



## Manpower planning as an aspect towards employee retention

### KEYWORDS

Training plan, Succession planning and management, manpower forecast.

**Dr. K. Balanaga Gurunathan**

Prof/ Department of Management Studies,  
K.S.R.College of Technology, Trichengode, Tamil Nadu,  
INDIA

**Ms. V.Vijayalakshmi**

Research Scholar, Anna University of Technology,  
Coimbatore, Tamil Nadu, INDIA

### ABSTRACT

*This paper deals with man power planning, its need for the organisational growth and the various processes involved in manpower planning. Manpower planning consists of placing 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. It helps to take steps to improve human resources contributions in the form of increased productivity, sales, turnover etc; it facilitates the control of all the functions, operations, contribution and cost of human resources. Manpower planning involves the analyzing of the current manpower inventory, making future manpower forecasts, developing employment programmes and designing of training programmes. The significance of manpower planning relates to key managerial functions, efficient utilization of human resource, motivating employees by maintaining better human relation in order to achieve the higher productivity in the organization.*

### Introduction

Human resource planning and development focuses on the hiring, training and retention of employees to achieve strategic objectives. This includes analyzing the current workforce and comparing it to future employment needs. By planning for the future, human resources can prepare action plans to satisfy organizational goals. Human resource planning and development analyzes the competencies or abilities that exist within the current workforce. It then compares them to the competencies required in the future. Future competencies are determined based on strategic plans and how they relate to the company's vision and mission. After comparing present and future competencies, deficits and surplus are revealed. Human resources planning and development strives to achieve future demands through workforce adjustments aimed at attracting, training and retaining the work force.

### Need of Manpower Planning in Organization

Man power planning involves two main concept (i,e) analyzing the current human resource and forecast the manpower. Manpower planning ensures optimum use of available human resources.

### Manpower planning is advantageous to firm in following manner

1. Shortages and surpluses can be identified so that quick action can be taken wherever required.
2. All the recruitment and selection programmes are based on manpower planning.
3. It also helps to reduce the labor cost as excess staff can be identified and thereby overstaffing can be avoided.
4. It also helps to identify the available talents in a concern and accordingly training programmes can be chalked out to develop those talents.
5. 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.

### Objectives of Human Resource Planning

1. To recruit and retain the human resource of required quality and quantity
2. To foresee the employee turnover and make the arrangements for minimizing turnover and filling up of consequent vacancies
3. To meet the needs of the programmes of expansion, diversification
4. To foresee the impact of technology on work, existing employees and future human resource requirements

5. To improve the standards, skills, knowledge, ability, discipline etc.,
6. To minimize imbalances caused due to non-availability of human resources of the right kind, right number in right time and right place,
7. To make best use of its human resources and
8. To estimate the cost of human resources

### Activities involved in Manpower Planning

1. Identifying and designing current and planned organization structure of the organization.
2. Estimating current and future workload for different functions and organizational units in the organization, and, based on that, estimating the current and future total requirement of people to fill the various positions of different types and at different levels.
3. Developing profile or specifications for people to fill the various positions identified.
4. Taking an inventory of existing employees in the company, and their capabilities.
5. Comparing the manpower requirements and availability to determine the additional people required in the organization at different times. While working out this requirement, suitable provision is made for likely attribution of some of the existing employees. Similarly while examining capability requirements of employees consideration is given to on the development of skill and capability of people with work experience. This activity results in identification of the total additional manpower requirements to be fulfilled by various means.
6. Determining, the means of acquiring the additional required manpower through various means such as external recruitment, internal transfers and promotions, and training.
7. Preparing recruitment plan.
8. Preparing training plan.

### Human Resource Planning Process

Human Resource Planning has to be a systems approach and is carries out in a set procedure. The procedure is as follows

#### 1. Analyzing the current manpower inventory:

Before a manager makes forecast of future manpower, the current manpower status has to be analysed. Assessment of demand for operating personnel presents less problems of uncertainty & current manpower supply can be adjusted accordingly. But projection at supervisory and managerial levels is complex because required talents are not available

at a short notice. Man-power planning will help in drawing recruitment & development plans to meet the future needs

of certain skills. The persons concerned with manpower planning must be clear about goals of manpower planning because once the wrong forecast of future requirement of human resources are made, it may not be possible to rectify the errors in short-run.

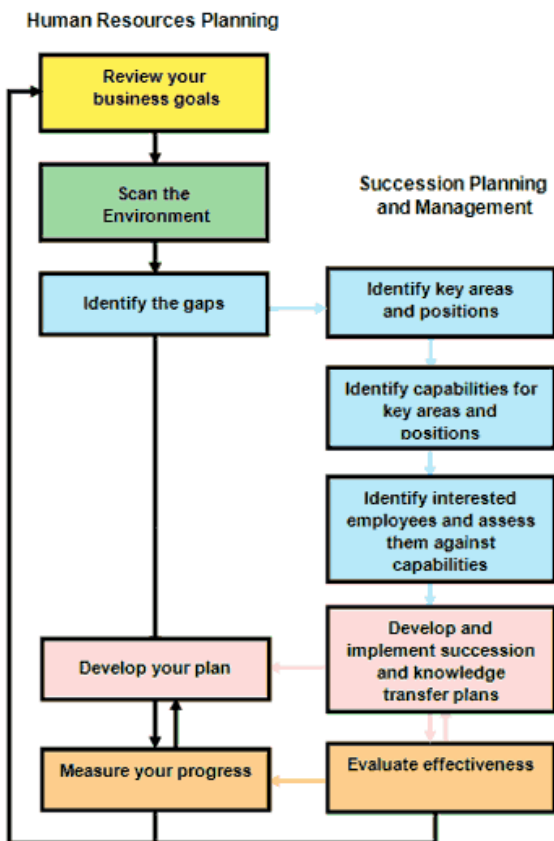
**For this the following things have to be noted:-**

- Type of organization
- Number of departments
- Number and quantity of such departments
- Employees in these work units

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

## 2. 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. A proper forecast of manpower required in future say, after one year, two years & so on must be attempted. The factors relevant for manpower forecasting are as follows:



### (a) Employment Trends

Manpower planning committee examines number of employees on pay roll during past 5 years and new trend within each group to determine whether particular group has been stable or unstable.

### (b) Replacement Needs

These needs arise due to death, retirement, resignation & termination of employees. It may relate to supervisory, skilled, clerical groups and must be anticipated in advance.

### (c) Productivity

Gain in productivity will also influence requirements of manpower. Planning for productivity has several aspects. The first aspect relates to effective utilisation of manpower. The second aspect relates to installation of more productive tools, equipments. The last aspect relates to matching of skills with

requirements of jobs.

### (d) Growth and Expansion

A good organisation always tries to adopt itself to change in method & techniques of Production. Therefore Manpower planner should take all these factors into account while studying impact of various business expansion plans on manpower requirements.

### (e) Absenteeism

Means a situation when a person fails to come for work when he is scheduled to work. Due to absenteeism work get upset leading to overtime work which in turn leads to increased cost of production. The management should go into cause of absenteeism & try to reduce absenteeism as far as possible.

## 3. 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. Job analysis is the qualitative aspect of manpower requirements since it determines "what is the quantum of work which an average person can do on a job in a day". It facilitates division of work in to different jobs.

## 4. 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. Training is essential not only for new employees but also for old employees for improving their performance. Similarly executive development programmes have to be devised for development of managerial personnel. The talents of employees are not fully productive without a systematic programme of training & development.

## 5. Appraisal of Manpower Planning

After training programmes have been implemented, an appraisal must be made of effectiveness of manpower planning. Deficiencies in programmes should be pointed out & catalogue of manpower inventory should be updated periodically. Corrective actions should also be taken whenever it is necessary to remove deficiencies in manpower planning.

### Recent Trends in HRP

**(a) Outsourcing:** Most of the organization started to plan for outsourcing human resource rather than HRP in order to

- Reduce the cost
- Avoid the difficulties in human resource management
- Reduce the negative implication of overstaffing

**(b) Contingency clause in HRP:** Most of the software companies have been implementing time bound projects. So the fast delivery has been the vital strategy of many manufacturing companies. Most of the companies plan for contingency human resource in order to ensure that no projects is delayed due to human factor.

### Conclusion

The main challenges in Indian Business context are: Manpower planning and recruitment of personnel at various levels. This can be overcome by having an empowered, enlightened Man-power Planning Cell and adopting the right selection policy for recruitment and updating technical and field knowledge after careful assessment, since in the present Indian business environment, to retain the efficient hand is equally important and cost effective as to recruit a suitable talented person. Manpower planning plays a vital role in Human Resource activity of an organization. Human Resource is an asset to every organization. Manpower planning mainly involves determining the needs and supply of human resource and the available sources. The organization should make Manpower Planning in such away that it should satisfy both organization and employer at a higher level. It result in creating working environment and maintain better employee

and employer relationship. Man-power planning is the key for successful implementation of growth & expansion plans, effective recruitment and selection policy, estimating future needs of personnel before-hand, reducing the labour cost by suggesting means and ways to optimal use of available man-power and thereby reducing wastage and in having an edge

over the competitors. Recruiting right persons through right selection policy helps in reducing training cost. It can concluded that by implementing effective manpower planning activities employee turnover can be reduce and retention of employees can be increased.

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