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HUMAN RESOURCE PLANNING

M.S.-23

**Chapter Wise Reference Book
Including Solved Sample Papers**

By: G. Lakshmi Priya, B.Com., M.B.A.

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**Sample Preview
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Solved
Sample Question
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QUESTION PAPER

Exam Held in
February – 2021

(Solved)

HUMAN RESOURCE PLANNING

M.S.-23

Time: 3 Hours]

[Maximum Marks: 100
(Weightage: 70%)

Note: Attempt any five questions.

Q. 1. Explain the concept and need of Human Resource Information System (HRIS). Describe the various approaches to managing information at the macro and micro level.

Ans. Ref.: See Chapter-16, Page No. 101, 'Concept of HRIS', 'Need of HRIS' and Page No. 105, Q. No. 7 and Q. No. 8.

Q. 2. What is Human Resource Accounting? Discuss the ways to measure the Human Resource Cost and Human Resource Value.

Ans. Ref.: See Chapter-18, Page No. 112, 'What is HRA', Page No. 113, 'Measurements in HRA', 'The Cost Approach' and Page No. 114, 'The Economic Value Approach'.

Q. 3. Discuss the objectives of performance appraisal system in an organization. Describe the methods used in performance appraisal and their merits and demerits.

Ans. Ref.: See Chapter-15, Page No. 92, 'Objectives of Performance Appraisal' and Page No. 94, 'Methods of Performance Appraisal'.

Q. 4. Explain the concept of job evaluation and its objectives. Describe the methods and the recent developments in job evaluation system.

Ans. Ref.: See Chapter-8, Page No. 53, 'Job Evaluation', Page No. 54, 'Objectives of Job

Evaluation', 'Methods of Job Evaluation' and Page No. 56, 'Recent Developments in Job Evaluation'.

Q. 5. Explain the concept of competency. Describe the various methods of the competency mapping and their benefits.

Ans. Ref.: See Chapter-9, Page No. 60, 'What is Competency Approach?' and Page No. 61, 'Approaches to Competency Mapping'.

Q. 6. Discuss the main causes of job dislocation. Describe, what are the solutions to deal with dislocated employees.

Ans. Ref.: See Chapter-12, Page No. 79, 'When Dislocation Occurs?' and 'Coping with Dislocated Employee'.

Q. 7. Define career planning. Explain the process of career planning and its benefits.

Ans. Ref.: See Chapter-14, Page No. 86, 'Aims and Objectives of Career Planning', 'Career Planning Process' and Page No. 87, 'Benefits of Career Planning'.

Q. 8. Define role description and explain the uses of role description. Describe the factors leading to changes required in role description.

Ans. Ref.: See Chapter-7, Page No. 47, 'Role Description', Page No. 48, 'Uses of Role Descriptions' and Page No. 51, Q. No. 4.



QUESTION PAPER

(June - 2019)

(Solved)

HUMAN RESOURCE PLANNING

Time: 3 Hours]

[Maximum Marks: 100

(Weightage: 70%)

Note: (i) Attempt any three questions from Section A.

(ii) Section B is compulsory.

SECTION-A

Q. 1. Explain the concept and process of Human Resource Planning (HRP). Cite suitable examples.

Ans. Ref.: See Chapter-2, Page No. 8, 'Concept and Process of HRP'.

Q. 2. Define job analysis. Briefly describe the various methods of job analysis and their relevance in the present day context.

Ans. Ref.: See Chapter-6, Page No. 38, 'Job Analysis', Page No. 44, Q. No. 3 and Page No. 45, Q. No. 4.

Q. 3. What is career planning? Differentiate between career planning and career development.

Ans. Ref.: See Chapter-14, Page No. 86, 'Introduction', 'Career Planning Process', Page No. 88, 'Responsibilities in Career Development'.

Q. 4. Explain the concept, need and scope of Human Resource Audit. Discuss the essential steps of HR audit.

Ans. Ref.: See Chapter-17, Page No. 107, 'Concept of HR Audit', 'Need of HR Audit', Page No. 108, 'Scope of the HR Audit' and Page No. 109, 'Auditing Process: Essential Steps'.

Q. 5. Write short notes on the following:

(a) Management by Objectives (MBO)

Ans. Ref.: See Chapter-15, Page No. 94, 'Result-oriented Appraisal'.

(b) Interview

Ans. Ref.: See Chapter-11, Page No. 72, 'Interview'.

(c) Succession Planning

Ans. Ref.: See Chapter-14, Page No. 89, 'Succession Planning'.

(d) Induction

Ans. Induction training is a type of training given as an initial preparation upon taking up a post. To help new people get to work initially after joining a firm, a brief programme of this training can be delivered to the new worker as a way to help integrate the new employee, both as a productive part of the business, and socially among other employees. It often contains information dealing with the layout of the firm's operating facility, health and safety measures and security systems. An attempt may also be made to introduce the individual to key employees and give an impression of the culture of the organization, it is a critical time for the employer to gain commitment from the employee, and the latter to understand the expectations, targets and so on.

(e) Job evaluation

Ans. Ref.: See Chapter-8, Page No. 53, 'Job Evaluation'.

SECTION-B

Q. 6. Read the case given below and answer the questions given at the end.

Careers at Reliance Energy Ltd. (REL) are built on the concept of forming a team of people or individuals who are made responsible for specific functions, from concept to development and implementation, with concomitant empowerment.

Reliance Energy Ltd. provides employees seamless merging of functional roles to provide a

Sample Preview of The Chapter

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HUMAN RESOURCE PLANNING

BASICS OF HUMAN RESOURCE PLANNING

Introduction to Human Resource Planning System: The Emerging Context

1

INTRODUCTION

Human Resources play a vital part in any organisation. The success and development of any organisation is directly related to HR. It should be used effectively to select a suitable person for the job and develop him to perform his role efficiently. Hence, Human Resource Planning is put in use in order to select, develop and retain the human resources of an organisation. HRP aims mainly in acquisition of talent and makes plans to strengthen the skills of HR.

CHAPTER AT A GLANCE

WHY IS HUMAN RESOURCE PLANNING IMPORTANT?

Any organisation should think ahead and plan for its future. HRP helps in doing so. The main aim of Human Resource Planning is to foresee problems of the future and to take connective measures so that it can be avoided. It is not necessary that the problems predicted to occur in the future will definitely happen. But it is necessary for any organisation to plan for rainy days. It is important to expect the unexpected and plan for it rather than doing no planning at all. Take in case of stock exchange and weather forecasts where the predictions may go wrong and since future is unpredictable it is always better to be prepared for the worst rather than being unprepared.

MEANING AND DEFINITION OF HRP

HRP is nothing but putting the right person in the right job, and in the right number. This is done with the aim to attain the objectives of the company. HRP is also termed as employment planning, manpower planning or personnel planning. Once the process of HRP is completed then the job of HRM starts. The recruitment and selection procedure is followed after the HRP process. Every company or a concern has a goal or objective. Different levels of management aim to achieve them. Here, the work of HRP is to calculate the number of personnel required to achieve the goal.

NEED FOR PLANNING

An organisation faces challenges from different factors. These factors can be from the competitors, economic policies, change in market conditions etc. They are the external factors that affect an organisation. There may be internal changes like the change in employees behaviour towards an organisation. These threats and challenges should be forecasted earlier by a capable manager. He should be ready with solutions to meet all the internal and external challenges. Hence, planning is very essential to fight against the problems clouding the organisation. Change is inevitable, an efficient manager should have solutions for a sudden challenge, only then the goal or objective of an organisation can be achieved.

The following objectives should be included in HRP:

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1. Plan the number of personnel required.
2. Adjust and face internal and external challenges.
3. Effective use of the present HR productivity.
4. Proper procedure should be followed in promotion of the employees.

Benefits derived from HRP.

1. There can be cost reduction.
2. There is a choice to expand or contract.
3. There will be efficient people working towards the goal.
4. Since the challenges are forecasted early future planning can be done.

TYPES OF PLANS

The types of plans are briefly discussed as follows:

1. Philosophy: This denotes the organisation's contribution towards the society. Philosophy brings the organisation close towards the society.

2. Purpose: Any organisation or a company is started with a purpose. The purpose of any organisation can be profit-making or consumer satisfaction or any other thing.

3. Objectives: This can be otherwise called as a goal. Any activity performed in an organisation is aimed towards its achievement. Different department can have different objectives.

4. Strategies: Strategy is a plan of action which is made in order to achieve the goal or aim.

5. Policies: These are guidelines or statements which helps in decisions-making.

6. Procedure and Rules: This is a particular process or a method in which an activity will be performed in the future.

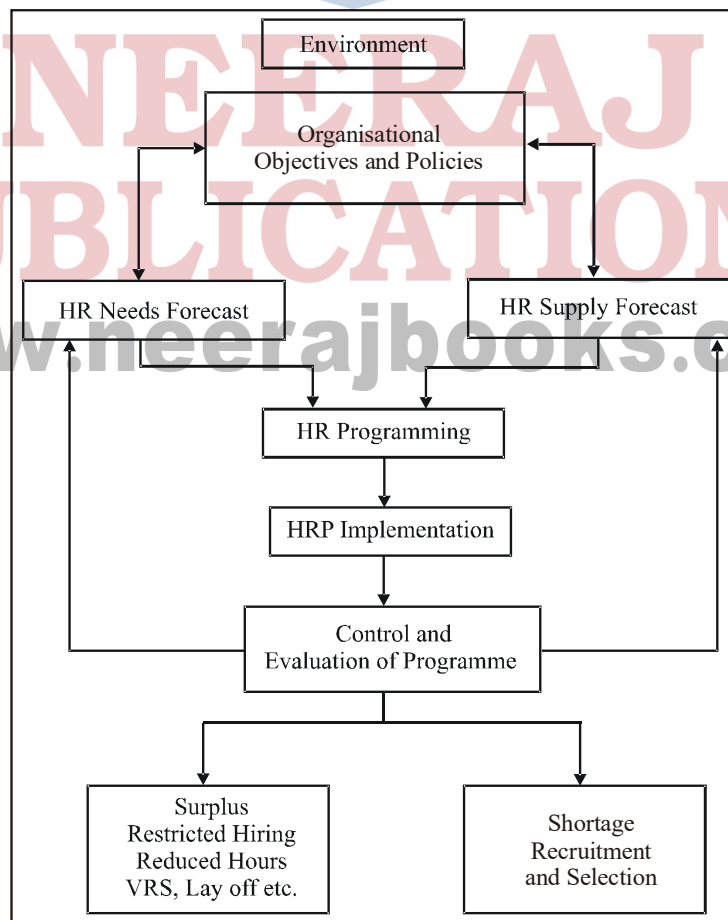
7. Programmes: This indicates different types of steps, policies and procedures to be followed to complete a particular task.

8. Budget: This can be explained with reference to the members. A budget can be a cash budget, sales budget etc.

THE PLANNING PROCESS

Main function of HRP is to assess the HR needs. The supply and demand of HR is met through various HR related programmes.

THE HRP PROCESS



Source: Human Resource and Personnel Management by K. Aswathappa

Organisational Objectives and Policies

Organisational objectives and HR plans are interrelated. It is through the objectives of the organisation the HR need is calculated. The main aim of HRP is to provide manpower and ensure that they are put into use effectively to achieve organisational goal.

FORECASTING TECHNIQUES

There are many forecasting techniques used by an organisation. They are as follows:

- Managerial judgement
- Ratio Trend Analysis
- Work Study Techniques
- Delphi Technique
- Flow Models
- Others.

HR Demand Forecast: It denotes the number of personnel required for the organisation in the future. Demand forecast has to take various factors within the organisation and outside it to assess the requirement. Certain factors such as market economy, economic policies, change in the attitude of the employee, budget etc. should be considered.

HR Supply Forecast: It is decided here about the sources through which the required manpower is made available. It takes into consideration people transferred or promoted, absent employees and other external factors before deciding about the supply of HR.

New Venture Analysis: In this technique the HR planners take into consideration the companies engaged in same business. Since they do the same business the employment needs will also be more or less similar.

Other Forecasting Methods: It is not necessary that the organisation follows one technique only. Different techniques are followed by L&T for various activities. For management judgement “bottom-up” is followed and for demand forecasting they follow the work study techniques. Here, in L&T the requirements of the heads of the department is sent to personnel managers. They in turn send to their HR department in Mumbai. There they analyse the requirements and sanction accordingly. Later on the personnel managers start procuring people as per the requirement.

EXAMINING EXTERNAL AND INTERNAL ISSUES

There are various factors that should be avoided before Human Resource Planning. The factors are discussed in detail below:

1. Work Force Demographics: It is an external factor which considers various changes that is going to take place. There can be a change in the work force like more of women employees or a particular minority. In such case the programmes and policies are made in such a way which is beneficial to such groups.

2. Technology: Technology has a direct effect on HR. Due to changes in technology the need for HR is minimised.

3. Organisational Structure: Change is inevitable in an organisation. This applies to the organisational structure also, if it happens then teams are made to execute the functions of an organisation.

4. Business Strategy: This refers to the methodology followed by a company to execute a business. A company’s business strategy can be anything like adopting modern technology or consumer satisfaction.

DETERMINING FUTURE ORGANISATIONAL CAPABILITIES

Earlier companies concentrated only on their future HR requirements. They followed two techniques to assess the requirements. The first one was the quantitative method which was also called Markov analysis. The second one was a qualitative or judgemental method. HRP takes into account the number of workforce required in the future, the potential of the employees etc. The quantitative method of forecasting work force supply took into account various factors like to promotion, termination, voluntary retirement, etc. Replacement planning, succession planning and vacancy analysis are the methods often used to forecast HR needs. Companies don’t restrict themselves to the assessment of HR supply alone. Now-a-days the productivity levels expected later is, also considered along with a new technique called Bench marking. Bench marking is analysing the performance of a company comparing it with an efficient and outstanding organisation. Federal Express is used as a bench marking company because

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of its leadership evaluation system, quality management etc.

DETERMINING FUTURE ORGANISATIONAL NEEDS

There are two types of techniques used to forecast the HR need in future. One is the quantitative technique which includes ratio analysis and regression analysis. The above methods help in assessing the number of personnel required and the skill they should possess. In case of ratio analysis in order to find out the number of training and development staff required, the demand for future employees are calculated. Then they use this ratio to find out the T&D required for that period. Regression analysis is done on the basis of information of the company's past. The work force employed in all these years are taken into account and a formula is derived. Based on this the number of personnel required in the future can be calculated. The regression analysis is considered more suitable than the ratio analysis technique. Bottom-up forecast is a widely used qualitative technique used. Here, the department managers, play a key role in assessing the work force. They take into consideration increase in workload, overtime hours, new vacancies coming up etc. This technique will have a drawback, if the demand is overestimated than the actual requirement.

IMPLEMENTING HUMAN RESOURCE PROGRAMME TO ADDRESS ANTICIPATED PROBLEMS

The following steps should be followed to ensure that HR programmes are initiated taking into account future needs:

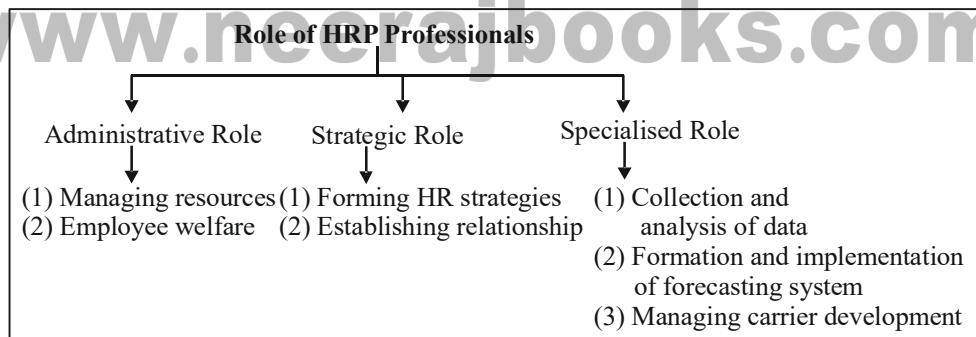
1. Communicate need for the Programme: The need for the change should be communicated. If there is a reduction in the programme there is a need to explain it to the employees.

2. Explain the Programme: The organisation should explain the need for the programme and its consequences.

3. Explain what is expected of the employees: The organisation should explain the new programme system and what change is expected from the employees.

4. Establish feed back mechanisms: There would be lot of questions raised or doubts about the programmes. In order to clear these criticisms or doubts, facilities like telephone hot line or an on-going survey programme must be implemented. Utility analysis and human resource accounting are programmes recently adopted by organisation. These techniques suggest the best possible way to invest money on their personnel.

ROLE OF HRP PROFESSIONALS



Human Resource Planning executive perform these roles depending upon the situation. Depending upon the performance of strategic role the HR professional's effectiveness is judged. It is said that these roles are important to adjust to the changes in the organisation. Inspecting the performance of HRP personnel and their welfare activities come under administrative area. The

specialised roles are given importance in any organisation. Even though they are recently introduced it helps in forecasting and adjusting to changes in the organisation.

Impact of HRP: HRP is nothing but forecasting the workforce needed in the future. It is the job of HRP to combine the objectives of the organisation with HRM