



# **HUMAN RESOURCE PLANNING**

## Learning Objectives:

After studying this topic, you should be able to:

- 1. *Define human resource planning and differentiate it from manpower planning.*
- 2. *Appreciate the need for and importance of human resource planning.*
- 3. *Outline the process involved in human resource planning.*
- 4. *Describe human resource information system.*
- 5.



# **HUMAN RESOURCE PLANNING (HRP) DEFINED**

- HRP is the comparison of organisation's existing human resources with forecast demands, then putting in place activities that will ensure adequate quantity and quality of HR deployed in the right jobs at the right time

# HRP process activities

- 1. Forecasting future personnel requirements,
  - - mathematical projections,
  - trends in the economy and developments in the industry, or
  - estimate based on future plans of the company.
  
- 2. Inventorying present human resources skills, experience, potentials. Reflecting on optimal use.

# HRP process activities Cont...

- 3. Anticipating HR problems by projecting present resources into the future and comparing them with the forecast of requirements, to determine their adequacy, both quantitatively and qualitatively. Bear in mind staff movement; retirement, resignations, leave, peak of learning curve.
- 4. Planning the for recruitment, selection, training, transfer, promotion, motivation and compensation so that future human resource requirements will be duly met



# Manpower Planning vis-a-vis Human Resource Planning

- Manpower planning is concerned with the “power” of people to make positive contributions,
- human resource planning is interested in the “people” not merely peoples “power”. In other words, humane aspects are emphasised in human resources planning



# OBJECTIVES OF HRP

- Ensure adequate supply of HRs when required.
- Ensure proper use of existing HRs in the organisation.
- Forecast future requirements of HRs with different skills.
- Assess surplus or shortage of HRs over a period of time.
- Anticipate the impact of technology on jobs and prepare for it.
- Provide adequate lead time to recruit, select and train the required additional HRs over a specified time period.

# NEED AND IMPORTANCE OF HRP

- Despite growing unemployment, there is shortage of HRs with required skills.
- HRP is needed:-
  - To ensure smooth supply of workers without interruption due to natural attrition.
  - In preparation for rise in workforce turnover
  - Technological changes and globalisation require a change in the skills and number of HRs required.
  - To meet the expansion and diversification needs of an organisation.
  - Human resource planning is needed to rationalize staff distribution





# NEED AND IMPORTANCE OF HRP Cntd...


- To provide the right quality and quantity of people at right times.
- To make optimum use of human resources.
- HR shortfalls and surpluses may be avoided.
- To create and develop training and succession planning

# Levels of Human Resource Planning

- **At the National Level.** By Government covers population projections, programme of economic development, educational and health facilities, occupational distribution and growth, mobility of personnel across industries and geographical regions.
- **At the Sector Level.** This would cover manpower requirements of say legal sector, agricultural sector etc
- **At the Industry Level.** This would forecast manpower need for specific industries, such as engineering, textile industries, plantation industries, etc.
- **At the Level of Industrial Unit (the Firm level).** It relates to the manpower needs of a particular enterprise.

# HUMAN RESOURCE PLANNING PROCESS

- 1. Analysing Organisational Plans and Objectives.
- 2. Analysing Objectives of HRP at firm level.
  - Whether the vacancies will be filled in by promotion, transfer or from external sources?
  - What will the selection procedure be?
  - How will provisions for training be made?
  - How to restructure job positions, i.e., how to abolish the old or boring jobs and replace these by the challenging ones?
- 3. Forecasting Demand for Human Resources


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- 4. Forecasting Supply of Human Resources- the quantity and quality of people available from internal and external sources.
  - 5. Matching Demand and Supply- This reveals surplus or shortage.
  - 6. Monitoring and Control. –to help reveal deficiencies, if any, in the plans

# Human Resource Information System (HRIS)

- Computerised system that aids the processing of information relating to human resources.
- **Advantages**
  - (i) It is both a time and money saving device.
  - (ii) It gives accurate information relating
  - (iii) It makes information readily available
  - (iv) It acts as a decision support system.
  - (v) It establishes strong management control.  
like career planning, development, skill, morale, etc.

# PROBLEMS /BARRIERS TO HRP

- People are not convinced of the need to spend time and money in forecasting human resources.
- The demand for and supply of human resources is not accurate.
- HRP may be unreliable due to changes in technology, market fluctuations etc.
- Sometimes HRP suffers conflict between quantitative and qualitative approaches used for it.
- HR estimated made by non experts are not necessarily realistic.
- If HRP is based on inaccurate data it is sometimes not accurate.



# HOW DO WE MAKE HRP EFFECTIVE?

- Viewed HRP as an integral part of corporate planning.
- Support and commitment of the top management be ensured before the process
- Staff records must be complete, up-to-date and readily available.
- The time limit of plan should be reasonable to accommodate changing needs of the organisation.
- Quantitative and qualitative aspects of human resource should be balanced.