PROCESS OF HUMAN RESOURCE PLANNING

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HUMAN RESOURCE PLANNING

Human Resource Planning is the planning of Human Resources. It is also called manpower planning/ personnel planning/ employment planning. It is only after Human Resource Planning that the Human Resource department can initiate the recruitment and selection process. Therefore, Human Resource Planning is a sub-system of organisational planning.

Definitions of Human Resource Planning by eminent authors:

“Human Resource Planning is a strategy for the acquisition, utilization, improvement and preservation of an organisation’s human resource.” – Y.C. Moushell

> Manpower planning is the process by which a firm ensures that it has the right number of people and the right kind of people, at the right places, at the right time, doing things for which they are economically most useful”. –Edwin B. Geisler

Human Resource Planning is a process of forecasting an organisation’s future demand for human resource and supply of the right type of people in right numbers.” –J. Chennly. K

OBJECTIVES OF HUMAN RESOURCE PLANNING

The objective of human resource (HR) planning is to ensure the best fit between employees and jobs while avoiding manpower shortages or surpluses. The three key elements of the HR planning process are forecasting labourdemand, analysingpresent laboursupply, and balancing projected labourdemand and supply. The main objectives of Human Resource Planning are:

1. Achieve Goal: Human Resource Planning helps in achieving individual, Organizational & National goals. Since Human resource planning is linked with career planning, it canable to achieve an individual goal while achieving organisationaland national goals.

2. Estimates future organizational structure and manpower requirements: Human Resource Planning is related to the number of personnel required for the future, job-family, age distribution of employees, qualification & desired experience, salary range etc. and thereby determines future organizational structure.

3. Human Resource Audit: Human resource planning process is comprised of estimating the future needs and determining the present supply of Manpower Resources. Manpower supply analysis is done through skills inventory. This helps in preventing overstaffing as well as under staffing .

4. Job Analysis: The process of studying and collecting information relating to operations and responsibilities of a specific job is called Job analysis. Job analysis is comprised of a job description and job specification. The job description describes the duties and responsibilities of a particular job in an organized factual way.

IMPORTANCE AND BENEFITS OF HUMAN RESOURCE PLANNING

1. Human resource planning meets the organization’s need for the right type of people in the right number at the right times.
2. By maintaining a balance between demand for and supply of human resources, human resource planning makes optimum use of human resources, on the one hand, and reduces labour cost substantially, on the other.
3. Careful consideration of likely future events, through human resource planning might lead to the discovery of better means for managing human resources. Thus, foreseeable pitfalls might be avoided.
4. Manpower shortfalls and surpluses may be avoided, to a large extent.
5. Human resource planning helps the organization create and develop training and succession planning for employees and managers. Thus, it provides enough lead time for an internal succession of employees to higher positions through promotions.

6. It also provides multiple gains to the employees by way of promotions, increases in emoluments, and other perquisites and fringe benefits.
7. Some of the problems of managing change may be foreseen and their consequences mitigated. Consultations with affected groups and individuals can take place at an early stage in the change process. This may avoid resistance to change.
8. Human resource planning compels management to assess critically the strength and weaknesses of its employees and personnel policies continuously and, in turn, take corrective measures to improve the situation.
9. Through human resource planning, duplication of efforts and conflict among efforts can be avoided, on the one hand, and coordination of workers' efforts can be improved, on the other.
10. Last but no means least, with an increase in skill, knowledge, potentialities, productivity, and job satisfaction, the organization becomes the main beneficiary. The organization is benefitted in terms of increase in prosperity/production, growth, development, profit, and, thus, an edge over its competitors in the market.

BENEFITS

1. A Better View to the business decision: Human resource planning leads to a better overall view of the business's decisions by employees and the public. The actions were taken by the organization become systematic and process- oriented, thus taking personal feelings out of the equation.
2. Retaining top talents: When a human resource plan is thoughtfully executed, organizations can better retain top talents. As any organization knows, getting a talented individual hired in is only half the battle– incentivizing them to stay can be another matter entirely.
3. Addressing the organization's manpower needs: Human resource planning identifies a company's needs with regards to manpower, thus allowing the organization to effectively address them.
4. Minimum Cost: Attracting and retaining talent costs money, there's no getting around it. Human resource planning, however, allows organizations to minimize the money they spend on these areas, thus reducing costs overall and leading to more efficient operations.

5. Ensuring that the right people are hired: A solid human resource strategy helps organizations attract the right person for the job. This is especially important for any type of specialized position, where a specific background or knowledge is required, but it can also extend to more general positions. Finding an employee with the right attitude, for example, can greatly improve the experience of customers at a convenience store.
6. Facilitating expansion programs: If your business plans to expand, human resource planning can help your business prepare to do so with minimal growing pains. If you know there are going to be six openings coming up in the next year, you can begin to recruit for them now instead of waiting until it's too late.
7. Training employees: Even the right employee for the job can't counteract training an a lack of training. Human resource planning considers important part of the recruitment and retention process.
8. Managing employees: Employee management can be a challenge for any organization, big or small. A solid human resource plan ensures the right employees are placed in management roles.

9. Improved Utilization: HR planning can improve employee utilization by connecting the right employee with the right position. This increases productivity and leads to a more knowledgeable workforce.
10. Management Development: Hiring entry-level employees is tough– hiring management can be downright impossible. A human resource plan can direct your organization to potential employees that can be successfully groomed for management.
11. Information Base: A human resource plan serves as an information base for an organization. It contains data on the organization's growth, hiring strategy, training plan, and retention. This can help the organization make more informed decisions in the future.
12. Coordination: One result of a successful human resource plan is coordination amongst different departments. There must be communication between departments to ensure accurate job descriptions and staffing predictions, for example.
13. Corporate Asset: A human resource plan can be a tremendous asset to any corporation, particularly larger ones or companies with multiple locations and moving parts.
14. Gradual Growth: HR strategies can ultimately lead to gradual growth for an organization, which is sustainable and ideal. Unchecked growth can put unnecessary strain on an organization and harm it in the long run.

15. Coping with change: Organizations must adapt to changes in the environment, both locally and abroad. A human resource plan can help a company adapt to changes, potentially even staying one step ahead.
16. Adjusting with the Rapid Technological Change: Technological change occurs at a rapid pace, and organizations must keep up. Human resource plans can help make sure that your company does not get left behind.

PROCESS OF HUMAN RESOURCE PLANNING

1. Determining the objectives of human resource planning: The foremost step in every process is the determination of the objectives for which the process is to be carried on. The objective for which the manpower planning is to be done should be defined precisely, to ensure that the right number of people for the right kind of job is selected. The objectives can vary across the several departments in the organization such as the personnel demand may differ in marketing, finance, production, HR department, based on their roles or functions.
2. Analyzing Current Manpower Inventory: The next step is to analyze the current manpower supply in the organization through the stored information about the employees in terms of their experience, proficiency, skills, etc. required to perform a particular job. Also, the future vacancies can be estimated, to plan for the manpower from both the internal (within the current employees) and the external (hiring candidates from outside) sources. Thus, it is to be ensured that reservoir of talent is maintained to meet any vacancy arising shortly
3. Forecasting Demand and Supply of Human Resources: Once the inventory of talented manpower is

maintained; the next step is to match the demand for the manpower arising in the future with the supply of available resources with the organization. Here, the required skills of personnel for a particular job are matched with the job description and specification.

4. Analyzing the Manpower Gaps: After forecasting the demand and supply, the manpower gaps can be easily evaluated. In case the demand is more than the supply of human resources, that means there is a deficit, and thus, new candidates are to be hired.

5. Employment Plan/Action Plan: Once the manpower gaps are evaluated, the action plan is to be formulated accordingly. In a case of a deficit, the firm may go either for recruitment, training, interdepartmental transfer plans whereas in the case of a surplus, the voluntary retirement schemes, redeployment, transfer, layoff, could be followed.

6. Training and Development: The training is not only for the new joiners but also for the existing employees who are required to update their skills from time to time. After the employment plan, the training programmesare conducted to equip the new employees as well as the old ones with the requisite skills to be performed on a particular job.

7. Appraisal of Manpower Planning: Finally, the effectiveness of the manpower planning process is to be evaluated. Here the human resource plan is compared with its actual implementation to ensure the availability of several employees for several jobs

PROBLEMS IN HUMAN RESOURCES PLANNING

1. People perceive that people are available in abundance in our labor surplus economy. Then, why spend time and money forecasting human resources? Surprisingly, this perception about human resource planning is also held by the top management.
2. Another problem in human resource planning is that the demand for and supply of human resources is not cent per cent accurate. Experience suggests that the longer the time horizon for forecasting human resource requirements, the greater is the possibility of inaccuracy in estimates of human resource needs.
3. Various types of uncertainties like laborturnover, absenteeism, seasonal employment, market fluctuations, and changes in technology render human resource planning ineffective. The reason is these uncertainties make human resource forecast mere a guess far from reality.

4. Sometimes human resource planning suffers from a conflict between quantitative and qualitative approaches used for it. Some people view human resource planning as a mere numbers game to track the flow of people across the departments and in and out of the organization. Conversely, others take a qualitative approach focusing on the quality of human resources like career planning development, skill, morale, etc.
5. Generally, human resource personnel is perceived as experts in handling personnel matters. But they are not experts more often. Hence, human resource requirements estimated by such people are not real ones. The organizational plans based on such estimates are endangered to have flopped.
6. As human resource planning is based on data relating to human resources, the same is not maintained properly in some industrial organizations. Then, in the absence of reliable data, it becomes difficult to develop effective human resource plans.

RECRUITMENT

Human resource recruitment on the other hand entails the process of attracting and encouraging eligible individuals to apply for different positions in an organization. It involves generating a pool of appropriate and qualified candidates for available job positions in an organization. It is a process that commences when the recruits are identified and ends when the applications from these candidates are received.

Recruitment is a very essential process as it facilitates the attraction of qualified candidates to apply and it discourages the unsuited ones to be involved through the provision of the right job information. Recruitment also plays a role in protecting the organization’s image.

SELECTION AND SELECTION METHODS

For the selection process to be effective, it ought to provide a perfect match between the organizational needs and candidates' qualifications and interests. Effective selection ensures that there is the quality performance of an employee right from the start. It also avoids too much expenditure for hiring by avoiding unnecessary processes.

SELECTION METHODS

1. Preliminary Screening

Once an employer has received what it considers sufficient interest in the position, the recruiter starts screening the applications or resumes to determine which applicants to contact for the preliminary screening interview. Employers determine sufficient interest based on the number of applications or the amount of time the job is posted. Many times, employers take down the job posting when they receive a manageable number of applications, such as 100, to review for a handful of qualified candidates. Small businesses that don’t have a lot of time to devote to screening applicants should screen based on discrete criteria, such as a minimum number of years’ experience or verifiable credentials. Preliminary screening is an effective method for narrowing the selection to candidates who meet the basic requirements for the job.

2. Telephone Interviewing

Used as a first-round interview, telephone interviews allow recruiters to find out whether an applicant is still interested in the job. It also saves small businesses the money and time of conducting face-to-face interviews immediately after the preliminary screening step. A telephone interview also confirms whether the applicant has the requisite qualifications. Following the telephone interview, the recruiter typically selects the candidates who were able to articulate their skills and qualifications in a manner that meets the company’s staffing needs.

3. In-Person Interviews

Face-to-face interviews take time, which is one of the reasons the applicant pool should be narrowed by conducting preliminary screening and telephone interviewing. The recruiter is a conduit for providing the hiring manager with the best-suited candidates, a process that streamlines the selection process. For example, out of 10 applicants interviewed by phone, the recruiter should select three to four candidates. The hiring manager further narrows the selection to two finalists. In a small business, although the hiring manager may be doing the work of a recruiter, best practices for HR selection methods dictate that at least one face-to-face interview be conducted before making a decision.

4. Cultural Fit Selection

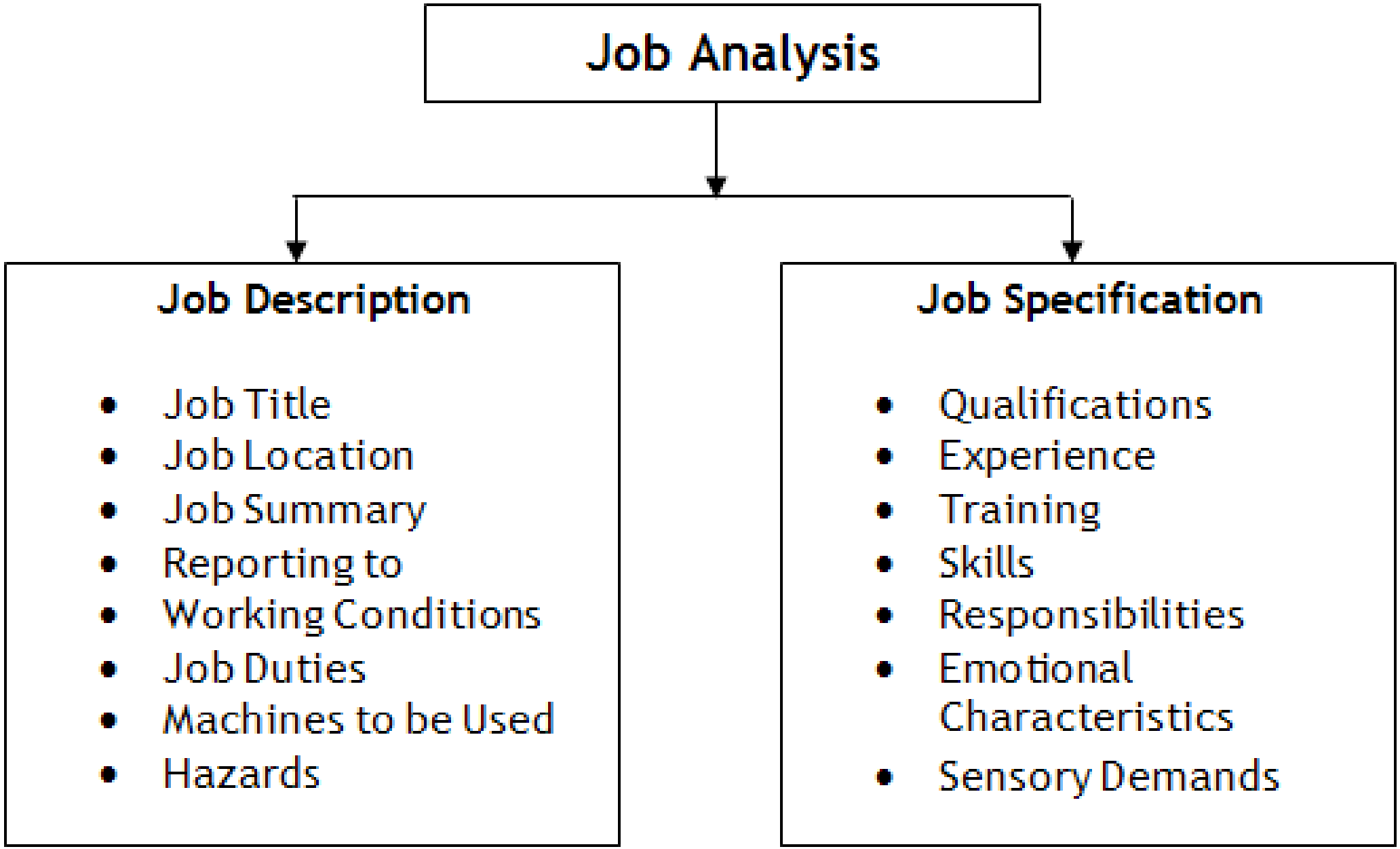
In the third-round interview, often the decision round, the hiring manager asks questions that will help him determine which candidate fits the organizational culture. Qualifications aside, an important factor in the hiring decision is cultural fit. Cultural fit means the candidate’s values align with the organization’s values. It’s a subjective analysis and one that hiring managers can only attribute to being a gut feeling, not objective criteria.

5. Vetting Candidates

Once the hiring manager tells the recruiter who has been selected as the most suitable candidate, the recruiter dispatches a conditional job offer. As part of the selection techniques, a conditional offer goes out to the No. 1 candidate, while keeping the runner- up in mind should the first candidate not pass the final stage. The final stage in what's now become the vetting process consists of pre-employment matters, such as background checks and drug testing. Even small businesses should invest in the time and expense of background checks —doing so can reduce the likelihood of hiring mistakes. Background checks verify information provided by the candidate and are an exercise in due diligence, according to management consultants Kim Kerr and Barry Nixon, in their May 2008 article on HR.BLR.com titled "Benefits and Components of a Background Screening Policy." Once the candidate passes the background check and the drug test, the company extends a final offer. The company then sends a rejection letter to the No. 2 candidate now that it knows the No. 1 candidate can move forward with the on boarding process.

JOB ANALYSIS

Job Analysis is a primary tool to collect job-related data. The process results in collecting and recording two data sets including job descriptions and job specifications. Any job vacancy cannot be filled until and unless the hr manager has these two sets of data. It is necessary to define them accurately to fit the right person at the right place and at the right time. This helps both employer and employee understand what exactly needs to be delivered and how. Both job description and job specification are essential parts of job analysis information. Writing them clearly and accurately helps organizations and workers cope with many challenges while onboard.


Job Analysis
Job Description
Job Title
Job Location
Job Summary
Reporting to
Working Conditions
Job Duties
Machines to be Used
Hazards
Job Specification
Qualifications
Experience
Training
Skills
Responsibilities
Emotional Characteristics
Sensory Demands

JOB DESCRIPTION

Job description includes basic job-related data that is useful to advertise a specific job and attract a pool of talent. It includes information such as job title, job location, reporting to and of employees, job summary, nature and objectives of a job, tasks, and duties to be performed, working conditions, machines, tools, and equipment's to be used by a prospective worker and hazards involved in it.

Purpose of Job Description

1. The main purpose of the job descriptions is to collect job-related data to advertising a particular job. It helps in attracting, targeting, recruiting, and selecting the right candidate for the right job.
2. It is done to determine what needs to be delivered in a particular job. It clarifies what employees are supposed to do if selected for that particular job opening.
3. It gives recruiting staff a clear view of what kind of candidate is required by a particular department or division to perform a specific task or job.

JOB SPECIFICATION

Also known as employee specifications, a job specification is a written statement of educational qualifications, specific qualities, level of experience, physical, emotional, technical, and communication skills required to perform a job, responsibilities involved in a job, and other unusual sensory demands. It also includes general health, mental health, intelligence, aptitude, memory, judgment, leadership skills, emotional ability, adaptability, flexibility, values and ethics, manners and creativity, etc.

Purpose of Job Specification

- Described based on the job description, job specification helps candidates analyze whether are eligible to apply for a particular job vacancy or not.
- It helps to recruit a team of an organization to understand what level of qualifications, qualities, and set of characteristics should be present in a candidate to make him or her eligible for the job opening.
- Job Specification gives detailed information about any job including job responsibilities, desired technical and physical skills, conversational ability, and much more.
- It helps in selecting the most appropriate candidate for a particular job.

Thank You

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