

PERSONNEL POLICIES :

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Policies are plans of action. organisations need to evolve HR policies as the ensure consistency and uniformity in treating people. They help motivate and build loyalty. Policies become benchmarks to compare and evaluate performance.

Calhoon - " Human resource policies constitute guides to actions. They furnish the general standards or bases on which decisions are reached. Their genesis lies in an organisation's value, philosophy, concept and principles.

HR policies are different from HR procedures, programmes and practices where procedures are chronological sequence of steps used to implement policies. Policies are instructions and procedure is an action. It is a single use plan that describes the activities to be carried out, within the given time period and resources. Practices refers to the style and methods used in implementation of programs, keeping the prescribed policies and procedures intact.

* Characteristics of HR policies :

- . HR policies are based on HR objectives of the organisation
- . These are general statements for better decision making
- . These are standing plans that could be used again and again.
- . HR policies are formulated by HR department or top management in consultation with line managers

* Principles : The principles guide managers to formulate the policies :

- a) Principle of individual development
- b) Principle of scientific selection
- c) Principle of fair remuneration
- d) principle of contribution to national prosperity
- e) Principle of participation

- f) Principle of team spirit
- g) Principle of free flow of communication
- h) Principle of labour Management cooperation

* Formulation of HR policies

Identifying the need

(Areas where there is need of any policy)

Gathering Information

(Committee or specialists collecting the necessary facts' info)

Getting Approval

(Getting approval on the right time from top management)

Communicating the policy

(Communicating it to employees through policy manuals, journals etc.)

Evaluating the Policy

(Time to time policy should be evaluated with changes using experience)

Types of HR Policies :

It is classified in several ways :

Types of HR policies

Originated policies	Appealed policies	Imposed policies	General policies	Specific policies	Written & Implicit Policies
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- i) Originated Policies : Established formally and deliberately by top management to guide their subordinated.

- ii) Appealed policies : These are formulated on requests of subordinate who want to know how to handle some situation. If that's not covered in earlier policy.
- iii) Imposed policies : Policies formulated due to pressure of external agencies like Govt, trade association etc.
- iv) General Policies : These are based on basic philosophy and priorities of top management for eg. No smoking.
- v) Specific Policies : Based on specific issues like staffing, collective bargaining etc.
- vi) Written or Implicit Policies : Policies are inferred from the behaviour of the managers for eg : In absence of promotion policy, usual practice is carried out

MANPOWER PLANNING

Manpower Planning is also called human resource planning It is the process of forecasting a firms future demand for and supply of, the right type of people in the right number.

or

It is the process of deciding what positions the firm will have to fill, and how to fill them.

* Characteristics of Human Resources Planning :

- It is a forward looking and future oriented process.
- It is an on-going and continuous process.
- It is an integral part of corporate planning.
- It's main objective is to make optimum utilisation of an organisation's current and future human resources.

It is both qualitative and quantitative in nature. Qualitative implies to right talent whereas quantitative implies to right number of employees.

- HRP planning is a systems (Continuous interaction) approach to human resources

- Here comparison and evaluation of demand and supply is done to identify the gap between the two and bridge it.
- Manpower planning is done both long-term and short term. Long term plans are for a period of more than 5 yrs acc to change in trends, economy, labour market conditions, whereas short term planning is for less than five years and more than a year.
- It is two phased process. One is a manpower demand plan and the other is manpower supply plan.

* Importance of HRP :

- Understand the future personnel needs
- Attracting the best talent and the training needs of an organisation.
- Helps in planning expansion and diversification.
- Helps in understanding the right time of supply of manpower, gazing surplus manpower there by reducing wastages
- Helps in succession planning.

Recently focus on HRP is there due to various factors like shortage of skills, Legislative councils, hiring cast, increased mobility, employment situation, technological changes etc.

* Process of human resource planning :

Scanning environment

(Understanding the changes in external environment like govt policies)

Analysing organisational plans

(Plans of technology, expansion etc. to understand future needs within the time horizon required)

Forecasting Demand of Human Resources

(Forecasting on the basis of future need using various techniques)

Forecasting supply of human resources

(Supply is in two ways internal (promotion, transfer), or External (hiring). These also can be calculated using various techniques.)

Estimating the Gap

(Gap between manpower demand and supply)

HR programming

(Framing the human resource planning programme)

HRP Implementation

(Implementation of the program)

Monitoring and Control

(Should be done at the correct time and proper action should be taken if any changes are required)

*Techniques of forecasting demand

a) Managerial judgement : This method is based on management's experience and knowledge to estimate manpower requirement. Quite subjective and so suitable for small firms. Otherwise they use 'Bottom-up' or 'top bottom' approach in it. Bottom up means people at shop floor level tell their requirement to the top management and then the action is taken whereas 'top-work study method : Here time and motion study is used to analyse work. Std time per unit is required here. Appropriate for manual and repetitive jobs :

eg. Planned output for next year = 50,000
 Std hrs. per unit = 2

Planned Hrs required = $50,000 \times 2 = 1,00,000$

Productive hrs per workers = 2,000

No. of workers required = $1,00,000 / 2,000 = 50$

c) Ratio-Trend Analysis : These are calculated on the basis of past data. Future ratios are calculated on the basis of time series analysis / extrapolation.

eg : Production in 2015-2016 = 60,000 units

workers in 2015-2016 = 60 workers

Ratio btw workers and production = $60 : 60,000 = 1:1,000$

Estimated production in 2016-2017 = 80,000

No. of workers required = $80,000 \times 1/1,000 = 80$ workers

d) Mathematical Model : Expresses the relationship between independent variable (eg - production, sales etc.) and depended various (eg, number of employees required) Done through regression, optimisation or probabilitistic models.

e) Absenteesim : While estimating demand, rate of absenteeism is considered :

$$\text{Absenteeism} = \frac{\text{Man days lost due to absenteeism}}{\text{Man'days worked + mandays' lost}}$$

Work Analysis : Here total workload of each dept is estimated on the basis of sales forecast, growth rates.

This workload can be converted into manpower :

for eg : Production budget 2015-16 = 50,000 tonnes

std manpower per unit = 10 hrs

planned manhours for 2015-16 - 50,000x10=5,00,000 hrs

Manhrs available per worker = 2,500 hrs

No. of workers required = $\frac{\text{Planned manhours}}{\text{Man hrs required per workers}}$

-> 5,00,000/2,500 = 200 workers.

* Techniques of supply of human resources

a)Markov chain Analysis : It is a probabilitic model for forecasting internal supply of manpower - First, it assumes that probality of movement is determined solely by employee's initial jobstate. for eg: Present number of employees are kept in figures, then we estimated staying on the job. Shifting to other job or leaving the organisation to estimates the supply forecast.

b) expected loss of Manpower : Potential losses are being calculated by calculating deputation, termination, absenteeism, transfer, ill-health.

This is calculated on the basis of experience.

$$\text{Future internal supply of HR} = \text{Present Inventory of HR} + \text{Potential addition} - \text{Potential losses}$$