RESEARCH REPORT

From headcount to high impact

The C-suite guide to using workforce planning strategically

SAPIENT INSIGHTS GROUP

Anaplan

Author's foreward

Workforce planning sits at the center of one of the most complex transformations in modern business. Every organization, regardless of size or industry, is being challenged to rethink how work gets done, who does it, and how we sustain both performance and people in an era of rapid technological and societal change.

I want to thank the team at Anaplan for inviting us to ask the difficult questions that matter most right now — questions that demand data, context, and courage rather than easy answers. Their openness to independent research and their commitment to exploring this topic without preconceived conclusions made this project both rare and deeply rewarding.

What became clear in this research is that workforce planning cannot live within a single function. Meaningful progress happens only when HR, finance, IT, and operations work together aligned by data, guided by shared goals, and championed by the CEO. That is why this paper is built around multiple executive perspectives: because sustainable results come from collaboration at the top, not isolated efforts in the middle.

As a researcher, I have spent many years studying the evolving relationship between people, business, and technology. Yet few issues feel as urgent as this one. The decisions leaders make about their workforces today — how they plan, invest, and prepare for the future — will shape not just near-term financial outcomes, but the very foundations of sustainable business and opportunity for the next generation of workers and their families. This paper reflects that reality: a vendor-neutral exploration of data and insights intended to guide leaders toward more informed, humane, and resilient strategies in a changing world.

Stacey Harris
Chief Research Officer
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Executive summary

Every organization today is being asked to achieve the impossible: drive growth while aggressively cutting costs. Nearly nine in ten companies rank revenue expansion as a top priority, yet three-quarters are equally focused on cutting costs and driving efficiency. This dual mandate defines today's business environment — and it places workforce planning at the center of the growth-versus-efficiency equation.

This balancing act is happening amid historic shifts. Artificial Intelligence (AI) and demographic trends are redefining the labor market. The World Economic Forum forecasts **that AI will displace 92 million jobs, while 170 million new roles will emerge,** leaving a gap of **78 million jobs** in a shrinking workforce. By 2050, over half of the global working-age population will live in lower-income economies, often with limited access to critical skill development.

Yet, despite these trends, only **38% of organizations feel their HR technology is delivering data that drives strategic business decisions.** With **60–70% of operational costs tied to people**, this disconnect is unsustainable.

Sapient Insights Group research shows that **organizations with proactive, data-driven workforce planning** outperform peers by **12–15% annually.** Those that **cut headcount without a long-term plan** see a **17% drop in innovation, customer retention, and profitability** within a year.

By contrast, **organizations that plan five years or more ahead** spend less on reactive engagement and are **twice as likely to invest in innovation**, positioning themselves to navigate disruption with confidence. Now is the time for the C-suite to act. Using workforce planning strategically isn't an HR initiative — it's a business imperative.

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The impact of workforce planning in a world of disruption

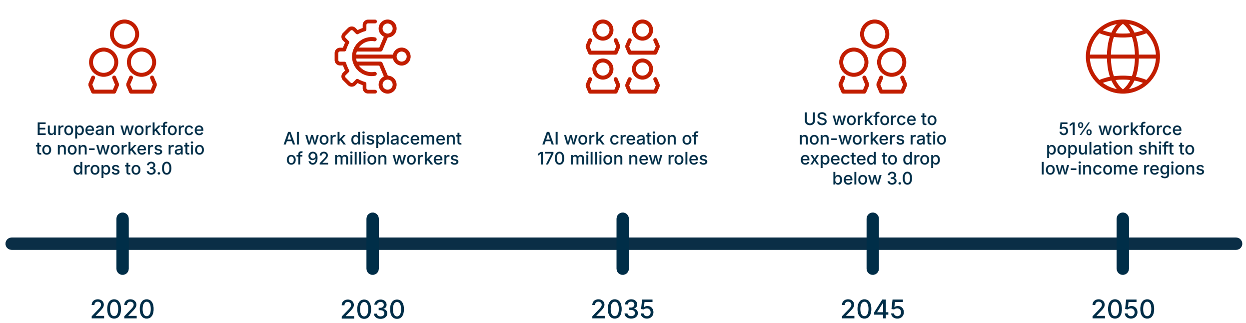
2024 marked a tipping point. Sapient Insights Group data shows that 41% of organizations increased HR technology spending even as business outcome scores declined. In the past, downturns have triggered immediate cuts to talent and HR investments — decisions that have left companies scrambling and losing millions when demand returns. Today's leaders are learning from that mistake: short-term cuts create long-term costs, while sustained investment in workforce and HR capabilities builds the resilience needed to capture growth when markets rebound.

At the same time, the World Economic Forum's *Chief People Officers Outlook*[1] underscores the tension leaders face: near-term caution in a softening labor market, paired with a long-term imperative to transform into skills-based organizations. Layer onto this the rise of AI — not just as another automation tool, but as a force reshaping consumer behavior, business models, and the nature of work itself. Meeting this moment requires more than technology adoption; it demands trust, governance, and alignment across the business. Workforce planning is the discipline that links AI's opportunities with the strategies, skills, and structures organizations need to thrive.

The defining economic challenge for organizations today is balancing aggressive growth expectations with relentless cost pressure. Nearly nine in ten companies cite revenue expansion, market growth, and global scale as top priorities, yet more than three-quarters are equally focused on efficiency, process optimization, and cost reduction.

While many headlines point to AI and machine learning as the rationale for layoffs and budget cuts, Sapient Insights Group data tells a more complex story. Over 30% of organizations cite poor business performance and the rising cost of doing business as the primary driver of workforce reductions, and 34% point to shifting government policies — including tariffs, immigration changes, reduced climate-related incentives, and inconsistent tech-based regulations — as the real catalysts. By contrast, only 11% of organizations report cutting budgets in direct response to implementing artificial intelligence or machine learning (ML) efficiency opportunities.

Meeting these conflicting demands requires more than short-term cost management. It calls for a tightly aligned C-suite, supported by strategic workforce planning models that can test multiple scenarios, anticipate external shocks, and help leaders map future possibilities against unknowns.



[1] https://www.weforum.org/publications/chief-people-officers-outlook-september-2025/

The World Economic Forum[2] projects that while 92 million jobs will be displaced by AI this decade, 170 million new roles will emerge — leaving a net 78 million positions to be filled against the backdrop of declining workforce participation. Shrinking labor pools, resulting from falling birth rates and longer life expectancy, are creating unsustainable worker-to-non-worker ratios, particularly in higher-income nations where 40–50% of the population is already of non-working age. By 2050, more than half of the world's working-age population will reside in lower-income economies, many of which will have limited access to the education and critical skills required for roles that demand innovative problem-solving, technical expertise, and advanced use of new technologies. The estimated 170 million new roles reflect macroeconomic forces that extend well beyond AI; spanning the green-energy transition, new models of population care, and massive infrastructure projects designed to expand global access to technology. This growth won't turn everyone into an AI engineer; it will instead generate a wave of hybrid, cross-disciplinary, and human-centered roles that connect technology, people, and the environments where we live and work.

The real cost of these talent shortages is expected to reach $15 trillion in unrealized global GDP by 2030.[3]

These demographic and technological shifts make one point clear: workforce planning cannot remain a tactical exercise. It must be led from the top as a C-suite imperative that drives growth, profitability, and resilience.

Sapient Insights Group's annual HR research, conducted for nearly 30 years, finds that organizations that regularly update and align their workforce strategies have achieved **12–15% stronger business outcomes over the past five years.** These outcomes include gains in productivity, innovation, and profitability. Conversely, organizations that pursued **workforce reductions without a comprehensive strategic plan**, including tools for position management and skills analysis, experienced a **17% decline in key business outcomes** within one year, including reduced innovation, customer retention, and financial performance. These findings echo those of a Harvard Business Review study, which cautions that poorly planned layoffs often lead to lasting damage in performance and morale. At the same time, well-executed strategies that focus on long-term talent alignment and organizational health are far more effective[4].

Workforce changes are increasingly driven by both internal performance pressures and external market forces. While only 7% of organizations overall expect to reduce headcount in the next 12 months, 14% of large enterprises (5,000+ employees) are planning reductions — citing business performance (33%), government policy (23%), AI/ML adoption (22%), and tariffs (20%) as key factors. At the same time, over half of organizations plan to expand their workforce, primarily to support growth into new markets and meet the rising demand for products and services. This growth highlights a critical shift: as companies scale globally, workforce planning must evolve to account for the complexities of operating across geographic, cultural, legal, and economic boundaries. Globalization in workforce planning is no longer optional — it's a strategic requirement for building resilient, compliant, and competitive talent models that can thrive in a world of continuous disruption.

[2] Source: World Economic Forum, Future of Jobs Report 2025, Sapient Insights Group 2025

[3] https://www.bcg.com/publications/2024/how-governments-can-improve-global-skills-market#:~:text=Governments%20around%20the%2world%20are,solutions%20continue%20to%20fall%20short.

[4] https://hbr.org/2018/05/layoffs-that-dont-break-your-company

Every organization understands that aligning talent to business goals is essential, yet few approach it with the rigor it deserves. Mid-market companies spend an average of **$1.3 million per year on workforce and HR technologies, while Fortune 1000 enterprises invest between $10 million and $20 million annually.** Despite this, only **38%** of organizations report using data from these systems to inform strategic decisions. Why don't businesses use more disciplined workforce planning?
The answers can be frustrating when you consider the lost revenue and opportunity costs an organization incurs.

- **Planning can't keep pace with decision-making.** Leaders often need to act before the results of a full workforce planning cycle are available — and exploring multiple scenarios only slows the process further.
- **Data remains fragmented and incomplete.** Many organizations lack the integrated, high-quality workforce and business data needed to make planning truly meaningful or actionable.
- **Leadership expectations are misaligned.** Without executive ownership and cross-functional accountability, workforce planning remains siloed within HR instead of embedded in enterprise strategy.

The result is a costly gap: investments in technology without the disciplined planning needed to turn workforce insights into measurable business outcomes. The message is clear: The C-suite must champion workforce planning as a core growth strategy, not an afterthought — and they must do it together. The question is no longer if organizations should act, but how to make it happen.

Using workforce planning as a strategic business tool: Aligning people and technology to achieve performance and profitability

The first step in any effective workforce planning effort is reaching **organizational clarity on what constitutes the workforce.** This is no longer a simple headcount exercise. As business models evolve, so too does the composition of the workforce — extending far beyond traditional full-time employees.

Today, most organizations operate with a mix of four core workforce types:

- **Employees** (full-time and part-time)
- **Contract labor** (independent workers, gig workers, temp staff)
- **Outsourced labor** (third-party vendors or managed service providers)
- **Automated systems** (including AI, bots, and other digital tools and technologies that complete tasks once assigned to people)

Each workforce option carries its own cost structure, onboarding and ramp-up needs, oversight demands, compliance risks, and evolving skill requirements. The real challenge — and opportunity — for today's leaders is to design the right mix of workforce types that can deliver on shifting business goals while preserving agility, quality, fiscal discipline, and organizational accountability.

This means business leaders must:

- **Identify where and when work gets done**, what type of labor or automation is best suited for each function, and where flexibility or specialization is needed
- **Clarify ownership** — determining which leaders or departments are responsible for sourcing, onboarding, and managing each type of resource
- **Establish consistent mechanisms** for tracking work output, measuring performance, and integrating results into overall business metrics — regardless of whether the work is done by employees, vendors, or machines

As intelligent automation and new workforce models take hold, many organizations still view technology primarily as a path to reducing headcount. In reality, the greater opportunity lies in **reallocating human capacity to the work that creates the most value** — innovation, problem-solving, and customer impact. Achieving this shift requires disciplined planning, transparent governance, and data-driven insight into how every segment of the workforce contributes to business outcomes.

Once the workforce itself is clearly defined, the next step is to establish a shared understanding of what workforce planning means for your organization — and how it functions across business units, HR, and finance. A well-designed workforce planning program isn't just a one-time activity; it's a series of repeatable processes that bring structure to how an organization connects financial goals to workforce decisions and talent deployment.

Most organizations include the following core elements in their workforce planning approach:

ELEMENTS	DEFINITION	OWNERSHIP
Financial/ headcount planning (FP&A) **Short term (rolling)** **0-12 month planning**	Tracking headcount expenses through current roster and requisitions (to-be-hired/TBH) and forecasting labor costs within the budgeting cycle. It supports accurate alignment between job data and financial targets, enabling headcount reporting, effective cost control, variance analysis, and informed hiring decisions.	**Finance team** Collaborates with: • HR (Business partners, talent acquisition, compensation) • People leaders • Workforce reporting
Labor/capacity forecasting and planning **Short term** **3-24 months planning**	Forecasting future workforce needs based on business demand, capacity planning, and long-range operational goals. It ensures the correct type and number of workers are available for scheduling to meet workload requirements, respond to seasonal and cyclical changes, and optimize staffing levels and costs over time.	**Operations team** Collaborates with: • People leaders, project leaders, AI/Agent resource manager • Contingent sourcer • Workforce planner • HR (Business partners, talent acquisition, career and learning, compensation)
Operational/ talent-based workforce planning **Mid-range** **1-3 year planning**	Aligning talent needs with business objectives at the departmental or business unit level. It involves HR and functional leaders forecasting positions and roles, skills, and staffing needs to support near- and mid-term goals and initiatives, project demands, or organizational changes.	**Human resources team** Collaborates with: • FP&A • BU operations • People leaders, project leaders, AI/agent resource assessor • BU contingent lead • People analytics and workforce planning
Strategic workforce planning **Long-range** **1-5 year planning**	Aligning long-term business strategies and initiatives with future workforce needs across the organization. This includes forecasting critical and targeted roles, positions, skills, and labor models over multi-year horizons, using scenario modeling and external labor trends to guide transformation, mitigate talent risks, and inform enterprise-level decisions.	**Executive team and strategic planning** Collaborates with: • CHRO + teams • CFO + teams, corporate strategy • COO + teams • CTO + teams • Strategic workforce planning

Turning strategy into action requires more than new language or planning frameworks — it demands a **cohesive, end-to-end workforce planning process.** Achieving meaningful business outcomes depends on cross-functional collaboration, with clearly defined roles, shared ownership, and alignment among leaders of HR, finance, IT, and operations. That collaboration, in turn, relies on three critical enablers: **structured planning cycles, trusted and integrated data, and technology that supports scenario planning and future-state modeling.**

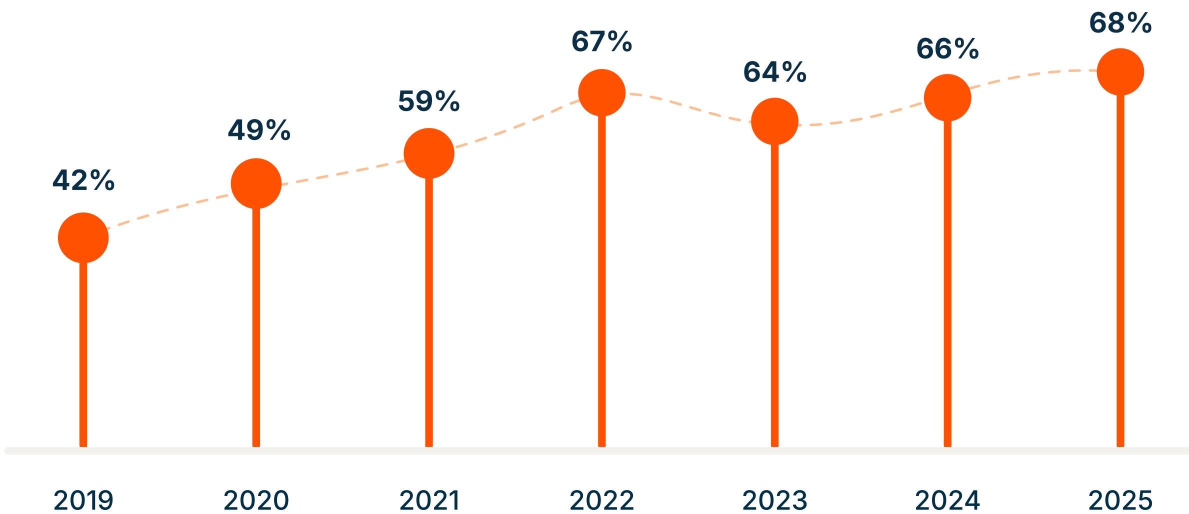
The visual below illustrates how these workforce planning activities come together across **time horizons and business functions** — from short-term capacity needs to long-term strategic alignment. It also highlights how the workforce, business, and financial planning processes work hand-in-hand across the organization.

Connecting workforce planning with business planning

Since the COVID-19 crisis in 2020, we've seen a steady increase in organizations engaging in workforce planning — up **36% overall**, with **nearly half** of all organizations now conducting some form of structured workforce planning each year. Most of these efforts are still centered around financial and headcount planning. Among larger organizations (5,000+ employees), the adoption rate is even higher, with **68% actively conducting workforce planning in 2025**, and **nearly 20%** extending those plans for **three to five years**. Importantly, **more than half** of these large organizations are now going beyond basic labor and budget planning to implement **more strategic workforce planning** practices. A growing number are also **expanding their data sources**, incorporating **external labor market trends, regional business data, and skills analysis** to inform long-term business planning.

Enterprise organizations conducting some level of workforce planning since 2019

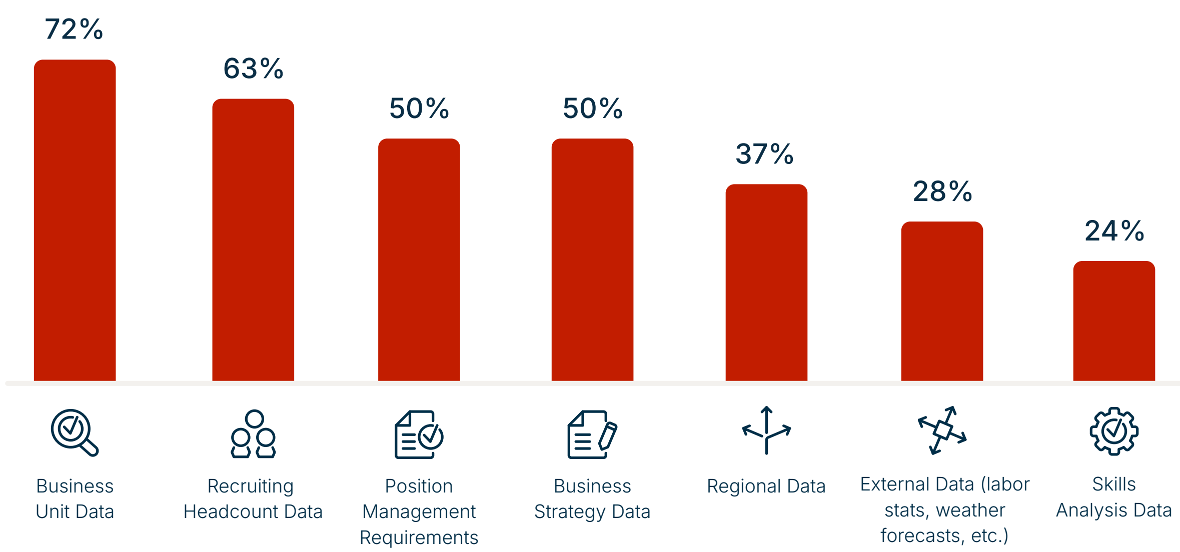
(5,000+ employees)



Source: Sapient Insights Group Annual HR Systems Research, 2019 - 2025

Data included in enterprise workforce planning efforts

(5,000+ employees)



Source: Sapient Insights Group Annual HR Systems Research, 2025

Our research shows that organizations rely on a wide range of tools to manage workforce planning — from basic spreadsheets like Microsoft Excel to general-purpose analytics platforms such as Microsoft Power BI, SAS, or Tableau, to more advanced planning solutions explicitly built for planning, forecasting, and scenario modeling. While this patchwork reflects different levels of maturity and technology investment, it also exposes companies to significant risk. Disconnected tools often lead to inconsistent data and fragmented insights, making it difficult for executives to see the true cost of labor or align workforce investments with growth objectives.

For **CEOs**, it undermines confidence in long-term planning and slows strategic execution. For **CFOs**, this creates exposure to financial misalignment, budgeting errors, and poor ROI tracking. **CHROs** are left without a clear view of talent supply and skill gaps, making it harder to guide reskilling, retention, and workforce mobility. And for **COOs**, the lack of integrated insights weakens the ability to align workforce planning with operational needs, creating inefficiencies and missed opportunities for productivity.

Without solutions that support these needs, leaders across the C-suite are left managing one of the company's largest and most critical investments — its workforce — with incomplete visibility and fragmented decision-making.

Key capabilities of workforce planning technology

Data management

One source of truth with secure, auditable workforce and financial data.

Planning

Align workforce, costs, and skills with business growth and long-term strategy.

Forecasting

Scenario modeling and predictive insights to anticipate risks and opportunities.

Execution

Clear, executive-ready reporting and cross-functional alignment for action.

See Appendix for more details on workforce planning technology capabilities

Only 15% of organizations currently utilize a dedicated workforce planning solution, with the majority still relying on generic planning tools or spreadsheets. Adoption rises with size: 25% of organizations with more than 1,000 employees use specialized planning tools, and among enterprises with over 5,000 employees, 31% already have one in place, with another 15% planning to invest within the next 12–24 months. This fragmented approach limits the ability to run complex, long-term scenario models. The market holds significant opportunities for standardized practices and purpose-built solutions that can meet the needs of leaders managing multi-year workforce strategies and continuously aligning talent supply with business demand.

When we look at the top planning-focused solutions utilized by enterprise organizations, they include:

- Anaplan
- IBM Workforce Planning
- Oracle Enterprise Planning
- SAP Analytics Cloud
- Workday Adaptive Planning

A fragmented systems environment and lack of cross-functional leadership leave most organizations unable to sustain continuous workforce planning. While roughly 70% of companies review labor forecasting quarterly, most other planning activities are only revisited biannually or annually. That cadence is no longer viable in today's business environment, where agile organizations are continuously adjusting plans and outpacing competitors. Those that move slowly often resort to costly, performative layoffs after periods of over-hiring — only to rehire lost skills soon after. The result is greater financial risk, reduced agility, and declining employee engagement when facing disruptions such as COVID-19, the great resignation, or the rise of AI-driven business models.

Are you making confident workforce investments? Are your plans agile?

Annual workforce planning (start of year)

You set the strategy, define priorities, and align teams — but is your workforce plan built to adapt?

Planned mid-year adjustments

By mid-year, your markets have changed and priorities shift. Have your workforce plans kept up?

Unplanned updates (anytime)

When disruptions hit, how quickly can you make talent decisions and how fast can you pivot?

The business risks of poor planning and coordination between finance and HR

- **Errors:** Misaligned priorities, inaccurate headcount allocation and hiring, unrealistic budgets.
- **Cost impact:** Wasted budget, poor execution, missed opportunities.

- **Errors:** Slow to adjust hiring and training, performance gaps, failure to optimize on time.
- **Cost impact:** Inefficiency, lost time, under- or overstaffing, and burnout.

- **Errors:** Delayed reaction time, poor coordination on hiring and mobility, lack data-driven insights.
- **Cost impact:** Lost market share, missed competitive advantage.

The CEO perspective: Workforce as a growth strategy

Growth, innovation, and resilience depend on more than strategy — they rely on whether your workforce can deliver. Workforce planning provides clear visibility into whether talent pipelines are robust enough to support accelerated product launches or expansion into new markets, as well as corporate development strategies. Yet only half of organizations use HR data to inform their corporate strategy. The result? Slower pivots, missed opportunities, and competitors who move faster because their workforce plans are built into every business decision.

What the data tells us:

Organizations that invest in workforce planning see measurable returns. On average in 2025, our research shows a 12.4% improvement in talent outcomes, an 11.4% improvement in HR outcomes, and an 11.1% improvement in overall business outcomes. To make these results tangible, the table below translates the 11% business outcome lift into potential gains in revenue and profit at four different company sizes, illustrating the scale of financial impact from mid-market firms to global enterprises.

Illustrative financial impact of workforce planning

(11% uplift in business outcomes applying average net profit margins)

Company type	Revenue	Net margin	Baseline profit	If profit ↑11%	If revenue ↑11% (profit effect)
SMB	$10M	8.5%	$0.85M	**+$94K**	+$1.1M revenue → **+94K profit**
Mid-market	$50M	8.5%	$4.25M	**+$468K**	+$5.5M revenue → **+$468K profit**
Enterprise	$500M	12.4%	$62M	**+$6.82M**	+$55M revenue → **+$6.82M profit**
Global (large cap)	$12B	15%	$1.8B	**+198M**	+$1.32B revenue → **+$198M profit**

Even modest improvements (11%) translate into tangible dollar gains. For a large global company, the difference can be nearly $200M in annual profit, while a mid-market firm can see close to half a million dollars in additional profitability.

Case study of workforce planning in action

A fast-growing high-tech firm scaled for exponential growth using the Anaplan Operational Workforce Planning application, aligning hiring and budgeting with innovation priorities.

Facts: From 2024-2025, this company saw a revenue increase of 360% to $12B, employee growth of 358% to 3,500+, and user growth to >500M weekly.

From spreadsheets to enterprise-grade planning in 16 weeks

This fast-growing high-tech firm outgrew spreadsheets. With user growth compounding and new revenue lines spinning up monthly, decisions were happening faster than finance and HR could coordinate in Google Sheets. The leadership mandate was simple: move from after-the-fact reporting to real-time, enterprise-grade planning. Partnering with PwC, the company stood up an operational workforce planning model in **six weeks** (bidirectionally integrated with HRIS and ATS), then delivered a full **P&L planning environment in eight weeks.** The team consolidated position creation, headcount planning, compensation, and organization views — giving executives, hiring managers, recruiting, HR, and finance a single place to plan and act.

The impact was immediate and executive-visible. Workforce plans now **update hourly**, creating a live view of filled, open, and planned roles and eliminating "spreadsheet roulette." Finance shifted from data wrangling to decision support; for example, **payroll and equity forecasting dropped from 4–5 days to a few hours** each cycle. On the P&L side, leadership gained **top-line forecasting, unit economics, and vendor visibility** in one model: the high-granularity "big cube" exposed spikes and dips in seconds, accelerating decisions during scale. Most importantly, the company established an operating cadence that matches its growth rate — continuous planning instead of quarterly catch-up — while laying out a roadmap for **compute/capex planning, equity management, gross margin, long-range planning, and revenue planning.** The takeaway for CEOs: when growth, disruption, and complexity collide, moving from spreadsheets to a connected planning platform is a force multiplier — speeding decisions, reducing risk, and aligning the business around a single source of truth.

Lessons learned:

- Data cleansing before you start is critical to moving quickly
- Marketing and change efforts with employees helped speed up adoption
- Start with the right use cases for quick wins
- Make sure the solution can scale with your level of change and data

Top 5 CEO takeaways and actions on workforce planning

1. **Workforce planning is a growth strategy, not an HR exercise.**

   - *What you need to know:* Companies that update workforce plans regularly outperform peers by 12–15% in profitability, retention, and innovation. Yet fewer than half of organizations even do it, and only 15% use purpose-built tools.

   - *What to do:* Champion workforce planning as part of your corporate strategy. Make it a board-level conversation, not a back-office process.

2. **Demographics and AI are reshaping your talent pipeline.**

   - *What you need to know:* The World Economic Forum projects 92M jobs displaced and 170M created by AI this decade — leaving 78M new roles to fill. By 2050, over half of the working-age population will be in lower-income economies with fewer skills pathways.

   - *What to do:* Treat talent planning with the same rigor and urgency as supply chain or capital planning. Ensure your leaders are modeling scenarios that blend demographic realities with AI adoption.

3. **Fragmented tools and siloed leadership create hidden risk.**

   - *What you need to know:* Most companies rely on spreadsheets or generic analytics tools. This fragmented approach creates blind spots in labor costs, skills pipelines, and slows and limits scenario planning, forcing reactive decisions such as mass layoffs followed by costly rehiring.

   - *What to do:* Demand a unified, goal-oriented planning environment where finance, HR, and operations share one version of the truth. Require your C-suite peers to bring you integrated plans, not siloed spreadsheets.

4. **Agility is the difference between winners and laggards.**

   - *What you need to know:* 70% of companies that do labor forecasting review it quarterly, but most update other plans only annually. That cadence is no longer viable in a world of pandemics, AI-driven models, and shifting customer demand.

   - *What to do:* Insist on continuous planning. Ask your leaders how quickly they can adjust the workforce model if demand shifts tomorrow. If the answer is "six months," it's too slow.

5. **Workforce planning must be owned collectively.**

   - *What you need to know:* CFOs need financial predictability, CHROs need visibility into skills, CIOs must ensure data governance, and COOs need to align operations with talent. Without collaboration, you end up with fragmented data and poor execution.

   - *What to do:* Make workforce planning a shared leadership mandate. Hold your CFO, CHRO, CIO, and COO accountable for building an integrated plan — and tie outcomes to business performance, not just HR metrics.

Your workforce is your single largest investment and your primary lever for growth — especially in the age of AI, where systems and processes will converge and true advantage will come from a highly skilled workforce. Elevating workforce planning from spreadsheets to strategy is one of the most powerful steps you can take to future-proof your business.

The CHRO perspective: HR's strategic voice

Workforce planning is no longer about proving HR's value — it's about demonstrating it every day as an equal partner to finance and operations. In 2025, **52% of organizations already view HR as strategic, up from 46% over the past five years** — a shift that aligns directly with the increased use of workforce planning data. But recognition alone isn't enough. The true litmus test of effective workforce planning is whether its inputs come from **business drivers outside of HR** — market expansion, M&A, new product lines, and cost-to-serve models — requiring you and your team to stay fully connected with the business.

The most strategic HR functions are both **data-driven and commercially fluent.** The World Economic Forum notes that **100% of chief people officers rank business acumen and strategic thinking as their most critical skills.** Across the function — whether it's the CHRO setting direction, HR business partners (HRBPs) advising business unit leaders, HR generalists supporting workforce decisions, HR technologists integrating data systems, or functional specialists in recruiting, learning, and employee relations — each role must be able to translate workforce insights into business terms.

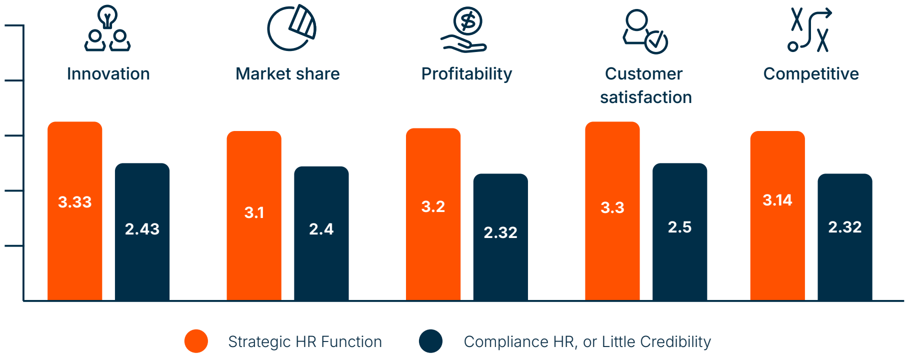
That means connecting talent metrics to **growth strategies, efficiency goals, and long-term resilience.** For example, a recruiting leader should be able to demonstrate how hiring cycle times directly affect revenue forecasts, just as a learning leader should connect reskilling investments to productivity or innovation outcomes. Among these roles, HRBPs play a pivotal part — partnering most closely with business unit and frontline leaders to lead operational and talent-level workforce planning, ensuring day-to-day workforce realities stay aligned with strategic objectives.

What the data tells us:

Your work is ultimately about driving outcomes: profitability, productivity, retention, innovation, and customer satisfaction. Organizations that operate with a strategic HR function see 34% higher business outcomes over a five-year period. HR must ensure the fundamentals run flawlessly — payroll, compliance, and core processes — but your real impact comes from being equally strategic in shaping how the business grows, innovates, and adapts.

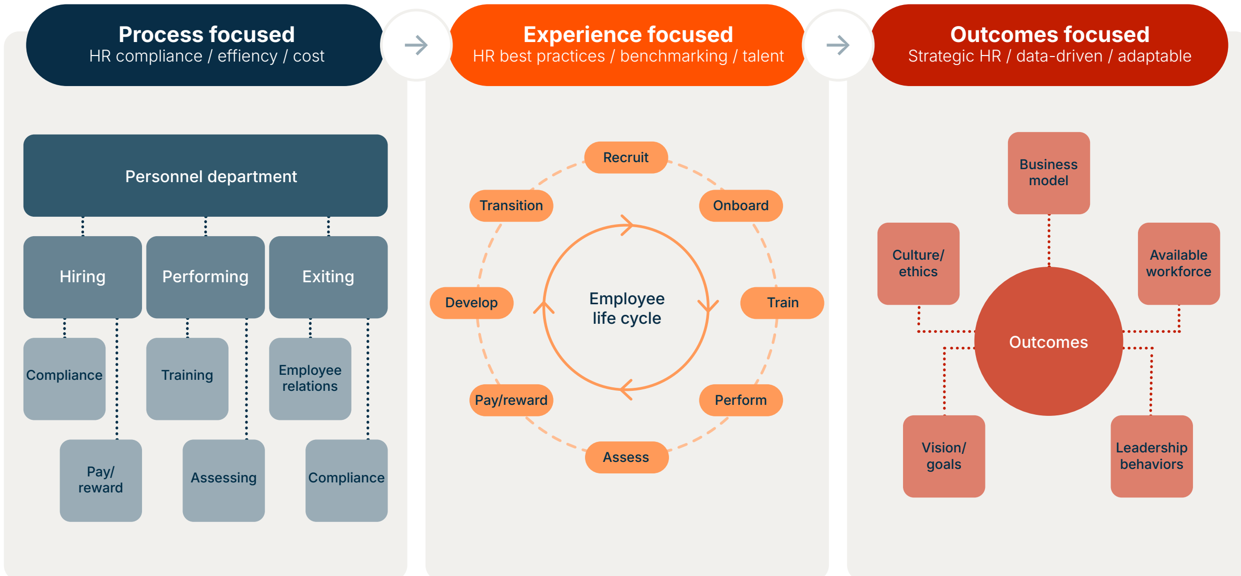
Business outcomes - Impact of having a strategic HR function over a compliance or no credibility HR function

Have they declined or improved in the last 12 months? (Scale of 1-5)



Source: Sapient Insights Group Annual HR Systems Research, 2025

Building an outcome-focused HR function means knowing your business just as well as you know HR



The work of HR is all about driving outcomes. And how we get there really matters. Outcomes are clear, measurable expectations of what customers, employees, and stakeholders can expect to gain from the organization's efforts. When HR focuses on outcomes, it's seen as more strategic and flexible, helping the business reach its goals more directly.

It's worth noting that becoming an outcome-focused HR function isn't a one-way climb up a maturity ladder. HR teams often shift between roles, sometimes refocusing on compliance and at other times driving innovation — but the constant should be **anchoring every conversation in outcomes.** The goal is to start by understanding what the business and workforce need before designing policies, processes, or compliance frameworks. Legal and ethical standards remain non-negotiable, but effective workforce planning begins with a clear understanding of business realities and people priorities.

In recent years, Sapient Insights Group has found that the HR functions most likely to be viewed as strategic partners invested in:

- **Workforce planning processes grounded in robust position management models** that connect job roles, talent, cost, and capability data.
- **Time management** applications (attendance, scheduling, leave, workforce budgeting) that are explicitly designed to meet the diverse needs of each business unit, balancing accuracy, flexibility, and productivity.
- **Continuous change management practices** that keep employees engaged and adaptable through constant transformations.
- **Integrated approaches to absence, leave, skills, and learning management** that build trust, strengthen workforce resilience, and accelerate individual growth

Organizations that made these investments were twice as likely to rebound with higher profitability and rising customer demand after the pandemic — and saw significantly lower voluntary turnover during the great resignation.

Case study of workforce planning in action

A **leading global non-profit healthcare organization** used Anaplan to align humanitarian workforce supply with crisis response demands, improving agility in life-or-death situations.

Facts: This company has 18,000 staff members, operates in 90 countries, and is a non-profit over 150 years old.

This global non-profit healthcare organization operates in more than 90 countries with 18,000 staff members, often in high-conflict and protracted crisis zones. For HR leadership, this means planning for longer-term assignments, shrinking donor budgets, and increasingly complex skill requirements. Using Anaplan, the organization built a workforce planning model that connects demand forecasts from regions and countries with supply models based on historical workforce data and global economic indicators. The solution allows the CHRO and HR teams to run gap analyses, anticipate future needs, and forecast workforce requirements up to four years in advance. This strategic visibility has been especially valuable in balancing reduced funding with mission-critical staffing, enabling HR to prioritize resources, avoid talent shortages, and ensure critical roles are filled when and where they are needed most.

The results go beyond operational efficiency. By modeling workforce demand by language, skill, and role, the organization has been able to improve career visibility for staff, support internal mobility, and align training pipelines to future needs. The platform also improved collaboration across HR, finance, and operations, and strengthened transparency with donors and partner societies — showing where investments would directly translate into humanitarian capacity. Implemented in just eight months, following more than 100 hours of workshops to align stakeholders, the project delivered efficiency gains and evidence-based decision-making that transformed HR's role into a strategic driver of mission success. Workforce planning helped us connect limited resources to global impact while building trust with employees and external stakeholders alike.

What the data tells us:

Turnover is a measurable financial risk. Replacing an employee costs, on average, 33% of their annual salary — not including hidden losses from reduced productivity, weakened customer relationships, and project delays. For a $100,000 salary, that's a direct $33,000 hit, before factoring in opportunity costs. Workforce planning that reduces avoidable turnover directly protects margins and improves forecast accuracy.

Workforce planning delivers tangible business gains. Organizations with effective workforce planning see an 11–12% improvement in profitability, market share, and customer satisfaction. For CFOs, this represents a dual opportunity: mitigate a significant cost driver while capturing measurable top- and bottom-line improvements.

Government policies shape workforce costs and strategies. From tax incentives to social insurance contributions, regulatory changes have consistently impacted workforce decisions over the past two decades. Examples include the U.S. Work Opportunity Tax Credit, Affordable Care Act mandates, and the Tax Cuts and Jobs Act; Germany's enhancements to the Kurzarbeit system; Portugal's SIFIDE I & II R&D tax credits; India's Special Economic Zone and startup incentives; and China's phased reduction in pension and social insurance rates. For CFOs, scenario planning must integrate these regulatory levers, as they can shift workforce costs and structures dramatically across regions.

Top 5 CHRO takeaways and actions on workforce planning

1. **Position-based workforce planning done strategically is how you prove HR's business impact.**

    - *What you need to know:* Organizations that move beyond basic headcount and compliance planning to adopt position management with finance oversight and long-term strategic workforce planning see the strongest results — including 34% higher business outcomes over five years. These approaches create transparency across filled, open, and planned roles, while linking talent pipelines to growth strategies.

    - *What to do:* Champion workforce planning that combines position management with multi-year strategic modeling. Use these insights to connect talent supply to finance investment in the workforce and business priorities such as innovation, expansion, and profitability — proving HR's direct impact on enterprise performance.

2. **Data and business acumen are your power base.**

    - *What you need to know:* Only **38% of organizations** feel their HR technology delivers data that drives strategic decisions. Without trusted, integrated data, HR's voice is muted in enterprise planning.

    - *What to do:* Prioritize clean, connected data that links HR, finance, and operations. Use it to bring forward insights that highlight **cost, risk, and opportunity — not just HR metrics**. And make sure your **HR business partners have the tools, visibility, and confidence to use that data** effectively. They shouldn't be chasing reports; they should be having strategic conversations with business leaders about how the workforce must evolve to meet organizational needs in the coming weeks, months, and years.

3. **Agility beats tradition in planning cycles.**

    - *What you need to know:* Most organizations review labor forecasts quarterly but update other workforce plans only once or twice a year — too rigid and slow in a volatile, AI-driven world.

    - *What to do:* Lead the shift to continuous, always-on planning. Build processes that enable your team to model scenarios on a weekly or monthly basis, so HR is always prepared to pivot with the business.

4. **Long-term planning builds resilience.**

    - *What you need to know:* Organizations that plan 5+ years ahead spend less on reactive engagement and are twice as likely to invest in innovation.

    - *What to do:* Extend your planning horizon beyond 12 months. Use skills analysis, external labor data, and demographic trends to prepare your workforce for transformation, innovation, and sustainability.

5. **Workforce planning is your leadership mandate.**

    - *What you need to know:* Only 23% of finance leaders view HR as strategic. Closing this gap requires demonstrating how workforce planning translates into predictability, financial health, and operational execution.

    - *What to do:* Position workforce planning as a shared responsibility with finance and operations. Lead adaptive planning processes that balance compliance, workforce needs, and enterprise performance.

Ensure the fundamentals run flawlessly, but don't stop there. Engage with finance and business leaders to uncover the key business drivers for workforce changes and long-term planning. Elevate workforce planning with position management and long-range modeling to deliver transparency, agility, and measurable outcomes. When HR planning operates at the same strategic level as finance and operations, you strengthen your partnership and improve profitability, innovation, and resilience — proving that workforce planning is not an HR process, but a business advantage.

The CFO Perspective: Workforce as a financial lever

Your strategic priorities are clear: ROI, cost optimization as well as budget and forecast predictability. Yet turnover alone costs you roughly **33% of an employee's annual salary** — before factoring in lost productivity, delayed projects, or weakened customer relationships. When workforce assumptions don't match reality, that volatility shows up directly in your forecasts and margins. Sapient Insights data shows that organizations conducting structured workforce planning deliver up to **12% stronger profitability**, alongside gains in innovation and retention.

Financial workforce planning drives smarter compensation strategies, improves contingent workforce ROI, and sharpens cost-to-serve optimization. More importantly, it directly connects labor costs to business outcomes, enabling you to model scenarios, forecast expenses, anticipate risks, and align capital allocation with workforce readiness.

Case study of workforce planning in action

This large consumer manufacturing organization integrates headcount planning with financial forecasting in Anaplan, improving budget predictability and labor cost transparency.

Top 5 CFO takeaways and actions on workforce planning

1. **Workforce planning protects your margins.**
   - *What you need to know:* Replacing an employee costs about **33% of their annual salary** — and that doesn't include lost productivity, institutional knowledge, or disruption to customer relationships. As intelligent automation and new workforce models emerge, the goal isn't simply to replace humans, but to **reallocate human capacity where it adds the most value** — in innovation, analysis, and decision-making.
   - *What to do:* Use workforce planning and analytics to quantify turnover risk, tie it directly to the P&L, and model scenarios that include **automation, contingent labor, and reskilling investments.** Target retention and redeployment strategies that protect margins while balancing efficiency and agility.
2. **Business outcomes improve with disciplined planning.**
   - *What you need to know:* Organizations that conduct workforce planning see 11–12% higher business outcomes — including profitability, customer satisfaction, and innovation.
   - *What to do:* Treat workforce planning as a financial lever, not an HR activity. Require Return on Investment and Return in Value business models that show both cost avoidance and revenue/profit upside.
3. **Forecast accuracy depends on integrated data.**
   - *What you need to know:* Only 15% of organizations use purpose-built workforce planning tools; most still rely on spreadsheets.

This manual approach and fragmentation undermine the reliability of forecasts.

- *What to do:* Partner with HR and IT to invest in integrated planning solutions that connect labor capacity and costs, productivity, and financial forecasting.

4. **Agility drives financial resilience.**

    - *What you need to know:* In volatile markets, quarterly or annual workforce updates create lagging forecasts that leave Finance exposed.

    - *What to do:* Push for continuous workforce planning cycles that feed directly into rolling forecasts and scenario planning.

5. **Policy and workforce costs must be modeled together.**

    - *What you need to know:* Tax and economic policy changes — from U.S. WOTC credits and ACA mandates to Germany's Kurzarbeit and China's pension reforms — reshape workforce costs across regions. Ignoring these levers leaves financial blind spots.

    - *What to do:* Build policy and incentive modeling into your workforce planning. Collaborate with HR and Operations to anticipate how regulatory shifts affect cost structures and capital allocation.

We cannot stress enough: an organization's workforce is one of the largest and most variable cost centers on the balance sheet. When workforce planning is treated as a financial discipline — not a compliance exercise — it is embedded directly into your forecasting, capital allocation, and risk models. The faster you can connect labor capacity and costs to business outcomes, the stronger your ability to protect margins, anticipate volatility, and deliver predictable results to your board and investors.

The CIO Perspective: Data, clusters, and AI governance

Your strategic priorities — system integration, data governance, and AI enablement — are now central to workforce planning success. Organizations are investing more than **$44 billion annually in HR technology**, yet only 43% have a defined HR tech function, and most of those are led by teams with less than three years of experience. At the same time, the rise of contingent workforces and shifting global regulations are making workforce data more complex to manage, categorize, and secure.

The future is shifting from monolithic suites to **platform clusters** — anchored by critical systems of record that manage workforce data intake and oversight and connected to specialized hub solutions for key business processes. A system of planning plays a central role here, enabling sandboxes, scenario modeling, and "what if" forecasting without committing to permanent data changes or creating performance drains on your system of record. For workforce planning to deliver real value, your role is pivotal: building a connected planning environment across HR, finance, and operations where data is governed, trustworthy, and ready to drive both agility and AI-enabled insight.

Case study workforce planning in action:

A global leader in digital media and digital marketing solutions used Anaplan for operational workforce planning, including position management and compensation equity planning, integrating HR and finance data to ensure transparency, fairness, and cost control while attracting and retaining new talent.

Top 5 CIO takeaways and actions on workforce planning

1. **Data is the foundation of trusted planning.**
   - *What you need to know:* Only 38% of organizations believe their HR technology delivers data good enough to inform enterprise decisions.
   - *What to do:* Champion data governance. Ensure HR, finance, and operations draw from a single, integrated source of truth.
2. **Workforce planning requires purpose-built technology.**
   - *What you need to know:* The majority of organizations still manage workforce planning in Excel or generic analytics tools.
   - *What to do:* Guide your peers toward scalable platforms that can handle multi-year scenario modeling, integrations, and real-time updates.
3. **AI adoption creates new demands.**
   - *What you need to know:* 70% of workers already use AI in their jobs, but only 46% of employers fund these tools — creating governance and security gaps.
   - *What to do:* Work with HR and finance to evaluate AI usage in workforce planning and ensure governance, security, and compliance are embedded.
4. **Agility requires systems that scale.**
   - *What you need to know:* As business conditions shift, legacy systems and disconnected spreadsheets slow down response times.

- *What to do:* Design technology environments that enable real-time visibility and continuous workforce planning, not just annual budgeting. modeling, integrations, and real-time updates.

5. **CIOs are enablers of enterprise planning.**

    - *What you need to know:* Workforce planning touches every function, but its success depends on your ability to connect people, data, and systems.

    - *What to do:* Position IT as the enabler of enterprise planning agility, providing both the infrastructure and the guardrails.

Data and integrated technology are the backbone of effective workforce planning. Move beyond fragmented spreadsheets and legacy systems by creating an integrated planning environment where HR, finance, and operations work from a single, trusted dataset. Your role is to ensure data governance, security, and scalability — enabling continuous planning, responsible AI adoption, and faster, data-driven decisions. While this integration is essential, it doesn't have to be overwhelming; many organizations achieve it gradually and cost-effectively by starting with core datasets and expanding capabilities over time.

The result is steady progress toward enterprise transparency without disrupting ongoing operations, a key factor for most C-suite partners.

The COO perspective: Workforce planning is the engine of execution

Operational excellence depends on precision — your ability to deliver products and services at scale depends on having the right people, with the right skills, in the right place, exactly when demand requires it. Labor remains the single largest operating expense, and even slight misalignments between staffing and demand can erode efficiency, disrupt the customer experience, and compromise margins.

Sapient Insights research shows that more than half of organizations cite **revenue growth, efficiency, and process optimization** as their top business priorities over the next several years — yet few connect those goals to a long-term workforce strategy. **Workforce planning closes that gap**, giving COOs the visibility to flex capacity, optimize productivity, and build resilience across supply chains and service operations.

Top 5 COO takeaways and actions on workforce planning

1. **Workforce planning will increasingly drive operational execution.**
    - *What you need to know:* Even with the efficiencies gained from AI and automation, labor will remain the largest operational expense — and the biggest variable in delivering products and services. The ability to predict, flex, and deploy workforce capacity effectively will define operational success in the years ahead.
    - *What to do:* Use workforce planning to align staffing, capacity, and skills with real-time operational needs and customer demand, ensuring technology and talent investments move in sync to maximize efficiency and resilience.

2. **Efficiency gains require aligned planning.**
   - *What you need to know:* Over half of organizations list efficiency as a top three business initiative in 2025, but misaligned workforce plans erode productivity.
   - *What to do:* Make workforce planning a core part of your operational review process, linking talent supply to process optimization.
3. **Agility determines customer outcomes.**
   - *What you need to know:* Large enterprises planning workforce reductions cite business performance, policy changes, AI/ML adoption, and tariffs as key drivers.
   - *What to do:* Leverage scenario modeling to build workforce agility into your operating model so you can flex up or down quickly without harming customer delivery.
4. **Long-term planning builds resilience.**
   - *What you need to know:* Organizations with 5+ year workforce planning horizons are more likely to prioritize sustainability, digital transformation, and innovation.
   - *What to do:* Extend your operating plans to include workforce strategies that anticipate disruption and future business models.
5. **Workforce planning is an enterprise-wide responsibility.**
   - *What you need to know:* No single function can manage it alone. Silos create slowdowns, bottlenecks, and blind spots that undermine execution and delay critical decisions. Transparency and shared data accelerate collaboration and keep plans aligned across HR, finance, and operations.
   - *What to do:* Co-own workforce planning with HR and finance, ensuring data flows freely between systems and teams. Hold leaders accountable for operational outcomes tied directly to workforce readiness and use technology to eliminate the friction that slows planning and decision-making.

Operational excellence lives or dies by workforce alignment. Make workforce planning part of your operating cadence, just as you do with supply chain or production reviews. Insist on live visibility into staffing levels, skills pipelines, turnover, and time-to-fill, and productivity measures so you can flex capacity quickly, optimize processes, and safeguard customer delivery — even in the face of disruption.

Barriers to effective workforce planning

Even as workforce planning adoption grows, many organizations struggle to realize its full value. Sapient Insights Group research highlights several structural and execution-related barriers that limit effectiveness:

Fast-paced change without planning agility

Economic volatility, shifting customer demand, and constant technology disruption outpace static workforce models. Without mechanisms to rapidly update finance assumptions, adjust HR processes, or align talent incentives, workforce plans quickly become outdated. A common gap is **the management of positions versus requisition management (to-be-hired/TBH) versus external labor updates** — each handled in silos instead of being integrated into a dynamic, forward-looking process.

Functional silos and lack of integration

Workforce planning depends on alignment across HR, finance, and IT, yet these functions often operate in isolation. In some organizations, the lack of respect or shared accountability across functions creates cultural barriers that stall collaboration — the result: disconnected forecasts, conflicting assumptions, and delayed decision-making.

Limited capacity in critical roles

Effective workforce planning relies on HRIS and HR analytics as well as planning specialists, yet turnover and inexperience in these roles create execution gaps. Today, only **20% of organizations have a dedicated HR analytics and planning function** — 10% in SMBs, 27% in midmarket firms, and 52% in enterprises. Without skilled and stable teams that possess both business acumen and technical expertise, workforce planning lacks the depth and reliability needed for informed enterprise decisions.

Data fragmentation and immature analytics

Leaders frequently spend more time questioning reports, reconciling discrepancies, and debating cost center and management organization hierarchies than acting on insights. Fragmented systems, inconsistent hierarchies, and immature analytics create long cycle times, delaying decisions and wasting resources across all levels of management.

Budget constraints and uneven investment

Only **31% of organizations plan to increase HR tech spending in 2025**, limiting their ability to modernize planning processes. However, investment priorities differ by maturity: **48% of organizations with workforce plans extending beyond three years are increasing HR technology budgets**, compared to just 31% with no formal planning process. Organizations that plan for the long term recognize the importance of high-quality data and tools to drive better decisions.

Actions for change

Overcoming these barriers requires intentional leadership choices:

1. **Build agility into planning cycles** — shift from static annual updates to continuous workforce planning that can quickly adapt to market shocks and business pivots.
2. **Break down silos** — establish joint accountability between HR, finance, and IT for integrated planning and shared outcomes.
3. **Invest in critical roles** — stabilize HRIS and people analytics teams with clear career paths, training, and recognition of their strategic importance.
4. **Strengthen data foundations** — standardize hierarchies, improve data governance, and implement platforms that support both systems of record and systems of planning.
5. **Reframe budgets as strategic investments** — tie HR technology spend directly to financial outcomes, showing how better workforce planning reduces turnover costs, accelerates decision-making, and strengthens margins.

A framework for success

Ownership and accountability: Who leads workforce planning?

Workforce planning is undeniably a team sport — requiring HR, finance, operations, IT, and the business to collaborate. But effective execution depends on clarity around ownership:

- **Who takes the lead?**

  Best practice is for **HR (usually the CHRO or head of workforce planning)** to serve as the steward of the process, ensuring alignment to talent strategy, business needs, and long-term workforce supply. However, the most successful organizations formalize **co-ownership with finance**, given their role in budgeting, forecasting, and ROI measurement. About 15% of organizations ask their People Analytics functions to lead this effort, but success counts on the level of respect given to that role by the executives.

- **Where do you start?**

  Begin with the business drivers (growth, efficiency, risk) that define workforce needs. Workforce planning should not start in HR systems or policy conversations, but with the **CEO's top priorities**, cascaded into scenarios jointly owned by HR and finance.

- **Who pays for it?**

  Funding typically sits with **finance or shared services** in larger organizations, since workforce planning delivers measurable cost avoidance and profitability gains. HR may own the process, but the investment case should be framed in terms of financial or operational outcomes, making it natural for finance to sponsor or co-sponsor required consulting, technology, or resourcing budgets. Ensuring finance is a crucial partner in the effort means you are creating the business case for change and innovation together.

- **Who sees the benefits?**

  Benefits accrue across the enterprise:

  - **CEOs** gain forward-looking visibility into how talent capacity and skills can accelerate or constrain growth strategies
  - **CFOs** see greater predictability and reduced volatility in labor forecasts, costs, and margins—transforming workforce planning into a financial risk mitigator
  - **COOs** synchronize labor with operational needs, improving efficiency, service quality, and resilience across supply chains and production cycles
  - **CIOs** strengthen data governance and build scalable, connected platforms that eliminate silos and accelerate decision-making
  - **CHROs** elevate their role as strategic advisors — balancing workforce and business needs, anticipating talent risks before they surface, and ensuring people decisions drive performance, not disruption

In short, workforce planning is a shared mandate with distinct rewards. It's true power lies in expressing the value proposition in **business terms — linking people decisions to financial, operational, and strategic outcomes.**

Regardless of ownership, making workforce planning effective — and sustainable in the era of AI — requires a clear framework that connects strategy, systems, and execution. The following steps outline how leaders can set up workforce planning as an enterprise discipline:

A framework for setting up workforce planning in the world of AI

1. Strategy preparation

Clarify your business drivers: What are we trying to achieve? Where is our current maturity? What are we ready for? Workforce planning must start with enterprise objectives such as growth, efficiency, innovation, or risk mitigation — not just HR policies.

2. Current state assessment

Audit your existing processes, tools, and data. What do we already have? What's missing or broken? Where are we over-reliant on spreadsheets or manual workarounds? This establishes the baseline for improvement.

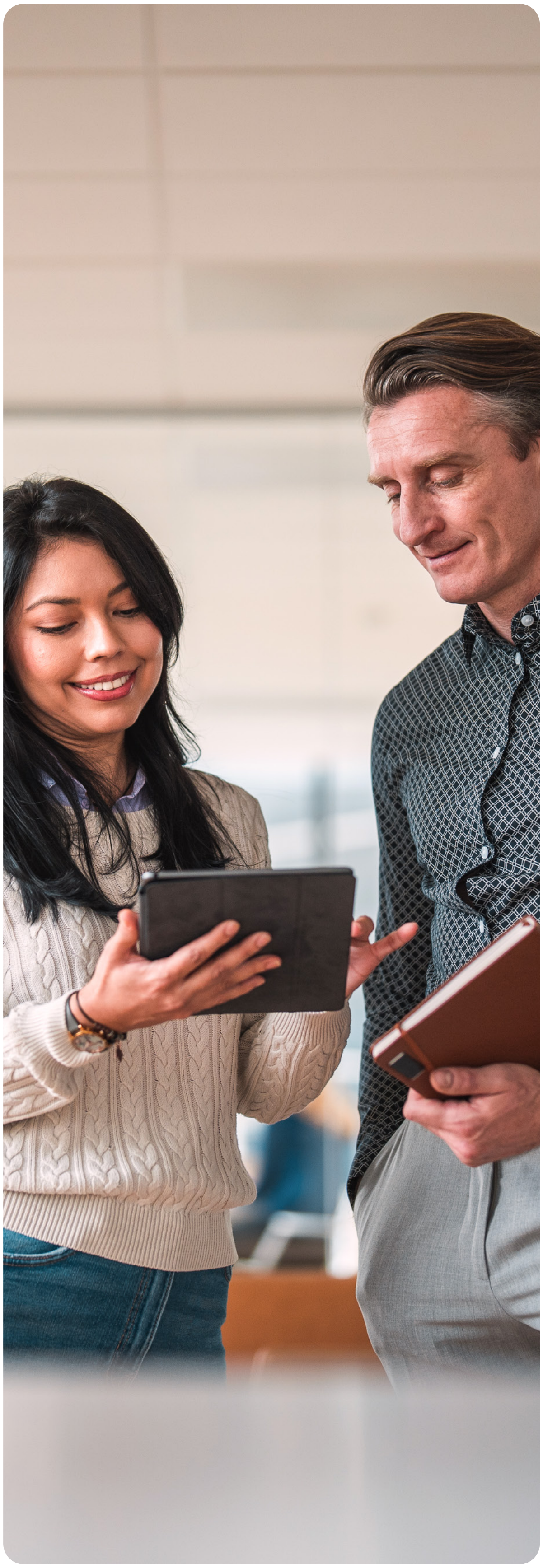
3. Gap analysis

Identify what needs to be filled with **processes, technology, workforce skills, AI agents, or leadership behaviors.** Consider both hard gaps (systems, reporting, integration) and soft gaps (business acumen, change readiness, collaboration).

4. Phased roadmap

Define the tools, processes, and resources to be deployed, along with their deployment schedule. Phasing is critical: organizations that take a crawl-walk run approach reduce resistance and show early wins. Priorities often include:

- Implementing a system of planning alongside systems of record
- Set up a strong foundation that provides complete transparency into your workforce supply – filled, open, and planned positions
- Building sandboxes for scenario modeling and "what if" forecasting
- Expanding coverage beyond HR and finance to include **operations, sales, and marketing** for territory, quota, and resource capacity planning



5. Governance and measurement

Establish mechanisms to calibrate and audit the process over time. Governance requires joint accountability across HR, finance, operations, and IT. Metrics should track not only HR outcomes but also cost savings, forecast accuracy, and business results.

6. Adaptive change management

Implement an adaptive change management model across your entire workforce planning lifecycle. Technology alone won't deliver success. Organizations using **adaptive change management models** — that integrate communications, training, and leadership alignment into planning rollouts — achieve **22% higher HR outcomes** than those that don't. Workforce planning must be embedded into the organizational culture, not bolted on as a project.

7. An integrated view

Create an integrated, always-current view of your workforce planning efforts to ensure alignment and accountability. Workforce planning does not exist in isolation. It requires systems of record (for data integrity), systems of management (for operations and execution), and systems of planning (for modeling and forecasting). When connected, these create a **platform cluster** that enables HR, finance, talent acquisition, sales, and operations to plan against a shared reality.

Systems of workforce planning and workforce management — better together

Upstream
System of planning and decision excellence

+

Downstream
Systems of workforce management and execution

Workforce planning system

- Near, mid, and long-term
- Forecasting based on external demands and factors
- Demand and supply, capacity planning
- Budgeting and cost optimization
- Gap analysis and scenario planning
- Plan to hire - driving execution of plans
- Cross-function reporting and analytics
- Strategic and operational goals

Contact center operations

- Short-term
- Forecasting based on historical volumes
- Adherence management
- Workforce scheduling/Intraday
- Workload efficiency/balancing
- Tactical, meeting SLA's

Workforce management

- Short-term
- Time and attendance
- Absence and leave management
- Compliance
- Labor scheduling/Intraday
- Tactical

Project management

- New to long-range
- Forecast estimate to complete
- Project planning and execution
- Costing, billing and accounting
- Resource assignment and scheduling
- Tactical, deliver on time and on budget

Conclusion and leadership recommendations

Workforce planning is no longer just "HR's job" — it's a **leadership imperative**. As organizations navigate demographic shifts, AI adoption, and volatile markets, workforce planning becomes the mechanism for aligning talent supply with business demand, mitigating cost and risk, and enabling growth.

Leadership recommendations

- **CEO:** Embed workforce planning into strategic planning cycles. Treat it as a growth lever, not an annual HR exercise.
- **CFO:** Fund analytics and planning tools, and require measurable ROI. Workforce planning must connect workforce costs to profitability, forecast accuracy, and capital allocation.
- **CIO:** Build an integrated data architecture across HR, finance, and operations. Differentiate **systems of record** from **systems of planning** to enable scenario modeling, AI governance, and secure workforce data flows.
- **CHRO:** Lead with continuous, connected planning, transparency, and talent mobility. Use workforce planning to prove HR's equal partnership with finance and operations.
- **COO:** Operationalize workforce planning. Make it part of your cadence for capacity, process efficiency, and customer delivery.

Getting in front of AI integration priorities and risks

- **Top priorities:** Collaborate closely with IT to map where automation and AI will have the greatest impact on jobs and workflows. Redesign roles to integrate human judgment and creativity with machine-driven efficiency, ensuring employees are equipped to work with AI rather than be replaced by it. **Partner early with HR and legal teams to stay ahead of emerging AI regulations — not just to comply, but to shape responsible governance frameworks.** Establish clear policies for data use, model transparency, and accountability before regulatory mandates make them urgent.
- **Top risks:** Employee adaptability, skill atrophy, and ethical and regulatory risks in workforce deployment. As AI takes on more repetitive work, organizations risk eroding critical thinking, decision-making, and collaboration skills if they fail to continually develop their people. Employees must be given opportunities to reskill and adapt, not just adjust. Ethical risks also rise as AI tools influence hiring, scheduling, and performance decisions — making **transparency, fairness, and accountability** essential components of every workforce planning conversation.

  Listening to HR on regulatory compliance is equally critical — AI-driven hiring, scheduling, and performance tools can expose organizations to significant legal and financial risk if transparency, fairness, and accountability are not built in from the start. Balancing innovation with ethical use and compliance safeguards is essential to protecting both the workforce and the bottom line.

The future of workforce planning is integrated, intelligent, and continuous

The business sets what we need, FP&A defines what we can afford, and HR and talent acquisition determine what we can deliver — but these perspectives must operate in sync, not through disconnected spreadsheets or siloed systems.

This requires:

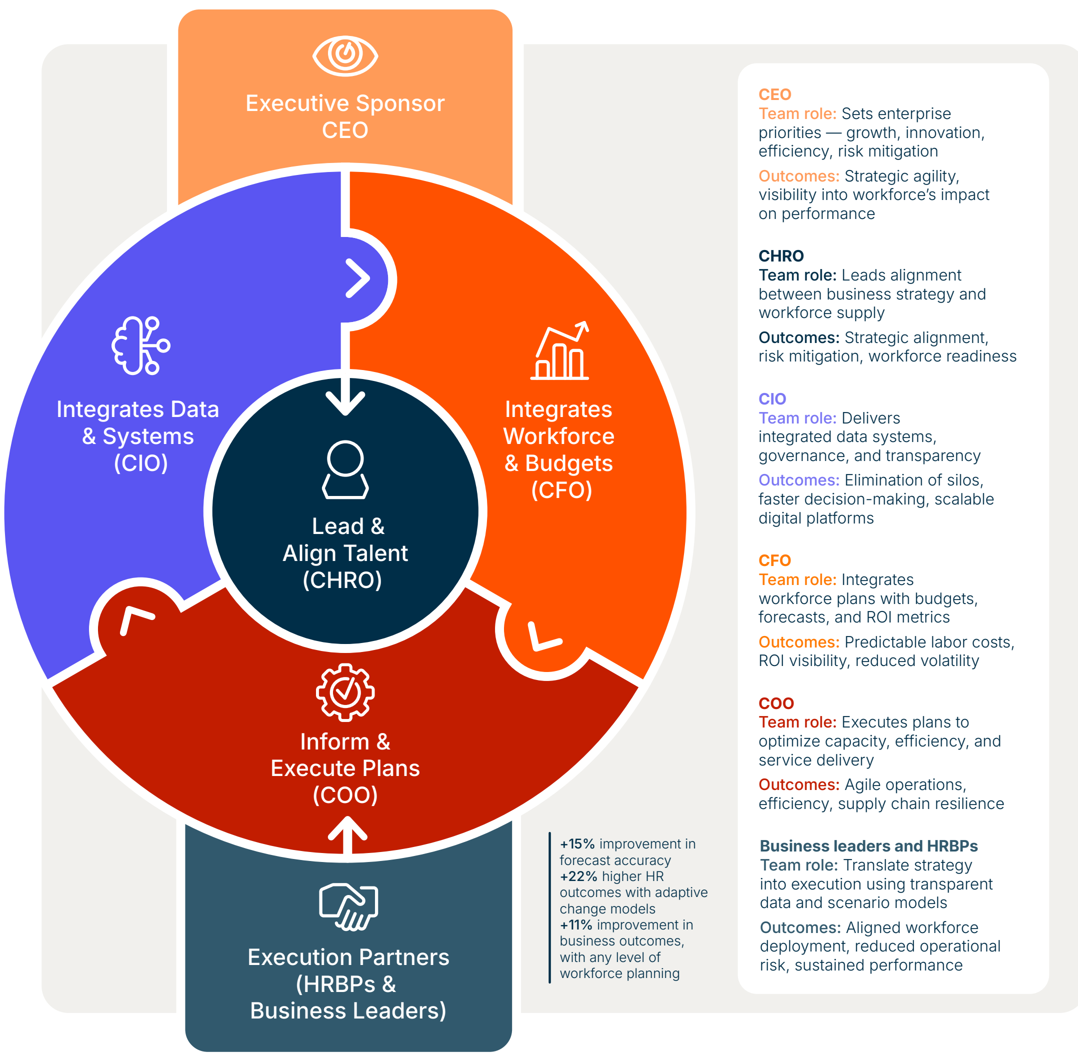
- **Upstream systems of planning** for forecasting, scenario modeling, and responsible AI-driven insights that support data-driven decision excellence
- **Downstream systems of management** for time, labor, project execution, and compliance — ensuring that what's planned can be executed ethically, efficiently, and at scale

When these systems are linked, organizations gain not only **agility, cost predictability, and strategic clarity**, but also the ability to anticipate workforce risks, respond to market shifts in real time, and continuously align people, performance, and profitability.

Final thoughts

The organizations that succeed in this new era will be those that view workforce planning not as a compliance requirement, but as a **core leadership discipline** — embedded across the C-suite, funded as a strategic priority, and enabled by modern platforms that turn data into action.

Workforce planning: A shared mandate that converts strategy into execution



Appendix

Key capabilities of workforce planning technology

Workforce planning is undeniably a team sport — requiring HR, finance, operations, IT, and the business to collaborate. But effective execution depends on clarity around ownership:

1. **Data management — trusted insights for confident decisions**
   - **Seamless integration** of HR, finance, operations, and external market data ensures leaders are working off a single set of shared data and insights.
   - **Unified, auditable models** provide decision-ready information for the workforce, operations, and financial planning.
   - **Strong governance and compliance controls** protect against regulatory risk and preserve stakeholder trust.
2. **Planning — aligning workforce and business strategy**
   - **Enterprise-wide planning** links labor costs to budgets, revenue projections, and business growth objectives.
   - **Role and position visibility** enables clarity on filled, open, and planned roles across geographies and business units.
   - **Skills-based planning** maps current talent against emerging needs, supporting reskilling and internal mobility.
   - **Multi-horizon modeling** (12 months, 3 years, 5+ years) ensures agility today and resilience for the future.
3. **Forecasting — preparing for multiple futures**
   - **Scenario planning** tests strategies under dynamic conditions like market shifts, automation, or restructuring.
   - **Predictive analytics** highlight risks in attrition, retirement cliffs, skills shortages, and cost fluctuations before they materialize.
   - **Actionable insights** guide decisions on hiring, redeployment, automation, and investment trade-offs.
4. **Communication and execution — turning plans into action**
   - **Decision-ready reporting** tailored for CEOs, COOs, CFOs, CIOs, and CHROs — focused on outcomes, not just metrics.
   - **Cross-functional workflows** unite HR, finance, operations, and IT around a shared plan.
   - **Executive-friendly outputs** deliver clear visuals and KPIs for board-level discussions.
   - **Change impact analysis** models organizational and cultural effects of workforce shifts, supporting smoother execution of workforce plans.

About Sapient Insights Group

Sapient Insights Group is a certified women-owned, research and advisory firm delivering data-driven insights and practical guidance to help organizations transform how they work, lead, and achieve meaningful business outcomes. Specializing in HR and operational systems and practices, we support clients navigating complex challenges across HR transformations, change management, leadership, culture, mergers and acquisitions, and enterprise system strategies.

Our industry-renowned Annual HR Systems Survey Research Paper, published for nearly three decades, remains the most trusted source of independent, vendor-neutral data and analysis in the HR technology marketplace. Anchored in the Voice of the Customer, our research reflects the real experiences, needs, and strategies of today's practitioners—empowering both solution providers and system buyers with the clarity they need to make confident and informed decisions.

What sets us apart is our outcome-focused approach: every insight, recommendation, and strategy we deliver is grounded in decades of primary research and practical field experience. We are committed to creating personalized, achievable solutions—not one-size-fits-all best practices. We don't chase trends; we challenge assumptions and prioritize what truly drives results.

To learn more, visit www.sapientinsights.com

About Anaplan

Anaplan is the only scenario planning and analysis platform designed to optimize decision-making in today's complex business environment so that enterprises can outpace their competition and the market. By building connections and collaboration across organizational silos, our platform intelligently surfaces key insights — so businesses can make the right decisions, right now.

More than 2,500 of the world's best brands continually optimize their decision-making by planning with Anaplan.

To learn more, visit www.anaplan.com

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