Australian Government

Department of Education, Employment and Workplace Relations

PSPHR702B Formulate a strategic human resource plan

Revision Number: 3

INDUSTRY SKILLS COUNCILS
Creating Australia's Future

Modification History

Release	TP Version	Comments
3	PSP12V1	Unit descriptor edited.
2	PSP04V4.2	Layout adjusted. No changes to content.
1	PSP04V4.1	Primary release.

Unit Descriptor

This unit covers formulation of a strategic human resource plan that links the human resource function with the direction of business units and the organisation. It includes identifying key issues, and developing, implementing and evaluating the strategic human resource plan.
In practice, strategic human resource planning overlaps with other generalist and specialist workplace activities such as influencing change, shaping diversity management, influencing strategic policy, strategic planning.
No licensing, legislative, regulatory or certification requirements apply to this unit at the time of publication

Application of the Unit

Not applicable.

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Not applicable.

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements are the essential outcomes of the unit of competency.

Together, performance criteria specify the requirements for competent performance. Text in ***bold italics*** is explained in the Range Statement following.

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. **Identify key human resource issues arising from the organisation's strategic plan**	1.1 The organisation's strategic and business plans are analysed to determine key human resource issues.
	1.2 ***Internal/external factors*** likely to impact upon the workforce profile and future human resource requirements are identified and considered.
	1.3 ***Workforce data*** is analysed for trends to determine key human resource issues.
	1.4 Business units and senior management within the organisation are consulted for information on future requirements.
	1.5 ***Forward planning tools*** are utilised to predict longer term issues and needs to be addressed in the strategic human resource plan.
2. **Develop a plan to meet the human resource requirements of an organisation**	2.1 The plan is developed based on data drawn from information sources, consultations with ***stakeholders***, and good practice models, and is consistent with relevant ***legislative and policy requirements***.
	2.2 Strategies for workforce planning, ***workforce management***, managing succession and skill shortages are contained in the plan to support the organisation's business vision and provide for the right people to be in the right place at the right time.
	2.3 Strategies are included within the plan consistent with the organisation's strategic perspective.
	2.4 Risks associated with planned strategies are identified and addressed.
	2.5 Resource requirements are identified and a budget is prepared to support the implementation of the plan and performance indicators and timeframes are prepared to provide a basis for monitoring.
3. **Implement a human resource plan**	3.1 Agreement on the plan is obtained through consultation with other business units within the organisation.
	3.2 The human resource plan is documented and communicated to other business units in accordance with the needs of a diverse workforce.
	3.3 Systems and tools required to support implementation are identified in accordance with organisational requirements.
	3.4 Human resource strategies are implemented in accordance with the plan and are monitored and revised against the budget and key performance indicators.
	3.5 Support in implementing the plan is provided to business units in accordance with organisational requirements.
4. **Evaluate the effectiveness of the human resource plan**	4.1 Ongoing monitoring/evaluation of the plan is undertaken to adjust strategies as needed to take account of new developments or contingencies.

ELEMENT	PERFORMANCE CRITERIA
	4.2 A reliable and valid evaluation methodology is developed and implemented to formally evaluate outcomes.
	4.3 The plan is judged in accordance with its effectiveness in contributing to the achievement of the organisation's strategic goals and business objectives.
	4.4 A range of *information* is utilised and analysed to provide a basis for the judgments to be made in relation to the plan's effectiveness.
	4.5 Outcomes of the evaluation are reported with appropriate recommendations for enhancement of the plan, to inform ongoing planning and integrate human resource planning into the organisational planning framework.

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Required Skills and Knowledge

This section describes the essential skills and knowledge and their level, required for this unit.

Knowledge requirements

Look for evidence that confirms knowledge and understanding of:

- organisational goals, policies and procedures
- the importance of human resource management in attaining organisational goals
- strategic planning processes
- consultation and management practices
- the relationships between key human resource functions
- the concept of diversity and its integration within and across all human resource functions and areas
- equal employment opportunity, equity and diversity principles
- human resource policies and practices
- jurisdictional legislation applying to human resources, including occupational health and safety and environment and sustainability practices
- range of evaluation methodologies

Skill requirements

Look for evidence that confirms skills in:

- undertaking effective consultation with stakeholders
- using marketing and public relations strategies
- applying strategic thinking and planning
- using a variety of words and language structures to explain complex ideas to different audiences
- interpreting and explaining complex, formal documents such as legislation and policies and assisting others to apply them in the workplace
- preparing written advice and reports requiring reasoning and precision of expression
- responding to diversity, including gender and disability

Evidence Guide

The Evidence Guide specifies the evidence required to demonstrate achievement in the unit of competency as a whole. It must be read in conjunction with the Unit descriptor, Performance Criteria, the Range Statement and the Assessment Guidelines for the Public Sector Training Package.

Units to be assessed together	• *Pre-requisite* units that must be achieved prior to this unit:*Nil*
	• *Co-requisite* units that must be assessed with this unit:*Nil*
	• *Co-assessed units* that may be assessed with this unit to increase the efficiency and realism of the assessment process include, but are not limited to:
	• PSPETHC701A Lead and influence ethical practice in the public sector
	• PSPHR703A Provide leadership in strategic human resource management
	• PSPMNGT701B Provide strategic direction
	• PSPMNGT702A Influence and shape diversity management
	• PSPMNGT703A Lead and influence change
	• PSPMNGT704A Undertake enterprise risk management
	• PSPPOL701A Influence strategic policy
Overview of evidence requirements	In addition to integrated demonstration of the elements and their related performance criteria, look for evidence that confirms:
	• the knowledge requirements of this unit
	• the skill requirements of this unit
	• application of the Employability Skills as they relate to this unit (see Employability Summaries in Qualifications Framework)
	• strategic human resource plans formulated in a range of (2 or more) contexts (or occasions, over time)
Resources required to carry out assessment	These resources include:
	• strategic planning guidelines
	• legislation, policies and procedures relating to strategic human resource planning
	• workplace information such as mission, vision, strategic and business goals
	• workplace scenarios and case studies to capture the range of situations likely to be encountered when formulating strategic human resource plans
Where and how to	Valid assessment of this unit requires:

assess evidence	• a workplace environment or one that closely resembles normal work practice and replicates the range of conditions likely to be encountered when formulating strategic plans, including coping with difficulties, irregularities and breakdowns in routine

• strategic human resource plans formulated in a range of (2 or more) contexts (or occasions, over time)

Assessment methods should reflect workplace demands, such as literacy, and the needs of particular groups, such as:

• people with disabilities
• people from culturally and linguistically diverse backgrounds
• Aboriginal and Torres Strait Islander people
• women
• young people
• older people
• people in rural and remote locations

Assessment methods suitable for valid and reliable assessment of this competency may include, but are not limited to, a combination of 2 or more of:

• case studies
• portfolios
• questioning
• scenarios
• authenticated evidence from the workplace and/or training courses

For consistency of assessment

Evidence must be gathered over time in a range of contexts to ensure the person can achieve the unit outcome and apply the competency in different situations or environments

Range Statement

The Range Statement provides information about the context in which the unit of competency is carried out. The variables cater for differences between States and Territories and the Commonwealth, and between organisations and workplaces. They allow for different work requirements, work practices and knowledge. The Range Statement also provides a focus for assessment. It relates to the unit as a whole. Text in ***bold italics*** in the Performance Criteria is explained here.

Internal and external factors within the organisation's operating environment may include:	• changed financial or political circumstances • government policies • downsizing or organisation restructuring • future directions for the organisation • opportunities for outsourcing • changes in legislation or core business activities • changes in activities or aspirations of customers • changes in environmental and sustainability practices • organisational changes • labour market shortages • hard to fill positions • hard to attract staff • changes in demographic and social trends • existing skill base in relation to achievement of corporate goals
Workforce data may include:	• analysis of the size, shape and structure of the current workforce • projected future workforce requirements • performance management issues • turnover • separation • transition • redeployment levels
Forward planning tools may include:	• supply and demand forecasting • scenario planning

Stakeholders may include:	• all those individuals and groups both inside and outside the organisation that have some direct interest in the organisation's behaviour, actions, products and services such as:
	   • users of the human resource service
	   • employees at all levels of the organisation
	   • other public sector organisations
	   • inter-agency forums

	- union and association representatives - boards of management - government - Ministers
Legislative and policy requirements may include:	- Commonwealth and State/Territory legislation including equal employment opportunity and anti-discrimination law - national and international codes of practice and standards - the organisation's policies and practices - environmental and sustainability policies - government policy - codes of conduct
Strategies to manage the workforce may include:	- recruitment and induction - performance management - learning and development - rotation - acting opportunities - strategies to reduce the incidence of turnover/separation
Sources of information for evaluation may include:	- workforce profile - basic statistical analyses - interviews with stakeholders - surveys - focus groups interviews - research on existing programs - solicited and unsolicited feedback - organisational reviews - workforce management data - exit interviews

Unit Sector(s)

Not applicable.

Competency field

Competency field	Human Resource Management