

Planning for the Skills of Tomorrow: Workforce Planning in Brunei Darussalam

Presentation to the National Economic Development
Conference

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Setting the Scene

The Government of His Majesty, the Sultan, and Yang Di-Pertuan of Brunei Darussalam commissioned consultants SC Lennon & Associates to advise on how to establish a **governance framework** to formulate a policy on workforce planning for Brunei Darussalam.



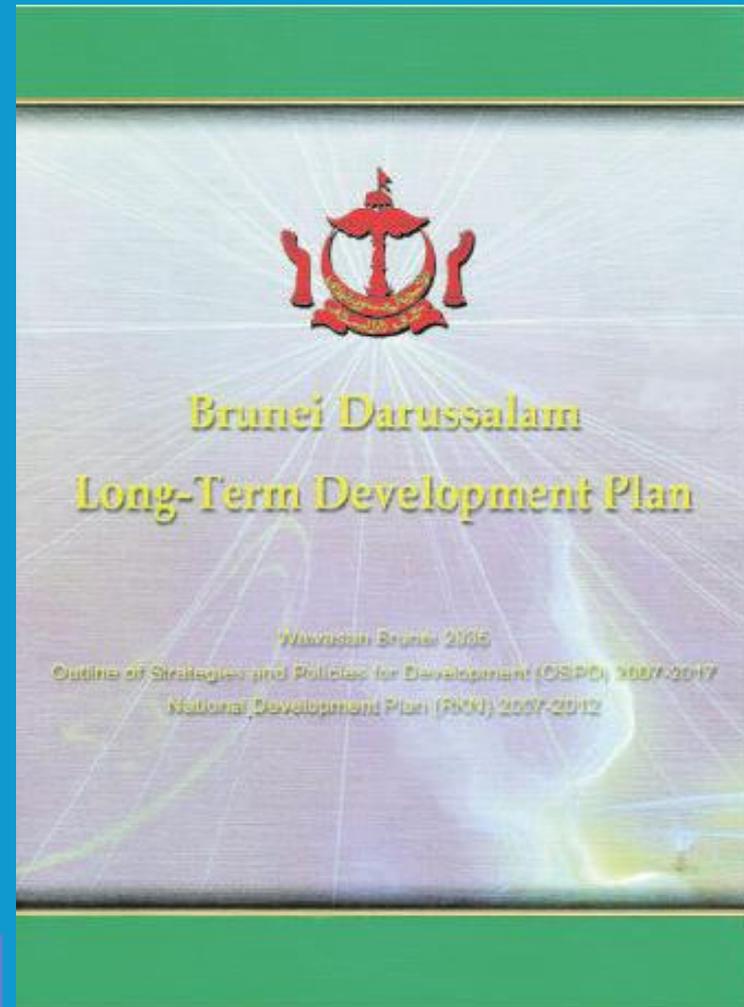
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Setting the Scene

The workforce planning has required the collation and **analysis of baseline data and undertaking economic modelling to forecast Brunei's manpower needs** in the short, medium and long-term - in line with Wawasan Brunei 2035.

REMPPLAN

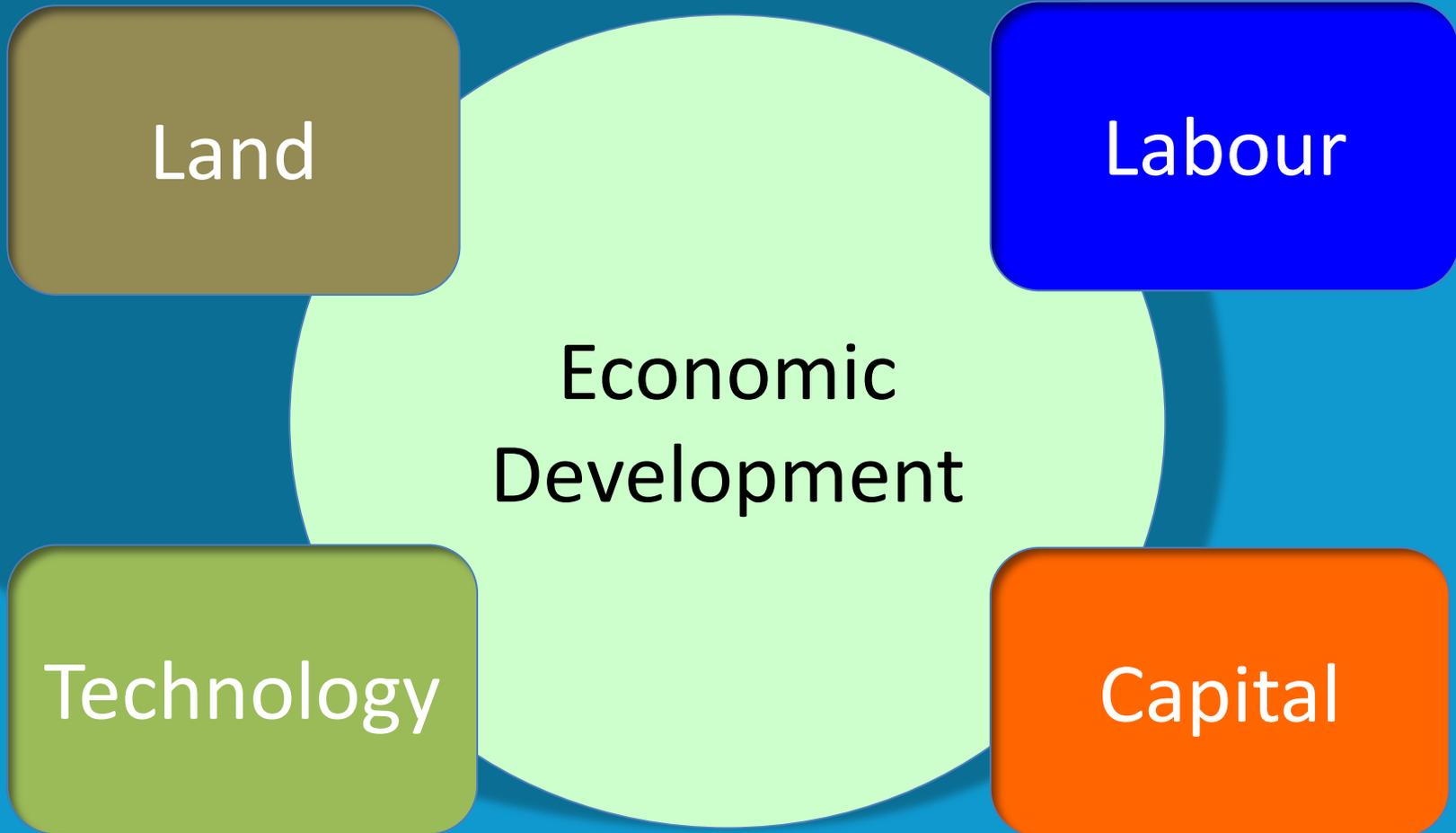


Workforce Planning in Context



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The Factors of Production

Labour as Human Capital

- Human capital is the most valuable resource in a competitive globalised economy and exists at all levels in the workforce, including entrepreneurs, managers, professionals, skilled workers and semi-skilled workers.
- Human capital is the stock of knowledge, expertise and abilities of a region's population. It is one of the most important inputs to economic activity because it is crucial to supporting local businesses to be competitive and drive economic growth.
- The process of developing the human capital of a region is:

Workforce Planning

Good Governance and Data Analysis



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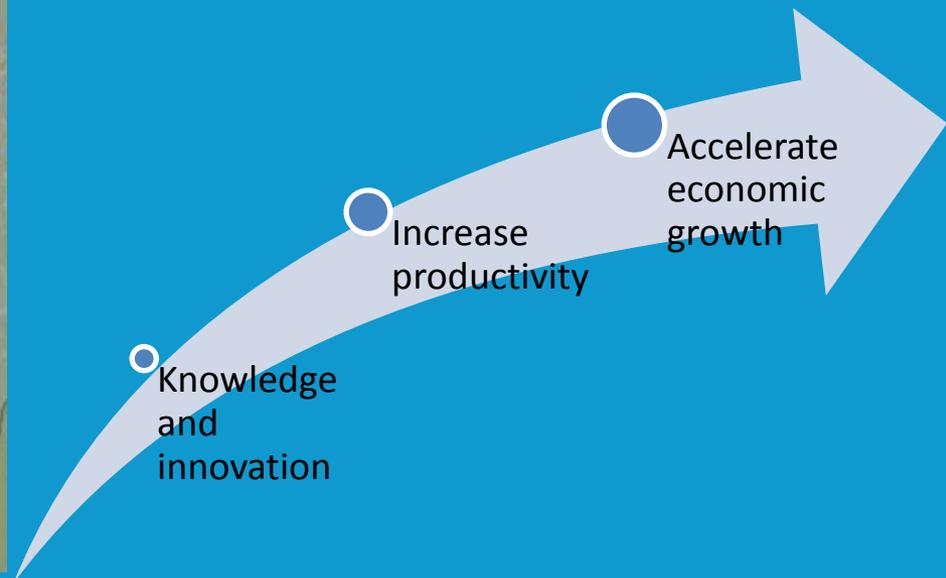
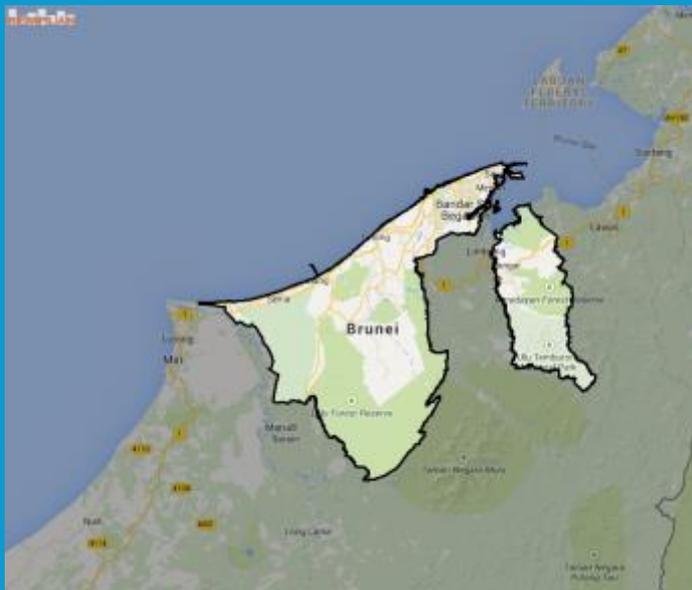
- ❖ Around the world, approaches to workforce planning management are pretty uniform, grounded in data compilation and forecasting.
- ❖ Reliable, quality information is essential.
- ❖ The role of how the data is compiled and classified is critical.
- ❖ Co-ordination is key.



Brunei Darussalam - Snapshot



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Workforce Planning for the Whole of Brunei

- Informed by *Wawasan 2035* and NDP10:
 - Economic development = economic diversification
 - A dynamic and sustainable economy
 - Well-educated, highly skilled and accomplished people
 - A progressive, productive knowledge-based economy
 - Quality of life among the top 10 nations in the world

The Brunei Workforce Planning Study



1. Prepared a strategic response to Brunei's national economic development policy objectives.
2. Collaborated with key stakeholders in Brunei.
3. Developed a planning model that to assist agencies to identify demand and supply (REMPPLAN).
4. Conducted workshops on workforce modelling.
5. Prepared recommendations for the establishment of a tailored governance (and management) framework for Brunei.
6. Prepared recommendations to assist planning for teaching, training and scholarships.

Key Concept 1 - Definitions



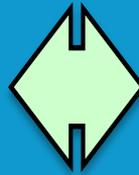
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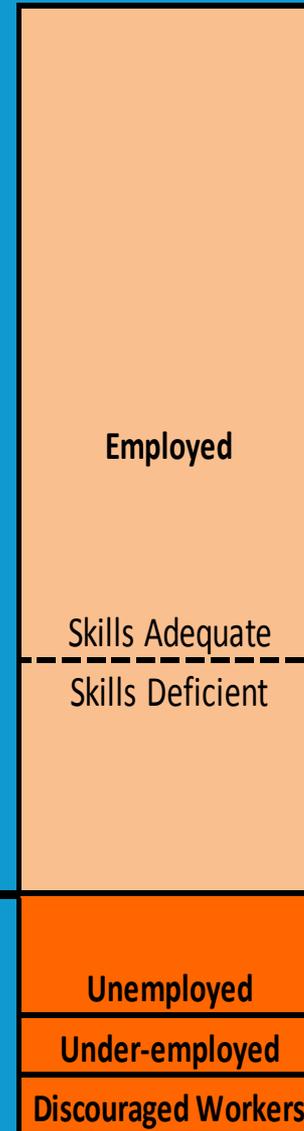
Demand-side



Workforce



Supply-side



Labourforce

Key Concept 2 – Macro Planning

Workforce planning at the macro level:

- Encompasses the whole economy.
- Requires economic modelling.
- Enables scenario testing, forecasting and impact analysis.
- Establishes workforce requirements (demand-side) and labourmarket capabilities (supply-side).

REMPAN Model for Brunei



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REMPAN Economy
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REMPAN Economy Community

Home Regions Projects Reports Matrices Impacts Workforce

Tools
Deselect all regions
Show current REM files
Copy / Print Map...

Select Regions to use

Brunei Darussalam (1_Historical)
Brunei Darussalam (1_Historical) (Feb 2010) (WAM)

Brunei Darussalam (2_Current)
Brunei Darussalam (2_Current) (Feb 2015) (WAM)

Brunei Darussalam (3_Forecast)
Brunei Darussalam (3_Forecast) (Feb 2020) (WAM)

Brunei Darussalam (4_Target)
Brunei Darussalam (4_Target) (Feb 2035) (WAM)

Brunei Darussalam (4_Target_Structural_Change)
Brunei Darussalam (4_Target_Structural_Change) (Feb 2035) (WAM)

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Brunei Darussalam (2_Current) (Feb 2015)

Map | Settings

Economic Overview

Defined Area: Brunei Darussalam (2_Current)
JPWE Population: 418,839
Gross Domestic Product (\$M): \$19,966.993
Per Capita Gross Domestic Product (\$'000): \$47.672
Per Worker Gross Domestic Product (\$'000): \$98.633

Output
Total Output in the area is estimated at \$42,815,470 million.
The major contributors to output are:

Industry Sector	\$M	%
Mining and Quarrying	\$13,182,991	30.8%
Manufacturing	\$13,101,744	30.6%
Public Administration and Defence	\$3,496,145	8.2%
Other	\$13,034,590	30.4%

Output (\$M) - Brunei Darussalam (2_Current) (Feb 2015)

Mining and Quarrying \$13,182,991
 Manufacturing \$13,101,744
 Public Administration and Defence \$3,496,145
 Other \$13,034,590

Brunei Darussalam (2_Current)

2015 Forecast IOG Employment Data
2015 Forecast National Input Output Tables
2015 Forecast Gross Domestic Product

Key Concept 2 – Macro Planning

Macro planning:

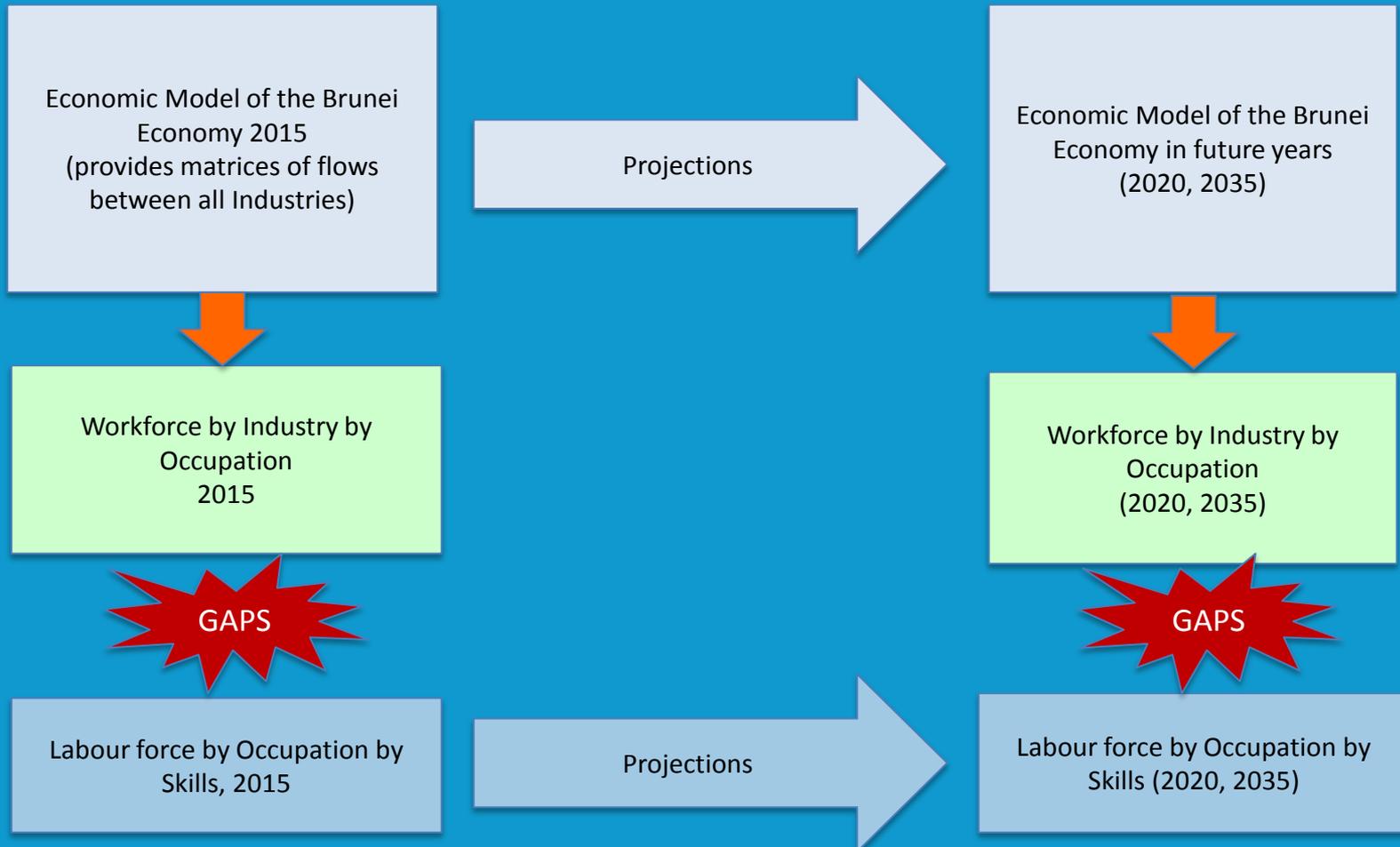
- Identifies the workforce that is required to start up, manage, grow and sustain dynamic business enterprises that are competitive in the global economy;
- Minimises vacancies consistent with natural turnover in the workforce;
- Minimises the level of unemployment (e.g. 4% structural), under-employment and the number of discouraged workers; and
- Ensures the skills base of the whole labour force matches the needs of the required workforce.

Key Concept 2 – Macro Planning



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Key Concept 3 – Micro Planning

Workforce planning at the micro level:

- Focuses on individual industry sectors.
- Undertakes industry profiling, workforce profiling and labour market analysis and competency profiling.

The objective of the analysis is to inform policy and program development for each industry sector.

Key Concept 3 – Micro Planning



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Industry Sector
Agriculture, Forestry and Fishing
Production of Oil and LNG
Other Mining, Quarrying and Manufacturing
Construction
Wholesale and Retail Trade
Coffee Shop, Restaurants and Hotels
Transport, Storage and Communication
Financial, Insurance and Business Services
Other Community, Social and Personal Services
Government Sector



Sector-specific Supply and Demand Analysis and Program Development (e.g. EICF).

- Industry profiling
- Workforce profiling
- Vacancy and skills deficiency analysis
- Real-time labour force analysis
- Labour force competency profiling



Program Implementation

Energy Industry Competency Framework



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The EICF is an example of best practice from Brunei

1. Defines the competencies required to perform jobs and roles in the workplace.
2. Closes the gaps through alignment between training providers and industry requirements; and
3. Increases employability of Bruneians to work in the Energy Industry.



Energy Industry Competency Framework

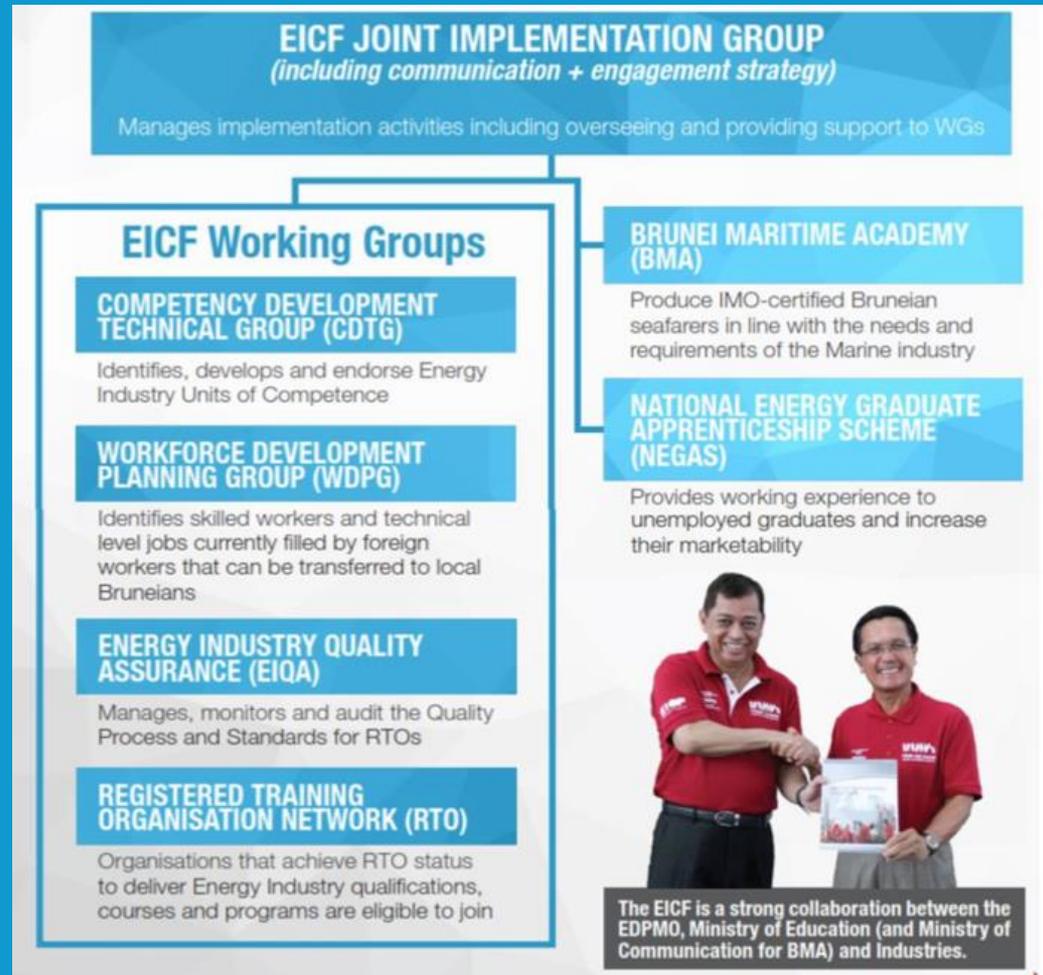


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Initiatives:

- Macro analysis
- National policy
- Industry Surveys
- Jobs Fairs
- Formal collaboration



Workforce Development Strategy

Strategies are developed in the areas of:

- General education delivery.
- Vocational training programs.
- Education and training support (scholarships, loans, cadetships, internships and apprenticeships).
- Labour market regulation (remuneration and conditions, foreign workers and 'localisation').

We Provided Guidance on:

Systems for macro level workforce planning –
essential for effective policy and program development and this includes economic modelling and forecasting.

Systems for obtaining reliable data on demand and supply-side factor.

Implementation strategies for extending micro-level planning to the whole economy.

Options and evaluation of governance structures to engender collaboration between industry representatives, relevant government agencies, educators and trainers (government and private) peak bodies, employee representatives and job seekers.

Applicability in Australia

Australia's metropolitan and rural regions all exhibit elements of the challenges facing Brunei, albeit differing in scope and impact.

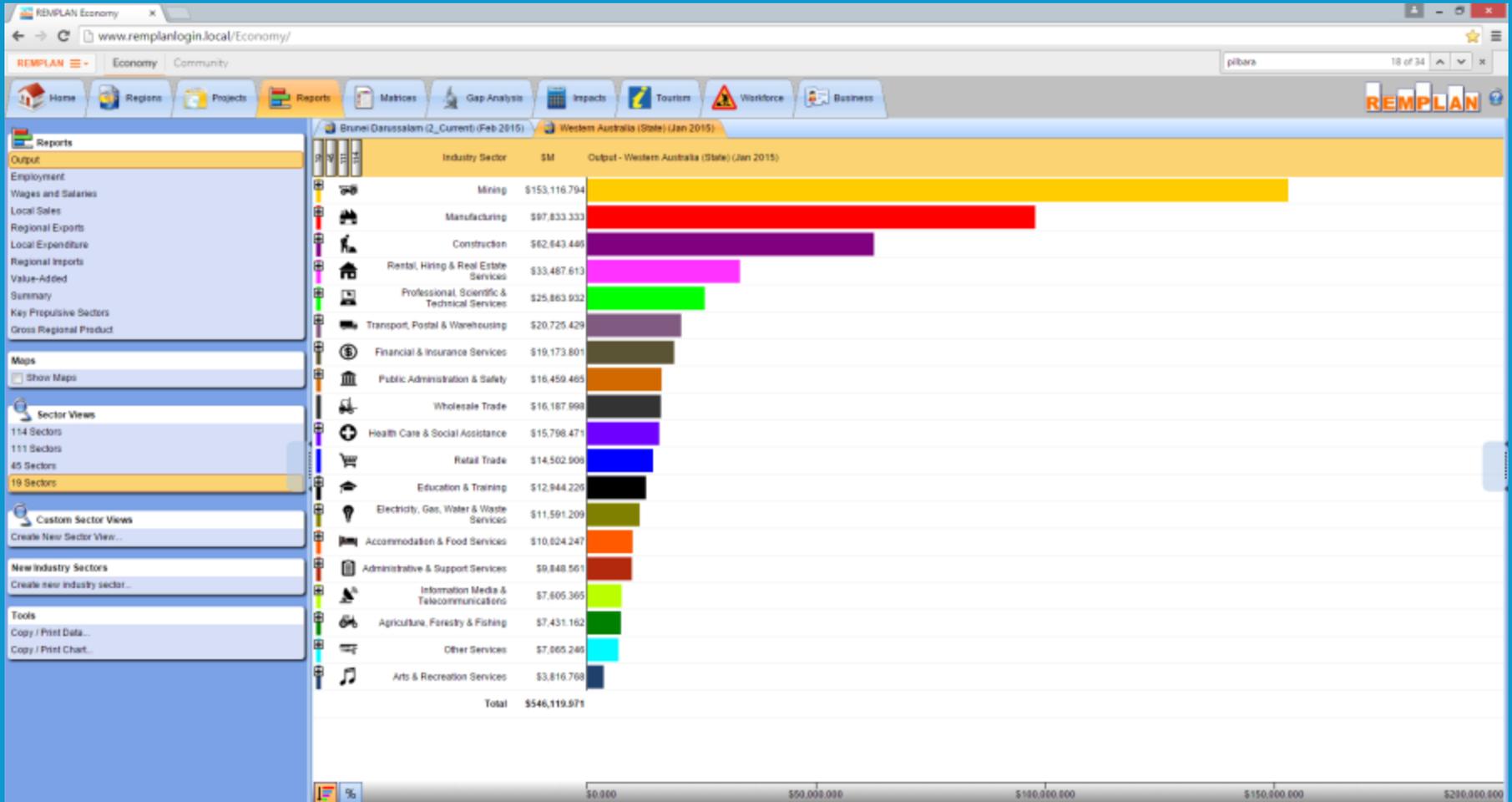
Common elements include a poor understanding of what the future holds for the regional economy in terms of industry sector workforce needs and the current and potential competencies of the regional labour force.

Opportunities to develop the existing human capital base and to better match it with existing and potential future industry needs are going begging.

Applicability in Australia



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Applicability in Australia



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Effective workforce planning is not hugely expensive, but it promises to deliver a very significant economic development dividend.

Every economic development strategy should have as its cornerstone a workforce development strategy.



Thank You



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