provide more detail about the impact of emerging technologies in three categories: addition, augmentation, and automation (Frey and Osborne, 2013).

Table 1: CATEGORIES OF THE IMPACT OF EMERGING TECHNOLOGY ON ROLES AND SKILLS

IMPACT CATEGORY	DESCRIPTION
<i>Addition</i>	Addition refers to new roles and skills required to enable tech and automation.
<i>Augmentation</i>	Augmentation captures existing roles and skills that will significantly change or gain capacity due to technology.
<i>Automation</i>	Automation entails roles and skills that will no longer exist because of automation.

This means that users will input in this section the skills impacted by emerging technology, the type of impact and the expected time frame of such impact. Something important to note is that the same skill could be impacted by technology in different ways simultaneously. For instance, customer centre roles could be automated by the introduction of Voice Analytics and AI technology, but at the same time those roles could be augmented to reflect a lesser focus on automated tasks and an increased focus on skills related to delivering an excellent customer service (Hawksworth et al., 2018).

Workforce Strategy: which capabilities present the greatest strategic risk and what is our strategy to close priority gaps?

In this crucial section of the SWP App the user is asked to provide information about not only which capabilities present a higher strategic risk

but also what are the people strategies more relevant to close those risks and gaps.

Capability risk categories were defined by combining the priority level and the size of gap of that workforce capability, which comes from comparing the current and required maturity level for that capability.

To provide clarity about how capability risk is defined, the user has the option to check a key that provides transparency about how this is calculated. This provides a way and opportunity within the app to enable the user to grow in their understanding of the SWP process, enabling the overall process and increasing their capability along the journey.

At Legal & General we organise our strategy to close workforce capability gaps following a version the Bs Model (Raju, V., 2021), which is comprised of the following four people strategies:

- **BUY:** people strategy based on hiring new people to acquire capabilities.
- **BUILD:** people strategy based on developing people to achieve the desired level of capability expertise.
- **BORROW:** people strategy based on lending flexible workforce. Externally it entails sourcing external workers aiming for the optimal resource time, capability, and cost. Internally it comprises focusing on enabling the flow of internal talent mobility across the organisation.
- **BOT:** people strategy based on augmenting and automating skills and capabilities.

Users will likely spend most of their time in the SWP App in this section, in which they will add capabilities such as 'Digital' and for which they will have to select the sub-capability, add any context comments, a current and desired maturity level, a priority level, any of the people strategies relevant to close the capability gap and also the time-frame for closing the capability gap.

If the 'BUILD' and 'BORROW' people strategies are selected, the user will also have to select whether that capability is expected to be built to a core, intermediate or deep level of expertise and whether the borrowing of talent will be internal or external.

2.2.7. Workforce Strategy: key workforce challenges to focus on

In this final section the user will input information about the key workforce challenges to focus on. As per previous sections, the user has a high-level guidance on the right hand-side which on this occasion is accompanied by further guidance we have stored in the SWP Hub page to which the users of the SWP App also have access to.

Once the user has completed this section the SWP App will present a confirmation that the process has been fully completed and the user will have the option to edit previous sections, see

a summary of the information inputted or exit the application altogether.

2.3. SWP Dashboard

One of the key benefits of capturing the information from the SWP plans of the different business areas through the SWP App is that at the back-end a tidy dataset is automatically generated which can be connected with a dashboarding and visualisation tool. At Legal & General we employ Power BI for dashboarding purposes, so we chose this software to develop the new SWP Dashboard as it was already familiar for both the developer team and the end users.

2.3.1. SWP Dashboard landing page

This first page displays the strategic questions the dashboard provides answers to, which are split into three main categories: critical capability gaps, strategy to close those gaps and the anticipated impact of the emerging technology on skills and roles.

At the bottom of this page hyperlinks are included to enable the user to jump directly to the relevant dashboard page that will answer those strategic questions.

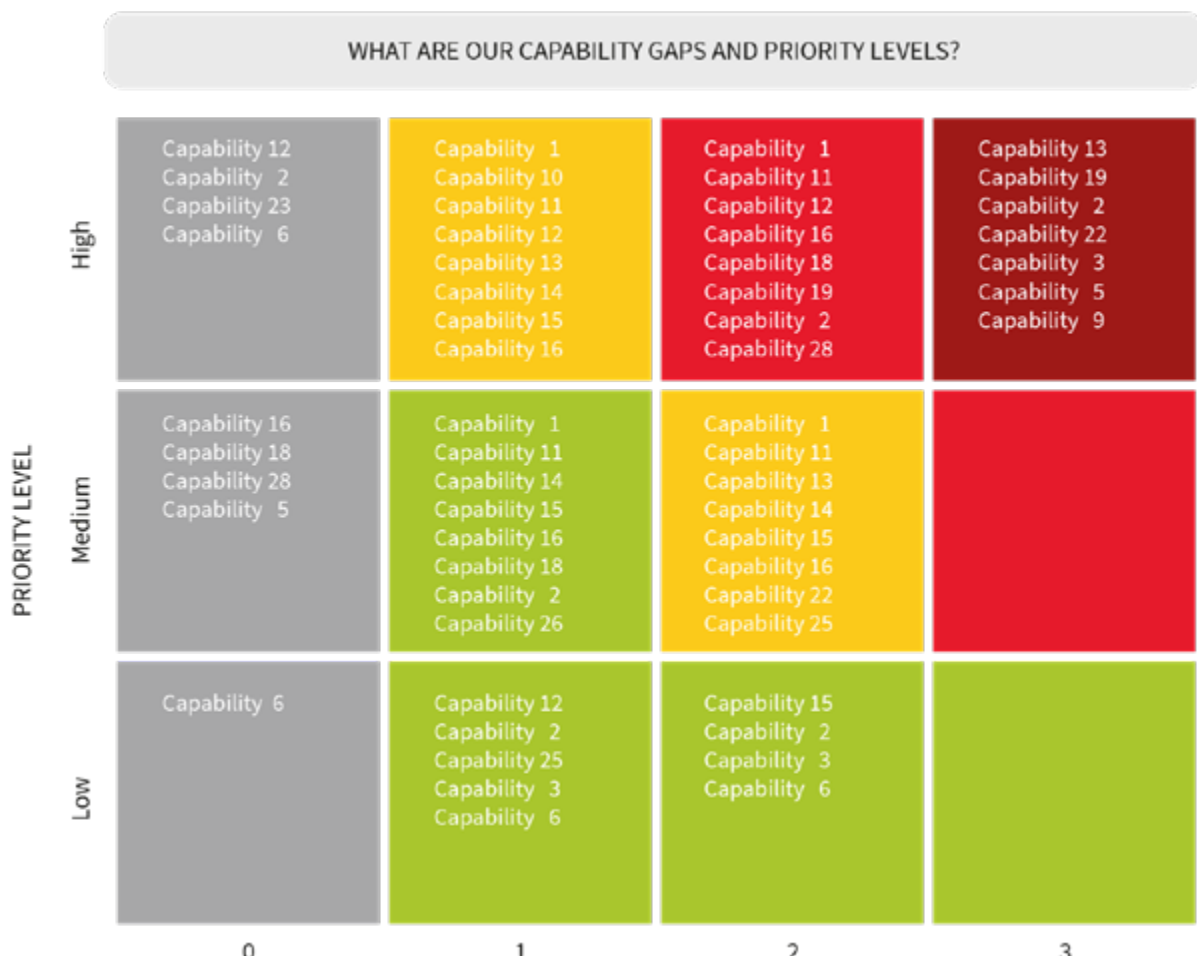
By starting the dashboard with this landing page, we are following the principle of starting with the business question first which we like to apply to all our SWP and People Analytics endeavours at Legal & General. This goes in line with the design thinking that how you build a product must be intuitive but also provide guidance about how it should be used.

2.3.2. SWP Heatmap

This page presents a helicopter view of capability gaps and priority levels providing the user a simple and visual way to review the SWP state of the organisation in the shape of a heatmap of capabilities. Capabilities further towards the top

right of the heatmap indicate a higher priority and larger capability gap; meaning they are a greater strategic risk to those further towards the bottom left.

This page and all the subsequent dashboard pages include report wide filters that enable the user to see the report focusing on specific capabilities, maturities, priority levels, risks, and timeframes. This means the end user has great flexibility in the way they explore through self-service the SWP data collected in the SWP App.



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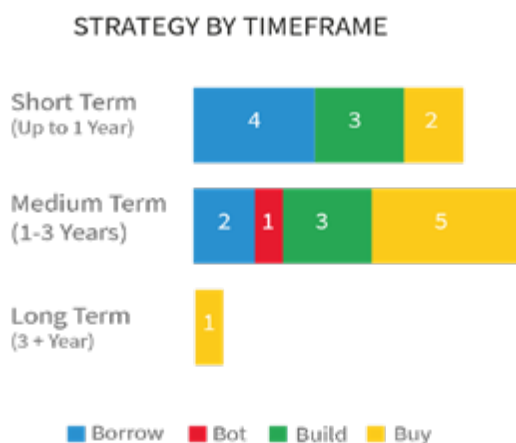
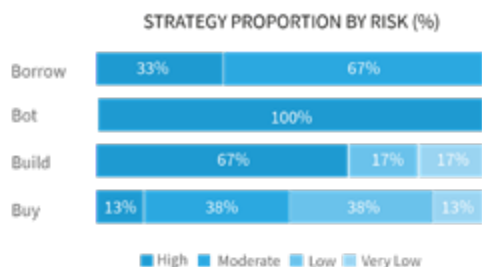


2.3.3. Strategic risks

This page provides a tree-map visualisation displaying the volume of times each capability has been mentioned by the user in the SWP App. A toggle allows the user to swap between the number of times a capability has been mentioned across the group and an indicator that show whether that capability has been mentioned in a division or not. The user also is given the option to filter on the differing risk levels, from very high to very low.

On this page the user can also explore the granularity of how the capabilities are represented across business areas or just in one division. This for instance can inform whether there is an opportunity for collaboration between divisions to close certain gaps. If a user wants to see the detail is enabled to click on each capability name, a then a box is expanded to show the underlying capability requirement.

Finally, the strategic risks page also includes the proportion of risk and risk by timeframe displayed visually.



These will be particularly useful when planning recruitment activities and exploring when most of the capability gaps are likely to materialise.

As described above, all this functionality is further enriched by the addition of the report wide filters included across the dashboard.

2.3.4. 4Bs strategy

This page answers how the organisation is intending to close the capability gaps and how many of those capabilities have been assigned to each of the 4Bs people strategies. Users can click on each of the Bs in the to display which capabilities fall into these categories and their timeframes.

The main value of this page is to be able to see whether some capability risks and gaps are planned to be addressed primarily through a workforce strategy of buying externally, going to the external market through talent acquisition, or whether a more combined approach is the desired strategy. For instance, it may be the organisation needs digital capability today, but also in the future. Therefore, in this type of scenario a combined approach of hiring talent now whilst building it in the pipeline may be a more strategic, effective, and efficient way to close this capability gap in the present and future.

2.3.5. 4Bs by risk

On this occasion the visualisations included in this dashboard page show the risk profiles of each of the 4Bs people strategies.

This page will enable the organisation to prioritise capabilities accordingly.

2.3.6. Impact of Emerging technology

This dashboard page answers the following questions: how will emerging technologies impact our roles and skills? Which ones will no longer be required due to automation? Which will have to change and what new roles will be created?

Selecting the different technological impacts will show expected timeframes and the roles likely to be impacted.

2.3.7. Glossary

To facilitate the use of the app a glossary page has been included within the dashboard that users can easily check to inform their exploration and insights obtained through the SWP Dashboard.

Because enabling the stakeholders involved in the SWP process and increasing their capability is as important as developing the right tools, we decided to put together a guide in PowerPoint to accompany the SWP Dashboard comprised of screenshots of the dashboard, questions to guide

the end user and examples of insights they can find using the dashboard.

We also included a specific guide for the Talent Acquisition specialist and Talent & Development specialist personas to tailor the guidance to their needs and expected usage of the app. In this way the end users can more easily translate SWP insights into tangible workforce plans.

Producing this accompanying guide has facilitated the process of launching and landing the SWP Dashboard with the end users which have welcomed the clarity and guidance to leverage this new tool.

2.4. SWP Champions Network: test, iterate and evolve in partnership with the end user

To make sure we were getting full value from the SWP process we created a SWP Champions group, made up of Senior Human Resources Business Partners, Talent Acquisition and Talent & Development representation and other stakeholders. The purpose of this network is to test and evolve new approaches, uplift capability, share best practice, increase collaboration, drive action and value from SWP across the Legal & General group.

Capitalising on the experience and diversity of through of the professionals that comprised this SWP Champions network we used this group as a platform to test, iterate and evolve the development of the SWP App and SWP Dashboard. This helped to ensure that the final product and solution was fit for purpose not only for the Strategic Workforce Planning and People Analytics team involved in its direct development and roll-out but also for the wide array of end users. This diversity of thought also ensured the final product was relevant and useful for the business, including functions such as finance, risk and group performance and planning.

We recommend establishing a SWP Champions network as early in the process as possible as in

that way they will help in co-creating the solution and will provide feedback throughout the journey, which will increase buy-in and enhance the final output. Furthermore, staying in close dialogue with such a network enables ongoing improvements. At Legal & General we had a successful roll-out of our SWP App and Dashboard in 2021, and thanks to our SWP Champions network we have already identified process and product improvements that we will explore in 2022 and beyond.



3. Results

3.1. SWP App results

As previously mentioned, the digitalisation of the SWP process carried out at Legal & General was based on the development and roll-out of two products: a SWP app and a SWP dashboard.

The main benefits of the SWP App were the following:

- Having the ability to capture and analyse capability requirements at a more granular level.
- Automatically calculate capability gaps and risks.
- Generate the possibility of building an automated dashboard on the back end of the SWP app, simplifying the consolidation of insights and increasing data visibility across the group.
- The SWP app is now a platform for continuous improvement through the iteration, experimentation, and evolution of the SWP process. A clear example of this is that now at Legal & General we have the flexibility to include new questions to be inputted in the SWP process through the app that could generate further insights to enable the people strategy to achieve business plans. This means that as business plans change and the talent landscape evolves, we now have a stronger ability and agility to adapt accordingly through this digital process.

3.2. SWP Dashboard results

As aforementioned, one of the key benefits of the SWP App is capturing input from the business and our Human Resources Business Partners about the current and future workforce capability needs in a standardised manner. Leveraging this wealth of information gathered on the back end of the SWP app, a SWP Dashboard was built with the following benefits for the overall SWP process:

- Automated dashboard built to automatically calculate and visualise capability gaps and risks at the company level, with the ability to filter at the business area level. This automation has entailed a direct benefit of substantial time savings for the SWP team and all the stakeholders involved in the SWP process. This time saving in turn has enabled the indirect benefit of helping the business and HRBPs to focus on more strategic elements of the SWP review process, thus also improving the overall SWP cycle in a qualitative manner. This is in high contrast with how the process was run prior to this automation and digitalisation, mainly driven by Power Points, that went through several iterations prior to the final submission. Furthermore, these Power Points had different structure, content and workforce capabilities terminology for each of the business areas, making the process of aggregating the SWP plans of the business plans into a holistic group wide SWP plan a substantially complex activity that had the risk of ending up excessively detached from the reality of the business areas that comprise the organisation.
- The dashboard has become a self-service tool provided to Human Resources Business Partners, Talent Acquisition, Group Real Estate and Talent Development teams amongst others. This in turn equipped them with workforce capability insights to develop their respective people strategies in a more connected and cohesive manner across the organisation. For example, the dashboard enabled the Talent Acquisition team to understand what capabilities needed to be acquired externally across the group rather than in just one business area, informing them for which capability gaps a group level acquisition approach was likely most appropriate strategy, thus resulting in a more optimal recruitment effort.

- Even though the dashboard was launched as part of a yearly SWP process, the fact that through the SWP App and Dashboard much of the process has been automated has already sparked a dialogue about the benefit of increasing the frequency of the SWP review cycle which would ensure that the organisation adapts to workforce capability risks in an even more agile manner in the future. In other words, the process improvement derived from the digitalisation of the SWP process is opening-up new possibilities to enhance the SWP process further creating a virtuous cycle of innovation and process improvement.

3.3. Strategic results from this digitalising the SWP process

Legal & General decided to digitalise their SWP process through the creation of a SWP App and SWP Dashboard. The resulting output has been a substantially more automated process to capture, review and identify strategic workforce capabilities that entail and gap and risk for the organisation in the present and in the future.

The digitalisation of the SWP process has also enabled to produce important process efficiencies thanks to time saved by most of the stakeholders involved, the increased accuracy of the capture of workforce capabilities and the improved consistency across business areas due to the standardisation of the capabilities.

Qualitatively the process has also obtained important benefits through this digitalisation resulting from a more targeted focus in the strategic conversations that are key for a successful SWP process enabled by the automation and simplification of the process. Another important positive outcome of this SWP digitalisation is that Legal & General is now equipped to produce insights not only about which workforce capabilities present gaps and are at risk but also, which is of equal importance, has now greater visibility and clarity about what are the most relevant people strategies in order to

close such capability gaps and in which business areas that effort should be aimed to.

Last but not least, the SWP App and Dashboard is presenting an important opportunity to the organisation to introduce new data points to be captured in the future to drive further strategic insights, which means Legal & General has not an agile platform to experiment, test, learn and improve the SWP process further. For example, the future introduction of a couple of questions about the difficulty of replacing a given capability and its degree of impact on the business value could enable producing a more sophisticated workforce segmentation (Bailie and Styr, 2021).

This ability to produce further innovation is of great importance because shows how for People Analytics and SWP functions early investment in the right digital processes and technology can unlock short term and long-term benefits for their organisation (Bersin, 2021).

All in all, the digitalisation of the SWP process has produced important short-term benefits to the SWP process itself and to the strategic insights generated on the back of it to inform business planning and strategy.



4. Value and usage

4.1. SWP Insights

As a result of the digitalisation of their SWP approach, Legal & General was able to increase the efficiency and effectiveness of the SWP process.

Regarding insights obtained from the SWP process the key ones were the identification of the strategic capabilities needed to deliver on the organisation's strategic ambition over the next few years. This included the identification of both core capabilities and also of new capabilities that are just emerging as critical for the future business growth such as the ESG capability and the International Experience and Mindset, critical for the context of the organisation in which is expanding internationally.

Furthermore, the impact of emerging technology is now better understood, bringing clarity to the business about what direction should the automation strategy for the organisation follow and in what ways roles impacted by technology need to be addressed, such as talent acquisition or re-skilling of the current workforce.

Finally, the organisation is now equipped with the relevant people strategies that need to be put in motion to close the capability gaps and risks the organisation has.

All in all, Legal & General is more future proofed to deliver on its business strategy thanks to the insights generated from the SWP process.

Yearly business planning cycle

Having a clear and standardised picture of our workforce capability gaps and risks, including priority levels, timeframes and people strategies identified to close those gaps has entailed the strategic benefit of being able to measure people capability and risk in a much more robust manner.

This richness of information is now an integral part of the overall business planning process, providing a strategic view of the workforce requirements for the short, mid, and long term to continue enabling business delivery and growth.

Having the Strategic Workforce Planning process fully embedded in the yearly business planning cycle is also closing the gap between Human Resources and other key functions in the business such as Finance, Group Performance and Risk.

Ultimately, an effective and efficient Strategic Workforce Planning Process is enabling Legal & General to strengthen their overall business planning with a clear view of their current and future workforce capability state. All of this has been improved thanks to the digitalisation of the SWP process, which is also offering opportunities for further improvement, some of which are discussed in the section of new research avenues.

4.2. Results usage for the Group Exec

The ability to have a robust view of workforce capability gaps and risks and people strategies identified to close them has also enhanced the way Legal & General monitors people risk.

The Group Exec is now regularly provided with a clear view of people risk with both a snapshot of the current position and a forward looking way to understand future people risk. This is providing Legal & General an excellent platform to flag capability people risks to the audience who is equipped to drive swift and effect decisions and actions to mitigate such risks to protect the business and ensure business strategy delivery and success.

4.3. Results usage HRBPs

HRBPs in the organisation have now a way more simplified and digital process to review their Strategic Workforce Plans. Even though the overall business planning process currently takes place only on a yearly basis, HRBPs are enabled to update their information on the SWP App throughout

the year which would refresh their information on the SWP Dashboard, thus providing them an option to keep their strategic workforce plans 'live'. However, the major benefit the HRBPs have obtained through the digitalisation of the SWP process is the ability to address their capability gaps and risks collaboratively in conjunction with the group centres of excellence. This means that if a capability needs to be bought across several business areas the organisation is now equipped to understand this and approach the talent acquisition strategy of such capability in a much more targeted and strategic manner, thus resulting in a stronger position to compete for that talent that if the different business areas were trying to achieve the same in a siloed approach.

4.4. Results usage for Centres of Excellence: Talent Acquisition, Development and Group Real Estate

The Talent Acquisition team is now enabled to inform the workforce strategy of the organisation to attract, acquire and onboard talent by understanding what are the current and future strategic capability gaps that need to be closed through this means. Likewise, insights are provided to inform the external sourcing strategy for more flexible talent, such as tapping into contractors and the gig economy. A practical example of how SWP insights drove tangible value for the business at Legal & General is how the SWP exercise in 2020 informed the decision to re-structure the approach of the talent acquisition target operating model and strategy. The new talent acquisition model has both improved recruitment performance and driven significant cost savings for the business.

Similarly, the Talent Development team has access to accurate and strategic insights about the level of expertise and maturity the workforce presents in relation to the strategic capabilities required to deliver the business strategy now and in the future. Insights are available to provide direction about the extent to which internal talent

mobility should be promoted and encouraged across the organisation to maximise the existing availability of talent. An example of how the Talent Development team has benefitted from SWP is by getting much more focus on which key capabilities they needed to focus their learning programmes and budget on. This resulted in the assessment of the learning portfolio, which led to the launch of a more targeted set of learning resources and opportunities for the workforce for the capabilities Legal & General needs to build to close key capabilities gaps.

Last but not least, the Group Real Estate team is also equipped with a picture of how the workforce is likely to evolve over time in order to close the identified capability gaps, which in turn can inform the expectations employees will have about the workplace and the overall location strategy, including in which geographies the organisation should have or not have physical presence from a talent perspective.



5. Limitations

5.1. No skills data

At present, the SWP App and Dashboard provide a comprehensive, consistent, and strategic insights view of workforce capability risks, gaps, and people strategy relevant to address such gaps. However, a current limitation of this view is that this does not present the more granular level of skills.

In recent years there has been increasing focus on capturing and measuring skills to improve the SWP process as such level of granularity can be translated into more targeted and effective people strategies to ensure organisations are prepared now and in the future to deliver on their business strategy (Kropp, 2021).

A clear benefit from this more granular approach would be an increased ability to anticipate the impact of emerging technology on our current and future workforce requirements. Most companies are now strengthening their attention and focus on their technology, digital and automation strategies. This impact of emerging technologies can be categorised on three areas – addition, augmentation, and automation (Rainer, S. et al, 2021).

Organisations can be equipped to be one step ahead of the game in the war for talent by combining visibility of the skills data present in the current workforce and needed by the organisation in the future with the impact of emerging technology on the addition, augmentation and automation of roles and skills. This view would provide the ability to more strategically plan and prepare their workforce for the future skills landscape, for instance through strategic training of individuals working in roles with transferable skills closely linked to the skills needed by the organisation moving forward.

5.2. No alignment of job families and capabilities

At the time of writing this article in Legal & General there is no clear mapping between the workforce capabilities captured through the SWP process and the job families and job titles that are part of the employee lifecycle. This disconnect causes certain challenges such as limiting the ability to link capability with FTE forecasting, which is based on job families and job titles.

Carrying out such mapping would enable to enhance the data and insights visibility of the dashboard of workforce capability risks and gaps with the current and forecasted FTE for those capabilities. This picture would prove valuable to inform several recruitment and people processes and activities at a more operational level through a more accurate headcount planning and forecasting.



6. New research avenues

6.1. Future of Work and SWP data to inform location strategy

SWP has always been recognised as playing a pivotal role in the informing of the location strategy, which is crucial for organisations for the relative high cost in which they incur to fund their premises but also for the strategic influence the location and workplace experience has in the ability to attract, retain and develop key talent (Sparkman, 2018).

Organisations are currently facing the challenge to adapt to the changing expectations towards the workplace experience stemming from the pandemic and associated shift towards remote working and hybrid working strategies.

Those organisations that will manage to connect their ability to monitor workforce capability risks and gaps, office occupancy and utilisation insights, attitudes towards hybrid working and their wider workplace data will be enabled to assess what is the best course of action for their location strategy, including whether to stay in the same premises, adapt them to the new workplace experience expectations or invest in different premises (Attwell Thomas, 2021).

The relevance of the SWP process in the Future of Work and hybrid working landscape is a great example of how companies that want to be ready for evolving changes in the business and talent market are better equipped by future proofing their organisations through a clear picture of current and future workforce capability gaps.

6.2. Skills-based data for workforce capability measurement

The ability to inform the business planning process of workforce requirements gaps increases its accuracy if it manages to move from measuring only workforce capabilities to also measuring skills associated to current and future roles needed to deliver the business strategy.

Skills models are more tangible, as they can be more easily defined than capabilities and therefore become more useful for organisations since they are based on the degree of expertise, making them more measurable and usable for concrete initiatives to add value to organisations (Bailie and Styr, 2021).

In order to measure skills a key step is to develop an internal skills inventory, which can be defined as a catalogue of all the skills an organisation, team or department, possess to accomplish the day-to-day tasks related to that organization's strategy and business model (Sparkman, 2018).

Through the combination of a skills inventory with the output of a skills assessment activity business leaders could be equipped with a comprehensive list of the skills in the organisation. Furthermore, this would also provide a view of the level of expertise employees have for those skills informing the business about which teams, departments or business areas have a skills risk that needs to be closed to enable business performance.

Having access to this information would provide direction to the Talent Development team about which skills need investment from a development perspective across the organisation, thus helping them to design a training offering relevant to business needs (Mason, 2021). Skills data would offer other benefits such as a better understanding of how to leverage internal moves to ensure an appropriate transfer of skills across teams in the organisation and also would provide focus to the Talent Acquisition team about what skills are crucial to acquire from the external market because they are scarce or at a lower level of expertise than desired amongst internal talent.

6.3. Web-scraping of skills through LinkedIn, objectives, resumes, etc.

One way in which skills could be gathered in a digital and automated way is through the usage of web-scraping and text mining to build a picture of skills by scanning sources such as LinkedIn profiles, job advertisements, internal objectives established during the performance cycle, job descriptions and any other documents or systems that hold information about the skills of internal employees and external talent (i.e. GitHub, organisational charts, etc.).

Such an approach would require both the technical ability to scrape and mine this wealth of information and summarise it in a relevant manner, but also robust processes that would ensure a regular review of the documents included in the scope of this activity so that the picture of skills could be relevant and up to date over time.

6.4. SWP: from a yearly process to a 'live' picture of workforce capability risks and gaps

Even though most organisations carry out their SWP process on a yearly basis in alignment with the annual business planning review process, having the ability to monitor workforce capability risks and gaps more frequently would be of high value for organisations that are in changing and competitive talent landscapes. Towards the end of 2021 we are immersed in what has been coined as the Great Resignation (Derler et al., 2021) which is posing a challenge for organisations to maintain a robust employee value proposition to attract and retain the talent needed to deliver on their business objectives – this would be an ideal context to benefit from a view of capability risks with a higher frequency in order to pivot and adapt talent acquisition and retention efforts more strategically in a fast changing talent environment.





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