

# ***HUMAN RESOURCE MANAGEMENT***



## **UNIT 2: Human Resource Planning (part 2)**

**By** Prof. CHAITALI GHOSH

THK JAIN COLLEGE

Class- B.Com (Hons)

Semester 2, Sec-2E

# Approaches of HRP

## 1. Social demand approach

SDA relies on the assessment of society's requirement of education. It depends on seven aspects:

- Income of educated people
- Tastes and preferences of households for education
- Preferences of domestic circles for education
- Demographic characteristics such as fertility and mortality
- Direct cost of education
- Students grants
- Existing standards of entrance to institutes

## 2. Rate of return approach

RRA is a critic of social demand approach. As per this approach, after passing the school-leaving age, people attach positive values to present and future benefits of education, and their careers on consideration.

### **The three parameters are:--**

- Cost of education
- Return to education
- Present net worth (used in discounting future return to arrive at present value)

### **Three categories:--**

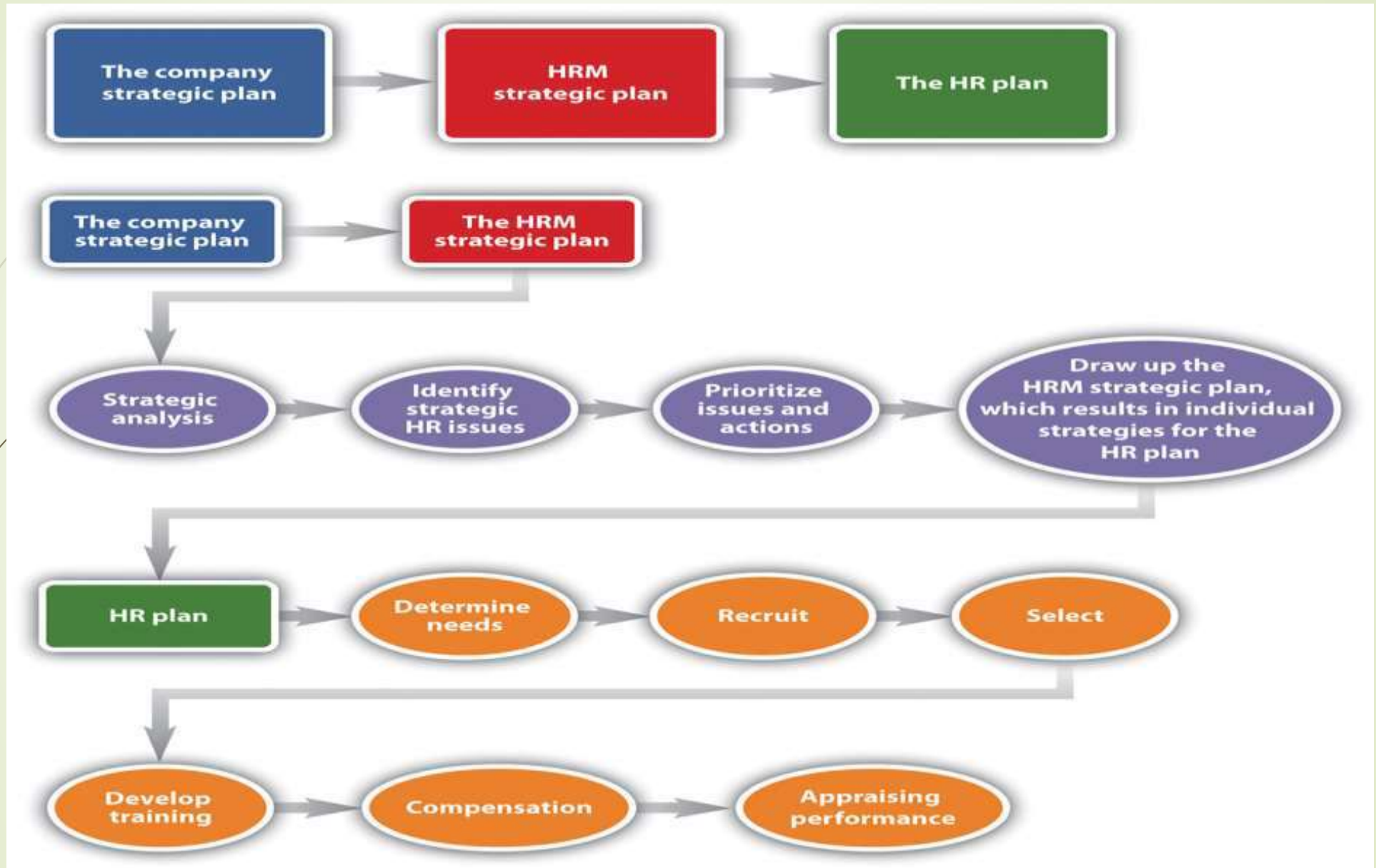
- Direct monetary benefits
- Indirect monetary benefits
- Non-monetary benefits

### 3. Manpower requirement approach

MRA rests on the maxim or axiom that a definite link exists between education and economic growth, and lack of skilled manpower hinders the growth of any nation.

#### **Basic steps:--**

- Anticipating the direction and magnitude of development of each individual sector in the economy
- Evolving norms for engaging manpower in each individual sector duly considering the technological options, both present and future.
- Translating physical targets for the development of manpower requirements using specific manpower norms
- Estimating the educational equivalents of manpower requirements





# HRP Forecasting

Human resource forecasting is the prediction of future levels of demand and supply of workforce at:

- Organizational
- Regional
- National level

## Types of Forecasting:

- Short-term forecasts
- Medium-term forecast
- Long-term forecast
- Policy conditional forecast
- Onlookers forecast
- Macro forecast
- Micro forecast

# Importance of Human Resource Planning

- Key to managerial functions
- Efficient utilization
- Motivation
- Better industrial relations
- Higher productivity
- Responsibility and Accountability

# HR Management Plan

Identifies & Creates Project Organization Chart

Matches skills & project needs

Agrees acquisition & release to team

Training needs & schedule

Project Team

Creation strategies

Motivates

Ensures recognition

External Issues

Compliance needs

Safety requirements