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**Concept based notes**

# **Human Resource Planning**

*MBA Part-III*

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## **Preface**

I am glad to present this book, especially designed to serve the needs of the students. The book has been written keeping in mind the general weakness in understanding the fundamental concepts of the topics. The book is self-explanatory and adopts the “Teach Yourself” style. It is based on question-answer pattern. The language of book is quite easy and understandable based on scientific approach.

Any further improvement in the contents of the book by making corrections, omission and inclusion is keen to be achieved based on suggestions from the readers for which the author shall be obliged.

I acknowledge special thanks to Mr. Rajeev Biyani, *Chairman* & Dr. Sanjay Biyani, *Director (Acad.)* Biyani Group of Colleges, who are the backbones and main concept provider and also have been constant source of motivation throughout this Endeavour. They played an active role in coordinating the various stages of this Endeavour and spearheaded the publishing work.

I look forward to receiving valuable suggestions from professors of various educational institutions, other faculty members and students for improvement of the quality of the book. The reader may feel free to send in their comments and suggestions to the under mentioned address.

**Megha Maheshwari**

# Contents

S.No	Title of Chapter
1	Introduction
2	HR Planning & Corporate Strategies
3	Job Analysis
4	HR Forecasting
5	Career Planning & Succession Management
6	Key Terms & Terminologies

## Annexure

1. Bibliography
2. Solved question papers

# Syllabus

## **Objectives:**

To understand the purpose, process and applications of human resource planning in the context of different organizational strategies. To create a critical appreciation and knowledge of understanding the determinants of human resource requirements. And the means for meeting those requirements. To create practical awareness about the current trends in human resource planning in global companies.

## **Section A**

**Introduction:** definition and concept of HRP, benefits, process, HRP components.

**HR planning and corporate strategies:** HR planning as a strategic process-employees as resources-goal attainment, linking HR process to strategy, involvement in strategic planning process, strategic HR Planning model, staffing system.

**Job analysis:** meaning and definition, job analysis process, techniques of job analysis, methods and practice of job analysis, competency based approach.

**HR Forecasting:** Forecasting Manpower Needs, the Forecasting Process, Inventorying available talent, Projecting Future Talent Supply, forecasting Staffing Requirements. Index analysis-expert forecasts-delphi technique-nominal group technique-HR budget and staffing table, scenario forecasting and regression analysis.

**Career planning and succession management:** definitions, concepts, stages of career development process and organizational HR Policies, carrier Anchors – Stages of growth and career, career processes Succession management process and Management development programmes, objectives of MDP's, Job rotation, Auditing MDP's management development methods, challenges of succession management, Replacement analysis.

## **Section B**

Case and Problems

Dean, Rajasthan Technical University, Kota/ 2008-2009/Prof. Surendra Kumar Vyas, Chairman BoS, Department of Management & Technology, Engineering College, Bikaner.

# Unit 1

## Introduction

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**Q. 1**      **What is Human Resources Planning?**

**Ans.**      E.W Vetter viewed human resources planning as “a process by which an organization should move from its current manpower position to its desired manpower position. Through planning management strives to have the right number and right kind of people at the right places at the right time, doing things which result in both the organization and the individual receiving maximum long-run benefit”.

According to Leon C Megginson human resources planning is an integrated approach to performing the planning aspects of the personnel function in order to have a sufficient supply of adequately developed and motivated people to perform the duties and tasks required to meet organizational objectives and satisfy the individual needs and goals of organizational members.

**Q. 2**      **What are the components of Human Resources Planning?**

**Ans.**      Estimating Manpower Requirement

- Workload analysis
- Workforce analysis
- Absenteeism
- Labor turnover
- Recruitment & Selection
- Induction & development
- Personnel Development
- Ensuring quality to products & services
- Overall assessment & performance & fine- tuning

**Q.3**      **What are the Objectives of Human Resources Planning ?**

**Ans.**      The important objectives of manpower planning in an organization are-

1. To recruit and retain the human resources of required quantity and quality.
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 program of expansion, diversification etc.

4. To foresee the impact of technology on work, existing employees and future human resources requirements
5. To improve the standards skill .knowledge,, ability, discipline etc.,
6. To assess the surplus or shortage of human resources and take measures accordingly.,
7. To maintain congenial industrial relations by maintaining optimum level and structure of human resources;
8. To minimize imbalances caused due to non-availability of human resources of right kind, right number in right time and right place;
9. To make the best use of its human resources; and
10. To estimate the cost of human resources.

**Q.4** **What are the Advantages of using HRP?**

**Ans**

Human resource planning can be defined as the process of identifying the number of people required by an organization in terms of quantity and quality. All human resource management activities start with human resource planning. So we can say that human resource planning is the principle/primary activity of human resource management. The process of HRP plays a very important role in the organization. The importance of HRP can be explained as follows.

**1. Anticipating future requirements:-**

Thru this process of HRP, the company is able to find out how many people will be required in future. Based on this requirement the company could take further actions. This method also helps the company to identify the number of jobs which will become vacant in the near future.

**2. Recruitment and selection process:-**

The recruitment and selection process is a very costly affair for a company. Many companies spend lakhs of rupees on this process. Therefore recruitment and selection must be carried out only if it is extremely necessary. HRP process helps to identify whether recruitment and selection are necessary or not.

**3. Placement of personnel:-**

Since the HRP process is conducted for the entire organization, we can identify the requirements for each and every department. Based on the requirement, we can identify existing employees and place them on those jobs which are vacant.

**4. Performance appraisal:-**

HRP make performance appraisal more meaningful. Since feedback is provided in performance appraisal and employee is informed about his future chances in same company, the employee is motivated to work better. Information for all this is collected from HRP process.

**5. Promotion opportunity:-**

HRP identifies vacancies in the entire organization including all the branches of all the company. Therefore when the company implements promotion policy it can undertake its activities in a very smooth manner.

**Q. 5 What are Limitations of human resource planning?****Ans. 1. The future is uncertain:-**

The future in any country is uncertain i.e. there are political, cultural, technological changes taking place every day. This effects the employment situation. Accordingly the company may have to appoint or remove people. Therefore HRP can only be a guiding factor. We cannot rely too much on it and do every action according to it.

**2. Conservative attitude of top management:-**

Much top management adopts a conservative attitude and is not ready to make changes.

**3. Problem of surplus staff:-**

HRP gives a clear out solution for excess staff i.e. Termination, layoff, VRS. However when certain employees are removed from company it mostly affects the psyche of the existing employee, and they start feeling insecure, stressed out and do not believe in the company. This is a limitation of HRP i.e. it does not provide alternative solution like re-training so that employee need not be removed from the company.

**4. Time consuming activity:-**

HRP collects information from all departments, regarding demand and supply of personnel. This information is collected in detail and each and every job is considered. Therefore the activity takes up a lot of time.

**5. Expensive process:-**

The solution provided by process of HRP incurs expense. E.g. VRS, overtime, etc. company has to spend a lot of money in carrying out the activity. Hence we can say the process is expensive.

**Q.6 What are Reasons for increased importance for HRP?**

**OR**

**What are the Factors affecting HRP in the organization?**



**Ans. 1. Employment:-**

HRP is affected by the employment situation in the country i.e. in countries where there is greater unemployment; there may be more pressure on the company, from government to appoint more people. Similarly some company may face shortage of skilled labor and they may have to appoint people from other countries.

**2. Technical changes in the society:-**

Technology changes at a very fast speed and new people having the required knowledge are required for the company. In some cases, company may retain existing employees and teach them the new technology and in some cases, the companies have to remove existing people and appoint new.

**3. Organizational changes:-**

Changes take place within the organization from time to time i.e. the company diversify into new products or close down business in some areas etc. in such cases the HRP process i.e. appointing or removing people will change according to situation.

**4. Demographic changes:-**

Demographic changes refer to things referring to age, population, composition of work force etc. A number of people retire every year. A new batch of graduates with specialization turns out every year. This can change the appointment or the removal in the company.

**5. Shortage of skill due to labor turnover:-**

Industries having high labor turnover rate, the HRP will change constantly i.e. many new appointments will take place. This also affects the way HRP is implemented.

**6. Multicultural workforce:-**

Workers from different countries travel to other countries in search of job. When a company plans its HRP it needs to take into account this factor also.

**7. Pressure groups:-**

Company has to keep in mind certain pressure groups. Groups like human rights activist, woman activist, media etc. as they are very capable for creating problems for the company, when issues concerning these groups arise, appointment or retrenchment becomes difficult.

**Q.7 Discuss the process of Human Resource Planning.**

**Ans. 1. Analyzing 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 organizational 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 through the following methods: -

a. **Executive or Managerial Judgment:** – Here the managers decide the number of employees in the future. They adopt one of the three approaches mentioned below: -

**Bottom-Up approach:** – Here the concerned supervisors send their proposals to the top officials who compare these with the organizational plans, make necessary adjustments and finalize them.

**Top-Down approach:** – Here the management prepares the requirements and sends the information downwards to the supervisory –level who finalizes the draft and approves it.

**Participative Approach:** – Here the supervisors and the management sit together and projections are made after joint consultations.

#### **Drawbacks**

The chief drawback of these methods is that estimation of manpower is made using guesswork.

b. **Statistical Techniques:** – These methods use statistical methods and mathematical techniques to forecast and predict the supply and demand of Human Resources in the future.

**Ratio-Trend analysis:** – In this method depending on the past data regarding number of employees in each department, like production department, sales department, marketing department and workload level, etc ratios for manpower are estimated. Past values are plotted and extrapolated to get fairly accurate future projections.

c. **Work Study method:** – This technique is suitable to study the correlation between volume of work and labor i.e. demand for human resources is estimated based on the workload. Work study method is more appropriate for repetitive and manual jobs when it is possible to measure work and set standards.

- d. Delphi Technique:** – ‘*Delphi*’ Technique is named after the Greek Oracle at the city of Delphi. In this method, the views of different experts related to the industry are taken into consideration and then a consensus about the Human Resource requirement is arrived at. Delphi technique is used primarily to assess long-term needs of human resource.
- 3. Analyzing 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 Organizational plans:** – If future supply of human resources from 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 organizational 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.

# Case Study

## How FCO Meet Business Needs through Workforce Planning

The staffing needs of an organization change constantly. Without proper planning, an organization may suffer from skills shortages. It may be unable to provide a good service because it does not have sufficient staff with the right experience.

Workforce planning involves estimating the present and future staffing requirements of the organization. It needs to take into account that:

- existing employees may retire, resign or get promoted
- new technology may change working methods and require different skill sets
- More staff (or staff with different skills) may be needed to fulfill new business or operational requirements.

The process helps the FCO to identify what skills it needs to deliver its strategic objectives. It helps it assess the skills available within the existing workforce and see where there might be gaps in the future. Workforce planning involves thinking ahead to fit individuals with the right skills into different parts of the organization.

The FCO has to undertake this planning in the context of the current political and economic environment. Workforce planning can be a challenge. As an organization with operations in countries across the world, the FCO has to ensure balanced workloads for employees both within the UK and overseas. It faces the challenge of rotating staff between different overseas postings.

## Unit- 2

# HR Planning & Corporate Strategy

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**Q. 1      How Human Resource Planning is integrated with strategic planning?**

**Ans.** Human resource planning is integrated with strategic planning through the acquisition of employees to achieve future organizational goals. This includes an analysis of the current workforce and how it can be improved to best achieve these goals. Through the objectives of strategic planning, human resources can prepare the organization's future workforce.

Strategic planning supports the direction a company wants to take. This relates to the organization's vision, mission and its strategic objectives. Goals can be loosely or narrowly defined, but more defined company goals usually lead to better planning and attainment. Human resource planning analyzes the competencies or abilities of the current workforce and compares them to future requirements. It attempts to meet future demands by attracting, retaining and training quality employees.

**Q.2      Explain the significance of strategic planning.**

**Ans.** Strategic planning cannot exist without human resource planning. For human resource planning to be effective, the organization's future plans and objectives must be communicated or understood. These plans and objectives will have a direct impact on future employment needs. To assist in realizing objectives, the organization must prepare for a future workforce. If an organization plans to increase its productivity by 20 percent in the next year, it may need to grow its workforce by 2 percent. If it plans to increase future market share by moving into a new territory, it needs to consider what workforce requirements will be needed to achieve this objective.

**Q.3      How HR strategy will add value to the organization?**

**Ans.** HR strategy adds value in the following ways:

- articulates more clearly some of the common themes which lie behind the achievement of other plans and strategies, which have not been fully identified before; and
- Identifies fundamental underlying issues which must be addressed by any organization or business if its people are to be motivated, committed and operate effectively.

The first of these areas will entail a careful consideration of existing or developing plans and strategies to identify and draw attention to common themes and implications, which have not been made explicit previously.

The second area should be about identifying which of these plans and strategies are so fundamental that there must be clear plans to address them before the organization can achieve on any of its goals. These are likely to include:

- workforce planning issues
- succession planning
- workforce skills plans
- employment equity plans
- black economic empowerment initiatives motivation and fair treatment issues
- pay levels designed to recruit, retain and motivate people
- the co-ordination of approaches to pay and grading across the organization to create alignment and potential unequal pay claims
- a grading and remuneration system which is seen as fair and giving proper reward for contributions made
- Wider employment issues which impact on staff recruitment, retention, motivation etc.
- a consistent performance management framework which is designed to meet the needs of all sectors of the organization including its people
- career development frameworks which look at development within the organization at equipping employees with "employability" so that they can cope with increasingly frequent changes in employer and employment patterns
- policies and frameworks to ensure that people development issues are addressed systematically : competence frameworks, self- managed learning etc.

The HR strategy will need to show that careful planning of the people issues will make it substantially easier for the organization to achieve its wider strategic and operational goals.

In addition, the HR strategy can add value is by ensuring that, in all its other plans, the organization takes account of and plans for changes in the wider environment, which are likely to have a major impact on the organization, such as:

- changes in the overall employment market - demographic or remuneration levels
- cultural changes which will impact on future employment patterns
- changes in the employee relations climate
- changes in the legal framework surrounding employment
- HR and employment practice being developed in other organizations, such as new flexible work practices.

Finding the right opportunity to present a case for developing an HR Strategy is critical to ensuring that there will be support for the initiative, and that its initial value will be recognized by the organization.

**Q.4 Explain HR Strategy integral to the organization.**

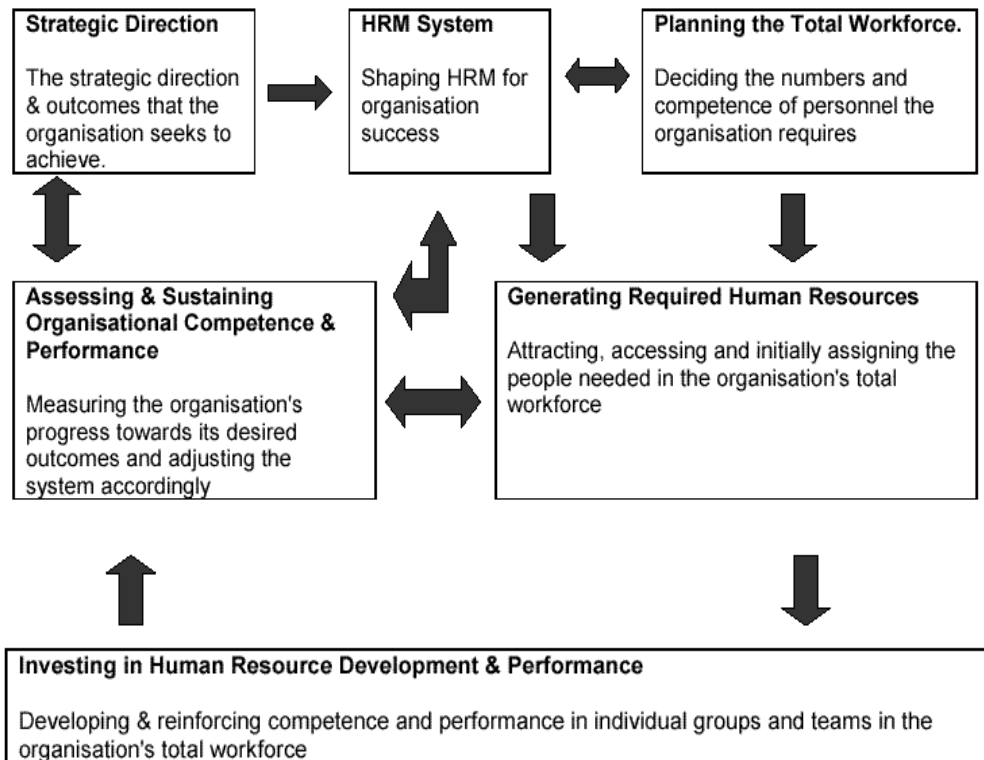
**Ans.** The human resources practitioner should ensure that the HR Strategy is integrated with broader organizational objectives. Above all, it should ensure that the rest of the organization accepts the Strategy. To achieve this objective practitioners should:

- Consult all stakeholders on the nature of the strategy;
- Cultivate and develop allies and supporters of the strategy through the consultation process;
- Focus on the benefits which are being derived from the strategy through talking to and persuading others, and by marketing the benefits of the strategy with concrete examples of how it has helped;
- Check that there is real commitment to the strategy at all levels of the organization;
- Give regular feedback on the implementation of the plan through employee newsletters, exhibitions etc;
- Where possible, build into the strategy quantifiable outcomes which can be easily monitored and evaluated, so that it is possible to show the effect;
- Make the strategy part of the induction process - especially for senior managers.

**Q. 5 Explain strategic human resource planning model.**

**Ans.** 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



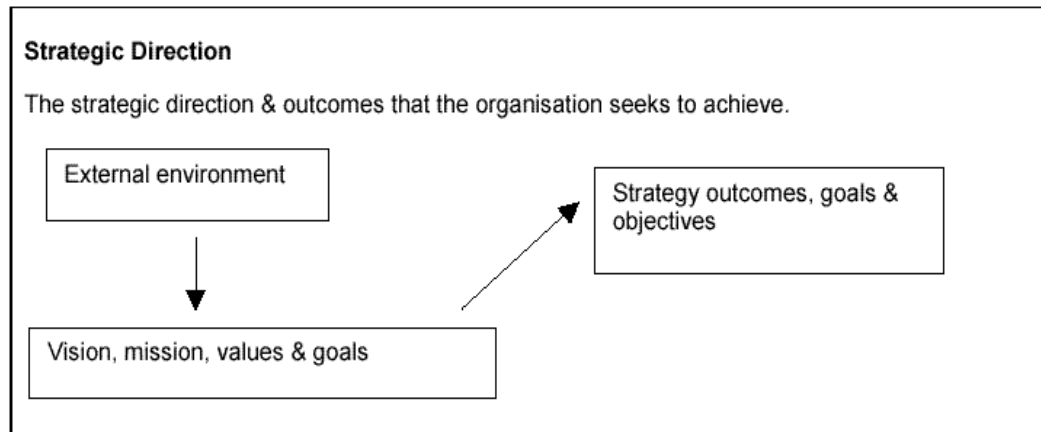
### Q. 6 How the approach to strategic planning changes substantially?

Ans.

- 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.

Once strategic planning is under way, a process must be undertaken by the organization to design and align its HRM policies and practices to provide for organizational success. The remaining step in planning is to determine the quality and quantity of human resources the organization needs for its total force.

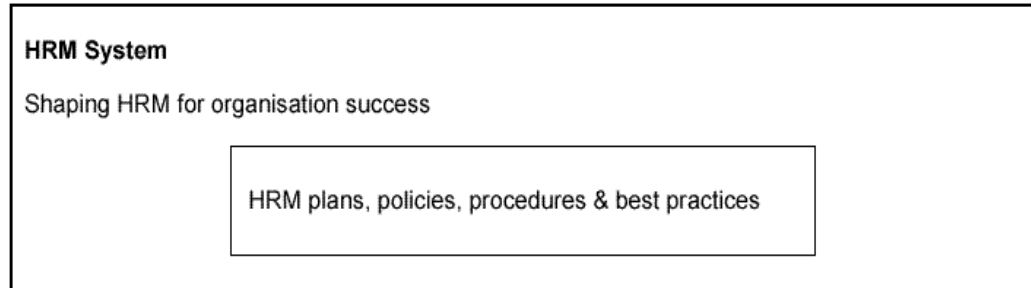


**Q.7 How can we set the strategic direction?****Ans.**

This process focuses on aligning human resource policies to support the accomplishment of the Company's mission, vision, goals and strategies. The business' goals sit at the heart of any HR strategy and in order to align business and HR you need to answer one key question,

Many organizations cite their people as their primary source of competitive advantage. Successful companies continuously identify and adopt innovative human resource management policies and practices to sustain that advantage. More importantly, they structure work and design training, performance management, pay, and reward policies to help members of the organization succeed in achieving desired organizational outcomes. In other words, they integrate and align HRM policies and practices to reinforce employee behaviors that can best realize the leaders' strategic intent. In the most successful companies, the set of policies and practices that collectively make up a company's HRM system is the critical management tool for communicating and reinforcing the leaders' strategic intent.

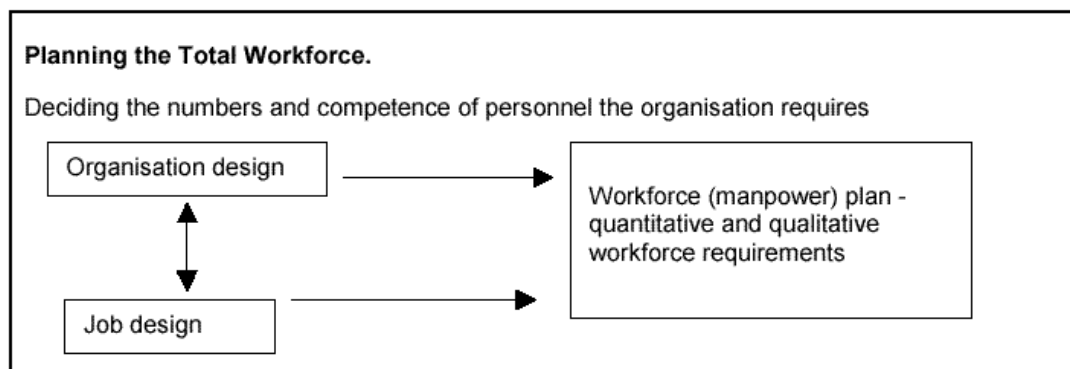
- Conduct an external environmental scan and evaluate its impact on the organization
- Identify the organization's vision, mission and guiding principles
- Identify the mission's outcomes and strategic goals
- Consult all relevant stakeholders
- Evaluate the impact of legislation on the organization

**Q. 8 Design the Human Resource Management System.****Ans.**

increased use of information technology. Not every industry trend may be appropriate for a specific organization. In addition, it is essential that a cost-benefit analysis of implementing new HRM policies and practices be undertaken. For example, the costs (monetary and in allocation of resources) of implementing a new job grading system may outweigh the benefit of such an undertaking. There may be more cost-effective alternatives available to the organization at this point in time.

Particular HRM policies and practices may be necessary to support strategic organizational objectives, such as improving the retention of women in the organization or promoting diversity, especially the representation of designated groups amongst senior management.

A good approach in selecting the appropriate HRM policies, procedures and practices is to identify the appropriate HRM practices which support the organization's strategic intent as it relates to recruitment, training, career planning and reward management.

**Q. 9 How total workforce can planned?****OR****Explain workforce planning.****Ans.**

Determining future business requirements, especially those relating to manpower requirements, represents one of the most challenging tasks facing human resource practitioners.

The development of a workforce plan is a critical component of any human resource strategy and one of the expected outcomes of human resource practitioner's activities. Despite this, manpower or workforce planning, as well as succession planning, has only recently enjoyed a resurgence in popularity. To some extent this has been prompted by the need to develop employment equity and workplace skills plans and set numerical employment equity targets. The failure of many organizations to develop and implement workforce planning is rather indicative of the lack of strategic planning itself.

Workforce planning is a systematic process of identifying the workforce competencies required to meet the company's strategic goals and for developing the strategies to meet these requirements. 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. Workforce planning is a *systematic process* that is integrated, methodical, and ongoing. It identifies the human capital required to meet organizational goals, which consists of determining the number and skills of the workers required and where and when they will be needed. Finally workforce planning entails developing the strategies to meet these requirements, which involves identifying actions that must be taken to attract (and retain) the number and types of workers the organization needs.

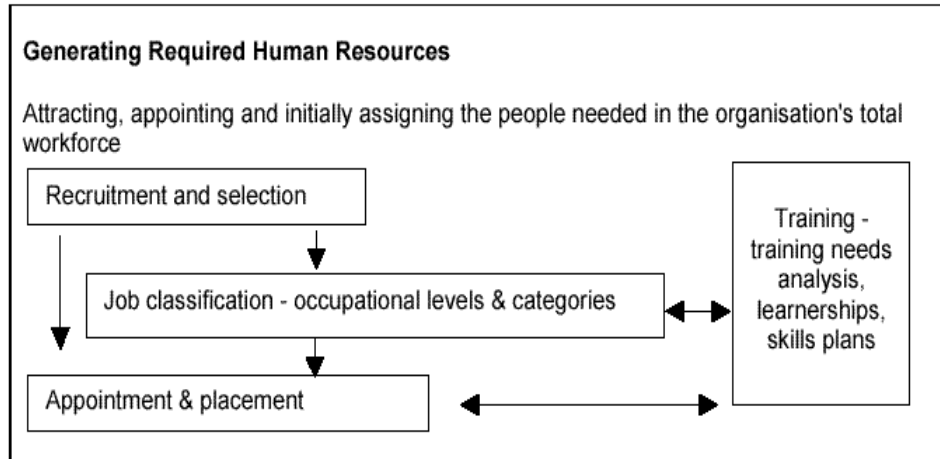
A workforce plan can be as simple or as complex as the organizational requires. Workforce planning can be conducted for a department, division or for the organization as a whole. Whatever the level or approach being adopted, it must nevertheless be integrated with broad-based management strategies.

In addition to workforce planning, ensure that organizational structure and jobs ensure the efficient delivery of services and effective management of the organization as a whole.

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

**Q.10 How can the required human resources can be generated?**

**Ans.**



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

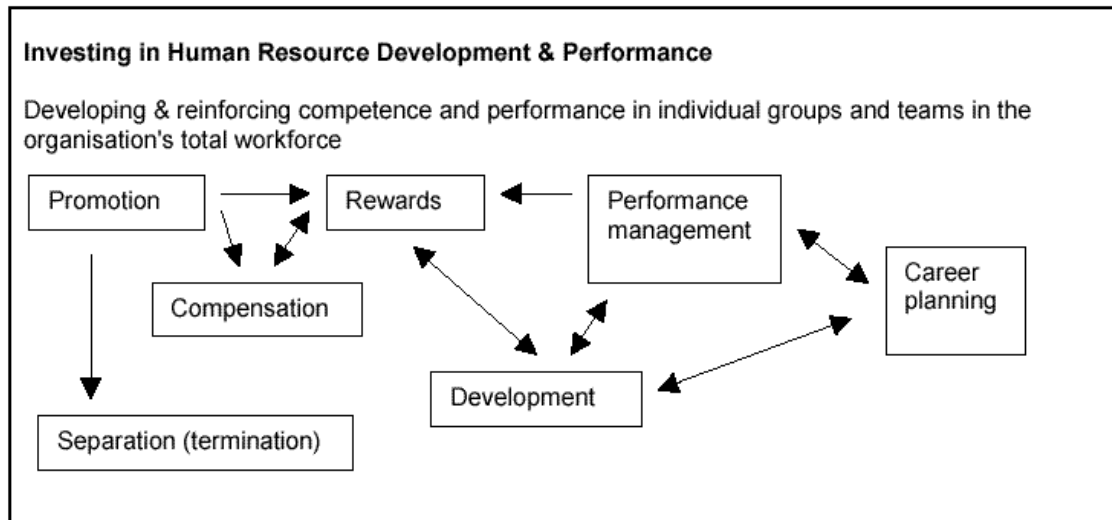
A comprehensive workplace skills plan will identify appropriate training priorities based on the organizations workforce needs now and in the future. New recruitment practices may need to be adopted to increase the representation of designated groups, or securing essential skills in the organization. A comprehensive "learnership strategy" may assist in developing future workforce needs, identified either in terms of the organizations workforce plan or required in terms of industry black economic empowerment charters.

Recommended actions:-

- Evaluate recruitment and selection practices in light of the organization'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 classifications

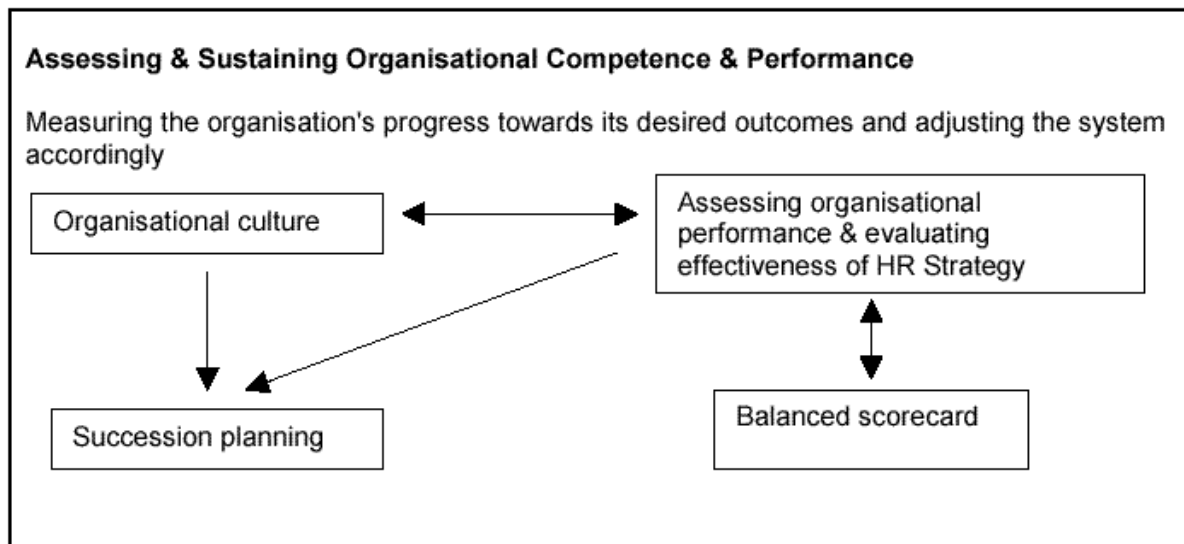
**Q. 11 What are major factors involved in Investing in human resource development and performance?**

**Ans.**



**Q.12 How can we assess and sustain organizational competence and performance?**

**Ans.**



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

**Q.13 How translating business strategies into HR practices helps a business?**

**Ans.**

Translating business strategies into HR practices helps a business in three ways. First, the business can adapt to change because the time from the conception to the execution of a strategy is shortened.

Second, the business can better meet customer demands because its customer service strategies have been translated into specific policies and practices.

Third, the business can achieve financial performance through its more effective execution of strategy.

**Q.14 Explain HR strategic planning.**

**Ans.** HR strategic planning process which is linked to the organization strategic and business planning cycles is a critical component in achieving this. Strategic HR management is a process to help ensure that urgent day-to-day operational activities do not exclusively determine the direction of the HR's function within the organization.

In a growing number of organizations human resources are now viewed as a source of competitive advantage. There is a greater recognition that distinctive competencies are obtained through highly developed employee skills, distinctive organizational cultures, management processes and systems. This is in contrast to the traditional emphasis on transferable resources such as equipment. Increasingly it is being recognized that competitive advantage can be obtained with a high quality workforce that enables organizations to compete on the basis of market responsiveness, product and service quality, differentiated products and technological innovation.

**Q15 Define Staffing.**

**Ans.** The term staffing may be defined as the managerial function of hiring & developing the required personnel to fill in various positions in the organizations. It is the process of acquiring, developing, employing, appraisal, remunerating & retaining people so that right type of people are available, at right positions & at right time in the organization.

According to Mc Farland, "Staffing is the function by which managers build an organization through the recruitment selection and development of individuals as capable employees."

**Q16 Discuss the process of staffing.**

**Ans.** **Manpower requirements-** The very first step in staffing is to plan the manpower inventory required by a concern in order to match them with the job requirements and demands. Therefore, it involves forecasting and determining the future manpower needs of the concern.

**Recruitment-** Once the requirements are notified, the concern invites and solicits applications according to the invitations made to the desirable candidates.

**Selection-** This is the screening step of staffing in which the solicited applications are screened out and suitable candidates are appointed as per the requirements.

**Orientation and Placement-** Once screening takes place, the appointed candidates are made familiar to the work units and work environment through the orientation programmes. Placement takes place by putting right man on the right job.

**Training and Development-** Training is a part of incentives given to the workers in order to develop and grow them within the concern. Training is generally given according to the nature of activities and scope of expansion in it. Along with it, the workers are developed by providing them extra benefits of in depth knowledge of their functional areas. Development also includes giving them key and important job as a test or examination in order to analyse their performances.

**Remuneration-** It is a kind of compensation provided monetarily to the employees for their work performances. This is given according to the nature of job-skilled or unskilled, physical or mental, etc. Remuneration forms an important monetary incentive for the employees.

**Performance Evaluation-** In order to keep a track or record of the behavior, attitudes as well as opinions of the workers towards their jobs. For this regular assessment is done to evaluate and supervise different work units in a concern. It is basically concerning to know the development cycle and growth patterns of the employees in a concern.

**Promotion and transfer-** Promotion is said to be a non- monetary incentive in which the worker is shifted from a higher job demanding bigger responsibilities as well as shifting the workers and transferring them to different work units and branches of the same organization.

## Case Study

# Designing the Induction Program

Mr. M.L Thapar is an HR Manager in an electronics company. The company made a huge recruitment of 200 technical and office employees in last week. The new employees will join the firm after a month. To settle down quickly in the work environment and to help employees reduce their “initial anxiety” and stress, HR Manager wants to train some supervisors for orientation programme.

The skills emphasized in induction training include how to socialize the new entrant, how to make them feel comfortable and at home on the job and how to

inform them about the work, company, its policies, achievements, employee benefits and job duties.

Mr.M.L.Thapar called his assistant manager and assigned him the job to prepare an effective Induction Programme. Thapar also warned him to take care of certain problems which can make the induction programme a failure.



## Unit-3

# Job Analysis

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**Q.1**      **Define Job Analysis.**

**Ans.**      A job analysis is the process used to collect information about the duties, responsibilities, necessary skills, outcomes, and work environment of a particular job. You need as much data as possible to put together a job description, which is the frequent outcome of the job analysis. Additional outcomes include recruiting plans, position postings and advertisements, and performance development planning within your performance management system.

**Q.2**      **What are the activities included in job analysis?**

**Ans.**      The job analysis may include these activities:

- reviewing the job responsibilities of current employees,
  
- doing Internet research and viewing sample job descriptions online or offline highlighting similar jobs,
  
- analyzing the work duties, tasks, and responsibilities that need to be accomplished by the employee filling the position,
  
- researching and sharing with other companies that have similar jobs, and
  
- articulation of the most important outcomes or contributions needed from the position.



### Q.3 Why use job analysis?

**Ans.** A wide range of activities within organizations are concerned in some way with the match between people and jobs. In any such situation, it is essential to understand the job in question before any comparisons may be made. For instance, in staff selection, a clear set of criteria against which to measure candidates is required in order to make sensible decisions about the most appropriate person for a job. Indeed, Ash & Levine (1980) have identified the following 12 applications in personnel management for up-to-date and accurate job information that is derived from formal job analysis:

- Job descriptions
- Job classification
- Job evaluation
- Job design
- Person specifications
- Performance appraisal
- Worker training
- Worker mobility
- Efficiency
- Safety
- Manpower planning
- Legal requirements.

**Q.4 Describe the Process Of Job Analysis.**

**Ans.** Job Analysis is a process to identify and determine in detail the particular job duties and requirements and the relative importance of these duties for a given job. Job Analysis is a process where judgments are made about data collected on a job.

**Step 1: Identify purpose of job analysis**

You should identify purpose of job analysis because that will determine what job analysis method, what data will be collected....

**Step 2: Selecting the analysts**

You can choose analyst from professional human resource, line managers, incumbents or consultants.

**Step 3: Selecting the appropriate method**

- Select representative positions to analyze because there may be too many similar jobs to analyze, and it may not be necessary to analyze them all.
- Review background information such as organization charts, process charts, and job descriptions ... of positions selected .
- Then identify methods of job analysis. There are many methods in job analysis, you should pay attention to advantages and disadvantages of each method in order to choose suitable one.
- Identify sample size of position.

**Step 4: Train the analysts**

If you intend to use internal analysts you have to teach them how to use the selected methods.

**Step 5: Preparation of job analysis**

- Communicate the project in the organization.
- Preparing the documentation, for example: interview questions, questionnaires.

**Step 6: Collecting data**

- Collecting data on job activities, employee behaviors, working conditions, and human traits and abilities needed to perform the job...
- Using one or more of the job analysis methods to collect data.

**Step 7: Review and verify**

How can review information?

- Review data with his or her immediate supervisor.
- Review data by technical conference (is a job analysis method).
- Review data with incumbents by interview.

**Step 8: Develop a job description and job specification**

Implement the results into the company procedures according to the goal-setting. Develop a job description and job specification from the job analysis information. A job description is a written statement that describes the activities and responsibilities of the job, working conditions and safety and hazards...A job specification summarizes the personal qualities, traits, skills, and background required for getting the job done.

**Q. 5** Discuss the methods of Job analysis.

**Ans.** Methods of collecting job analysis information include:

**OBSERVATION METHODS**

Methods of observation includes direct observation, work methods analysis, critical incident technique.

**1. Direct observation**

Direct Observation is a method of job analysis to observe and record behavior / events / activities / tasks / duties while something is happening.

**2. Work methods analysis**

Work methods analysis is used to describe manual and repetitive production jobs, such as factory or assembly-line jobs. Work methods analysis includes time and motion study and micro-motion analysis.

**3. Critical incident technique (CIT model).**

Critical incident technique is a method of job analysis used to identify work behaviors that classify in good and poor performance.

**4. Interview Method**

Interview method is a useful tool of job analysis to ask questions to both incumbents and supervisors in either an individual or a group setting. Interview includes structured Interviews, unstructured interview, open-ended questions.

**QUESTIONNAIRE METHODS**

Questionnaire methods includes 6 techniques as follows:

**5. Position Analysis Questionnaire (PAQ model)**

PAQ model is a questionnaire technique of job analysis. It developed by McCormick, Jeanneret, and Mecham (1972), is a structured instrument of job analysis to measure job characteristics and relate them to human characteristics. It consists of 195 job elements that describe generic human work behaviors.

**6. Functional job analysis (FJA model)**

FJA model is a technique of job analysis that was developed by the Employment and Training Administration of the United States Department of Labor. It includes 7 scales (numbers) that measure: 3 worker-function scales: measure % of time spent with: data, people, things; 1 worker-instruction scale; 3 scales that measure reasoning, mathematics, language.

**7. Work Profiling System (WPS model)**

WPS model is a questionnaire technique of job analysis, is a computer-administered system for job analysis, developed by Saville & Holdsworth, Ltd.

**8. MOSAIC model**

MOSAIC model is a questionnaire technique of job analysis used to collect information from incumbents and supervisors. It contains 151 job tasks rated in terms of importance for effective job performance and 22 competencies rated in terms of importance, and needed proficiency at entry.

**9. Common Metric Questionnaire (CMQ model)**

CMQ model is a technique of job analysis that was developed by Harvey as a “worker-oriented” job analysis instrument designed to have applicability to a broad range of exempt and nonexempt jobs. It includes 41 general questions of background section, 62 questions of contacts with people, 80 items of decision making, 53 items of physical and mechanical activities, 47 items of work setting.

**10. Fleishman Job Analysis System (FJAS model)**

FJAS model is a technique of job analysis that describe jobs from the point of view of the necessary capacities. It includes 52 cognitive, physical, psycho-motor, and sensory ability, each of the categories consists of two parts – an operational and differential definition and a grading scale.

**OTHER METHODS****11. Task Inventory**

A task inventory is a list of the discrete activities that make up a specific job in a specific organization.

**12. Job element method**

This method is same the critical incident technique. It focuses on work behaviors and the results of this behavior rather than more abstract characteristics. Job element method developed by Ernest Prim off.

**13. Diary method**

This method is a useful tool of job analysis to ask worker maintaining and keeping daily records or list of activities they are doing on every day...

**14. Checklists and rating scales**

Checklist is job analysis method base on an inventory of job elements. You can ask question about purpose of position; key responsibility areas; organization; relationships; decision making; authority; Skills, knowledge, experience; working conditions

**15. Competency profiling**

Competency modeling is the activity of determining the specific competencies that are characteristic of high performance and success in a given job. Contents of competency modeling include skills, knowledge, abilities, values, interests, personalities.

**16. Examining Manuals/reference materials**

Manuals/reference materials such as quality manual, human resource manual, procedures, instruction, forms, job description...are useful for analyst in job analysis. These documents are available for organizations applied to ISO 9000 standard.

**17. Technical conference**

Technical conference is a useful tool of job analysis base on Subject Matter Experts (SMEs). SMEs conduct brainstorming sessions to identify job elements. SMEs can use all job analysis methods in here.

**18. Threshold Traits Analysis System (TTAS model)**

Threshold Traits Analysis System (TTAS model) is a method of job analysis, was developed in 1970 by Felix Lopez. Threshold traits analysis system include a standard set of 33 traits: ability traits are “can do” factors and attitudinal traits are “willing to do” factors.

**Combination of methods**

In process of job analysis, analyst can use and associate all methods to collecting job information. For example, when you use direct observation, then you always do interview method.

**Q.6 Discuss the concept of competency.**

**Ans.** The concept of competence has different meanings. It is not always immediately clear which of the many forms of competence is being used or discussed. Four influential (but confusing) definitions during the last decade can be summarized as:

- Predictive competency - i.e. testing the characteristics and aptitudes that are likely to differentiate superior performers.

- Organizational core competencies - i.e. aggregates of capabilities, where synergy is created that has sustainable value and broad applicability for an organization.
- Proven competence - i.e. a real and demonstrated ability to successfully carry out some activity which is totally identified.
- Adaptive competence - i.e. 'met competence' or the ability to read a new situation and adapt/apply appropriate competences.

**Q.7 Define competency.**

**Ans.** The Competency-Based Approach is a research-supported approach based on the primary goal of defining the critical *behaviors* needed for effective and superior individual and organizational performance. Simply defined, a competency is a set of related behaviors that

- (1) impact job performance;
- (2) can be measured against established standards; and
- (3) can be improved through training and development. Competencies are always described as *observable, measurable* behaviors, but they are not simply concrete actions that are easily imitated. Instead, competencies can be manifestations of some underlying intent — driven by a person's basic motivations, personality, attitude, values, or self-concept. It is an enduring characteristic of a person that predicts behavior across many workplace situations. For instance, a *conscientious* worker is organized, keeps commitments and promises; an *achievement-oriented* person sets challenging goals and takes calculated risks; a *self-confident* person is able to make sound decisions despite uncertainties.

**Q.8 How Competency is aligned with Business Strategy?**

**Ans.** The Competency-Based Approach is widely used today by many successful organizations—and for good reason. It works. However—in order for this approach to work for your organization, you have to align your competency model with your business strategy or objectives. In order to do this, you must take the time to determine which major themes of behavior or competencies — e.g., innovation, customer engagement, action orientation — needs to be demonstrated across your organization in order for your business strategy to work. Every organization will have its own 'competency model' that includes the critical behaviors necessary for success in that culture. In Think Wise, we have defined a core set of leadership and organizational competencies necessary to drive company strategies. We believe maximum alignment and value can be realized by focusing most participants at this overall, strategic level.

Here are some <i>examples</i> of core competencies executives and leaders need to possess in order to optimally drive 4 very different types of business strategies. These strategies are differentiated on the business focus (internal or external) and environment (stable or fluid):	Competitive Orientation Acumen Engagement Focus	Action Business Customer Results	Entrepreneurial Flexibility Innovation Change Expertise Vision & Strategy
	External-focused Internal-Focused	Structured Decision Making Management Supervisory Talent Management	Collaborative Project Self Management Skills Leadership Interpersonal Effectiveness Leading Others

Think Wise maintains a comprehensive list of competencies, which have been proven to be frequent predictors of successful job performance across different types of roles and organizations. Its primary purposes are to bring more detailed definition to the behaviors that are important for your organization to achieve its strategic goals and to create a common, objective language for talking about behavioral skills. This is the building block for where your customized competency model that is aligned with your organization's business strategy is created.

### Q.9 How can we use a Competency-Based Approach?

**Ans.** Using a Competency-Based Approach links our business strategy to a set of critical competencies. It becomes a blueprint against all organizational practices. Thus it assures that how we hire, set and track goals, assess performance, develop your employees, and identify our organization's future leaders are aligned with our overall organization's vision and strategy. Here are examples of the business processes that can be competency-based and strategically aligned if you use this approach:

- Structured interviewing to improve selection and placement decisions for both internal and external candidates.



- Assessment surveys for identifying candidates with higher likelihood of success in our organization.
- Succession planning by assessing competencies to identify and develop future leaders.
- Talent mapping to assess the current workforce for gaps in critical competencies needed for organizational (and individual) success.
- Training and development program investments targeted on addressing the strategic gaps.
- Team development and performance processes.
- Performance management processes including performance appraisal and performance feedback and coaching.
- Multi-source (360-degree) assessment for development planning.
- When a Competency-Based Approach or a particular competency model is used in multiple applications within an organization, they can serve as a *unifying framework* for all your organizational practices.

**Q.10 Explain Competency Modeling Approaches.**

**Ans.**

Competency models can be defined at different levels — from organization-wide models to single-job models and at various levels in between. At one extreme are "one size fits all" or organizational competency models — where a single set of core competencies is strategically defined as expected of all organizational members. At the other end of the spectrum are systems of competency models where each model applies to one or a handful of positions. In the middle is a hybrid approach that tries to incorporate the best aspects of the one-size-fits-all approach and more customized approaches. There are costs and benefits to each approach — however *the best approach depends on the strategic goals of the organization and applications for which competency models will be used*. The advantage of using an organizational level model is that it provides a common language of success across all applications, easily assures that all workforce performance management practices will be tied to this shared competency model, and that everything clearly aligns to the organization's vision and strategy.

**Q.11 What are limitations to this model?**

**Ans.**

The limitation to this model is that there may be certain competencies at the functional level that may not be shared at the organizational level — e.g., sales can have critical competencies—interpersonal effectiveness, customer engagement — that may not be evident in the overall organization's business strategy or vision. The way to address this limitation is to use the organization level competency model as the base requirement, then fine-tune competency models for each major function as warranted. This retains the strategic alignment and shared vision of what good performance looks like while allowing the different functional disciplines to add the richness they need to make effective decisions. While using single-job competency models will get you the best fit between competencies and job requirements, the time and resources needed to

develop these highly-customized models for a wide-range of jobs can be quite excessive and cannot help but undermine the alignment with the strategy and vision of the organization as a whole.

**Q.12 Why Use a Competency-Based Approach?**

**Ans.** The Competency-Based Approach supports the integration of various workforce performance management activities — selection, training, performance management, career development — because all are derived from a common competency model. It serves two complementary objectives: it is directed to the accomplishment of the *organization's* goals; and to the *individual's* development. Implementing this strategically driven initiative helps organizations reach their goals by getting the right people in the right jobs that possess the right competencies; and creates a more committed *workforce* by providing developmental opportunities aligned with these goals. To highlight the major benefits using practical terms — using a Competency-Based Approach has

- (1) **selection benefits** — by defining one candidate as more effective and superior than another thus creating a better fit;
- (2) **provides performance benefits** — by clarifying and raising the bar on what is expected; and
- (3) **provides developmental benefits** — by setting individual goals that employees can strive to reach that are aligned with the business strategy.

## Case Study Job Analysis

You are an HR Manager at a telecommunication company. You are given a responsibility to design jobs and to redesign job titles so that work is performed efficiently. You have some human resource specialists. You plan to design jobs and titles from three different perspectives: the entire organization, work groups and individual employees. You decided to examine each of these perspectives and their implications for human resource management. A group of managers requested you to allow them to use people-focused job titles and to design such titles which reflect the breaking down of hierarchies and people barriers. Some examples of the titles that they have proposed include “welfare leader”, “people developer”, “career promoter”, “employee relations specialist” etc. they also

suggested that companies should use generic job titles in order to minimize the differences between employees that arise due to differences in rank, states, experience and salary levels. You decided to discuss this proposal with your team members and HR specialists.

## Unit-4

# HR Forecasting

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**Q1. Define human resource forecasting.**

**Ans** Manpower Planning which is also called 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.

The prediction of future levels of demand for, and supply of, workers and skills at organizational, regional, or national level. A variety of techniques are used in manpower forecasting, including the statistical analysis of current trends and the use of mathematical models.

**Q. 2 Explain the steps in manpower planning.**

**Ans.** Steps in Manpower Planning-

- Analyzing the current manpower inventory
- Making future manpower forecasts
- Developing employment programmes
- Design training programmes

Analyzing the current 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-

- 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. 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.

**Q3. What are the Manpower forecasting techniques commonly employed by the organizations?**

**Ans.** The Manpower forecasting techniques commonly employed by the organizations are as follows:

**Expert Forecasts:** This includes informal decisions, formal expert surveys and Delphi technique.

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

**Work Load Analysis:** It is dependent upon the nature of work load in a department, in a branch or in a division.

**Work Force Analysis:** Whenever production and time period has to be analysed, due allowances have to be made for getting net manpower requirements.

**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.

**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.

**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.

**Q 4. Define skill inventory.**

Ans.

A skill inventory is a questionnaire or report containing information on knowledge, skills, abilities, and experiences of current employees. It aims to identify the skills an individual has used or could use, identify the ones they would like to acquire in the future, and highlight patterns of skills. Skills are developed through paid and unpaid work experiences, volunteerism, hobbies, classroom experiences, and through everyday living.

A skill inventory allows a person to take an accurate an inventory of their skills, to prioritize skills according to level of interest, and then to assess their proficiencies. It is commonly used in career counseling, personal marketing strategies, and employee assessments.

**Q 5. Explain the Importance of Manpower Planning.**

Ans.

- **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 all these

managerial activities. Therefore, staffing becomes a key to all managerial functions.

- Efficient utilization- Efficient management of personnel's becomes an important function in the industrialization world of today. Setting of large scale enterprises require management of large scale manpower. It can be effectively done through staffing function.
- Motivation- Staffing function not only includes putting right men on right job, but it also comprises of motivational programmes, i.e., incentive plans to be framed for further participation and employment of employees in a concern. Therefore, all types of incentive plans becomes an integral part of staffing function.
- Better human relations- A concern can stabilize itself if human relations develop and are strong. Human relations become strong through effective control, clear communication, effective supervision and leadership in a concern. Staffing function also looks after training and development of the work force which leads to co-operation and better human relations.
- Higher productivity- Productivity level increases when resources are utilized in best possible manner. Higher productivity is a result of minimum wastage of time, money, efforts and energies. This is possible through the staffing and its related activities ( Performance appraisal, training and development, remuneration)

**Q6.**  
Ans

**What is the need of manpower planning?**

**Need of Manpower Planning-**

- Manpower Planning is a two-phased process because manpower planning not only analyses the current human resources but also makes manpower forecasts and thereby draw employment programmes. Manpower Planning is advantageous to firm in following manner:
- Shortages and surpluses can be identified so that quick action can be taken wherever required.
- All the recruitment and selection programmes are based on manpower planning.
- It also helps to reduce the labor cost as excess staff can be identified and thereby overstaffing can be avoided.
- It also helps to identify the available 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 best manner.

- It helps the organization to realize the importance of manpower management which ultimately helps in the stability of a concern.

**Q 7. Define Workforce analysis.**

**Ans.** Workforce analysis is the process of aligning our workforce planning efforts with current and future business requirements and forecasting staffing needs based on assumptions of retirement and turnover. This phase involves gathering and analyzing specific information about staffing levels, skill sets and competencies needed in your workforce. The analysis process consists of three steps: supply, demand and gap analysis. It is the process of looking at your current talent supply, projecting demands for the future, and realizing potential gaps and surpluses in order to enable action planning to eliminate the gaps.

There is a variety of sources that can be used to collect needed and valuable information. It is recommended that workforce analytics be used as well as on-going dialogue with managers and supervisors.

**Q8. Define Trend analysis.**

**Ans.** Trend analysis is a form of comparative analysis that is often employed to identify current and future movements of an investment or group of investments. The process may involve comparing past and current financial ratios as they related to various institutions in order to project how long the current trend will continue. This type of information is extremely helpful to investors who wish to make the most from their investments.

The process of a trend analysis begins with identifying the category of the investments that are under consideration. For example, if the investor wishes to get an idea on the potential for making a profit with pork bellies, the focus will be on the performance of pork bellies in a commodities market. The trend analysis will include more than one supplier for the commodity, in order to get a more accurate picture of the current status of pork bellies on the market.

**Q.9 Explain Delphi Technique.**

**Ans.** Delphi is based on the principle that forecasts (or decisions) from a structured group of individuals are more accurate than those from unstructured groups. This has been indicated with the term "collective intelligence". The technique can also be adapted for use in face-to-face meetings, and is then called mini-Delphi or Estimate-Talk-Estimate (ETE). Delphi has been widely used for business forecasting and has certain advantages over another structured forecasting approach.

**Q.10 Define Policy Delphi.**

**Ans.** The Policy Delphi, have been designed for normative and explorative use, particularly in the area of social policy and public health. In Europe, more recent

web-based experiments have used the Delphi method as a communication technique for interactive decision-making and e-democracy.

**Q11. Explain Nominal Group Technique.**

**Ans.**

Nominal group technique (NGT) is a structured variation of a small-group discussion to reach consensus. NGT gathers information by asking individuals to respond to questions posed by a moderator, and then asking participants to prioritize the ideas or suggestions of all group members. The process prevents the domination of the discussion by a single person, encourages all group members to participate, and results in a set of prioritized solutions or recommendations that represent the group's preferences

Nominal group technique is somewhat similar to brainstorming. It is a method used by companies or organizations to come up with a solution to problems. Another name for the technique is the nominal group process.

The NGT develops a prioritized list of ideas through a system of brainstorming and motivating by group members. The group leader is responsible for conducting the meeting and developing the final list of ideas based on the votes of the team members.

The technique begins with the silent, written nomination of ideas by each team member. The team member's then vote as to which ideas are most important. The leader then develops a prioritized list of those ideas considered most important.

The NGT allows managers who are implementing Integrated Product Development to acquire ideas from all IPT participants. This ensures equal participation from all team members, whether they are outspoken or timid. This method also allows managers to use mathematical voting procedures in the selection of the final group decision. The output of NGT is the collective knowledge of all IPT participants, which should resolve problems throughout the product's life cycle.

**Q.12 List the steps in Nominal Group Technique.**

**Ans.**

- Define problem/issue as a question
- Each member of the team submits a written list of ideas to the leader.
- Leader reads ideas to team and posts so entire team can see them.
- Teams collectively reviews combined list of ideas for overlap, omission, or other errors.
- Each team member submits a list of best ideas from combined list, ranked by relative importance.
- Leader develops final list of the most important ideas based on team member votes.



**Benefits of NGT**

- Team members are collocated.
- Free flow of ideas in a non-threatening environment.
- Final decisions reached through analytical methods

**Setting**

A room large enough to hold the members of the group is required. The moderator will state the problem, outline the situation and define the rules for selection.

**Group**

After the moderator has presented the problem, each individual will write down possible solutions. The moderator instructs each person to write as many short phrases to the solution as he can.

**Ideas**

The moderator will record the ideas on a white board or flip chart. He will record the ideas only once, and not put down duplicates.

**Discussion**

The moderator will go down each item and ask for discussion. After discussing the ideas, the moderator will ask for a vote for the best solution. The individuals of the group may vote for the best, or they may rank them from 1 to 5.

**Q.13 What are the Advantages & Disadvantages of using in Nominal Group Technique?**

**Ans. Advantages**

The nominal group technique normally provides a greater number of solutions than a brainstorm session. It balances the power structure by giving equal influence to all ideas.

**Disadvantages**

The program requires preparation and getting materials ready for the discussion. The process often minimizes discussion and doesn't allow for the full development of the ideas.

**Q.18 When to Use Nominal Group Technique?**

**Ans.**

- When some group members are much more vocal than others.
- When some group members think better in silence.
- When there is concern about some members not participating.
- When the group does not easily generate quantities of ideas.
- When all or some group members are new to the team.

- When the issue is controversial or there is heated conflict.



**Q.19 Explain Scenario planning.**

**Ans.** Scenario planning also called scenario thinking or scenario analysis, is a strategic planning method that some organizations use to make flexible long-term plans. It is in large part an adaptation and generalization of classic methods used by military intelligence.

Scenario planning may involve aspects of Systems thinking, specifically the recognition that many factors may combine in complex ways to create sometime surprising futures (due to non-linear feedback loops). The method also allows the inclusion of factors that are difficult to formalize, such as novel insights about the future, deep shifts in values, unprecedented regulations or inventions. A system thinking used in conjunction with scenario planning leads to plausible scenario story lines because the causal relationship between factors can be demonstrated. In these cases when scenario planning is integrated with a systems thinking approach to scenario development, it is sometimes referred to as structural dynamics.

**Q.20 Describe Regression technique of forecasting.**

**Ans.**

A statistical technique used to find relationships between variables for the purpose of predicting future values.

A statistical measure that attempts to determine the strength of the relationship between one dependent variable (usually denoted by Y) and a series of other changing variables (known as independent variables).

The two basic types of regression are linear regression and multiple regression. Linear regression uses one independent variable to explain and/or predict the outcome of Y, while multiple regression uses two or more independent variables to predict the outcome. The general form of each type of regression is:

Linear Regression:  $Y = a + bX + u$

Multiple Regression:  $Y = a + b_1X_1 + b_2X_2 + B_3X_3 + \dots + B_tX_t + u$

Where:

Y= the variable that we are trying to predict

X= the variable that we are using to predict Y

a= the intercept

b= the slope

u= the regression residual.

In multiple regression the separate variables are differentiated by using subscripted numbers.

Regression takes a group of random variables, thought to be predicting Y, and tries to find a mathematical relationship between them. This relationship is typically in the form of a straight line (linear regression) that best approximates all the individual data points. Regression is often used to determine how much specific factors such as the price of a commodity, interest rates, particular industries or sectors influence the price movement of an asset.

**Q.21**

**Define Staffing tables.**

**Ans.**

Staffing tables are graphic representations of all organizational jobs, along with the numbers of employees currently occupying those jobs and future (monthly or yearly) employment requirements, which can be derived from demand forecasts.

## Case Study

# Manpower Planning

Brooks Beverage Management, Inc. (BBMI) is a soft drink bottler in Holland, Michigan. The market for some of BBMI's cold drinks always dips sharply in winter when consumers turn to hot beverages. This results in an excess of about fifty-five production line employees between September and March. If laid off, these employees will be difficult and costly to replace. Each receives three months of training on high-tech bottling equipment before being fully qualified.

BBMI operates in a labor market with a very low unemployment rate of 3%, so anyone laid off will be snapped up quickly by another employer and not be available in the spring when demand picks up at the bottler. BBMI has put together a task force of representatives from all areas of the company to suggest solutions to this anticipated staffing dilemma.

## Unit-5

# Career Planning & Succession Management

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**Q.1 Describe Career planning.**

**Ans.** Career planning is the process of establishing career objectives and determining appropriate educational and developmental programs to further develop the skills required to achieve short- or long-term career objectives. Career planning is simply goal planning with the intention of setting goals for jobs and career.

Career planning is defined as “A goal that you desire to achieve in a selected field or occupation with a well thought out plan to get you there.” Career planning is a lifelong process, which includes choosing an occupation, getting a job, growing in our job, possibly changing careers, and eventually retiring. The Career Planning Site offers coverage of all these areas. This article will focus on career choice and the process one goes through in selecting an occupation. This may happen once in our lifetimes, but it is more likely to happen several times as we first define and then redefine ourselves and our goals.

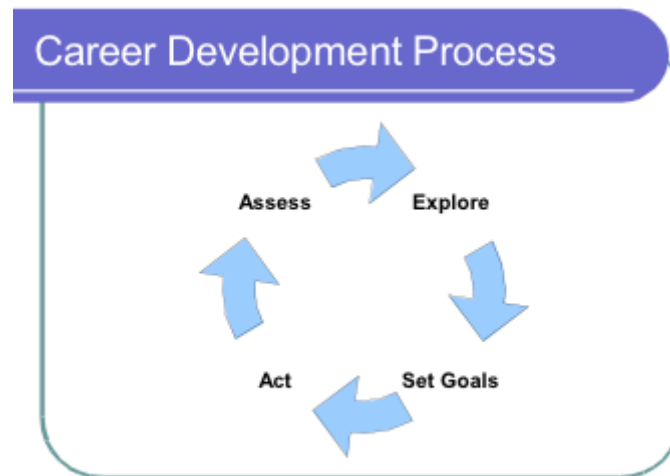
**Q.2 Define Career Development.**

**Ans.** Career development involves managing your career either within or between organizations. It also includes learning new skills, and making improvements to help you in your career. Career development is an ongoing, lifelong process to help you learn and achieve more in your career.

Career development represents the entire sequence of activities and events related to an individual's career. Career development encompasses acquiring of educational qualifications and certifications, career path, self-actualization as an individual, shifting of careers and career growth, learning curve, family life, accomplishments and recognitions or felicitations.

**Q.3 “The pathway to good decision making and successful life management typically involves many stages”. Explain.**

**Ans.** The pathway to good decision making and successful life management typically involves the following four stages-



### Assess

**Skills**—what skills do I have? And which do I really *enjoy* using? Just because you're good at something doesn't necessarily mean you like doing it.

**Interests**—what excites me? What interests me enough that I don't realize the passage of time while I am engaged in it?

Values—what things do I believe in? What motivates me to work?

**Personality**—who am I? What are my personal preferences?

Knowing the answers to these questions and having a deep understanding of who we are helps us in our career planning. We can use this information to evaluate possible careers or career changes, look for opportunities, and find greater satisfaction in other areas of our lives as well.

### Explore

Once you have done some self-assessment, you can move to researching and exploring the world of work. This exploration may include informational interviews, online and library research, volunteering, or other activities that allow you to learn about various occupations

### Set goals

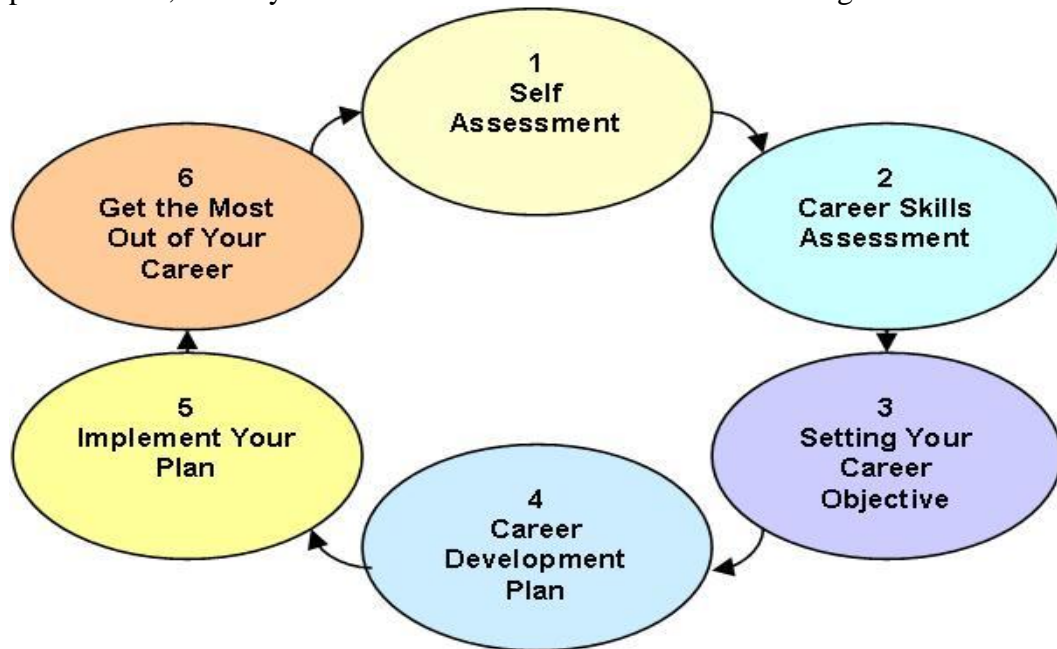
From your self-assessment and exploration you should have a clearer idea of what you are looking for. Now is the time to set some goals. This includes identifying specific action steps that will move you forward.

### Act

Sometimes people get stuck looking for the "perfect" action step. Remember that any step forward is an accomplishment.

**Q.4** The roadmap to success begins with planning your career development process. Justify this statement.

**Ans.** There is a step-by-step process designed to help to plan the career development process now, and anytime in the future when we want to change course.



#### **Self-Assessment.**

Discover your desires and passions. What would you do if money were no object? You may know exactly what you want to do. If so, move on to the next step. If you're struggling with this, there are some free and fee-based self-assessment tests available to help you.

#### **Career Skill Assessment.**

This sounds similar to the self-assessment, but rather than focusing on your personality and interests, career skill assessments focus on your core job strengths and weaknesses. Again, there are free and fee-based career skill assessment tests available to help you with this step.

#### **Setting Your Career Objective.**

Now that you understand your personality, interests, skills and strengths, it's time to make a decision! You may want to explore different career options to discover your best choice.

#### **Career Development Plan.**

The nuts and bolts of planning your career development process. Set goals and timelines based on your career objective. Look at an example career development plan, or use the career development plan template to help you work through this step.

Implement Career Development Plan. It's action time! If your plan involves a career change, use the navigation bar on the left to help you through your career search, resume, cover letter and job interview questions.

**Get the Most Out of your Career.**

To get the most out of your new career, planning strategies and learning skills will help you get to the next level. We've also created a free e-course to help you with this step of the process.

By planning your career development process, you're well on your way to your perfect career. Knowing your strengths and skills, along with having a plan, will give you the confidence and motivation you need to make a positive change.

**Q.5 Describe the stages of career anchors.**

**Ans.**

**Trial stage**

The trial stage begins with an individual's exploration of career-related matters and ends usually at about age 25 with a commitment on the part of the individual to a particular occupation. Until the decision is made to settle down, the individual may try a number of jobs and a number of organizations. Unfortunately for many organizations, this trial and exploration stage results in high level of turnover among new employees. Employees in this stage need opportunities for self-exploration and a variety of job activities or assignments.

**Establishment.**

The establishment/advancement stage tends to occur between ages 25 and 44. In this stage, the individual has made his or her career choice and is concerned with achievement, performance, and advancement. This stage is marked by high employee productivity and career growth, as the individual is motivated to succeed in the organization and in his or her chosen occupation. Opportunities for job challenge and use of special competencies are desired in this stage. The employee strives for creativity and innovation through new job assignments. Employees also need a certain degree of autonomy in this stage so that they can experience feelings of individual achievement and personal success.

**Mid Career Crisis Sub Stage.**

**The period occurring between the mid-thirties and mid-forties during** which people often make a major reassessment of their progress relative to their original career ambitions and goals.

**Maintenance stage.**

The mid-career stage, which occurs roughly between the ages 45 and 64, has also been referred to as the maintenance stage. This stage is typified by a continuation of established patterns of work behavior. The person is no longer trying to establish a place for himself or herself in the organization, but seeks to maintain his or her position. This stage is viewed as a mid-career plateau in which little new ground is broken. The individual in this stage may need some technical updating in his or her field. The employee should be



encouraged to develop new job skills in order to avoid early stagnation and decline.

**Late-career stage.**

In this stage the career lessens in importance and the employee plans for retirement and seeks to develop a sense of identity outside the work environment.

**Q6. Explain HRM strategy.**

**Ans.** HRM strategy pertains to the means as to how to implement the specific functions of Human Resource Management. An organization's HR function may possess recruitment and selection policies, disciplinary procedures, reward/recognition policies, an HR plan, or learning and development policies, however all of these functional areas of HRM need to be aligned and correlated, in order to correspond with the overall business strategy. An HRM strategy thus is an overall plan, concerning the implementation of specific HRM functional areas.

**Q.7 What factors are included in HRM Strategy.**

**Ans.** HRM strategy typically consists of the following factors:-

- "Best fit" and "best practice" - meaning that there is correlation between the HRM strategy and the overall corporate strategy. As HRM as a field seeks to manage human resources in order to achieve properly organizational goals, an organization's HRM strategy seeks to accomplish such management by applying a firm's personnel needs with the goals/objectives of the organization. As an example, a firm selling cars could have a corporate strategy of increasing car sales by 10% over a five year period. Accordingly, the HRM strategy would seek to facilitate how exactly to manage personnel in order to achieve the 10% figure. Specific HRM functions, such as recruitment and selection, reward/recognition, an HR plan, or learning and development policies, would be tailored to achieve the corporate objectives.
- Close co-operation (at least in theory) between HR and the top/senior management, in the development of the corporate strategy. Theoretically, a senior HR representative should be present when an organization's corporate objectives are devised. This is so, since it is a firm's personnel who actually construct a good, or provide a service. The personnel's proper management is vital in the firm being successful, or even existing as a going concern. Thus, HR can be seen as one of the critical departments within the functional area of an organization. Continual monitoring of the strategy, via employee feedback, surveys, etc.

**Q.8 The implementation of an HR strategy is not always required, and may depend on a number of factors. Explain.**

**Ans.** The implementation of an HR strategy is not always required, and may depend on a number of factors namely the size of the firm, the organizational culture within the firm or the industry that the firm operates in and also the people in the firm. An HRM strategy can be divided, in general, into two facets - the people strategy and the HR functional strategy. The people strategy pertains to the point listed in the first paragraph, namely the careful correlation of HRM policies/actions to attain the goals laid down in the corporate strategy. The HR functional strategy relates to the policies employed within the HR functional area itself, regarding the management of persons internal to it, to ensure its own departmental goals are met.

**Q9. Define career anchor.**

**Ans.** A **career anchor** may be a special skill that somebody wants to use, an ambition somebody wants to achieve, or an ethical principle that is particularly important to somebody, but it always something that is very important to that person's sense of who they are.

A guiding force that influences people's career choices, based on self-perception of their own skills, motivation, and values.

**Q10. Explain Succession planning.**

**Ans.** Succession Planning is a process whereby an organization ensures that employees are recruited and developed to fill each key role within the company. Through your succession planning process, you recruit superior employees, develop their knowledge, skills, and abilities, and prepare them for advancement or promotion into ever more challenging roles.

**Q.11 Succession Management is not replacement management. Explain.**

**Ans.** Succession Management is not replacement management. Succession Management is making provisions for the development, replacement and strategic application of key people over time, and requires the identification of the organization's values, mission, and strategic plans.

It is a proactive approach that ensures continuing leadership by cultivating talent from within the organization through planned development activities.

**Q 12. Define Succession.**

**Ans.** Succession is the act or process of following in order or sequence. (It is not to be confused with secession, the act of withdrawing from an organization, union, or political entity.)

**Q.13 Why new interest in succession is developing?**

**Ans.** The forces that have renewed interest in succession systems and have changed them in dramatic ways are trends that have affected business in the new global economy. Leadership is and has always been a relatively scarce commodity within companies. To lose a strong, effective leader is a serious blow to any organization.

Companies reward high performers with opportunities for development and not necessarily extended, long-term employment. The internet has enhanced the mobility of leadership talent, making it easy for employees to find opportunities elsewhere and for those opportunities to come knocking on their door. Executive recruiters and headhunters today possess greater clout and sophistication. No longer is it unfair game to recruit your competitor's best and brightest workers. Non-stop, unpredictable organizational change has caused organizations to quickly identify growing gaps in talent and emerging needs for new types of talent.

**Q.14 Describe Best practice in succession management.**

**Ans.** The best systems are developmentally oriented, rather than simply replacement oriented. The system becomes a proactive vehicle for managers and executives to reflect on the progress of their talent and the opportunities they require for genuine development. Highly effective systems always actively involve the very top players in the organization. Senior executives view effective succession management as a critical strategic tool for attracting and retaining talent.

Best practice succession systems are also effective at spotting gaps in talent and identifying important lynchpin positions – the select set of jobs that are critical to the overall success of the organization. Succession planning does the job of monitoring the succession process, enabling the company to ensure that the right people are moving into the right jobs at the right time and that gaps are being spotted early on.

**Q15. What are barriers in Succession management?**

**Ans.** The barriers in Succession management are-

- organizational culture
- low priority given by senior officials
- insufficient resources
- inadequate rewards for initiative/risk
- limited mobility
- Lack of role models.

**Q 16. What are the requirements for building the managers for succession management ?****Ans.**

- The new and changing mindset about people
- Developing a people strategy plan
- Talent management as a strategic and holistic approach
- Integrated solution approach to leadership development
- Management change and restructuring issues
- Dealing with cultural adaptation
- Implementing training programs

**Q 17. What are the requirements for an effective succession management process?****Ans.** Companies that create an effective succession management process:

- Quickly anticipate and fill succession gaps
- Identify employees with high management potential and actively plan their careers and development to build "bench strength"
- Align their "people strategy" with their "business strategy." As a company grows and its strategy evolves, its leadership needs can change significantly. To meet needs like these, companies must regularly discuss their talent recruitment and development practices.
- When organizations meet these requirements, they create the kind of leadership and management capacity that delivers sustainable business results. They also reduce the range in performance in key roles, minimize attrition among top performers, and promote a high internal hiring rate.
- Many senior managers think their company is adept at succession planning, and they may be right. The problem is that although succession planning is essential, it's just the first step. It's equally important to develop the leaders and managers so they can execute the business strategy and deliver results. That's why companies that succeed at finding and nurturing leaders who can grow their business do more than plan.

**Q.18 Define Management Development.****Ans.** Management Development is best described as the process from which managers learn and improve their skills not only to benefit themselves but also their employing organizations.



Management Development has become very important in today's competitive environment. According to a survey, those companies that align their management development with tactical planning are more competitive than the companies who are not. It has also been indicated that 80% of the companies report MDP, compared with 90% that provide executive leadership training. For most of the companies 37% of the training budgets go to management development and learning programs. Therefore, it is important to consider management development as an important part of organizational competitiveness.

**Q 19. What are the reasons behind the management development programs?**

**Ans.** The reasons behind the management development programs-

- It is managements' responsibility of ensuring the success of the organization
- It is the management who deal with people of different background, culture, language, etc
- Mergers and acquisitions, downsizing, etc are all under management's control
- It is managements' responsibility to ensure that the employees obtain the required KSAs to perform the tasks
- It is managements' responsibility to ensure that right people is hired for the right job, at the right time for the right place

**Q20. Manager's job is complex i.e. for the managers understanding the training need is not easy. Explain.**

**Ans.** Manager's job is complex i.e. for the managers understanding the training need is not easy because his training need is determined by how well his department is meeting its objective and goal.

- It is the management who makes decisions on the basis of judgment and intuition

- It is the manager who performs several routine duties as well as handling the exceptions in their own as well as subordinates' routine
- Managers are engaged in varied, discontinues, and brief activities
- It is the management that understand the organization, its vision, mission, ethics, values, strategies, capabilities, and how his organization f its into the industry, and how his behavior will influence people outside the organization
- Therefore, managers must be able to get the required knowledge, skills, and attitudes (KSAs) to meet the challenges as soon as they arise.

## SUCCESSION MANAGEMENT



### Q 21. Define Job Rotation.

**Ans.** Job rotation is a job design technique in which employees are moved between two or more jobs in a planned manner. The objective is to expose the employees to different experiences and wider variety of skills to enhance job satisfaction and to cross-train them. The purposes of job rotation are (1) to give employees

experience with all organizational activities as a training process and (2) to offset boredom, which can occur when performing the same job over an extended period of time.

**Q 22. Explain Management development.**

**Ans.** Management development is a process of developing the managing ability of managers & executives. The managers & executives are made not born, hence it becomes necessary to take up continuous MDP's to enhance the managerial abilities, skills & insight of the manger & executive. The areas which are required to be developed amongst managers are multiple skills, Team spirit, Leadership qualities, Entrepreneurship, Customer orientation, Technical knowledge & skills, Strategic decision-making, Behavioral aspect etc

**Q 23. What is Replacement Chain Analysis**

**Ans.** In Capital Budgeting, a financial analyst analyzes alternative and often mutually exclusive projects to make a selection. As it may happen, the alternative projects may differ in life span as one may be shorter in life as compared to the other. An example of this scenario would be, for example, when one has to select between two machines or pieces of equipments having different useful life. Since most machines will be obsolete after a given period of time thus it is likely that one of the machines is more durable than the other. In such situations, one of the managerial options will be to replace the project after it expires. Here the task of evaluating a capital budgeting proposal with unequal or different lives is done with replacement chain analysis, method or approach in finance.

**Projects with Unequal lives**

Take for example, a financial analyst who has to select from a choice of purchasing a Photocopier machine, one choice is to purchase XEROX made in America photocopier that can last for 9 years before becoming obsolete the other option is to purchase a cheap Chinese machine with a life time of 3 years. Here since a single replication is of 3 years time thus the option of replacement may be analyzed with finding the Net Present Value of the replacement chain analysis for both options. We will look at the way to calculate NPV for replacement chain in a bit. Let us first show you the formula to find NPV with Replace Chain method or approach.

**Q. 24 Explain Replacement Chain NPV Formula.**

**Ans.**

$$NPV_{\text{chain}} = \sum_{i=1}^R \frac{NPV_n}{(1+k)^{n(t-1)}}$$

Here R is the number of replications, k is the weighted average cost of capital,  $NPV_n$  is the net present value for the single Replication, n is the size of the replication and t is the time period

**Q. 24 What are the challenges against succession management?****Ans. Business results & company growth:-**

Nearly half the organizations surveyed identify the desire to improve business results (48%) & company expansion or growth (45%) as the main challenges driving the need for good succession management.

**New skill requirements:-**

Approximately one-third of the organizations report that future leaders will require new skills to meet the changing demands of business. A good succession management plan helps organizations prepare potential leaders for these new skill requirements.

**Q. 25 Why do we audit MDP'S?****Ans.**

- To determine the functioning & effectiveness of MDP auditing is done on the following matters:-
- Determining whether enough promotable manpower is available at each level.
- Identification of an organization's different job levels for establishing promotional channels for managers
- Whether career planning at all levels adequately meets financial & other long range growth plans
- Whether an organization is able to get a flow of management trainees through the annual campus interviews.
- Whether proper utilization of employees knowledge & skills is ensured

**Q.26 What are the Objectives of the Management development Programme?****Ans.**

The overall aims and objectives of the Management Development Programme are to:

- equip line managers with relevant knowledge of best practice and a shared understanding in management principles
- develop self awareness
- develop management and leadership skills
- provide support to enable line managers to be more effective
- Complement employment law training.

**Q. 27 Explain Overall Approach to Management Development.****Ans.**

People learn most effectively by 'doing' and are most receptive to personal skills development (or self-development) when they get involved in group-work activities.

The approach to these sessions focuses on working with small groups, delivering training in an encouraging, participative way to maximize the involvement of all participants.

The practical and interactive style of the programme provides participants with the following benefits:



- the opportunity to develop their personal skills in a 'safe and supportive learning environment' and to learn from shared experiences with others
- the opportunity to learn from participation in group-work and often from analysis/discussion of video extracts, which support the content
- focused personal development experiences, gained through participation in role-play-simulation, which develops personal skills in ways that can be easily applied at the place of work
- Enhanced self-awareness, which stimulates their ongoing self-development rather than being prescriptive in approach.

### **Client Case Study: GMAC – Engaging Employees in Career Planning and Development**

The Graduate Management Admissions Council (GMAC) has very high employee retention and well-engaged employees who are committed to GMAC's success. After a rapid growth period, the leadership at GMAC wanted to evaluate their existing career paths, promotions, and development processes. The ultimate goal was to develop programs that would keep employees engaged and committed to their own careers and to the organization. The Springboard team was tasked with; first of all, identifying which specific initiatives and programs would best keep employees engaged, and what employees wanted from GMAC for their continued career development. The team conducted an extensive analysis process including a series of focus groups and individual interviews that reached out to almost 75% of all GMAC employees. Simultaneously, the GMAC internal team conducted a survey to gather additional information. The survey, interviews and focus groups surfaced useful details on the current and desired state around career planning/management, professional development, promotions, and career paths within GMAC. By analyzing this data, the Springboard team made a series of recommendations for new and enhanced talent management programs. We then developed several critical new tools for career planning and for employee development, including an Individual Development Plan, a Career Guide for employees to consider their long-term career ambitions, and several new operating procedures, including one to provide more structure for the annual promotions process. GMAC employees were able to use the tools to take initiative for their own development while experiencing, first hand, GMAC's investment in their career growth. Meanwhile GMAC's leadership and Human Resources team had consistent processes to help set expectations regarding career paths and promotions across the organization.

## Multiple Choice Questions

(1) The basic purpose of human resource planning is to:

- (a) identify the human resource requirements
- (b) identify the human resource availability
- (c) match the HR requirements with the HR availability
- (d) All of the above**

(2) Which of these are components of human resource planning?

- (a) Recruitment & Selection
- (b) Induction & Development
- (c) Personal Development
- (d) All of the above**

(3) ..... is the limitation of human resource planning:

- (a) Problem of surplus staff**
- (b) Corporate Strategies
- (c) Corporate Policies
- (d) None of the above

(4) Workers from different countries travel to other countries in search of job is called:

- (a) Pressure groups
- (b) Multicultural workforce**
- (c) Human resource
- (d) Labour

(5) Demand Forecasting is the step in the process of :

- (a) Human resource planning**
- (b) Employment
- (c) Ratio Analysis
- (d) All the above

(6) Demand Forecasting includes:

- (a) Bottom – Up approach
- (b) Top down approach
- (c) Participative approach
- (d) All of the above**

(7) Strategic Planning cannot exist without:

(a) **Human resource planning**

(b) Strategies

(c) Policies

(d) Workforce

(8) Strategic human resource planning model:

(a) Setting the strategic direction

(b) Designing the human resource management system

(c) Planning the total workforce

(d) **All of the above**

(9) How can we set the strategic direction?

(a) **Conduct an external environmental scan and evaluate its impact on the organization**

(b) Planning the total workforce

(c) Generating required human resource

(d) None of the above

(10) Planning the total workforce required:

(a) Organisation design

(b) Workforce Planning

(c) Job Design

(d) **All of the above**

(11) .....is the way of generating human resources:

(a) **Recruitment & Selection**

(b) Rewards

(c) Compensation

(d) Development

(12) The business can achieve financial performance through its more effective execution of strategy.

(a) **True**

(b) False

(13) Performance Evaluation is the step in :

(a) Recruitment Process

(b) **Staffing Process**

(c) Strategic planning

(d) Induction process

(14) The process used to collect information about the duties , responsibilities , necessary skills , and work environment of a particular job is called:

**(a) Job analysis**

(b) Job description

(c) Recruitment

(d) Selection

(15) Job analysis includes:

(a) Job Description

(b) Job classifications

(c) Job evaluation

**(d) All of the above**

(16) The process of Job analysis includes:

(a) Identify purpose of job analysis

(b) Selecting the analysis

(c) Collecting data

**(d) All the above**

(17) .....is a method of job analysis to observe and record behaviour / events / activities / tasks / duties while something is happening.

**(a) Direct observation**

(b) Work method analysis

(c) Critical incident

(d) Interview method

(18) .....model is a questionnaire technique of job analysis.

**(a) Mosaic model**

(b) Wps model

(c) Fja model

(d) Cmq model

(19) The competency –based approach supports the integration of various .....management activities.

**(a) Workforce Performance**

(b) Selection Benefits

(c) Developmental benefits

(d) None of the above

(20) .....includes informal decisions , formal experts surveys and delphi technique.

(a) Manpower planning

**(b) Expert Forecast**

- (c) Skill Inventory
- (d) Trend analysis

(21) Trend analysis is a form of comparative analysis that is often employed to identify current and future movements of an investment or group of investments.

- (a) True**
- (b) False

(22) NGT is a full form of:

- (a) Nominal group technique**
- (b) Normal group technique
- (c) Narrow group technique
- (d) National group technique

(23) To develop self awareness is the objective of:

- (a) Management development programme**
- (b) Executive development programme
- (c) Succession management
- (d) Auditing

(24) .....is a job design technique in which employees are moved between two or more jobs in a planned manner.

- (a) Job rotation**
- (b) Job enrichment
- (c) Job analysis
- (d) Job design

(25) .....is the act of process of following in order or sequence.

- (a) Career anchor
- (b) Self assessment
- (c) Career skill assessment
- (d) Succession**

Answer key:

(1)D (2) D (3) A (4) B (5) A (6) D (7) A (8) D (9) A (10) D (11) A (12) A (13 ) B (14) A  
(15) D (16) D (17) A (18) A (19) A(20) B (21) A(22) A (23) A (24 ) A (25) D

# Key Terms

- 1. Human Resource Planning:** Human resource planning can be defined as the process of identifying the number of people required by an organization in terms of quantity and quality. All human resource management activities start with human resource planning.
- 2. Staffing:** Staffing is the process by which an organization creates a pool of applicants and makes a choice from that pool to provide the right person at the right place at the right time to increase the organizational effectiveness.
- 3. Job Analysis:** Job Analysis refers to various methodologies for analyzing the requirements of a job.
- 4. Recruitment:** The process of identifying and hiring the best-qualified candidate (from within or outside of an organization) for a job vacancy, in a most timely and cost effective manner.
- 5. Selection:** The process of interviewing and evaluating candidates for a specific job and selecting an individual for employment based on certain criteria.
- 6. Induction:** The action or process of inducting someone to a position or organization or formal introduction to a new job or position.
- 7. Training:** is the acquisition of knowledge, skills, and competencies as a result of the teaching of vocational or practical skills and knowledge that relate to specific useful competencies.
- 8. Development:** The systematic use of scientific and technical knowledge to meet specific objectives or requirements.
- 9. Performance Appraisal:** is the process of obtaining, analyzing and recording information about the relative worth of an employee.
- 10. Promotion:** refers to the advancement of an employee's rank or position in a hierarchical structure.

**11. Placement:** The action of putting someone or something in a particular place or the fact of being placed.

**12. Succession:** Succession is the act or process of following in order or sequence.

**13. Scenario Planning:** Scenario planning also called scenario thinking or scenario analysis is a strategic planning method that some organizations use to make flexible long-term plans.

**14. Career Anchor:** A guiding force that influences people's career choices, based on self-perception of their own skills, motivation, and values.

**15. Job Rotation:** Job rotation is a job design technique in which employees are moved between two or more jobs in a planned manner.

**16. Management development:** is a process of developing the managing ability of managers & executives.

**17. Organizational Learning:** is the process by which an organization gains new knowledge about its environment, goals, and processes.

Roll No. : \_\_\_\_\_

**3M6314**

**M.B.A. (Sem. III) Examination, January-2009**  
**(Elective Major-314) Human Resource Planning**  
**Group: Human Resource Management**

**Time: 3 Hours**

**Total Marks: 70**  
**Min. Passing Marks: 28**

The question paper is divided in **two** sections. There are sections A and B. Section A contains 6 questions out of which the candidate is required to attempt any 4 questions. Section B contains short case study/application base 1 question which is **compulsory**. All questions are carrying **equal** marks.

Use of following supporting material is permitted during examination.  
 (Mentioned in form No. 255)

1. \_\_\_\_\_ Nil

2. \_\_\_\_\_ Nil

**SECTION-A**

**1 What are the barriers to effective human resource planning at the corporate level in India? How will you overcome these barriers?**

**Ans.** The barriers to effective human resource planning are as follows:

- Identify crisis
- Lack of support of top management
- Insufficient initial efforts
- Improper co-ordination with other managerial functions
- Expensive & time consuming
- Environmental uncertainty
- Conflict between long term and short term HRP
- Insufficient information

In order to overcome the above mentioned barriers measures should be taken such as:



- Management should recognize the limitations of planning and understand that Plans will require adjustments on an ongoing basis.
- Management should ensure effective communication of organizational plans at all levels.
- Planning compels managers to look to the future. It eliminates crisis management by obliging future-oriented management to anticipate threats in the environment, and to take steps in time to avert them Planning ensures that business keep abreast of technology. The influence of modern technology on contemporary businesses, especially in the development of complex products using complicated processes, makes heavy demands on planning.
- Planning promotes stability. Probably the most important single factor-even in smaller or less complex business-that makes planning indispensable is rapid change in the business environment. Planning therefore, encourages proactive management. In other words, management plays an active part in the future of the business.

## 2 What is job analysis? What steps are involved in the preparation of job analysis?

**Ans.** A job analysis is the process used to collect information about the duties, responsibilities, necessary skills, outcomes, and work environment of a particular job. You need as much data as possible to put together a job description, which is the frequent outcome of the job analysis. Additional outcomes include recruiting plans, position postings and advertisements, and performance development planning within your performance management system.

Job Analysis is a process to identify and determine in detail the particular job duties and requirements and the relative importance of these duties for a given job. Job Analysis is a process where judgments are made about data collected on a job.

### Step 1: Identify purpose of job analysis

You should identify purpose of job analysis because that will determine what job analysis method, what data will be collected....

### -Step 2: Selecting the analysts

You can choose analyst from professional human resource, line managers, incumbents or consultants.

### Step 3: Selecting the appropriate method

- Select representative positions to analyze because there may be too many similar jobs to analyze, and it may not be necessary to analyze them all.

- Review background information such as organization charts, process charts, and job descriptions of positions selected .
- Then identify methods of job analysis. There are many methods in job analysis, you should pay attention to advantages and disadvantages of each method in order to choose suitable one.
- Identify sample size of position.

#### **Step 4: Train the analysts**

If you intend to use internal analysts you have to teach them how to use the selected methods.

#### **Step 5: Preparation of job analysis**

- Communicate the project in the organization.
- Preparing the documentation, for example: interview questions, questionnaires.

#### **Step 6: Collecting data**

- Collecting data on job activities, employee behaviors, working conditions, and human traits and abilities needed to perform the job...
- Using one or more of the job analysis methods to collect data.

#### **Step 7: Review and verify**

How can review information?

- Review data with his or her immediate supervisor.
- Review data by technical conference (is a job analysis method).
- Review data with incumbents by interview.

#### **Step 8: Develop a job description and job specification**

Implement the results into the company procedures according to the goal-setting. Develop a job description and job specification from the job analysis information. A job description is a written statement that describes the activities and responsibilities of the job, working conditions and safety and hazards...A job specification summarizes the personal qualities, traits, skills, and background required for getting the job done.

- 3 If annual production of a company is 3,60, 000units. The standard man hours required to complete a unit of the product are two hours. The past experience reveals that a worker on an average can contribute about 2000 hours per year. Calculate the number of workers required.

- 4 What do you mean by human resource inventory? How will you prepare such an inventory for an organization?

**Ans.** Human Resources Inventory is an inventory of skills of human resources currently employed in the organization. It tells management what individual employees can do. The profile of the human resource inventory can provide information for identifying current or future threats to the organization's ability to perform. It is necessary for a firm to identify the current capability and skills of their employees.

**5 What is career development? Explain the technique of career development.**

**Ans.** Career development involves managing your career either within or between organizations. It also includes learning new skills, and making improvements to help you in your career. Career development is an ongoing, lifelong process to help you learn and achieve more in your career.

Career development represents the entire sequence of activities and events related to an individual's career. Career development encompasses acquiring of educational qualifications and certifications, career path, self-actualization as an individual, shifting of careers and career growth, learning curve, family life, accomplishments and recognitions or felicitations.

**6 “Management Development Program can be organized by an organization or it can be conducted by external agencies”, discuss the statement and compare two types of program. What factors should be taken into consideration while nominating a manager for development through external program?**

**Ans.** People learn most effectively by 'doing' and are most receptive to personal skills development (or self-development) when they get involved in group work activities.

The approach to these sessions focuses on working with small groups, delivering training in an encouraging, participative way to maximize the involvement of all participants.

The practical and interactive style of the Management Development Programme provides participants with the following benefits:

- the opportunity to develop their personal skills in a 'safe and supportive learning environment' and to learn from shared experiences with others
- the opportunity to learn from participation in group-work and often from analysis/discussion of video extracts, which support the content
- focused personal development experiences, gained through participation in role-play-simulation, which develops personal skills in ways that can be easily applied at the place of work

- enhanced self-awareness, which stimulates their ongoing self-development rather than being prescriptive in approach.

## SECTION-B

### 7 Case Study :

Vipin Chemical Ltd. had planned for computerization of nearly 50 percent of the production, operations and control. It had taken care of all resources in the computerization plan including human resources. The inventory of human resources and future requirements of the production department were specified as given here under:

Category of human Resource	Present Inventory	Requirement after Computerization	Surplus
Chemical Engineers (Operation)	15	08	7
Chemical Engineers (Maintenance & Control)	10	6	4
Mechanical Engineers (Maintenance)	2	2	0
Supervisor	10	2	8
Operators	30	10	20
Quality Controllers	5	1	4
	70	29	43

The human resource planners suggested the redeployment of chemical engineers in their newly started sister concern. i.e Vikas Paper Mills Ltd. And retrench surplus of employees of all other categories. They also recommended that there was no need for further recruitment or for any other action plan.

The computerization was over by the end of last year 1998. When the management wanted to start the production on the newly computerized process, it was shocked to note that not many employees in the production department were suitable to the new jobs and the information supplied by the human resource planners in this regard did not match with the reality .

#### Questions:

- 1- Identify the problem in this case :
- 2- To what extent are the human resource planners responsible for the present state of affairs?

- 3- What should the management do now to deal with the problems taking into account the both short term and long term perspective

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