Strategic Workforce Plan/
Employee Value Proposition

Thursday, February 21, 2019
1:00 – 2:30 pm ET

How to Participate Today

• Audio Modes
  • Listen using Mic & Speakers
  • Or, select “Use Telephone” and dial the conference (please remember long distance phone charges apply).

• Submit your questions using the Questions Pane.

• A recording will be available for replay shortly after this web seminar.
Today’s Moderator

Walter L. Graf, Jr.
Program Director – Asset Management & Intelligent Water Systems
The Water Research Foundation

Today’s Speaker

Matthew Campbell
Managing Director, Advisory – Talent + Organization
KPMG LLP
WRF Recent Workforce Efforts

- Second in a series of WRF and the Water Services Association of Australia (WSAA) partnerships in future workforce topics for the water sector.
- The first collaboration was the *Workforce Skills of the Future* project
- Two key foundation programs - SWP and EVP
- The outcomes have the potential to shape how all subsequent initiative are taken in the sector
Strategic Workforce Planning And Employee Value Proposition

Hosted by DC Water Thursday January 10-11, 2019
&
Hosted by San Francisco Public Utilities Commission Tuesday January 15-16, 2019

Workshop Attendees

- In January 2019, in Washington, D.C. and San Francisco, over 50 attendees from 11 utilities attended workshops on Strategic Workforce Planning
- During this workshop hosted by the Water Research Foundation, in partnership with KPMG and WSAA, attendees were presented data and results from Australia’s water sector and given an opportunity to explore the composition and needs of the future workforce for the water sector
- Attendees assessed the state of their current workforce planning efforts and brainstormed next steps for their individual utilities and the sector as a whole
Strategic Workforce Planning

Why are we here?

INTERNATIONAL project: WSAA, WRF and UKWIR

OCCASIONAL PAPER published in December 2017

Key WORKFORCE TRENDS and FUTURE SKILLS required in the Water Sector

Key GLOBAL DRIVERS for change and enablers for success

Focus on CUSTOMER TRENDS and FUTURE OF WORK

Two key foundation programs:

1. STRATEGIC WORKFORCE PLAN
2. EMPLOYEE VALUE PROPOSITION
Context
Recap from Future Skills project - United States results

“Considering the skills and capabilities of your workforce, how confident are you that these will enable you to deliver against your current, medium, and long term business objectives?”

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<th>Timeframe</th>
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Why are we here?

From a June 2018 report from the Metropolitan Policy Program at the Brookings Institute:

“Collectively, the water workforce fills 212 different occupations”

“The economic opportunity stems from the urgent investment needs across the country’s water infrastructure assets...With $655 billion in capital investments needed nationally over the next 20 years”

“The changing nature of work in the [water] sector, including new types of field work, new design guidelines, and increased automation, only add to the breadth of skills needed.”

“On average, water workers use 63 different tools and technologies each, compared to the 6 tools and technologies typically used by workers in all occupations nationally.”

Confidence in skills and capabilities

Considering the skills and capabilities of your workforce, how confident are you that these will enable you to deliver against your current, medium, and long term business objectives?

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Trends in Strategic Workforce Planning

- Growing demand for labor, and shortages in key and specialist skills
- Cost pressures, excessive spend on freelance staff, and concerns regarding redundant skills
- A constant evolution of technology advancements and cognitive intelligence along with customer demands
- Increased mobility of people and need to consider global talent pools
- Developing and retaining great talent
Workforce Planning Continuum

- Job Family Framework Development & Review
- Critical Role Identification
- Strategic Workforce Planning
- Capability Maturity Assessments
- SWP Training
- Plan Development & Reviews
- Labour Market Analysis

Key client considerations

- HR Metrics
  - Maturity Assessments
  - Workforce Profiling
  - Benchmarking

- Workforce Analytics
  - Maturity Assessments
  - Workforce Performance Problem Solving – Predictive and Prescriptive Analytics

- Business Analytics
  - Business Performance Problem Solving – Predictive and Prescriptive Analytics
  - Complex scenario modelling

Strategic Workforce Planning Maturity (San Francisco)

- Current State of organization
- Ideal Future State of organization

KPMG's Strategic Workforce Planning Maturity Model

- Workforce planning holistically
- Strategic workforce planning maturity
- Talent (strategic and operational)
- Operational workforce planning
- Workforce risk analysis
- Critical role identification
- Future of work/workforce shaping
- Workforce navigator • cognitive value assessments • digital strategy • demographics & futurist

Key considerations:

- Business Analytics
  - Business performance problem solving – Predictive and Prescriptive Analytics
  - Complex scenario modelling

- Workforce Analytics
  - Workforce performance problem solving – Predictive and Prescriptive Analytics

- HR Metrics
  - Maturity Assessments
  - Workforce Profiling
  - Benchmarking
KPMG’s Strategic Workforce Planning Approach

Scope - Project definition and maturity assessment.
Prepare - Strategy review, scenarios to be modelled and data collection.
Analysis - Modelling workforce requirements to align with current and future demand requirements and identification of FTE requirements and skills gaps.
Planning and integration - SWP forecast based upon preferred option for gap closing, transition planning and implementation support.

SWP Uses Scenarios to Understand Supply and Demand Requirements

- Analysis of current supply and demand profiles
- Visualise outputs by job family, capability, skill group, location or division
- Consider FTE and cost views, and the bottom line impact of every option
- Ability to “slice and dice” data using any combination of filters
- Generate and analyse a range of demand and supply scenarios
Navigating Workforce Disruption

Show and Tell

- What skills and capabilities are you prioritising in your current Workforce Plans?
- What are the critical roles/workforce groups that will enable success?
- Is your Workforce Planning operational or strategic?

Attendees discussing current workforce planning activities and future needs
Current Workforce Planning Maturity

Top 10 Workforce Planning Activities currently being undertaken across the US Water Sector:

1. Development & Mentor programs (team, leaders, entry-level employees)
2. Strategic business planning to meet budget requirements
3. Improving recruitment (Accelerated; Expanding outreach to Millennials and Veterans)
4. Career Pathways and increased interior mobility
5. Performance management systems
6. Retirement projections and turnover analyses
7. Strategic workforce planning to satisfy fiscal planning
8. Training (Cross training, shift study, internships, apprenticeships)
9. Job Description assessments and reviews
10. Rewards & Recognition programs

Top skills and capabilities currently being targeted across the US Water Sector:

1. Trade skills and programs (electric, mechanical, engineering)
2. Leadership skills
3. Technical skills
4. Operators (Waste water)
5. Entry level workers
6. Information Technology: security, GIS, programming; Data Analytics
7. Veteran workforce
8. Management skills
9. Change management
10. Automation

First steps in applying SWP – Identifying Scenarios

Participants discussed the known and emerging needs of 5 stakeholder groups, which would create scenarios causing future strategic workforce skills demand.
Customers & Technology

Management & Technology
Regulators & Environment

- Nutrients in Bay (Prev. Coasts)
- Drinking water regulations
- Drought impacts
- Fire
- Delta salinity
- Federal, state, local regulations
- State politics/water management
- Water quality impacts
- Economic impacts
- Regulatory rate impacts

Employees

- Work-life balance
- Professional growth
- Career opportunities
- Leaders role in training
- Work environment
- Developmental training
- Increase efficiency & S M E T
- Create positive spin on new
Parent Organization

Employee Value Proposition
Why are we here - A view of disruption

Macro trends are predicted to have the greatest impact on the workforce. Organizations must address both industry disruptions and workforce challenges.

72% of CEOs say that rather than waiting to be disrupted by competitors, their organization is actively disrupting the sector in which they operate.

Top five strategic priorities in next three years

- Greater speed to market
- Digitization of the business
- Becoming more data-driven
- Building public trust
- Implementing disruptive technology

Workforce expectations have changed

End-to-End experience
Customers see products as increasingly commoditized—an end-to-end experience is what differentiates, e.g., Starbucks and Tesla.

Instant everything
Customers expect on-demand access to information—24/7 consumer service—enabled by mobile access, e.g., PayPal and Amazon Prime.

Customized convenience
Rather than incumbent providers, consumers are turning to new “entrants that are more innovative and convenient, e.g., Netflix, Uber and WhatsApp.

Everyday magic
Consumers are now conditioned to expect products and services to gauge their wants and needs, and learn, then adapt to improve the experience, e.g., Nest and T-Mobile.

Quiet simplicity
Time-pressured consumers are looking for providers to help make the daily 'noise' of simple transactions disappear, e.g., Apple, Samsung and AlertMe.
Different pieces of the value chain

- **Employee Value Proposition**
  - Attraction
  - Talent Brand
  - Organizational Culture
  - Reward & Recognition
  - Leadership
  - Learning & Development
  - Career Path

- **Employee Experience**
  - Retention
  - Connected communities
  - Technology for the task
  - Seamless interfaces
  - Mobility for flexibility

- **Employee Engagement**
  - Productivity
  - Purpose driven work
  - Preferences
  - Personas

**EVP** is an ‘employment deal’, a balance of **the value that’s expected** to be contributed with the value expected in return.

Experience puts the focus on the employee, their journey along the lifecycle, the relationship with the organization, & where it breaks down.

The future of work requires that organizations begin to focus on the reasons **why workers want to work**, versus need to work.

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Proposed EVP approach

**What is the offer articulated through the brand?**
the expectations that developed prior to joining are informed by what is being messaged externally and promised internally

**Does the value communicated align with reality?**
the people processes related to the EVP dimensions and where there might be misalignment with the actual experience

**What will it take for the EVP to be authentic?**
KPI’s for people processes contributing to success factors and measurement for the leadership vision of who the organization is

**What differentiates this as a great place to work?**
the overarching statements that capture who you are as an employer and why a candidate should join and employee stay

**What channels to leverage to spread the word?**
value statements packaged into marketing campaign to advertise the validated employee value proposition
Sample EVP

Choice
Supporting you to exercise choice and flexibility over how you work to best suit your personal style, workload, and collaboration needs.

Team
A social, collegiate and connected team underpinned by a conversation culture.

Technology
Leading technology that enables you to do your best work.

Facilities
State of the art facilities, including breakout and recreation spaces.

Water Sector Visioning Exercise

Attendees shared components of their utilities’ visions that could be applied to the US Water Sector; then worked together to brainstorm what a sector vision should communicate and how it could be unique.

Attendees’ responses to visioning exercise
Defining an EVP Vision for the Water Sector

Employee Value Proposition – Draft Statements

Leveraging Innovation for Community Impact:

- “Bringing the community together to create the future of water through innovation...”

Autonomy and Challenge:

- “You’ll want to work here because the water sector provides opportunities to utilize your skills to address challenges while being able to work autonomously.”

Leadership Interaction:

- “You’ll want to work in the water sector for our learning and development opportunities, ability to interact with leadership, and the dynamic projects you’ll work on.”
Employee Personas

- Personas emerge from a mix of qualitative and quantitative research, data analytics and subsequent analysis.
- Based on this information, people are segmented into groups and plotted across a persona grid.
- The themes on each axis will depend on the requirements associated with the project.
- The visual representation of the research aids in discussion about which group to target change and communication strategies toward.

"The Savant" is high in creativity, but low on situational awareness.

Key Water Sector Personas

Attendees presenting pitches to employee segments and personas
Key Water Sector Personas

Dot.Com Refugee
- Wants to serve community and protect the environment
- Flexibility to work from home
- Family, balance, own their own home
- Wants formal learning
- Complex interesting work
- Modernize the sector technology and address future problems

Technologist
- Wants cutting edges technology
- Wants student loan reimbursement over a pension
- Wants new experiences and development through numerous methods
- Wants autonomy
- Wants to mentor others
- Solution driven

Return Home
- Wants to be appreciated for their service
- Building a personal life after their service
- Preserve safety and use their skills
- Seeks opportunities for advancement
- Wants to work in collaborative environments

Quarter Lifer
- Wants to buy a home, take care of family
- Benefits
- New Technology
- Innovate and be heard by team
- What are people like
- Choice about how to grow

Attendees brainstormed key Water sector personas that could be critical in the future

<table>
<thead>
<tr>
<th>Segment Name</th>
<th>Tech Innovator</th>
<th>Futurists</th>
<th>Water Guru</th>
<th>Technical/Technology</th>
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</thead>
<tbody>
<tr>
<td>Characteristics</td>
<td>Creative</td>
<td>Innovator</td>
<td>Hands on</td>
<td>Projects steps</td>
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<tr>
<td></td>
<td>Customer focused</td>
<td>Strategist</td>
<td>Skilled</td>
<td>Uses timelines</td>
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<td></td>
<td></td>
<td>Influencer</td>
<td>Field expert</td>
<td>Process oriented</td>
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<tr>
<td></td>
<td></td>
<td>Creates value</td>
<td>Collaborative</td>
<td>Results oriented</td>
</tr>
<tr>
<td>Key Drivers / Considerations</td>
<td>Create value</td>
<td>Challenging assignments</td>
<td>Stability</td>
<td>Return on investment</td>
</tr>
<tr>
<td></td>
<td>Save resources</td>
<td>Opportunity to learn new technology</td>
<td>Benefits</td>
<td>Want closure/completion</td>
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<tr>
<td></td>
<td>Able to find gaps</td>
<td>bring in new tech</td>
<td>Machinery</td>
<td>Appreciation/validation</td>
</tr>
<tr>
<td>Segment Name</td>
<td>Innovators</td>
<td>Critical Thinkers</td>
<td>Social People</td>
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</tbody>
</table>
| Characteristics | • Dreamer  
• Heavy thinker  
• Perceptive people | • Analytical  
• Proactive  
• Engaged  
• Risk takers | • Feedback seeking  
• Opinionated  
• Feeling  
• Consensus seeking  
• Check-Ins  
• Follow-Ups |
| Key Drivers / Considerations | • Not risk averse  
• Outside of box thinker  
• Early adopter  
• Challenges status quo  
• Creative thinker  
• Problem solver  
• Likes change  
• Resets processes  
• Needs stimulation | • Needs challenging work  
• Needs time  
• Self-driven  
• Creative  
• Need people who can implement  
• Need to recreate boundaries  
• No micromanagement  
• Process oriented  
• Need some structure/rules of engagement  
• Need root cause analysis/consultation  
• Not afraid to rock the boat | • High interaction  
• Harmony |

**OUTPUT FROM US EVP WORKSHOP**

Jan 2019

Initiatives to progress a sector EVP framework

**Top 10 EVP Initiatives for the Water sector:**

1. Branding the water sector (jobs, customer education, career pathways)
2. Developing a vision/mission for Water sector
3. Nationwide certification that is valid across utilities
4. Early outreach to students (middle and high school)
5. Leveraging data for storytelling, crafting value propositions, etc.
6. Competency framework and development for water sector
7. Recruitment (accelerated, by persona, by region)
8. Community college engagement: creating curricula and pathways into water sector
9. Information sharing across sector (success stories, case studies, etc.)
10. Toolkit for Water Sector (EVP, SWP, job descriptions)
Contact us about this project

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