

Significance of Manpower Planning For Effective Utilization of Human Resources in an Organization: A Conceptual Approach

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Abstract: This work examines the need and importance of Manpower Planning for the effective utilization of human resources in organizations. Many organizations are faced with the challenge of poor utilization of human resources due to lack of manpower planning which leads to difficulty in achieving corporate organizational objectives. Manpower planning enables organizations to have accurate estimate of number of employees to accomplish set goals, reduce waste in employment, lessen uncertainties about current personnel level/needs and eliminates the mistakes involved in staffing and enhances effective utilization of its human resources. This study also reveals that organizations need to be proactive in recruiting and retaining employees. This research recommends that organizations should improve their utilization of human resources in order to enhance efficiency and effectiveness in their day to day activities in order to achieve their goals and objectives through employee engagement.

Keywords: Manpower planning, Human resources, corporate organisations, retaining employees and Recruiting.

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I. INTRODUCTION

Human resource is the most important asset of an organization. The planning of manpower ensures adequate supply, proper quality and quantity as well as effective utilization. Manpower planning is the process by which management determines how an organization should move from its current manpower position to its desired manpower positions through planning, management, strives to have the right place at the right time to do the things that in both the organization and the individual getting long time benefits.

This chapter will therefore review some previous studies and theories which are very relevant to manpower planning and development in public sector, as well provide some form of framework essential an organizing device to aid the analysis of the impact of manpower planning and development in public sectors.

Manpower has to be wisely exploited for the steadfast growth of an economy. This is the reason why there is Ministry of Human Resources. The aim is to implement plans to utilize the human resources available throughout the country for their growth and country's Development. This is given as much an importance as any other discipline as economics, psychology, law and public administration, industrial relations, computer science and operations research. All the disciplines stated above are themselves in a tremendous state of flux.

Manpower planning requires a keen study. This has necessitated the coming up of a lot of literature. New ways and means are suggested for optimum usage of manpower through Economics, Operations Research and Mathematical Models. Research is going on in every field for their growth and manpower planning does not lag behind.

II. ORIGIN OF MANPOWER PLANNING

Manpower planning is historically rooted in the gathering of manpower statistics dating from the times of the Roman census to the accounting of slaves, and eventually to population census towards the end of the eighteenth century Morton (1969)

Mehlmann (1980) developed an optimal recruitment and transition strategy for manpower systems using dynamic programming recursion with the objective of minimizing a quadratic penalty function which reflects the importance of correct manning of each grade under preferred recruitment and transition patterns.

Lane and Andrew (1995) also developed a lognormal model in which the distribution of wastage was related to length of services and proposed two methods of analysis. Cohort analysis, in which the wastage characteristics of an initial homogeneous groups are observed over longer periods of time; census analysis in which two sample points in time are used to determine the wastage rates. As alternative, approach to manpower planning is based on optimization theory. The theoretical foundations of the optimization approach have been

developed in Holt et al. (2009). Holt developed a cost model that includes both the costs of maintaining and changing the work force. Holt uses a quadratic cost model that allows closed form solution to be developed and finds that optimal staffing levels are based on the weighted values of forecast demand.

Noel et al (2004) viewed that organizations should carryout manpower planning so as to meet business objectives and gain an advantage over their competitors. To do so, organizations need a clear idea of the strengths and weakness of their existing internal labour force. They also must know what they want to be doing in future as well as have a clear vision of how much they want the organization to grow.

III. THE CONCEPT OF HUMAN RESOURCES

It is a necessity that the strategic approach to human resources issues to be addressed in modern organizations. Changing internal and external environmental conditions and new problems emerging and complex understanding of management-organization is the most important source of competitive advantage, management must not forget to give strategic importance to man. Into almost every part of the world as a result of globalization, operations, growth, downsizing, mergers, restructuring and corporate responsibility as the lives in the process, introduced concepts such as active and working every day to try a new technique in the management of human resources in organizations, human resource management is becoming a very big importance and priority.

Therefore, human resources are issues needed to be addressed at the highest level in the organization and management of strategic decisions is required. People in all matters related to the organization as a whole is brought together and integrate in away compatible with its surroundings. Managers with strategic decisions and practices focus on results and it should reflect the thoughts and actions.

IV. HUMAN RESOURCE MANAGEMENT

Although it was commonly accepted that human resource practices had formally started with industrial revolution, the fact is that the roots of human resource management lie deep in the past. Just as the employees who shared the tasks that have to be done in modern organizations, humans in ancient societies also, divided work among themselves. So it can be said that division of labor has been practiced since prehistoric times. Tasks were allocated according to skills such as the ability to find food or plants, track animals or cook (Anyadike, 2007).

But the major contribution to the development of the human resource management systems is provided by industrial revolution in the 1800. Human resource management in the 1980s brought managerial scholars to the link between the management of people and performance.

A number of attempts were made to put empirical facts with the theoretical bones of the knowledge based firms and the specific HRM views concerning how the systems on human resource practice, which can make an increment on the organizational performance.

The approach that focuses on individual human resource practices and the link with the performance continued since early 1990s (Hendry & Pettigrew, 1990). Today, operating organizations continue their existence for different goals. Armstrong (2006) also stated the aims of HRM and defined these aims in a similar way. A common point emphasized by these researchers is obtaining organizational goals through the employee.

V. MANPOWER/ HUMAN RESOURCE PLANNING

Human resources planning is defined as the process of assessing an organisation's human resources needs in the light of organisational goals and changing conditions and making plans to ensure that a competent, stable workforce is employed. The actual planning process will vary a great deal from organisation to organisation.

However, Walker (1992) pointed out that for some companies, human resources planning is essentially management succession and development planning. For others, it is the staffing process which includes forecasting and planning for recruitment, deployment, development and attrition of talent in relation to the changing needs of the organisation.

Increasingly, however, it is a broader process addressing multiple levels for increasing organisation effectiveness on the management of Human Resources. Walker further opined that, effective human resources planning is a process of analysing an organisation's human resources needs under changing conditions and the development of the activities necessary to satisfy those needs.

He views human resources planning as a two-step processes, planning as they pertain to all aspects of personnel management. This will include, for example, planning with respect to desired organisational climate and development of staff reward and appraisal system appropriate to short range and long range organisational goals. This implies that such functions must be proactive and as well as reactive. Pattern states that human resource planning is the process by which affirm ensures that it has the right number of people and the right kind of people in the right place at the right time doing things for which they are economically most useful.

Fayana (2002) emphasised that human resource planning deals with the systematic and continuing process of analysing a firm's human resources needs under mutating conditions and developing workforce policies suitable to the long-term effectiveness of the organisation. It is a vital part of corporate planning and budgeting procedure since human resources involve costs and forecasting; both effect and are affected by long-term corporate plans.

VI. EFFECTIVE UTILISATION OF HUMAN RESOURCE

Effective and efficient managing of staff requires a broad process called known as human resource planning. It constitutes one of the major strategies to enhance and improve work performance, this it does by removing deficiencies and preventing deficiencies from occurring.

Human resource planning helps the organisation to tap efficiently talents which will help to integrate both the individual and organisational goal. This will consequently minimise some of the problems associated with low productivity, absenteeism and labour turn-over. These reasons have made human resource planning to become a major arrangement preoccupation in organisations.

Moreover, the process of human resource planning includes analysis of level of skill in the organisation (skill inventory), analysis of current and expected vacancies due to retirement, discharges, transfers, promotions; sick leaves, leaves of absence or other reasons and analysis of current and expected expansions.

This also indicates that plans have to be made internally by the Human Resources Department for training and development of present employees, for advertising job opening, recruiting and hiring new people.

A good human resource planning must respond appropriately to the rapid changes in the society and must go beyond forecasting to all aspects of Personnel Management.

Determination of Manpower Requirements

Manpower requirement are determined by comparing the supply against the predicted demand and looking for manpower In future. This would give the member of people to be recruited or made redundant and will form the bases for the supply and demand utilization while drawing the manpower plan.

VII. OBJECTIVES OF MANPOWER PLANNING

According to Geisler (1967), one of the objectives of manpower plan for a manager is Its utility as a planning and control techniques. A manpower plan, because it is systematically done, enables a manager to predict his manpower requirement and control the member of manpower need to the firm's business plans, control wage and salary costs. The purpose of having manpower plans either in the short run or long run is to have an accurate estimate of the number of employees required, with matching skills requirement to accomplish organizations goals. An information of manpower plan is necessary for management to get information about the manner in which existing personnel are deployed, the kind of skill required for the various categories of jobs, and manpower requirement over a specified time.

Other objectives of manpower planning is to ensure optimum use of human resources in an organization to cope with the technology development and modernization, ensure higher labour productivity and most of all to ensure career planning of every employee of the organization and making succession programmes.

• Importance of manpower planning

Manpower planning is the process of determining manpower requirement in order to carry out the integration plan of the organization. "Manpower planning is indispensable for an organization to perform the activities efficiently as well as in a way that apparent that the organizational development as well as the success of the business is on account of highly competent people that a business organization keeps, manpower planning is one of the key functions of human resources management that manages to maintains the good will of a, business while giving duly importance to the 'M' (for man or human element) than that no other 'M' (machine, material or money) is more valuable.

Belts (1994) View that manpower or human resources must be utilized as effectively as possible because depends on the accurate prediction and control been confronted with labour, supply problems which could easily have been avoided by careful manpower planning.

Hackett (1979) state some of the major uses and importance of manpower planning as follows;

To anticipate redundancies and if possible find ways of preventing them and their attendant human and financial cost

- i. To monitor ratio of manpower to their cost in order to assist decision regarding the best use of financial resources.
- ii. To provide basis for training and development programmes geared to meet the organization needs.
- iii. To identify manpower need for future and making plans for recruitment and selection.

Advantages of manpower planning

- a. Key to managerial functions:- the four managerial functions, i.e. planning, organizing, directing and controlling are based upon the manpower. Human resources help in the implementation of these managerial activities. Therefore, staffing became a key to all managerial function.
- b. Efficient utilization:- efficient managerial personnel became an important function in the industrialization world of today setting of large scale enterprises requires management of large scale manpower. It can be effectively done through staffing function,
- c. Motivation:-staffing function not only includes putting right men or right job, but it only or also comprises of motivation programmes, i.e. incentives plans to be framed for further participation and employment of employees in a concern. Therefore all types of incentives plans became an integral part of staffing function,
- d. Better human relation:- a concern can stabilize itself if human relation develop and are strong. Human relations became strong through effective control, clear communication, effective supervision, and leadership in a concern. Staffing function also looks after training and development of the force which lead to cooperation and better human relation.
- e. Higher productivity:- productivity level increase when resources are utilized in best possible manner. Higher productivity as a of result of minimum wastage of time, money, efforts and energies. This is possible through the staffing and its related activities (performance appraised, training and development, remuneration).

VIII. THE NEED FOR MANPOWER PLANNING

Cole (1996) has brought out the importance of human resource investments in order to place any organization in a comfortable position and on the appreciating track. This paper suggests that to build up the human resource, investments on employee recruitments, training and development besides cost arising due to wastages and salaries may be used for decision making purpose. It suggests the use of available tools and techniques like, works study, learning curve, activity based costing, decision tree and risk analysis, life cycle cost approach to assess the cost of making managers as investments. A company where there is no dearth of qualified manpower can be one among the richest in the world to build up the manpower.

In many organizations, the number of sanctioned positions may be vacant year after year. Huge amount is spent by many organizations for the requirement of specialists as well as training and development of such persons. The recruitments process involves locating the right type of candidates from inside and outside the organization through interval circulars, external advertisements etc.

Manpower planning is a two-phased process because manpower planning does not only analyses the current human resources but also makes manpower forecast and thereby draw employment programmes. Manpower planning is advantageous to a firm in the following manner:

- All the recruitment and selection programmes are based on manpower planning.
- It helps to reduce the labour cost as excess staff can be identified and thereby overstaffing can be avoided.
- It also helps to identify talents in a concern and accordingly training programmes can be chalked out to develop those talents.
- It helps in growth and diversification of business through manpower planning, human resources can be readily available and they can be utilized in the best manner.
- It helps the organization to realize the importance of manpower management which ultimately helps in the stability of a concern.

IX. MANPOWER PLANNING ENVIRONMENT

At the enterprises level, a manpower planning has two kinds of environment the internal and external environment.

• Internal Environment

The availability of a manpower plan will depend on extent to which the top management of an organization supports. It also depends on the ability of the manpower planner to provide inputs to top management which will facilitate acceptance and implementation of a manpower plan.

A distinct manpower planning unit, part of the personnel department would initiate manpower planning activity. The responsibilities of the manpower planning activity operating management to plan and establish objectives;

- a. To assist, counsel and pressure operating management to plan and establish objectives.
- b. To collect and summarize data in total organizational terms and to ensure consistency with long range objectives and other element of the total business plan;
- c. To monitor and measure performance against the plan and keep top management informed; and
- d. To provide the research necessary for effective manpower and organization planning.

- **External Environment**

The manpower planner has to take into account, with, varying degree of uncertainty, political, social economic and technological factors which will act as constraints which will have to be taken as given by the manpower planner.

An enterprise function in an environment and it is bound to be influence by it, either specifically through legislation which is bound to comply with, or sometimes indirectly.

- **Steps in manpower planning**

For effective manpower planning, the following steps serve as a guide;

1. Analysing the current manpower inventory: Before a manager makes forecasts of future manpower the current manpower status has to be analyzed for thus the following things have to be noted.

- Type of organization
- Number of departments
- Number and quantity of departments
- Employees in these work unit.

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 know, planning can be done for the future manpower requirements in several work units.

- *The manpower forecasting techniques commonly employed by the organization are as follows;*

i. Export forecast: This include informal decision, formal expert surveys and Delphi techniques

ii. Trend analysis: Manpower needs can be projected through extrapolation (projecting past trend) indexation (using base year as basis), and statistical analysis (central tendency measure).

iii. Work load analysis: It is dependent upon the nature of work load in a department, in a branch or in a division,

iv. Work force analysis; Whenever production and time period has to be analyzed, due allowances have to be made for getting net manpower requirements,

iv. Other methods; Several mathematics models, with the aids of computers are used to forecast manpower needs, like budgeting and planning analysis, regression, and new venture analysis.

3. Developing employment programmes: One 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.

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 bone to improve upon the skills, capabilities, knowledge of the workers.

X. MANPOWER PLANNING PROCESS

This process entails consideration of several steps with relevant input before the manpower demand can be arrived at, on one hand or other, identification of the sources of supply to meet this demand taking into account the several constraints;

a. *The mission and vision of the organization:*

The organization should be clear about it mission and objectives. The manpower planning must be integrated with other business policies such as profitability; production would certainly effect the manpower planning.

The ultimate aim of manpower planning should be to related future human resources to future enterprise need so as to ^maximize the future return investment.

b. *The Strengths, Weakness, Opportunities, and Threat (SWOT):*

After organization has fixed the goals and objectives, the next step is the corporate assessment. The organization now begins to analyze its goals, current strategized, external environment, strengths and weakness, opportunities and threat (SWOT) to know whether they can be able to achieve with the current human resources.

The SWOT analysis will give the dear picture about the organization resources such as capital and workers; it will also indicate department, marketing, accounting, research and development and management information system. The SWOT analysis serves as the link between the organizations such go to meet its Objectives.

- *Problems in manpower planning*

The following are some of the problems associated with manpower planning.

a. *Resistance from employees*

Employees and trade unions resist manpower planning, they feel that this planning increase their overall workload and regulate them through productivity bargaining. They also feel that it would to wide spread of

unemployment, especially of unskilled labour.

b. Insufficient Initial efforts

Successful human resources planning flourish slowly and gradually, sometime sophisticated technologies are forcefully introduced just because competitors have adopted them. These may not be successful unless thatched with the need environmental of the particular enterprise.

c. Management information system

Effectiveness of the planning depends upon the reliability of the information system. In most organizations human resources information system has not fully developed in the absence of reliable data it would not be possible to have effective planning,

d. Expensive and time consuming

Manpower planning is an expensive and time consuming process. Employees may resist manpower planning feeling that it will increase the cost manpower.

e. Coordination with other managerial functions

There is generally a tendency on the part of the manpower planners to remain aloof from other operating managers and to become totally absorbed in their own word. To be effective, manpower planning must be integrated with other management functions.

f. Unbalanced approached

Many human resources people more importance on the quantitative aspects of manpower to ensure that there is adequate flow of people in an out of the organization. They overtook career development and planning skills levels morale.

Overcoming the problems in manpower planning

Manpower planning problems according to Geisler (1967) can be overcome through the following:

a. Information

One of the problems encountered by those who attempt to plan their manpower need and the availability of manpower lies in obtaining the right kind of information;

- i. Insufficient developed personnel record system may prove to be another problem without the right information appropriately classified and store in a system from which it can readily be retrieved the assessment of supply from within the organization will prove very difficult. This problem can best be overcome by making someone responsible for the regular collection and updating of the kind of information we have discussed (in larger organizations this tends to be a personnel department responsibilities). By anticipating as far as possible the kind of question that you will need to answer it would be possible to design a record upon the number of employees and the sophistication of your requirements.
- ii. You may also suffer from lack of knowledge of the labour market. This can be over to a large extent, by familiarizing yourself with the content of some published statistical sources, particularly census information and department of employment statistics,

You will also find it helpful to make and maintain contact with the managers of your local Job centre/employment enough question the future aims of the organization and their implication for manpower. Office commercial recruitment agencies and the local authority planning office all of whom can provide up to data local information about the labour market or other employment, regular scanning of the local newspaper and an intelligent appraisal of current recruitment trends will help to complete the picture.

b. Expertise

Sophisticated manpower planning models requires expertise to build. If your organization is not big enough to warrant engaging the services of an expert, a general identification of future trends and possible problem areas can form a useful starting part until expertise is developed,

c. Time

The kind of planning we have discussing cannot be done overnight. It will take time to establish the right kind of information system and to interprets the data you can obtain there are no shortcuts here except a systematic process of data collection and interpretation and a continuing concentration on what you are trying to achieve.

d. Future uncertainties

Few would purport to predict with certainly just what the future holds. Economics changes may affect the demand for your goods or services, technological changes may alter your methods of working; social and political changes may influence peoples attitude to work and to the kind of work that they are prepare to undertaker we cannot pretend that this uncertainty does not exist, what we can do is to identify current trend consider any likely changes in the factors which underlies those accurate as possible in the circumstance. By constant monitoring of the actual situation as it unfolds to see how it compares with the plan, it should be possible

to compares with the plan and the premises upon which it is based, and to improve our planning expertise in process. If there are time despair at the complexities and uncertainties of the planning process, the more we persevere, the more likely it is that we shall reap the benefits. Once we have identified our future manpower requirement we can take steps to deal with any shortfall.

XI. SUMMARY

Manpower planning is concerned with analyzing the human resources available in an organization to determine with meeting the objectives of skilled personnel and providing productive employment for utilized and underutilized labour force. In order to bring about much desired economics and national development skilled labour force must always be present. Thus, proper manpower planning policies are inevitable so as to avoid the duplication of efforts or ending up having excesses in one filed and shortages or non in others. Proper selection of talents and abilities needs to be done to allow for an easier utilization of human resources in an organization.

XII. CONCLUSION

Manpower planning in any organization is very important. It is through this process that organizations can ensure optimum use of its human resources currently at their disposal as well as proving for the future of the organization. It is therefore concluded that the growth, success and development of any country can be measured by how its manpower is planned, how its human resources is being utilized. Therefore, manpower planning remains the single and the most important factor towards technological and economic advancement. In this present dispensation of technological development and advancement in all fields of human endeavour, manpower planning is carried out with the sole aim of increasing efficiency and effectiveness of individuals in an organization.

The primary function of manpower planning is to analyse resources viable in an organization, and to determine how to obtain the kinds of personnel needed to staff position ranging from assembly line workers to chief executive. Thus, the most important resources, the people who supply the organization are its human resource, the people who supply the organization with work, talent, creativity and drive. Thus, among the critical tasks of a manager is the manpower planning. An organization needs to plant its manpower requirement to be prepared for fresh demands in terms of numbers, skills, occupation groups, to meet increasing demands either due to business growth or expansion. Beside, even if none of the above happened within an ongoing enterprise there would be attrition due to wastage, turnover, separations and mobility e.g. promotion, leaving gaps which have to be filled in.

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