

Chapter Review

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Human Resource Planning

Objectives...

- 1 explain what is meant by HRM
- 2 discuss the purpose and methods of HR Planning
- 3 assess why human resource planning is essentially a corporate activity

Key Terms

Employee resourcing

Resourcing is the process by which people are identified and allocated to perform necessary work. Resourcing has two strategic imperatives: first, minimizing employee costs and maximizing employee value to the organization; secondly, obtaining the correct behavioural mix of attitude and commitment in the workforce

Human resource management

A philosophy of people management based on the belief that human resources are uniquely important to sustained business success. An organization gains competitive advantage by using its people effectively, drawing on their expertise and ingenuity to meet clearly defined objectives. HRM is aimed at recruiting capable, flexible and committed people, managing and rewarding their performance and developing key competencies. See also 'Hard HRM', 'Soft HRM'.

Human resource planning (HRP)

A process which anticipates and maps out the consequences of business strategy on an organization's human resource requirements. This is reflected in planning of skill and competence needs as well as total headcounts.

Human resource strategy

Overall plan for staffing, developing and rewarding employees and outsourced human resources tied to business objectives.

18. Human Resource is viewed as strategically important due to attributes which are difficult to imitate thus ensuring any derived competitive advantage is sustainable. As companies move into the war for talent and as individuals with specialized knowledge, skills and expertise are recognized as the scarce strategic resource, HR professionals must become key players in the design, development and delivery of a company's strategy. The HRM role can be both strategic and operational. It is strategic in that the continued availability of human capital must be assured in order for the strategy to be met. However, it must also be operational via the administration of certain HR practices such as resourcing, training and development and performance management (see later chapters).