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# HUMAN RESOURCE MANAGEMENT AND PLANNING – AN OVERVIEW

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# **ABSTRACT**

This is an attempt to explain the importance of planning in human resource management and in economic development. Planning is most essential step in management. Planning in human resource management is the process by which management determines how an organization should move from its current man power position to its desired man power position. However we can state that planning place a vital role in human resource management and in economic development as it helps to meet the expansion program of the organization and also helps to meet the need and challenge of the changing technology. This would help to improve the efficiency of the economy to long period of time.

Keyword: Importance Management Resource company Administrative

## Introduction

Human Resource Management (HRM) is the function within an organization that focuses on recruitment of, management of, and providing direction for the people who work in the organization.

Human resource management is also a strategic and comprehensive approach to managing people and the workplace culture and environment. Effective human resource management enables

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employees to contribute effectively and productively to the overall company direction and the accomplishment of the organization's goals and objectives.

## Purpose of Human resource management

- The overall purpose of human resource Management is to ensure that the organization is able to achieve success through people.
- Human resource management aims to increase organizational effectiveness and capability –
  the capacity of an organization to achieve its goals by making the best use of the resources
  available to it.
- Also the purpose of the human resource function: To hire, train, motivate and support productive employees.
- Ulrich and Lake (1990) remarked that human resource management systems can be the source of organizational capabilities that allow firms to learn and capitalize on new opportunities.'

# Role of Human resource management

Personnel Role	Welfare Role	Administrative Role	First Fighting and Legal Role
Advisory-advising management on effective use of HR	Research on personnel and organizational problems	Time Keep up	Grievance handling
Manpower planning, recruitment and selection etc.	Managing services, i.e., canteen, transport, medical, etc.	Salary and wage administration	Settlement of dispute
Training and development	Group dynamics, group leadership, motivation, communication, conflicts, etc.	Maintenance of HR records	Discipline maintenance
Measurement of assessment of individual as well as group behavior			Collective bargaining

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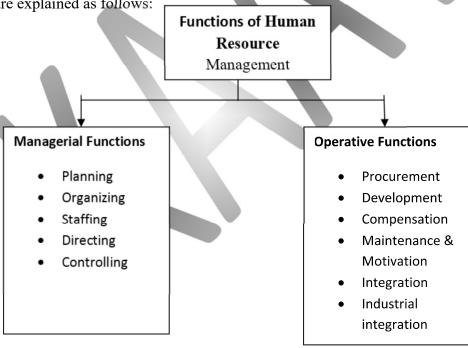
Performance and		Worker's
potential appraisal		participation, Joint
		Consultation

## Functions of Human resource management

HRM functions are carried out to fulfill the goals and objectives of the organization. HRM are generally performing two sets of functions, namely managerial functions and operative functions. The managerial functions are the basic functions performed by the HR managers in their capacity as managers or heads of their own departments. In fact, all managers, irrespective of their departments, perform these functions. The operative functions, on the other hand, are specialized activities performed exclusively by the HR managers, usually for all the departments. We shall first discuss the managerial functions.

## **Managerial Functions**

Functions like planning, organizing, staffing, directing and controlling constitute the core managerial functions of an organization. The specific activities performed under each of these functions are explained as follows:



**Planning:** It is an effective tool to deal with the future. It involves the process of predetermining the personnel programme that is necessary to attain the organizational goals. In this context, accurate forecasting is vital to the success of any plan. Planning is such a crucial function for an organization that it is the key to all other managerial functions. The steps involved in planning are

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- Establishing goals and objectives to be achieved
- Developing rules and procedures
- Determining plans and forecasting techniques

Organizing:- Once the plans are formulated, the next step is to organize the men and material in order to accomplish those plans. Organizing is a process through which the firm establishes its structure and determines the authority, responsibility and accountability of each member in relation to the job

Staffing:- This function deals with the creation and maintenance of human resources through employment, compensation, benefits, training and development, and industrial relations measures. It aims to put in place human resource policies in order to deal with wage fixation, working conditions, and promotional opportunities for prospective employees.

Directing:- Directing is the sum of several activities like communication, leadership and motivation. directing, as a function, aims at securing willing cooperation from the individuals and the groups to achieve the predetermined goals.

Controlling:- Controlling is the process of checking the efficiency of the individuals and the groups in fulfilling the plans and goals through follow-up measures. It is essential for continuous improvement in the managerial activities.

## Operative Functions

Staffing is one of the managerial functions. But this function is normally performed by the HR managers for all the departments of the firm. In most organizations, the HR department establishes personnel policies and coordinates the HR functions of all the departments. This function is also called the operative function or human resource management function. compensation, maintenance & motivation, integration & industrial integration.

# **Planning**

Human resources planning is a process that identifies current and future human resources needs for an organization to achieve its goals. Human resources planning should serve as a link between human resources management and the overall strategic plan of an organization. Ageing working populations in most western countries and growing demands for qualified workers in developing economies have underscored the importance of effective human resources Planning.

Stainer says: "Strategy for the acquisition, utilization, improvement, and preservation of an enterprise's human resources. It is relates to establishing job specification or the quantitative

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requirements of jobs determining the number of personnel required and developing sources of manpower."

## **Need of planning**

- To carry out regular work of the organization need of qualified person is satisfied.
- To replace the employee who leave the organization because of various reasons.
- To meet the expansion programme of the organization.
- To meet the need and challenge of the changing technology.
- It also helps in identifying the area of surplus and shortage of manpower

## **Objectives of Planning**

- Forecast personnel requirements.
- Cope with changes
- Use existing manpower productively
- Promote employee in a systematic manner.

#### **Benefits of Planning**

- Upper management has a better view of the human resources dimensions of business decisions:
- Personnel cost becomes less as management has anticipated imbalance before they become unmanageable and expensive.
- More time is provided to locate source of talents.
- Better opportunities exist to include women and minority groups in future growth plans.
- Better planning of assignments to develop managers can do
- Major and successful demands on labor markets can be made.

## **Process of Human Resource Planning**

- 1. Analysing the Corporate Level Strategies: Human Resource Planning should start with analyzing corporate level strategies which include expansion, diversification, mergers, acquisitions, reduction in operations, technology to be used, method of production etc. Therefore Human Resource Planning should begin with analyzing the corporate plans of the organization before setting out on fulfilling its tasks.
- **2. Demand forecasting**: Forecasting the overall human resource requirement in accordance with the organisational plans is one of the key aspects of demand forecasting. Forecasting of quality of human resources like skills, knowledge, values and capabilities needed in addition to quantity of human resources is done.

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- **3. Analysing Human Resource Supply**: Every organization has two sources of supply of Human Resources: Internal & External. Internally, human resources can be obtained for certain posts through promotions and transfers. In order to judge the internal supply of human resources in future human resource inventory or human resource audit is necessary. Human resource inventory helps in determining and evaluating the quantity of internal human resources available. Once the future internal supply is estimated, supply of external human resources is analyzed.
- **4. Estimating manpower gaps**: Manpower gaps can be identified by comparing demand and supply forecasts. Such comparison will reveal either deficit or surplus of Human Resources in the future. Deficit suggests the number of persons to be recruited from outside, whereas surplus implies redundant employees to be re-deployed or terminated. Employees estimated to be deficient can be trained while employees with higher, better skills may be given more enriched jobs.
- **5. Action Planning**: Once the manpower gaps are identified, plans are prepared to bridge these gaps. Plans to meet the surplus manpower may be redeployment in other departments and retrenchment. People may be persuaded to quit voluntarily through a golden handshake. Deficit can be met through recruitment, selection, transfer and promotion. In view of shortage of certain skilled employees, the organization has to take care not only of recruitment but also retention of existing employees. Hence, the organization has to plan for retaining of existing employees.
- **6. Modify the Organisational plans**: If future supply of human resources form all the external sources is estimated to be inadequate or less than the requirement, the manpower planner has to suggest to the management regarding the alterations or modifications in the organisational plans.
- 7. Controlling and Review: After the action plans are implemented, human resource structure and the processes should be controlled and reviewed with a view to keep them in accordance with action plans.

## **Utility analysis**

We are evaluating the utility of human resource management and planning in the particular workforce. The approach of utility analysis asserts utility of any intervention can be valued how far up the productivity distribution by intervention moves the performer. Following figure shows the distribution of worker productivity:-

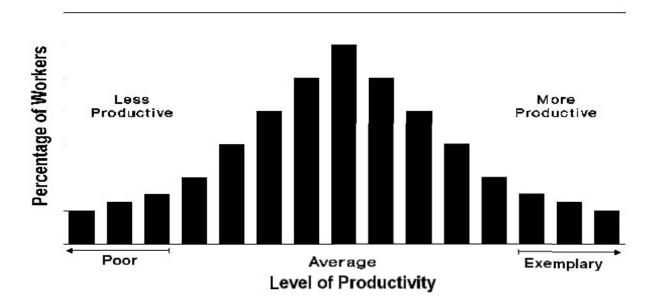


Exhibit 1. Distribution of Worker Productivity

The above figure is been divided into three parts first part comprise from poor level of productivity to low level of labour force with increase in number of labour force the productivity will increase but it will at average level because of absence of human resource management and planning but after having all these with the productivity will increase because now the labour are skilled and they can do more work in less of numbers and time so the level of productivity will increase after a good human resource plan with limited workforce

#### CONCLUSION

From the above studies we can conclude Human resource management would be meaningful only when the targeted results are met, however, this is the critical department in any organization since the HRM roles covers a wider jurisdiction in any organization. The HRM should set strategic plans that are achievable so that the employee morale is not lowered through high goals that not even an individual would achieve.

In addition, the strategic records are essential in determining the future of any organization hence should be kept safe and within a reachable place. Other than identifying the roles of HRM, the delivery process also matters to the organization. When the duration set for the completion of the set goals is too short then it is likely that the employees would pretend to work towards the organizational goals.

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