

Creating Workforce to Achieve the Strategic Objective: Manpower Planning

M.L.Sharma

Assistant Professor, Dept. of E.A.F.M., University of Rajasthan, Jaipur, India

Email: mlsuor@yahoo.com

Abstract- The man who is emerging as the most important resource leads to the efficient utilization of the every available resource in the organizations. The HR heads works well to predict, deploy, develop, sustain and integrate the resource. This process is an essential cornerstone in the efficient management of personnel in an organization. Manpower planning entails getting the right number and type of personnel to do the required tasks for the fulfillment of the goals and objectives of the organization. The manpower planning process is an ongoing and continuous strategy which is undertaken through a systematic set of procedures. This research article focuses on the concept, its nuances, need, utility, implications and the repercussions.

Keywords- Manpower, HR, Strategic manpower planning, Workforce planning.

I. INTRODUCTION

Manpower planning begins with an analysis. It entails assessing the current status of the manpower within the organization [1]. The analysis is done by taking an inventory of the skills, competencies and abilities of all personnel in the organization. It also entails accounting for the number of departments and the sizes of these departments within the organization. The analysis helps the human resource (HR) managers to make informed forecasts about the human resource needs of the organizations.

The next is making the future projections. This is done through employee brainstorming and input from experts, such as human resource management consultants. Other methods of forecasting include using past trends and statistics to project the future, and analyzing the workload in each department to determine how many personnel are needed to undertake the work. Forecasting helps the HR managers answer questions such as how many

employees are needed to recruit, and how should the departments be restructured for efficiency.

The gap is a comparison of the current status of an organization's manpower and the projected manpower needs. The gap analysis entails detailing the specific numbers of employees needed, how restructuring will be done, the steps which will be taken to train employees, and the types of skills and competencies needed to undertake various tasks in the organization. The gap analysis is taken as a preparatory step for the development and implementation of programs that will assist the organization to meet its human resources needs.

II. STRATEGIC MANPOWER PLANNING

Strategy development entails establishing programs to facilitate in the actual implementation of the results of the gap analysis. Thus, HR managers develop training programs to impart skills needed by the employees for better performance. The managers also develop strategies on how to restructure the departments, how to recruit the most competent personnel, and how to outsource various services or skills to cut costs. Through monitoring and continuous improvement of these strategies, an organization can efficiently manage its human resources.

The firm's constant endeavor to ensure that it has:

- a) The right number of people,
- b) The right kind of people,
- c) At the right places, &
- d) At the right time, doing work for which they are economically most useful.

It is the most imperative task to handle as the right deployment leads to the right success of organizational goal attainment. MRP is concerned with the determination of the size and composition of

personnel needed by the organization over a specific future period. It includes the formulation of relevant policies, programs and strategies for meeting such requirements in an efficient manner.

The basic objective lies in the determination of the quality and quantity of personnel needed and to determine the cost or prepare budget for the continuous and smooth function of the organization. Every organization seeks for different kinds of personnel like skilled, unskilled, technical, non-technical, administrative, clerical and professionals at various levels of the organization. Qualification and experience of each employee must be pre-determined. Selection of right work force will provide maximum utility and satisfaction to the organization. It also helps from surplus and shortage of staff.

Let us mull over the requirements of a sound MRP in order to facilitate our exchange well. It is a two way process as manpower planning not only analyses the current human resources but also makes manpower forecasts and thereby draw employment programmes.

It can be supported in points as :

- a) Shortages and surpluses can be identified so that quick action can be taken wherever required.
- b) All the recruitment and selection programmes are based on manpower planning.
- c) It also helps to reduce the labor cost as excess staff can be identified and thereby overstaffing can be avoided.
- d) It also helps to identify the available talents in a concern and accordingly training programmes can be chalked out to develop those talents.
- e) It helps in growth and diversification of business. Through manpower planning, human resources can be readily available and they can be utilized in best manner.
- f) It helps the organization to realize the importance of manpower management which ultimately helps in the stability of a concern.

In pursuit of the excellence the strategies are well understood to craft the MRP planning they can be differentiated as in below Table I.

Table I

Comparison between Short term planning, intermediate planning and Long term planning

Short term planning	Intermediate planning	Long term planning
Short-term manpower planning refers to staffing needs in the near future. It mainly involves a keen awareness of demand and supply, that is, an awareness of what positions need to be filled and who in the workforce is available to fill those positions. Usually, it is much easier to establish objective at this point in manpower planning. These objectives usually involve how to attract desirable employees and how to get rid of undesirable ones. Short-term manpower planning programs include recruiting programs,	Intermediate-term manpower planning involves a lot more uncertainty at every phase of manpower planning. The main question that must be asked is, "What will we need?" The task becomes less about evaluating what is available now and more about forecasting. Often, a lot of these questions are answered based upon the judgment and discretion of midlevel management. Establishing objectives in this type of manpower planning usually involves trying to adjust employees' skills to match those that will be needed in the immediate future.	Long-term manpower planning is becoming one of the most important tasks faced by companies that want to survive. Succession planning is a large part of this type of manpower planning. It involves judging what kinds of skills managers will need in the future and figuring out how to provide people the chance to build these skills. Also, competitive strategy plays a big role in long-term manpower planning; will the company want to focus on maintaining

<p>selection programs and performance appraisal systems. Assessing the level of success at this point is usually very easy</p>		<p>innovation or on cutting costs? Career development programs are often a part of the third phase of this type of planning. The success of long-term planning programs is still difficult to assess, but as time passes, more and more information becomes available.</p>
--	--	--

III. EXECUTION

Manpower planning which is also known as Human Resource Planning consists of putting right number of people, right kind of people at the right place, right time, doing the right things for which they are suited for the achievement of goals of the organization. Human Resource Planning has got an important place in the arena of industrialization. Human Resource Planning has to be a systems approach and is carried out in a set procedure. The procedure is as follows:

- a) Analyzing the existing manpower inventory,
- b) Making future manpower forecasts,
- c) Developing employment programmes,
- d) Design training programmes.

In brief the steps are :

The steps serve as the logical solutions to the problems. They tend to reduce the variance and results in the maintenance of the right people at the right jobs and at the right time. The process begins with the analysis where a meticulous research leads to the evaluation of the current position in case of manpower

inventory. The next is about the projections based on the detailed study on the strategies of the organization.

The successful consummation of steps helps in the development of various programmes by which the objective of MRP is maintained.

A) *Analyzing the existing manpower inventory*

Before a manager makes forecast of future manpower, the current manpower status has to be analyzed. For this the following things have to be noted:

- (i) Type of organization
- (ii) Number of departments
- (iii) Number and quantity of such departments
- (iv) Employees in these work units

Once these factors are registered by a manager, he goes for the future forecasting.

B) *Making future manpower forecasts*

Once the factors affecting the future manpower forecasts are known, planning can be done for the future manpower requirements in several work units. The Manpower forecasting techniques commonly employed by the organizations are as follows [2]:

- a) *Expert Forecasts:* This includes informal decisions, formal expert surveys and Delphi technique.
- b) *Trend Analysis:* Manpower needs can be projected through extrapolation (projecting past trends), indexation (using base year as basis), and statistical analysis (central tendency measure).
- c) *Work Load Analysis:* It is dependent upon the nature of work load in a department, in a branch or in a division.
- d) *Work Force Analysis:* Whenever production and time period has to be analyzed, due allowances have to be made for getting net manpower requirements.
- e) *Other methods:* Several Mathematical models, with the aid of computers are used to forecast manpower needs, like budget and planning analysis, regression, new venture analysis.

C) *Developing employment programmes*

Once the current inventory is compared with future forecasts, the employment programmes can be framed and developed accordingly, which will include

recruitment, selection procedures and placement plans.

D) Design training programmes

These will be based upon extent of diversification, expansion plans, development programmes, etc. Training programmes depend upon the extent of improvement in technology and advancement to take place. It is also done to improve upon the skills, capabilities, knowledge of the workers.

IV. STRATEGIC MANPOWER PLANNING AND ORGANIZATIONAL DEVELOPMENT

Significance of strategic workforce plan [3]

- What makes workforce plan very critical is the possible negative repercussions that excess and under recruitment can lead to. It is people who build the organization, consequently any mismatch in employee-related statistics, whether in terms of number, skill set or core competencies may upset the whole organization dynamics and its objectives.
- The employee head count has direct impact on cost but indirect impact is far more sensitive. Workforce planning has a direct link with employee development, multi-skilling and succession planning.
- An organization must forecast its business and expansion strategy correctly and also have its workforce planning in place. There are various management approaches in use for determining either shortage or surplus.
- Apart from forecasting, an organization's capability to sustain the current business and to grab the new business makes a big difference.
- For example, a pharmaceutical company should consider factors like current business needs, future plans, growth areas, addition/deletion of business, and change in technology, attrition trends and talent availability in the market to ensure that they recruit the right amount of workforce.

Source: Oasis executive search and management consultancy

It works as a strategic alliance which associates the competent workforce with the strategic objective of the organization. Further the utility can be enumerated as :

- a) It ensures optimum use of man (woman, too nowadays?) power and capitalizes on the strength of HR. The organization can have a reservoir of talent at any point of time. People skills are readily available to carry out the assigned tasks, if the information is collected and arranged beforehand.
- b) It forecasts future requirements (this is done by keeping track of the employee turnover) and provides control measures about availability of HR labor time. If, for example the organization wants to expand its scale of operations, it can go ahead easily. Advance planning ensures a continuous supply of people with requisite skills who can handle challenging jobs easily.
- c) It helps to determine recruitment/induction levels. Let me explain this with an example: you as a manager want to determine what kind of induction the organization will require at such an such date. If you have a ready HR plan, you will have fairly good idea what kind of people are being recruited and at what position. Thus you can successfully plan your induction level.
- d) It helps in the anticipation of redundancies /surpluses /obsolescence [4].
- e) It helps to determine training levels and works as a foundation for management development programmes.
- f) It helps to Know the cost of manpower if there is a new project is being taken up, example: in cases of expansions or a new factory, one would naturally requires more human resources, hence a budgetary allocation can be made in advance for this upcoming corporate strategic move.
- g) Planning facilitates preparation of an appropriate manpower budget for each department or division. This, in turn, helps in controlling manpower costs by avoiding shortages/excesses in manpower supply [5].
- h) It assist in productivity bargaining. For example, if a firm is going fully automated, it can negotiate for lesser workers as required for the same

amount of the job by using the manpower predictions regarding the same. It can offer higher incentives (VRS) to smoothen the process of voluntary layoffs.

V. CONCLUSION

From the above discussion we get to the following conclusion that manpower planning has maintained its imperatives for several reasons:

- (i) a growing awareness of the need to look into the future,
- (ii) a desire to exercise control over as many variables as possible which influence business success or failure,
- (iii) The development of techniques which make such planning possible.

It does pose a great challenge to the HR managers, as the job market is becoming tight with the scare availability of the workforce. It is a big challenge to make the right talent available at the time of requirements. Companies are pro-actively creating the benches and training the workforce to equip themselves for the future yet the innovations are yet to be made which are supposed to satisfy all the constituents of the society.

VI. REFERENCES

- [1] <http://smallbusiness.chron.com/manpower-planning-development-process-14690.html>
- [2] <http://www.managementstudyguide.com/manpower-planning.htm>
- [3] Gangaram Singh, R. Nandgopal and R. G. Priyaadarshini, Strategic Human Resource Management in Global Economy, 1st Edition, 2007, Excel Books, New Delhi
- [4] www.etf.europa.eu
- [5] Jyothi P. and D. N. Venkatesh, Human Resource Management, 4th Impression, 2007, Oxford University Press, New Delhi.