

FACULTY OF JURIDICAL SCIENCES

Lecture-12



Human Resource Planning

Human resource planning (HRP) is the continuous process of systematic planning ahead to achieve optimum use of an organization's most valuable asset—quality employees. Human resources planning ensures the best fit between employees and jobs while avoiding manpower shortages or surpluses.

There are four key steps to the HRP process. They include analyzing present labor supply, forecasting labor demand, balancing projected labor demand with supply, and supporting organizational goals. HRP is an important investment for any business as it allows companies to remain both productive and profitable.

- Human resource planning (HRP) is a strategy used by a company to maintain a steady stream of skilled employees while avoiding employee shortages or surpluses.
- Having a good HRP strategy in place can mean productivity and profitability for a company.
- There are four general steps in the HRP process: identifying the current supply of employees, determining the future of the workforce, balancing between labor supply and demand, and developing plans that support the company's goals.

E.W. Vetter viewed human resource planning as “a process by which an organisation should move from its current manpower position to its desired manpower position. Through planning, management strives to have the right number and right kind of people at the right places at the right time, doing things which result in both the organisation and the individual receiving maximum long-run benefit.”

According to Leon C. Megginson human resource planning is “an integrated approach to performing the planning aspects of the personnel function in order to have a sufficient supply of adequately developed and motivated people to perform the duties and tasks required to meet organisational objectives and satisfy the individual needs and goals of organisational members.”

Human resource planning (HRP) is the first step in the HRM process. HRP is the process by which an organization ensures that it has the right number and kind of people, at the right place, at the right time, capable of effectively and efficiently completing those tasks that will help the organization achieve its overall objectives.

Challenges of Human Resource Planning

The challenges to HRP include forces that are always changing, such as employees getting sick, getting promoted or going on vacation. HRP ensures there is the best fit between workers and jobs, avoiding shortages and surpluses in the employee pool.

To satisfy their objectives, HR managers have to make plans to do the following:

- Find and attract skilled employees.
- Select, train, and reward the best candidates.
- Cope with absences and deal with conflicts.
- Promote employees or let some of them go.

Investing in HRP is one of the most important decisions a company can make. After all, a company is only as good as its employees, and a high level of employee engagement can be essential for a company's success. If a company has the best employees and the best practices in place, it can mean the difference between sluggishness and productivity, helping to lead a company to profitability.

Steps to Human Resource Planning

There are four general, broad steps involved in the human resource planning process. Each step needs to be taken in sequence in order to arrive at the end goal, which is to develop a strategy that enables the company to successfully find and retain enough qualified employees to meet the company's needs.

Analyzing Labor Supply

The first step of human resource planning is to identify the company's current human resources supply. In this step, the HR department studies the strength of the organization based on the number of employees, their skills, qualifications, positions, benefits, and performance levels.

Forecasting Labor Demand

The second step requires the company to outline the future of its workforce. Here, the HR department can consider certain issues like promotions, retirements, layoffs, and transfers—anything those factors into the future needs of a company. The HR department can also look at external conditions impacting labor demand, such as new technology that might increase or decrease the need for workers.

Balancing Labor Demand With Supply

The third step in the HRP process is forecasting the employment demand. HR creates a gap analysis that lays out specific needs to narrow the supply of the company's labor versus future demand. This analysis will often generate a series of questions, such as:

- Should employees learn new skills?
- Does the company need more managers?
- Do all employees play to their strengths in their current roles?

Developing and Implementing a Plan

The answers to questions from the gap analysis help HR determine how to proceed, which is the final phase of the HRP process. HR must now take practical steps to integrate its plan with the rest of the company. The department needs a budget, the ability to implement the plan, and a collaborative effort with all departments to execute that plan.

The main objectives of HRP are

- (i) Proper assessment of human resources needs in future.
- (ii) Anticipation of deficient or surplus manpower and taking the corrective action.
- (iii) To create a highly talented workforce in the organization.
- (iv) To protect the weaker sections of the society.
- (v) To manage the challenges in the organization due to modernization, restructuring and re-engineering.
- (vi) To facilitate the realization of the organization's objectives by providing right number and types of personnel.
- (vii) To reduce the costs associated with personnel by proper planning.
- (viii) To determine the future skill requirements of the organization.
- (ix) To plan careers for individual employee.
- (x) Providing a better view of HR dimensions to top management.
- (xi) Determining the training and development needs of employees.