

ORGANIZATIONAL STRATEGIC PLANNING OF HUMAN RESOURCES

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Abstract:

The strategic planning of human resources is an ongoing process closely connected to the mission, vision and goals of an organization. The need for strategic planning arises from the dynamism of social and economic life, with a proactive approach in any type of organization.

The role of strategic planning of human resources is to “ensure the right man in the right place at the right time”, as a human resource is the only one with a creative and innovative effect. Thus, there is a synergistic effect between an individual and the organization in which he/she operates, between a human resources strategy and an organization’s overall strategy.

The main objectives of strategic planning are ensuring the necessary human resources, suitability to an organization’s nature and the effective use of human resources in achieving organizational objectives. Analyzing the necessary human resources according to an organization’s objectives and linking them to the existing labour supply and demand, there is an absolutely essential balance in strategic planning. The benefits obtained therefore are undeniable and human capital is transformed into a true competitive advantage.

The challenges generated by the changes that may occur at any time in any type of organization and which directly affect the existing human resources can be effectively managed through strategic planning.

Keywords: human resource, organization, strategic planning, human capital, competitive advantage.

JEL Classification: M 54

1. Introduction

In a current complex, uncertain socio-economic context, the key to success in any field of activity lies in strategic thinking. Successful organizations have realized that a human resource is the main source of competitive advantage, thus enhancing the strategic role of human resources management. Not incidentally, nowadays experts in the field speak of a true “*magic triangle*” made up of a business plan, financial planning and strategic planning of human resources whose objectives are to ensure the necessary human resources, the suitability to the nature of an organization and the effective use in achieving the latter’s goals.

The strategic planning of human resources is an inseparable part of the strategic planning process in any type of organization, closely related to organizational mission, vision and goals. In this respect, the strategic planning of human resources decisively contributes in reducing the risk related to the staffing needed to achieve organizational goals.

The strategic planning of human resources can be defined as a process of ongoing assessment of human resources needs in relation with organizational goals. The need for strategic planning arises from the dynamism of social and economic life, with a proactive approach in any type of organization.

2. Strategic Planning of Human Resources in an Organization

The current socio-economic environment requires fierce competition, so that the success of an organization depends on its ability to distinguish itself from competition through its multidimensional contribution, where the central role is held by human resources.

The dimensions of human resources strategic planning are functional and temporal (Bühner, 1994, p. 55). The functional dimension aims at anticipating future staffing needs,

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taking into account the strategic objectives of an organization. The temporal dimension aims at linking time horizons covered by human resources plans with the plans of an organization as a whole.

Integrating within an organization all the activities related to human resources management requires careful analysis and planning of human resources by setting up a strategy to integrate their use in compliance with other resources, in order to efficiently achieve the targets of an organization (Gherman, Pănoiu, Dindire, Popa, 2013, p.49). The purpose of strategic planning at organizational level, including as far as human resources are concerned, is to generate a change, not just any change, but a controlled one.

The main objectives of strategic human resources planning are:

- integrating an HR strategy in the overall strategy of an organization;
- attracting and retaining competent staff;
- linking staffing to organizational objectives by anticipating staff deficits or surpluses;
- effectively developing the existing workforce;
- increasing workforce flexibility.

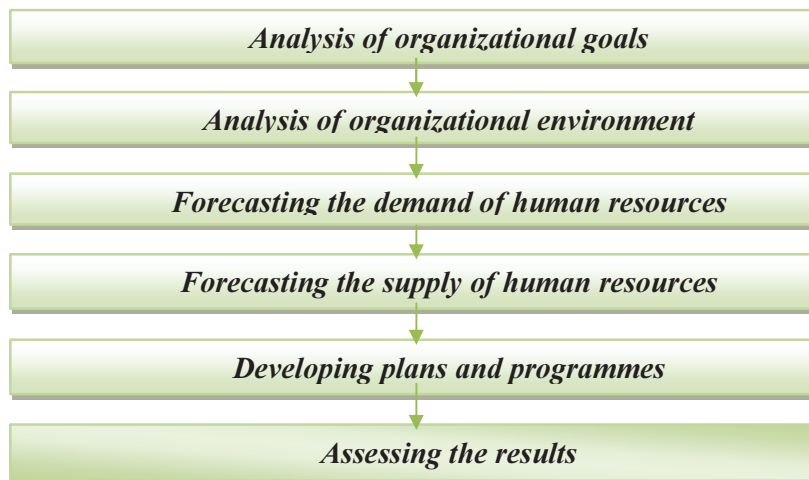


Fig. no.1 Stages of Human Resources Strategic Planning

The main steps to be taken in the process of human resources strategic planning are:

- a) analysis of organizational goals
- b) analysis of organizational environment
- c) forecasting the demand of human resources
- d) forecasting the supply of human resources
- e) developing plans and programmes
- f) assessing the results

a) Analysis of organizational goals. The starting point of human resources strategic planning is to identify and analyze organizational goals. The quantitative and qualitative existence of human resources is a necessary condition to achieve objectives. Any change in the strategic planning of an organization entails changes in the strategic planning of human resources.

b) Analysis of organizational environment. The external environment includes a set of opportunities and threats, by the nature of current domestic and international economic, social, demographic, political, technical and technological circumstances. Macroeconomic forecasts, general market characteristics and particularly labour market features, legal regulations in the field, fiscal and trade policy, the force of domestic and foreign competitors are only some very important elements in the external environment that should be taken into account.

Opportunities in the external environment must be exploited effectively and threats must be managed so that their adverse impact upon an organization could be minimized. Equally important is the analysis of the internal environment, that is, own strategies and plans, existing human resources (age, labour seniority, qualification and specialization levels, mobility and fluctuation rate), financial statements which highlight the strengths and weaknesses of an organization.

Assessing an organizational environmental especially the external one is particularly difficult today because of its high degree of uncertainty and complexity, which often requires a detailed analysis.

c) Forecasting the demand of human resources. Depending on the volume of activities predicted by an organization, one can estimate future human resources needs, both quantitatively and qualitatively.

The main methods used in forecasting the demand for human resources are:

- management estimates;
- Delphi method;
- trends' analysis;
- work study techniques etc.

Management estimates are carried out by upper level managers and managers in other hierarchical levels, who depending on a specific activity, determine the staffing needs for future periods in relation to the overall strategy of their organization. This method is usually used by small organizations or “*start up*” organizations, entailing a number of risks.

Delphi method requires the existence of an expert group (around 10-20 people), who through systematic consultation, express their views on the future of an organization and implicitly on the staffing needs based on structured anonymous questionnaires. The expert group very well knows the activity of an organization, and it also has extensive knowledge in the field of human resources. Usually, after a session of 3-5 inquiries, they reach a consensus, a single trend is crystallized, a time when the process of activity forecasting and staffing can be completed.

Trends' analysis is a method characterized by estimating the necessity for future resources by reference to the data from previous periods. Thus, necessary human resources are estimated in terms of quantity and structure, based on the correctness of previous records and on the ability and realism of assessors.

Work study techniques are recommended to be used when work can be measured. In the event of productive activities, one envisages the planned volume of production, standard labour time per unit, the labour time of a worker, and unproductive times (Manolescu, 2003, p. 255).

d) Forecasting the supply of human resources aims at analyzing internal human resources (existing staff) and the analysis of external human resources (potentially available). The analysis of human resources supply includes: available human resources; potential losses due to misuse; potential changes due to promotions; effects of being absent and of changes in working conditions; supply sources from within the company (Armstrong, 1991, p.297).

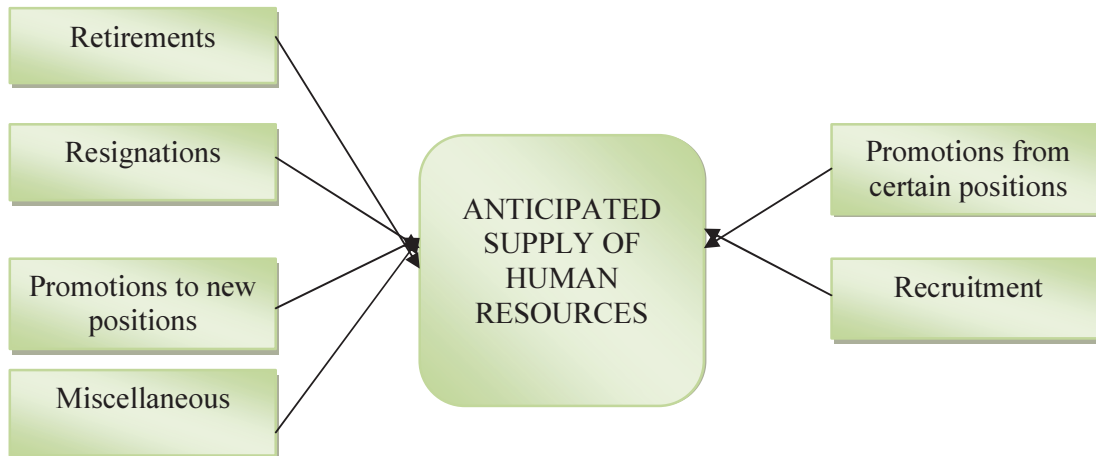


Fig. no. 2 Anticipated Supply of Human Resources in an Organization

Some changes in the supply of human resources can be easily estimated, such as retirement, others may be made precisely, such as promotions, but others are difficult to forecast, sometimes impossible to foresee (resignations, labour incapacity, death). Complying the demand with the supply of human resources, there may be a staff surplus or deficit, both results requiring corrections.

Table no.1 Options to Solve Staff Surplus

On short term	On long term
• staff deployment	• hiring freezing;
• temporary interruption of activities;	• permanent external transfers;
• providing annual leaves;	• dismissals;
• providing unpaid holidays;	• retirement stimulating;
• suspension of individual labour agreements.	• coaching (training).

Source: Prepared by the authors.

Organizational management can also make the decision to keep the number of employees, but it must reduce labour costs by decreasing the number of hours worked and/or by reducing benefit-related costs.

In the event of a staff deficit, these are the solutions:

- staff recruitment;
- overtime work;
- staff deployment in difficult places;
- concluding employment agreements for part-time or temporary work;
- staff leasing etc.

In the analysis of the labour demand and supply ratio, the question that arises is not related to quantitative, but qualitative imbalances that are very difficult to solve.

e) *Developing plans and programmes*, that is, actions, responsibilities, deadlines and budget. The main types of plans are recruitment, training and coaching, and promotion.

f) *Assessing the results*, the stage when a quantitative assessment is carried out in the form of productivity gains and costs, and also a qualitative assessment, namely new skills and human values.

3. Conclusions

The strategic planning of human resources is an ongoing process, being closely related to the mission, vision and goals of an organization. The need for strategic planning arises from the dynamism of social and economic life, with a proactive approach in any type of organization.

The role of strategic human resources planning is to “ensure the right man in the right place at the right time”, as a human resource is the only resource having a creative and innovative effect. Thus, there emerges a synergistic effect between an individual and the organization where he/she works, between an organization’s HR strategy and overall strategy.

The main objectives of strategic planning are to ensure the necessary human resources, the suitability to the nature of an organization and their effective use in achieving organizational objectives. Analyzing the necessary human resources according to an organization’s objectives and making a connection with the existing labour force demand and supply, the essential balance in strategic planning is ensured.

The benefits achieved are undeniable, as human capital is transformed into a true competitive advantage. Since human resources policies are open and positive, they provide equal opportunities for professional development, increasing one’s sense of professional accomplishment, staff turnover decreases, the commitment to an organization increases, and the results are then seen in organizational competitiveness.

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