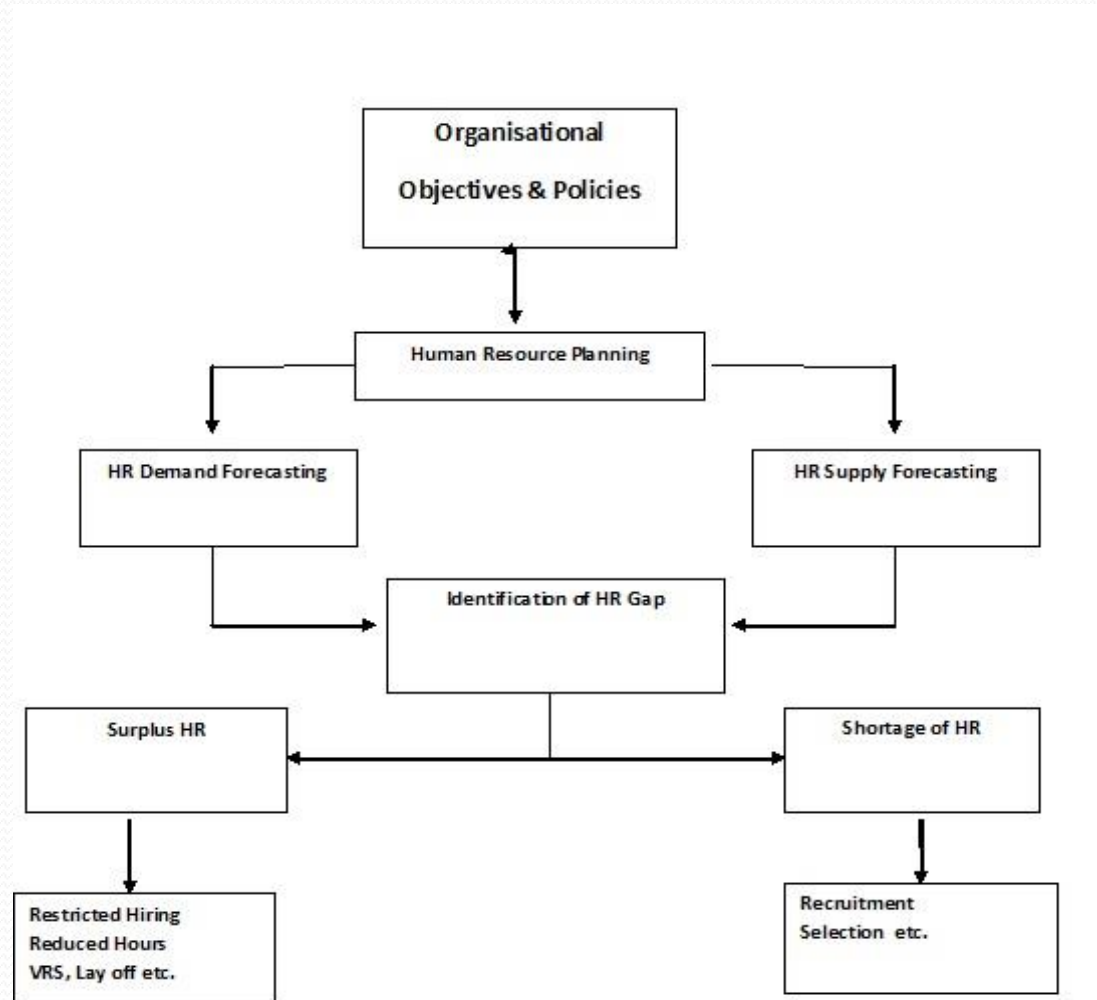


HR Planning Process

or

Human Resource Planning Model

Human Resource Planning Model





The HRP Model / Process


- Organizational Objectives and policies:


The starting point of any activity in an organization is its objectives. HR plan need to be based on organisational objectives.

Once the organisational objectives are defined by the top management, the HR department must specify its objectives with regard to HR utilisation in the organisation.

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- In developing these objectives, HR department has to formulate specific policies to address the following questions:
 - 1. Are vacancies to be filled by promotions from within or by hiring from outside?
 - 2. How do the training and development objectives interface with the HRP objectives?
 - 3. What union constraints are encountered in HRP and what policies are needed to handle these constraints?

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- 4. How can the employee's job be enriched?
 - 5. How can one downsize the organization to make it more competitive?
 - 6. How can one ensure continuous availability of adaptive and flexible workforce?
 - 7. To what extent production and operations be automated and what can be done about those displaced?


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- **Human Resource Planning:**
 - Taking direction from organizational objectives and plans and above policy consideration human resource plan is prepared. The planning process consists of two major activities: forecasting needs of human resources and forecasting supply of human resources.

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- Forecasting needs for human resources and forecasting supply of human resources, both taken together helps to identify gap between human resources needed and their availability.



HR Demand Forecasting

- HR demand forecasting is the process of estimating the quantity and quality of people required to meet the future needs of the organisation.

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- The basis for forecasting must be based on the annual budget and long-term corporate plan and translated into activity levels for each function and department.
 - For example, in a manufacturing company, the sales budget would be translated into a production plan giving the number and type of products to be produced in each period. From this information the number of working hours and skills required can be determined for each period and from which the required quality and quantity of personnel can be determined.

HR Supply Forecasting

- HR supply forecasting measures that number of people likely to be available from within and outside an organization, after movements and promotions, wastage and changes in work hours, and other conditions of work.
- The supply analysis covers:
 - 1. Existing human resources,
 - 2. Internal sources of supply, and
 - 3. External sources of supply.

Identification of Human Resource Gap

- Human resource gap is the difference between human resources required at a particular point of time and the human resources being available at that particular time.
- This gap can be identified on the basis of forecasts for human resources. Based on the analysis of this gap, action plans must be developed to overcome this gap.

In the end it may result in reducing the personnel or increasing and recruiting the personnel in different categories.

Action Plans

- Various action plans are devised to bridge the human resource gap. If there is surplus of human resources either because of improper HRP in the past or because of change of organisational plan, such as disinvestment of business or closing down some businesses because of various reasons, action plans may be devised to reduce their size through **layoff**, **voluntary retirement** etc. If there is shortage of human resources, action plans may be devised to recruit additional personnel.

Short-term Human Resource Planning

- This may arise due to certain immediate vacancies that have fallen due to sudden increased production and large new orders necessitating more personnel.

Long-term Human Resource Planning

- This is based on projections and long term expansion programmes. There will be sufficient time for deep contemplation, programming, recruiting and selection. Both quantitative and qualitative aspects of human resources could be taken care of in long – term planning and proper tuning.