**M.Com. First Semester**

**Course Code: COM-654**

**HUMAN RESOURCE PLANNING and MANAGEMENT**

**By**

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| **Unit- 1:Human Resource Planning (HRP)**  Objectives, Process, Significance, Problems in HRP, Limitation in HRP |

* Human Resource is the most important assets of an organization.
* Non- human resources depends on Human resources for their utilization.
* Careful planning of HR is essential for the success of organization.
* HR is different from other resources (capital, land, machine, inventories etc.)

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| **Non-Human Resources**  Tangible and have capacity to work only  **Human Resources**  Tangible, capacity to work and have will power also |

* **Overstaffing** and **understaffing** both could create productivity issue for the organization.
* **Uncertainty** and **dynamism** in business demands quick response from the organization.
* ***HRP*** *has attained utmost importance due to* ***technological changes*** *and the* ***scarcity of skilled manpower****.*

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| Right K**ind** (skill/ quality) of person  At  Right **Time**  with  Right C**onsideration** (salary/ wages/ benefits)  in  Right **Numbers** (supply)  At  Right **Place** (work place)  For  Right **Work**  **Requirements of success for a organization**   |  | | --- | | **People at work bring changes not the physical resources.** | |

The most important task of a Human Resource Department of any organization is hiring the competent and suitable human talent for achieving objectives of individual, society and organization. HRP is key to successful management of human resources.

**Concept of HRP**

Organizational planning includes managerial activities that set the company’s objectives for the future and determines the appropriate means for achieving those objectives. It only after HRP, that the HRM department can initiate the recruitment and selection process. It is sub system of total organization planning.

HRP is the process of determining firm’s future human demand and supply of right kind of people with right skills. In **K. Aswathappa’s** word, HRP is the process of forecasting a firm’s future demand for, and supply of, the right type of people in the right number.

According to **Dale S. Beach**, it is a process for determining and assuring that the organization will have an adequate number of qualified persons, available at the proper times, performing jobs which meet the needs of the enterprise and which provided satisfaction for the individual involved.

**Bohlander & Snell** defines HRP as ‘the process of anticipating and providing for the movement of people into, within. And out of an organization.’

HRP is the integrated part of strategic management. Today, the scope of HRP has widened. Earlier HRP was a routine work. Now it has become base work for all HR activities.

It not only covered planning for future demand and supply but also it covered strategic alliance with outside potential source of recruitment, using internet as a tool, assessment of individual potential etc.

**HRP involves two steps-**

* Planning of human requirements
* Planning of human resource supplies

**Characteristics**

1. HRP’s main aim is to determine the present & future needs of organization.
2. It gives emphasis on qualitative and quantitative supply of HR.
3. It present plan for adjustment in Demand & supply of HR
4. It is a two step continuous ongoing process in an organization.
5. It is related to Job Analysis, Job Description and job Specification.
6. It focuses on Employee Development & Job Satisfaction.
7. It is part of corporate strategy & long term strategic planning.
8. It aims at effective acquisition, utilization, development and protection of HR.
9. It is concerned with future needs of HR in organization.

**Need for HRP/ Significance of HRP**

**To look into the personal needs**

HRP gives information about the kind and number of HR required in future. Through HRP, right number and the right kind of people will be assured in the organization. In the absence of HRP, the organization may face problem of shortage or excess of manpower. This situation has emerged during post-economic reform period. At that time, the organization has implemented downsizing and restructuring to remain competitive in the market.

**Part of strategic planning**

It is a part of strategic management process. HRP provides a set of inputs into the strategic formulation process in terms of deciding whether the type and number of people are available to pursue a given strategy. The HRP also address concern of implementation. HR Managers are important facilitators of strategic planning process.

**Need of highly talented personnel**

Today, jobs are becoming highly intellectual and incumbents are getting vastly professionalized. The HR Mangers must use his ingenuity to attract and retain qualified and skilled personnel. Qualified and competent people are known for job hopping, which requires proper policy to retain them and if requires, replacement and succession planning must be ready. HRP helps in this also.

**International strategies**

International expansion depends upon the HRP. The department’s ability to fill the key post from foreign national and re-assignment from the employees within the organization or across national borders is a major challenge of international business.

**Foundation for personnel function**

HRP provides base for recruitment, selection, promotion, demotion, transfer , layoff, training & development. HRP document is of great help to Job Description and Job Specification and also in hiring.

**Increasing investment in HR**

Another compelling reason for HRP is the cost associated with hiring, maintaining and separation of HR. HRM department must concern with the right kind of people for right job. HRP provides the details about the numbers of manpower required, the skill required at each level of management.

**Resistance to change and move**

Generally, employees resist change and movement in his job. No organization can be able to change and move the employees on their own, if they have not planned well in advance. This also requires HRP.

**Unity of Line and Staff managers**

HRP helps unity in Line and Staff managers because it requires input from line and staff managers both.

**Objectives of HRP**

* To assess manpower needs for future and making plans for recruitment and selection.
* To assess skill requirement in future.
* To determine training and development needs of the organisation.
* To anticipate surplus or shortage of staff and avoiding unnecessary detentions or dismissals.
* To help the organisation to cope with the technological development and modernisation.
* To ensure higher labour productivity.
* To ensure optimum utilization of employed HR in the organiastion.
* To assess the need related to future skill, qualities and eligibility of HR.
* To promote productivity bargaining.
* To implement policies of Promotion/Transfer/demotion etc.
* To determine & control cost of HR .
* To decide future courses of action for HR size.

**HRP Benefits**

* To propose people for future
* To create reservoir of people
* To cut coot
* To help in expending or dousing of shriven
* To have succession planning

**HRP Process**

1. Analysis of objectives & strategic plans of Company
2. Preparing MP inventory.
3. MP forecasting ( demand and supply)

Employees Trend, Replacement needs, Productivity, Absenteeism, expansion & Growth, work study

1. HR Plans- Net HR
2. Training & Development Programmes
3. Appraisal of HRP

**Employee Turnover Analysis**

No. of employee who leave organisation during the year 100

Average Number of employee during the year

**Rate of absenteeism**

Man days loot due to absenteeism

Man days worked + Man days lost

Organizational

Objectives & Polices

HR Supply forecast

HR Needs forecast

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| HR Programme |
| HR implementations |
| Control & evaluation |

**Surplus Shortage**

Restricted Hiring Recruitment and Selection Reduced hours

VRS, CRS, Lay off etc.

**Types of Human Resource Planning**

**Changes:**

* Evolutionary change ( slow change )
* Revolutionary change (sudden change )

**Short term HRP**

1. Weak Incumbent
2. Strong Incumbent
3. An unexpected

**Long Term HRP**

1. Projecting MP Requirement
2. Taking stock of exiting MP
3. R & S
4. MP Development Lands of HRP

**Action for Weak Incumbent**

Job- Individual

Changing of the man

Change in the Job Content

Changing the Job and the Man

Removal of the incumbent

**Action for Strong Incumbent**

1. Assigning additional duties / new challenges
2. ” ” ” ” same special problem ,
3. Change in the Job suitable to his qualities
4. Seeking advice
5. Rate of loss change to know rectos –Retirement / Transfer / Promotion etc.
6. Rate of lose due to unknown factors- Resignation /Discharge / Learn etc.
7. Past records.
8. Expansion & growth
9. Job analysis.