



BDO AND IPAA 'RETHINK' INFORMATION SERIES

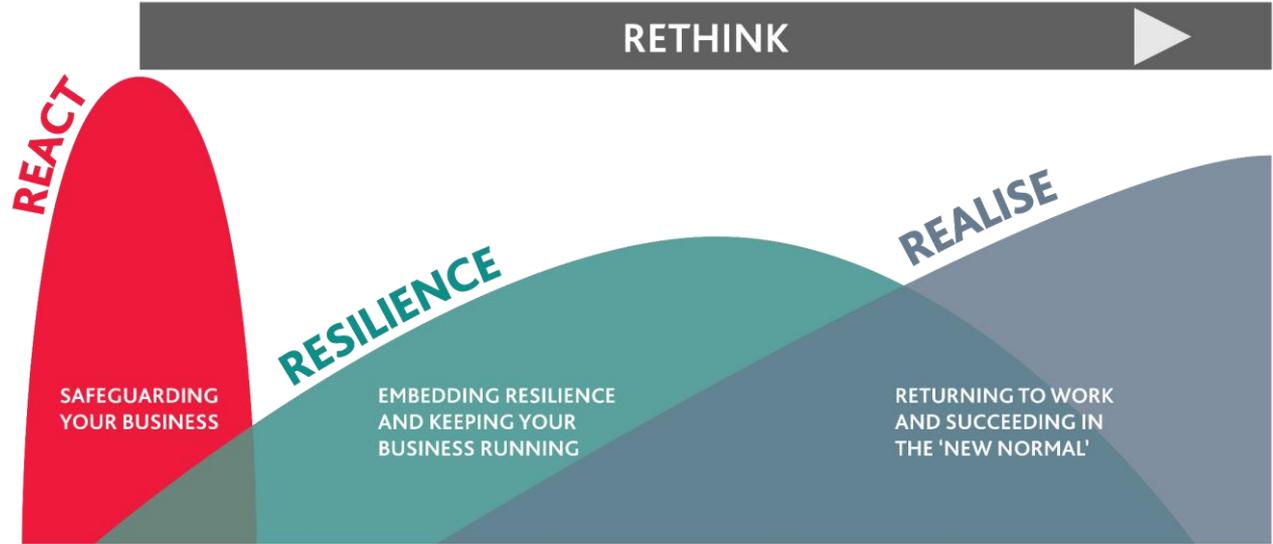
WORKFORCE TRANSFORMATION

September 2020

HELPING ORGANISATIONS BOOST THEIR ORGANISATIONAL RESILIENCE

In the current operating climate, knowing how to plan for ‘what’s next’ is crucial. To help guide this process BDO has drawn on the first-hand experience and insights of its global teams to develop the ‘Rethink’ framework. Much of the world has moved past the react phase, and is heavily entrenched in resilience, where the goal is to identify what will help your organisation be successful in the new normal.

A focused effort to embed improvements and risk mitigation approaches in this Resilience phase — made up of five key focus areas — is what will set an organisation up for success in the ‘new normal’.



The way in which businesses respond to the initial impact of the COVID-19 crisis, minimising the catastrophic effects on its business operations, employee safety, supply chain and ongoing financial viability.

Maintaining business operations during disruption using techniques that allow people, processes and information systems to adapt to changing patterns. The ability to alter operations in the face of changing business conditions preserving the continuity of the provision of 'critical functions' to a firm's customers.

Applying the learnings from key resilience activities and continuing to adapt. Successfully adapting to new business models and ways of working are needed to address essential and obligatory political, economic, socio-cultural, and technological changes.

BDO AND IPAA's 'RETHINK' INFORMATION SERIES

This Information Series focuses on five of the critical enablers of the Resilience phase, which are particularly relevant for public sector organisations. We will guide you through the role each can play in the decision making process and the important factors your leaders must consider as they look to the future.

If you would like more information about BDO's Rethink framework, please visit [our website](#) for material and podcasts covering a wide range of topics, including people, operations, compliance, risk, and finance.



**CYBER SECURITY
AT THE
EXECUTIVE LEVEL**



**DIGITAL
TRANSFORMATION**



**REIMAGINING
BUSINESS
MODELS**



**RELIABLE
INFORMATION AT THE
EXECUTIVE LEVEL**



**WORKFORCE
TRANSFORMATION**



WORKFORCE TRANSFORMATION



THE OPPORTUNITY

Your people are your organisation's most important asset when it comes to surviving and managing through this crisis, and over time they will contribute substantially to your recovery plans.

THE DRIVERS



EXTERNAL

The COVID-19 pandemic has been a major accelerator for organisational change. Some organisations have changed more in the past six to eight weeks than they have in the previous four decades.



INTERNAL

Today's workforce has new expectations of how it experiences work. Attitudes and behaviours have shifted and employees will be the determinate factor in organisational success.

YOUR LEVERS



Organisational change



Workforce planning



Organisational structure

KEY CONSIDERATIONS

1. Going back to business as usual pre-COVID will not be a recipe for success
What has worked well? What hasn't? What's worth keeping?
2. Understanding your organisation's workforce needs relevant to delivery of critical services
What skills are needed? Are they needed now or in the future?
3. Ability to pivot your organisation's workforce to meet and capture new market opportunities
What is the ideal composition and size of your organisation's workforce, given the current environmental challenges?

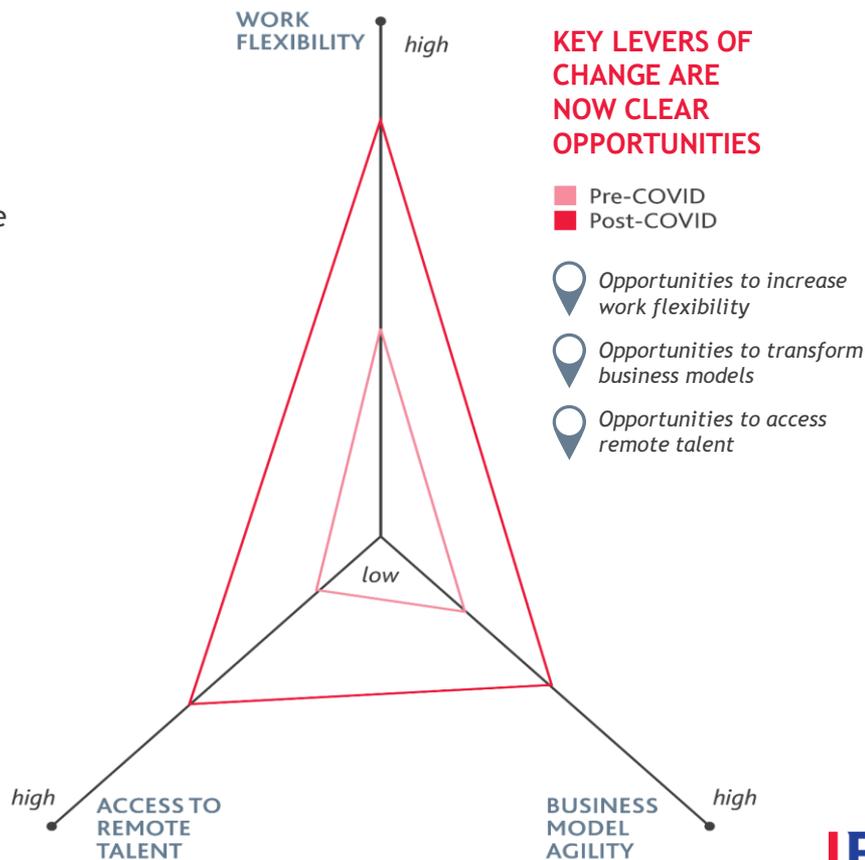
MAINTAINING THE MOMENTUM

The changes experienced by your workforce are not a barrier to change, instead they present the ultimate opportunity to shape your organisation moving forward.

The fast-paced change organisations and their employees have experienced has caused a shift in people's beliefs and attitudes (e.g. work from home, flexible work arrangement).

Organisations must consider what they need to keep doing, stop doing and start doing to retain the best of the changes they quickly implemented, while meeting the expectations of their people.

GOING BACK TO A PRE-COVID ENVIRONMENT IS NOT AN OPTION.



PLANNING THE FUTURE WORKFORCE

There is no denying the workforce is changing. Organisations that are prepared for the change will be the ones who come out ahead in the long term.

Today's workforce is unique. There are four generations of workers, there has been a dramatic increase in flexible working, and people are seeking opportunities to continually learn and reskill. It is a workforce with varying, and sometimes conflicting, needs.

TALENT

More than 20% of the Australian workforce is contractors

With at least one million Australians are forecasted to be unemployed as a result of the COVID-19 pandemic, the contractor talent pool is likely to increase.

Queensland Government's cost cutting agenda will also contribute to this pool.



CAPABILITY

Upskilling, reskilling and micro-skilling are the order of the day

Few organisations have given thought to the workforce they need during the next five to ten years.

What skills will they need, what roles will they perform, how does it differ to the workforce of today?



MEETING NEW CONSUMER NEEDS IN NEW MARKETS

Today's typical organisation structure is destined to fail in a world where consumers and clients dictate the strategy.

Just as organisations consider whether their products and services match their customer's needs, they must also assess whether their structure allows them to achieve this effectively and efficiently. Small cross functional teams are likely to be more agile and nimble, compared with complex hierarchical and functional structures. In reality, this more accurately reflects how we should work anyway, as more accountability and decision making is pushed down so client needs can be rapidly met.

The COVID-19 pandemic and digital disruption have changed client and consumer needs. These stakeholders can now access what they want when they want. They expect every interaction to be personalised, digital (contactless) and instant.



Many organisations maintain a traditional hierarchical structure where all decisions are pushed up. Paradoxically, employees want an engaging experience that is not defined by hierarchy. They are seeking autonomy, accountability and flexible working arrangements.

CASE STUDY: LARGE UTILITIES ORGANISATION

	OBJECTIVE	Getting the <i>right people</i> , in the <i>right place</i> at the <i>right time</i> doing the <i>right things</i>
	ISSUES	<ul style="list-style-type: none"> • The organisation needed assistance to identify their critical services, people and back-up support • Given the unknown circumstances surrounding the COVID-19 pandemic, the organisation also wanted to understand various scenarios and the impact on workforce availability • A enterprise workforce plan and strategies were requested to support service delivery
	APPROACH	<ul style="list-style-type: none"> • Facilitated virtual workshops to determine critical services, roles, people and support roles. • Developed scenarios and probability based analysis on workforce impact - what is the likelihood of critical resources and/or back up resources not being available? • Developed a range of mitigation strategies to address risks
	STRATEGY	<ul style="list-style-type: none"> • Developed a COVID-19 enterprise workforce strategy to optimise workforce availability • Developed initiatives and actions to respond and recover from the COVID-19 pandemic including: <ul style="list-style-type: none"> – Critical role segmentation – Training and role familiarisation to build back up capacity – Isolation of critical people – Work from home, back up resourcing, supplementary resourcing (external) – A COVID-19 response function to monitor, manage and report cases.
	DELIVERY	<ul style="list-style-type: none"> • Developed easy to use, interactive visual tools that provide key insights to guide executive decision making • Deliverables: workforce probability modelling tool (Microsoft PowerBI based) and an enterprise workforce plan

OUTPUTS



consolidated data



workforce strategies



probability model



JASON SORBY
National Lead Partner, Consulting
+61 7 3173 5506
jason.sorby@bdo.com.au



JOE OCCHINO (author)
Associate Director, Consulting
+61 7 3237 5713
joe.occhino@bdo.com.au

This publication has been carefully prepared, but it has been written in general terms and should be seen as broad guidance only. The publication cannot be relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained therein without obtaining specific professional advice. Please contact the BDO member firms in Australia to discuss these matters in the context of your particular circumstances. BDO Australia Ltd and each BDO member firm in Australia, their partners and/or directors, employees and agents do not accept or assume any liability or duty of care for any loss arising from any action taken or not taken by anyone in reliance on the information in this publication or for any decision based on it.

BDO refers to one or more of the independent member firms of BDO International Ltd, a UK company limited by guarantee. Each BDO member firm in Australia is a separate legal entity and has no liability for another entity's acts and omissions. Liability limited by a scheme approved under Professional Standards Legislation.

BDO is the brand name for the BDO network and for each of the BDO member firms.

© 2020 BDO Australia Ltd. All rights reserved.