

“A study of effective integration of Human Resource Models of Planning for achieving business excellence by the organizations Gaining Competitive Advantages.”

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Abstract:

Human resource management is a critical function within an organization, and one that is concerned with five main areas: staffing, development, employment relations, compensation and evaluation. While all of these areas are important to human resources, one of the most critical areas is that of staffing. This determines the composition of an organization's human resources. Human resource planning is concerned with the effective and efficient use of human resources within an organization, more satisfied and more developed employees, and more effective equal employment opportunity planning. Its direct relationship to the employment process is determining what types of resources are needed. In addition, organizations are realizing that in order to adequately address human resource concerns, they must develop long-term as well as short-term solutions. Major objective of planning is facilitating an organization's effectiveness; it must be integrated with the organization's short term and longer-term business objectives and plans. Major changes in business, economic and social environment are creating uncertainties that are forcing organizations to integrate business planning with human resource planning and to adopt a longer-term perspective. This paper examines what the concept of "human resource planning" entails and how we can improve the competitiveness of organizations through effective Human Resource Planning Techniques and Strategies with special reference to various Models of Human Resource Planning.

Keywords: Human Resource Planning, Models, Strategies, Techniques.

Introduction:
The planning of HR is an integral part of how an organization is going to achieve its mission, by ensuring that the right people, with the right skills and knowledge are in the right positions to deliver on the organization's mission. Human resource management (HRM) planning is located within the organization's overall planning process. HR planning is a dynamic process that involves analyzing an organization's HR requirements necessary to achieve its mission, strategies, goals, and objectives within a continuously changing environmental context. Planning aims to achieve the desirable workforce balance and mix through integrated HR practices such as job analysis and design, staffing, learning and development, and evaluation. An overview of the HR planning process, as a system of demand and supply forecasting, goal setting and strategic planning, identification of gaps

between current and forecast requirements, development and implementation of HR programmes and evaluation, is presented the planning process is a complex combination of assessment of the organization' internal and external environment and mapping of the HR requirements to meet current needs and future projections.

Integration of Human Resource Planning with Business Plans & Objectives:

Contemporary human resource planning occurs within the organizational and business planning. It involves forecasting the organization's future human resource needs and planning for how those needs will be met. It includes establishing objectives and then developing and implementing programs (staffing, appraising, compensating, and training) to ensure that people are available with the appropriate characteristics and skills when and where the organization needs them. It may also involve developing and implementing programs to improve employee performance or to increase employee satisfaction and involvement in order to boost organizational productivity, quality, or innovation. Finally, human resource planning includes gathering data that can be used to evaluate

the effectiveness of ongoing programs and inform planners when revisions their forecasts and programs are needed.

Gaining Competitive Advantages through Effective Human Resource Planning Models, Techniques & Strategies:

Today more than ever, organizations must capitalize on a changing business environment, improve profitability and overall productivity, formulate and implement a planning process and make better strategic decisions. Perhaps the most striking change in Human Resource Management today is its increased involvement in human resource planning, while developing and implementing the company's strategy (the company's long-term plan for how it will balance its internal strengths and weaknesses with its external opportunities and threats to maintain a competitive advantage). The concept of human resource planning takes an added significance, therefore, in firms that build their competitive advantage around their people. However, there are several basic trends, which pose a threat to the accuracy and validity of human resource planning predictions, and which prove to be important factors in determining the strategic direction of most firms today.

A Model for Describing Human Resource Planning:

There are activities engaged in by human resource planners in leading organizations. Four phases of human resource planning: (a) gathering and analyzing data to forecast expected human resource demand, given business plans for the future, and to forecast future human resource supply; (b)

establishing human resource objectives; (c) designing and implementing programs that will enable the organization to achieve its human resource objectives; and (d) monitoring and evaluating these programs. Activities related to the four phases of human resource planning are described for three different time horizons: short term (up to one year), intermediate term (two to three years), and long term (more than three years). Although the four phases of human resource planning are conceptually the same regardless of the time horizon, there are practical differences in the operationalization of the four phases as the time horizon is extended.,

Workforce Competency Model:

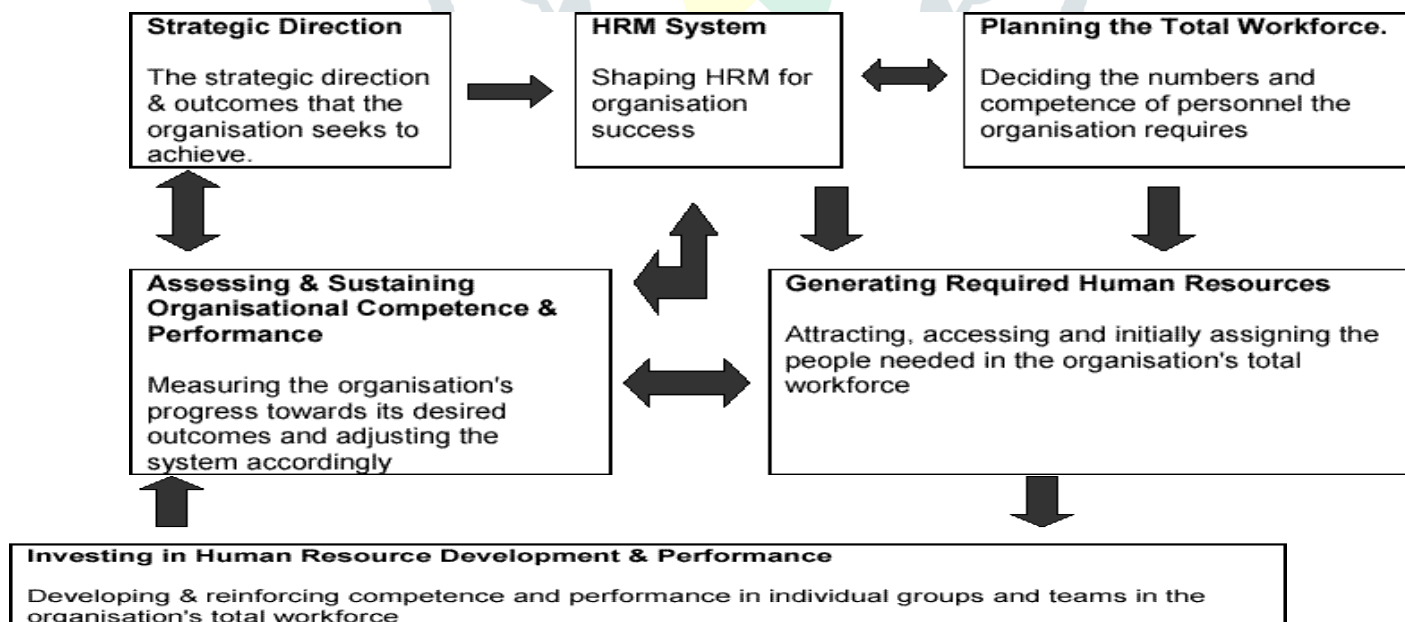
Analysis of present workforce competencies; an identification of competencies needed in the future; a comparison of the present workforce to future needs to identify competency gaps and surpluses; the preparation of plans for building the workforce needed in the future; and an evaluation process to assure that the workforce competency model remains valid and that objectives are being met.

The model consists of four planning steps: supply analysis, demand analysis, gap analysis, and solution analysis, plus an ongoing evaluation step: Supply analysis focuses on identifying organisational competencies, analyzing staff demographics, and identifying employment trends. Demand analysis deals with measures of future activities and workloads, and describing the competency set needed by the workforce of the future.

A strategic human resource planning model

There is no single approach to developing a Human Resources Strategy. The specific approach will vary from one organization to another. Even so, an excellent approach towards an HR Strategic Management System is evident in the model presented below. This approach identifies six specific steps in developing an HR Strategy:-

1. Setting the strategic direction
2. Designing the Human Resource Management System
3. Planning the total workforce
4. Generating the required human resources
5. Investing in human resource development and performance
6. Assessing and sustaining organizational competence and performance

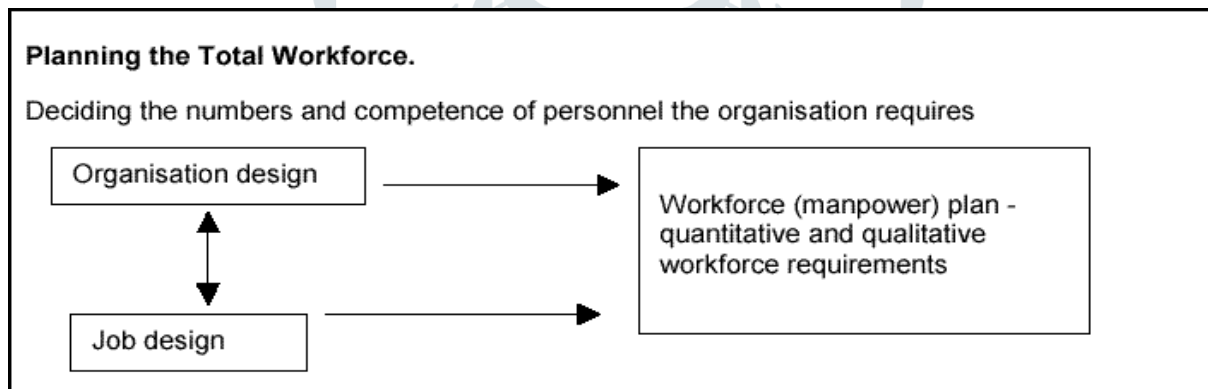


Source: A Strategic Human Resource Management System for the 21st Century. Naval Personnel Task Force, September 2000

The six broad interconnected components of this system consist of three planning steps and three execution steps. However, as the pace and magnitude of change increases, the approach to strategic planning changes substantially:

- First, the planning process is more agile; changes in plans are much more frequent and are often driven by events rather than made on a predetermined time schedule.
- Second, the planning process is more proactive. Successful organizations no longer simply respond to changes in their environment, they proactively shape their environment to maximize their own effectiveness.
- Third, the planning process is no longer exclusively top-down; input into the process comes from many different organizational levels and segments. This creates more employee ownership of the plan and capitalizes on the fact that often the most valuable business intelligence can come from employees who are at the bottom of the organizational hierarchy.
- Lastly, the strategic planning process less reactive and more driven by line leadership.

Planning the total workforce

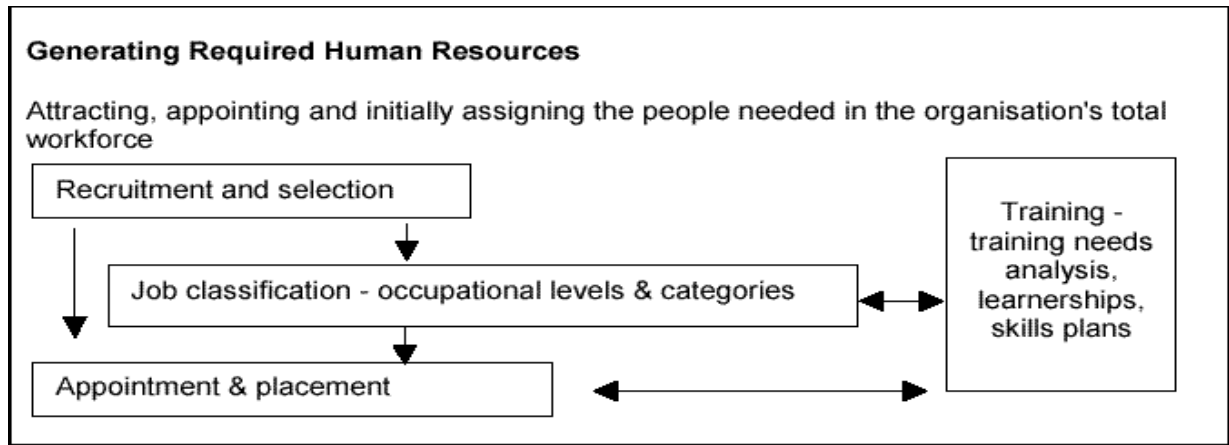


Determining future business requirements, especially those relating to manpower requirements, represents one of the most challenging tasks facing human resource practitioners. It is a methodical process that provides managers with a framework for making human resource decisions based on the organization's mission, strategic plan, budgetary resources, and a set of desired workforce competencies.

Actions: -

- Determine the appropriate organisational structure to support the strategic objectives
- Structure jobs (competencies, tasks and activities) around key activities
- Develop a workforce plan designed to support the organisations strategic objectives
- Compile workforce profiles, identifying designated groups, an inventory of current workforce competencies, competencies required in the future and identified gaps in competencies

Generating the required human resources

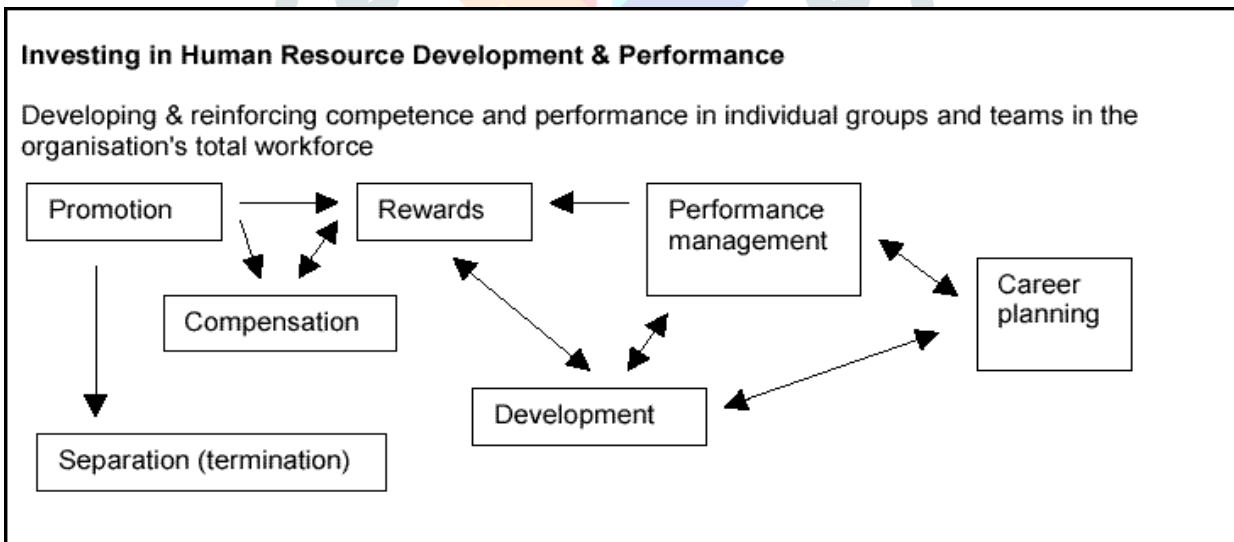


This process focuses on recruiting, hiring, classifying, training and assigning employees based on the strategic imperatives of the organisation's workforce plan.

Actions:-

- Evaluate recruitment and selection practices in light of the organisation's strategic objectives.
- Develop and implement a comprehensive workplace skills plan (with a thorough training needs analysis)
- Implement a learnership strategy
- Adopt or clarify occupational levels and category classification

Investing in human resource development and performance



Traditional approaches to career planning, performance appraisals, reward management and employee development must be re-appraised in light of the vision, characteristics and mission outcomes as reflected in the HRM plans, policies, and practices.

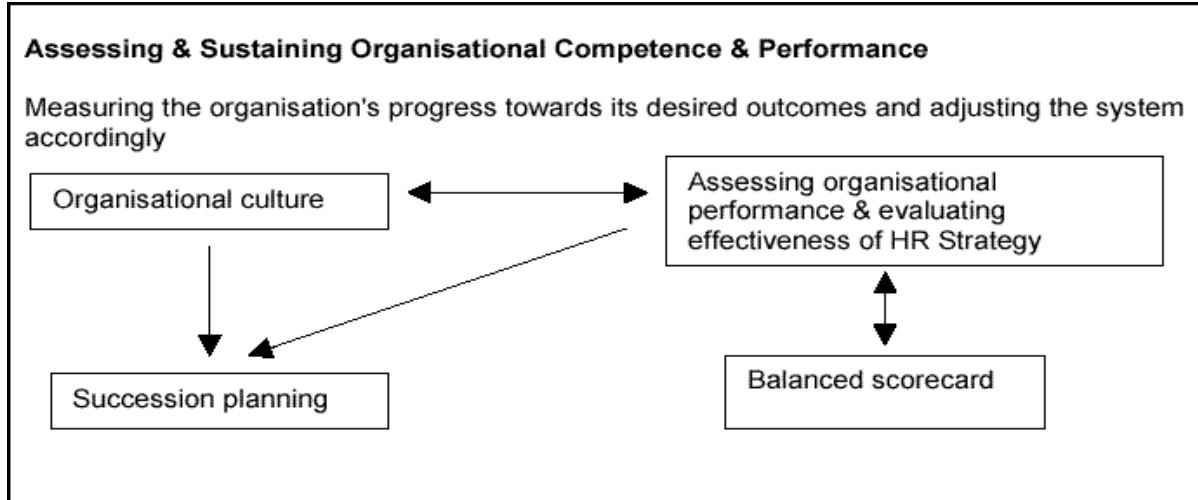
Actions:-

Identify appropriate policies, procedures and practices in respect of

- Career pathing
- Performance appraisals

- Employee development and learning
- Reward Management (compensation and benefits)
- Promotions and job assignments
- Separation

Assessing and sustaining organizational competence and performance:



Finally, few organizations effectively measure how well their different inputs affect performance. In particular, no measures may be in place for quantifying the contribution people make to organizational outcomes or, more important, for estimating how changes in policies and practices, systems, or processes will affect that contribution.

Actions:-

- Evaluate organisation culture and climate
- Implement succession planning
- Evaluate HR strategy using quantifiable measures, e.g. balanced scorecard
- Revise and adapt HR strategy

Other Techniques and Strategies

1. Determining the numbers to be employed at a new location If organizations overdo the size of their workforce it will carry surplus or underutilized staff. Alternatively, if the opposite misjudgment is made, staff may be overstretched, making it hard or impossible to meet production or service deadlines at the quality level expected.
2. Retaining your highly skilled staff Issues about retention may not have been to the fore in recent years, but all it needs is for organizations to lose key staff to realize that an understanding of the pattern of resignation is needed
3. Managing an effective downsizing programme HRP helps by considering:
 - the sort of workforce envisaged at the end of the exercise
 - the pros and cons of the different routes to get there
 - how the nature and extent of wastage will change during the run-down
 - the utility of retraining, redeployment and transfers

- What the appropriate recruitment levels might be. Such an analysis can be presented to senior managers so that the cost benefit of various methods of reduction can be assessed, and the time taken to meet targets established.

4. Where will the next generation of managers come from?

- the present career system (including patterns of promotion and movement, of recruitment and wastage)
- the characteristics of those who currently occupy senior positions
- the organisation's future supply of talent.

Conclusion

Effective HRP must be developed to support the achievement of the organization's objectives. HRP can themselves be critical inputs in determining the strategic initiatives for the organization. Because the purpose of human resource planning is to ensure that the right people are in the right place at the right time, it must be linked with the plans and objectives of the total organization. Business plans, where they exist, have defined human resource needs, thereby making human resource planning a reactive exercise. Much of the research conducted by I/O psychologists has been directed at improving short-term outcomes such as attracting applicants, maximizing performance, and minimizing dissatisfaction and stress in order to retain valued employees. In the long run, society will have organizations which are highly professional, ethical, and responsive to the needs of the whole world and its people. Effective integration of HR planning and business planning offers a credible vehicle for achieving business excellence. There are a lot of benefits associated with effective human resource planning techniques and strategies...Milkovich and Boudreau (2002, p. 147) emphasizes the role of human resource planning in the framework of organizational competitiveness by finding new ways to increase the quality of human resources. According to them, sustainable competitive advantage derives from a resource-based view of organisations. Organisations influence the quality of the resources available to them and these resources do not necessarily move easily between organizations. With the help of Effective human resource planning Models, techniques and strategies can be easily sustains the competitiveness of organizations.

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