

ELIMINATING ORGANIZATIONAL INEFFECTIVENESS THROUGH HUMAN RESOURCE PLANNING IN NIGERIA

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ABSTRACT

In this empirical research we studied the relationship between eliminating organizational ineffectiveness and human resource planning in manufacturing firms in Port Harcourt. Six (6) firms were selected through purposeful sampling technique and applied Taro Yamene's formula to determine the sample size of three hundred and fifty (350) respondents. Using the Spearman rank order correlation coefficient, we found that a significant relationship existed between organizational ineffectiveness and human resource planning. Hence, it was recommended that manufacturing firms should definitely create and provide conducive atmosphere by adopting policies that eliminate ineffectiveness.

Keywords: technological resources, human resources planning, organisation, profitability & material.

INTRODUCTION

Organizational effectiveness is a non-negotiable intent which all firms strive to achieve and constantly maintain. The issue of effectiveness is paramount because it determines the future profitability or life span of the organization. The health and strength of the organization is measured by its level of effectiveness (Drucker, 1966).

Organizations need to be effective because it is necessary for the achievement of short and long term goals and successes. It is important to note that profitability is not a major measure of effectiveness because a company that is making profit at the present, is not effective if it fails to achieve the core values of its mission statement, plan for continuity and if it is unable to attract and retain competent workers (Fiedler, 1967).

Organizations need financial, material, human and technological resources especially in this era of fierce global competition. Every organization must establish clear goals and objectives, which they continually strive to achieve. In order to achieve these goals and objectives most organizations pay more attention to the financial and technological resources while less attention is given to human resource planning (Drucker, 1966).

In the dynamic world of global business environment, which is invariably dominated by fierce competitions, any organization that does not perform effectively will be forced or bound to sustain losses. Analogically, organizations are like ship on the ocean facing tsunamic tidal waves and survival is paramount and is totally dependent on the level of the captain and the crew's competency. Organizations in the twenty-first (21st) century face serious business challenges both from the local and external environments and the survival of the organization does not lie on technological equipment capacity but on the competency of the workers who actually steer the organization on the part of survival. Just like the ship on the ocean faces treacherous waves, so do organizations face fierce competitions in the global business environment (Hersey and Blanchard, 1972). In the case of the ship when faced with challenges, the ship is bound to sink if the captain and the sailors lack the relevant skillset to keep the ship safe, so do organizations fail that lack competent human resource power (Drucker, 1966). The success of any organization to a large extent depends on the competency level of the employees. It is therefore paramount importance that organizations maintain primary focus on how to attract and retain the right people at the right time and in the right tasks and positions (Drucker, 1966). The inability of organizations to adequately plan for their human resources force managers to become reactive rather than proactive in approach to recruitment and turnover control. Reactive tendencies may result into emergency recruitment issues which mostly may lead to hiring incompetent manpower (Akhigbe, 2013). Human resources planning (HRP) do not only deal with having the right number of people in the organization because the organization may have the right number of people and yet lack the relevant skilled and competent people to manage the affairs of the organization. Hence, emergency recruitment as a result of poor human resource planning can lead to wrong placements within the organization (Amah, 2006).

With the high rate of business failure and technological proliferation, it is important that an organization is aware that their effectiveness does not lie on how much technology they are able to acquire because the tacit knowledge which is needed cannot be obtained in procurement of machinery equipment alone but from the employees. Therefore, organizations should effectively plan for competent human resources in order to acquire people with the relevant tacit knowledge, offer them the appropriate positions within the organization to perform and maintain their services. In this regard, this article is aimed at establishing the importance of human resource planning (HRP) as an indispensable process to ensuring the effectiveness of an organization (Amah, 2006).

LITERATURE REVIEW

Twenty-first century firms are embattled by global turbulent challenges and potentially high risk dynamic environments. A viable and effective human resource planning (HRP) will possibly aid their survival and successes. The various variety of threats from both the internal and external environments that firms face can only be absorbed by variety of effective HRP strategies created and operationalized by the organization (Hersey et al., 1972).

Any company can be negatively influenced by unwanted environmental variables (Katz & Katin, 1980). Therefore, it is important and relevant that all associates possess appropriate skills levels and the capacity to perform and deliver effective solutions. Planning is the foundation for achieving effectiveness. Planning is defined from different perspectives which

have generated confusion (Wildavsky, 1973). Hence, planning, in light of this confusion, Wildavsky (1973), posited that “if planning is everything, maybe it is nothing”. Nwachukwu (2006), defined planning as a systematic process that entails establishing objectives, developing strategies to achieve those objectives and the systematic steps in determining the activities and resources necessary to achieving them. Plans are not for past events but for future events. Therefore, the aim for planning is to predict future events and adequately prepare for it. According to Williams (2000), planning involves deciding what should be done, how it should be done and when it should be done in order to achieve the goals of the organization.

The most important asset of an organization is the manpower or human resources because all other resources are of no value without the manpower resources. The human resources planning (HRP) is concerned with bridging future gaps by utilizing competent manpower team to position the firm in a favourable global competitive stance. Thus, the aim of HRP is to ensure that right numbers of employees are at the right place at the right time carrying out activities that will benefit both the organization and individual on the long-run. HRP deals with the continuous process of analyzing the firm’s human resources needs under mutating conditions and enforcing policies that are compatible with long-term organizational effectiveness (Fajama, 2002). When there is no effective HRP, the rate of turnover may reduce. HRP is concerned with determining the organization’s future human resources needs and the systematic ways to achieve these needs. It involves not only setting the objectives but also the implementation of activities such as staffing and training to ensure that people with requisite traits and skills are available at the appropriate time. Also, bear in mind that HRP should be linked with other human resource management (HRM) functions in order to achieve all organizational goals.

According to Amah (2006) and Akhigbe (2013), HRP is a process that identifies current and future human resource needs in order to achieve the entire goals of the organization. It is therefore, the prediction of the future demand and supply of employees based on business needs and eventual development plans of activities that tend to achievement of business needs. Business needs determine future demand for supply of human resource. When the business needs require more employees, this will lead to increase in the demand for human resource but when the business needs of a particular organization is reduced, this will lead to reduction in the requirement of human resource needs. Therefore, one can argue that a business need of an organization has a linear relationship with human resources supply. Continuous planning should be done to constantly bridge the gap between supply and demand. Lack of effective planning for human resource can affect the financial position of the organization. Most employees with outdated skills constitute inefficient and ineffective productivity expenditure to the company yet reasonable amount of money is paid to these categories of workers. Effective HRP could change this situation with employees with outdated skills because there are strategies for upgrading skillsets or natural labor attrition without negative impact on the organization (Daft, 2009). Presently, business world is characterized by environmental uncertainties, effective HRP competency will mitigate the issues that relate to recruitment and retention of employees.

Dessler (2001) sees HRP as employment planning which is the process for formulating plans to fill future openings based on an analysis of the positions that are expected and needed to be filled and whether they will be filled from internal or external sources. If a competent

person exists within the organization to occupy such openings, it translates into savings with respect to time and cost. HRP can be viewed as the systematic process of analyzing the present and foreseeable future man power need of the organization and setting up detailed plans to anticipate and satisfy them. HRP is the process which involves identifying staffing needs, forecasting available personnel, and determining what recruitment or downsizing and quality to attain the organization's goals (Lunerburg, 2012). HRP aids the elimination of the problem of inefficiency and incompetency within a company. A manager who is able to properly analyze a problem of manpower needs and develop strategy to achieve them has a higher chance of success than one who pays little attention to HRP.

Akhigbe (2013) defined HRP as a systematic analysis of human resource needs in order to ensure that current number of employees with the necessary skills is available when they are required. Hence, organizations should not just embark on recruitment except there is a need for such. In Nigeria, it is obvious that there is little attention given to HRP especially in the public sector and due to this nonchalant attitude to HRP, inefficiency has crippled the Nigeria public sector. Poor HRP will result to employing an introvert for the position of a public relation officer (a misfit) or giving the position of a secretary to an extrovert. Poor planning for manpower needs, attract wrong applicant, and leads to wrong selection and eventually leads to wrong placement. Misfit situations can be very frustrating to affected people on the long run.

HRP is useful in identifying the knowledge and skills needed by organization and to successfully, attract and retain the right workforce for the organization. Hence, Nkechi (2013) defined HRP as the systematic way of determining and ensuring that the organization will have an adequate number of qualified persons available at the proper time, performing jobs which meet the needs of the organization and which provide satisfaction for the individual involved. HRP should not only relate to ensuring right people at the right time and in the right place, but should ensure that such people are satisfied with the position they occupy.

An effective HRP is a complex task of forecasting and planning for the right number and the right kind of personnel at the right time to carry out activities that will benefit the total organization in actualizing its objectives and in helping its members to satisfy their needs (Anyin, Ekwoaba & Anthony, 2012). Achieving organizational goals and objective and members Satisfaction are the two major aim of an effective HRP, when an ineffective organization is piloted by an effective manager who properly plan for human resource needs, such an ineffective organization is bound to be effective in the long-run. But when an effective organization is run by an incompetent manager that lack requisite skills of HRP such organizational effectiveness best practices is likely to be crippled by ineffectiveness in the long process because no organization will survive when those management is incompletely ineffective (Daft et al., 2007).

Cole (2012) sees HRP as any rational and planned method or approach for ensuring the recruitment of sufficient and suitable staff, their retention in the organization, the maximal utilisation of staff, the improvement of staff performance and staff disengagement as necessary. HRP deals with forecasting the organization foreseeable future human resource needs and detailed planning on how to achieve them. It involve setting objectives and then developing and implementing strategies to ensure that right people with relevant skills and competence are available when and where the organization needs them (Katz and Katin,1980).

Most organization has the problem of effective planning for human resources because most managers lack managerial background and competence. Finally, human resource planning is the systematic way of identifying human resource needs, hiring qualified number of people at the appropriate time to occupy right position and the retrenchment of employees as necessary, in order to fill the gap between desired and available number of workers with the goal of achieving organizational effectiveness and employee satisfaction.

The need for HRP may not be readily obvious but organization that has no proper planning for human resource may not be able to meet either its personal requirements or its overall goals effectively (Gilbert, Freeman and Stoner, 1995; Katz and Katin, 1980).

HUMAN RESOURCE PLANNING (HRP) PROCESS

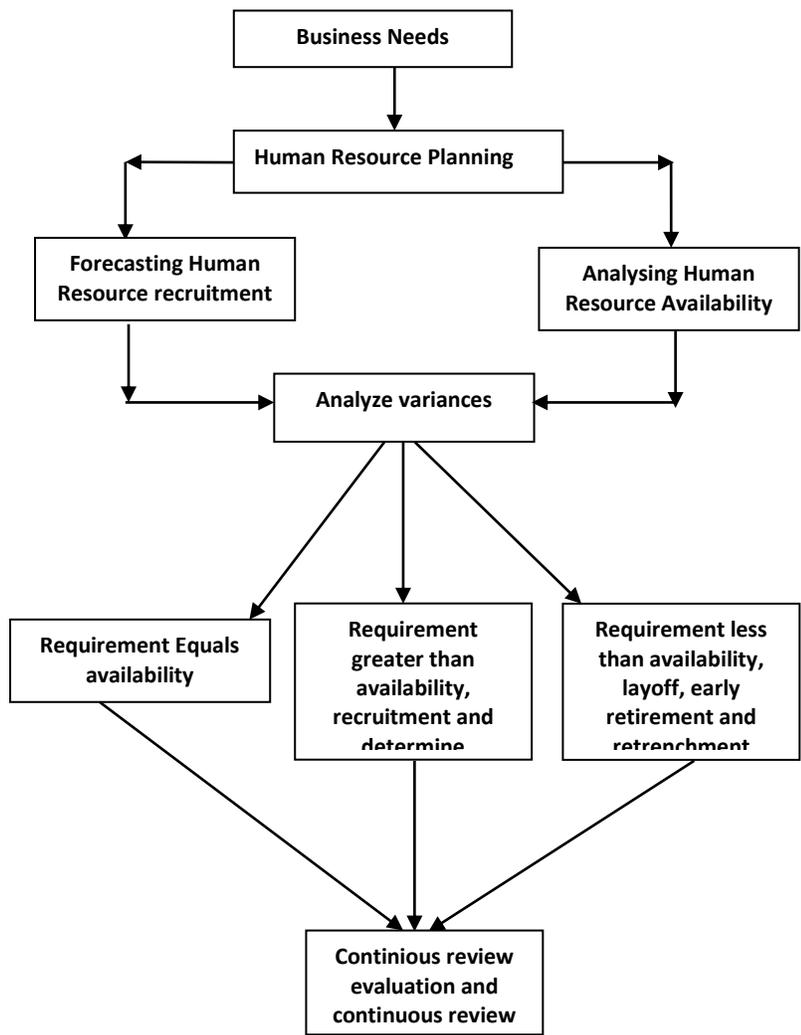


Figure 1: Human resource planning process. (Source: Researchers perspectives on HRP process)

There is no need of planning for human resource if there is no business needs. Every company has set goals and objectives which they want to achieve at a stipulated time. These goals and objective could either be short or long term goals and objectives. The various business needs that could warrant HRP:

1. Need of growth
2. Need for stability
3. Need for competitive advantage
4. Need for turnaround strategy
5. Need for reduction in employee turnover rate
6. Need for improve competencies in the organization
7. Need for effectiveness and efficiency
8. Need for becoming a global player.

It is these stated needs that motivate organization to embark on planning their human resource in order to attract, retain and maintain them to achieve organizational goals and objective.

FORECASTING HUMAN RESOURCE REQUIREMENT

Forecasting human resource requirement is the prediction of the number of employee with relevant competence which the organization need in foreseeable future to fulfil or achieve its goals. In forecasting human resource needs, the manager estimate the type of employee needed, the required number of employee needed, the relevant skills needed and the time they will be needed. In forecasting human resource requirement, organization may choose to use different methods or techniques. Some of which are; Trend analysis forecasting, bottom up forecasting, mathematical models and zero base forecasting. In trend analysis forecasting the organization try to look at the rate at which employee leave the organization and do a trend analysis with the help of a specialist in order to determine what number of employee to be employed in the nearest future. The bottom-up-techniques has to do with individual department suggesting the number and kind of employee that they need in the nearest future. The bottom up approach is not very common in the third world nation because it involves line managers suggesting the number and kind of employee needed to the top managers.

Analysing human resources availability: This stage of HRP, the manager tries to analyse the available human resources present within the organization. For effective analysis of these human resources availability, it is important for organization to have a proper skill inventory. A skill inventory is a record of employee that exists within an organization. It does not only reveal the number of employee but also show the various competence and skills of the employee in the organization.

Analysis of variance: At this stage of the HRP process, it is important to compare the available number of skilled and competent employees that is required to effectively achieve the organizational goals. When compared, and demand equals supply, then human resource need is at the state of equilibrium and sufficient. But if demand exceeds supply, retrenchment, lay off and early retirement could be the strategy to mitigate the gap. However, on the contrary, recruitment is necessary if the gap is very small and overtime (OT) may be the best option. Some important questions which can be helpful to a human resource management are:

- What are our goals and objectives?
- What number of employees do we need to achieve them?
- What relevant skills and competence do we need in the organization?
- What skills and competences are already present in the organization?
- What is the easy at which individual skills are transferable?

- How many number of employee has outdated skills that are no longer needed by the organization?
- What are the relevant training available to boost performance of employee with a more demanding job?
- Is their balance of diversity in the organization?
- What is the turnover rate of the organization and the major reasons for the turnover?
- What is the turnover rate of the organization and major reasons for the turnover?
- What is the financial strength of one organization to recruit and train new employees and pay for employee retirement?

There is an HRP problem when there is high proliferation of employee turnover. The possible reasons for increase in employee turnover are:

- Parity in promotion
- Organizational culture
- Incompetent boss (bad boss)
- Better perspective
- Leaving before being fired (Akhigbe, 2013)

In HRP, it is important for organization to embark on job analysis before, recruitment, selection and placement. Job analysis is the critical examination of jobs so as to identify their main features, in particular the duties they fulfil, the results they are expected to achieve, the major tasks undertaken and the jobs relationship with other jobs in the

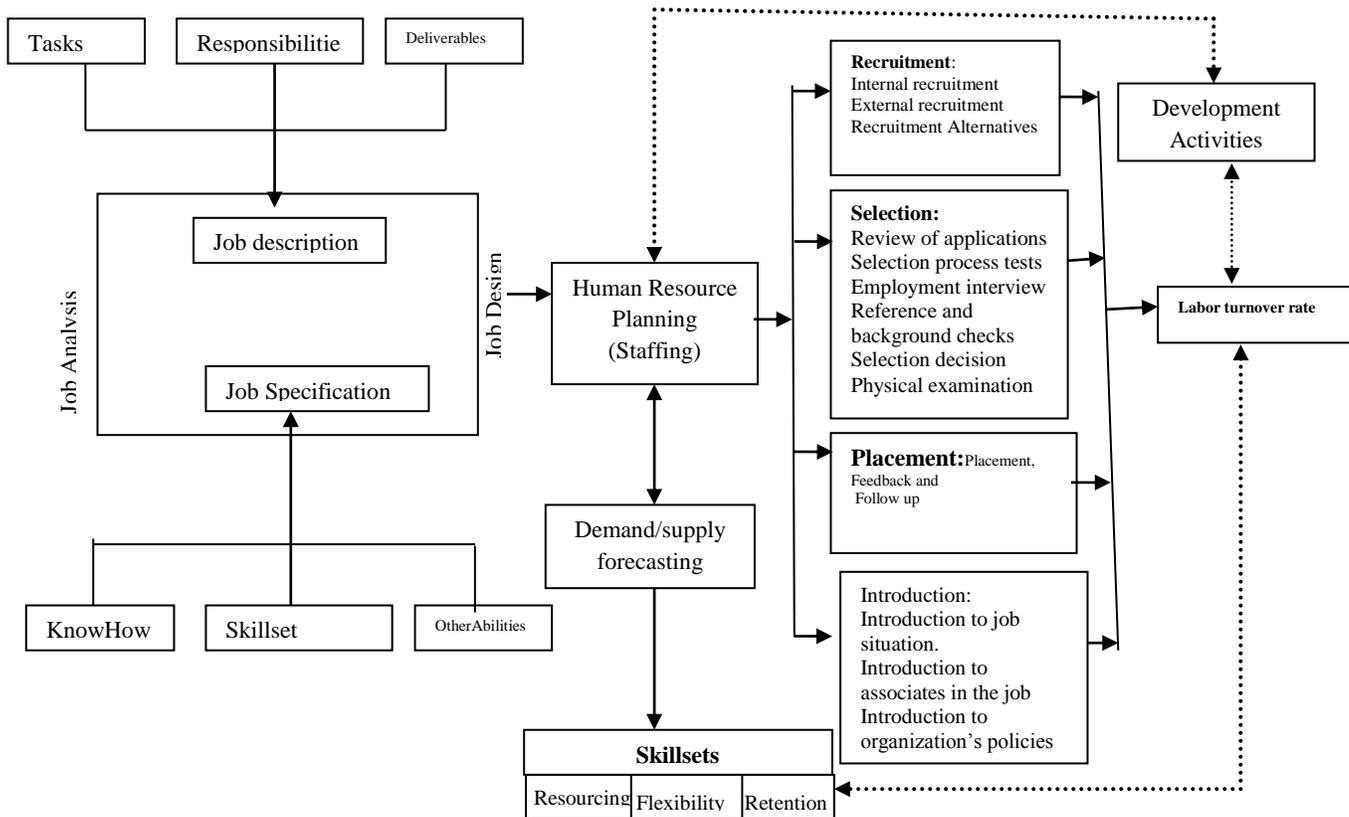


Figure 2: HRP Development Activities (Source : Akhigbe, 2013)

organizational hierarchy (Cole 2012). Job analysis involves job description and job specification. Job description is a written description of management position. It involves the title, content, tasks, responsibilities, duties and its location in the organizational structure. While job specification deals with the required qualifications to perform a specific job, it deals with educational qualification, experience and skills to occupy a position effectively. It is the effective job analysis that leads to recruitment, selection placement and induction.

A model of human resource planning showing its components and areas of developmental activities is shown below (see Figure 2).

From Figure 2, it will clear that character (dependability and reliability), values and other personality characteristics are integral part of the model depicted above. It is the responsibility of the Human Resource Managers (HRM) to manifest as part of its functions of recruitment, selection place and induction are carried out after a careful and critical job analysis and job design. Job design in organization is needed in order to eliminate low morale of employee. Job design strategies for boosting the morale of employee include: job rotation, job enrichment, job enlargement and job re-engineering (Daft et al., 2007).

Human resource recruitment can either be internal or external in order to fill any vacant position. Recruitment is the process of attracting suitably skilled, competent and sufficient job opening applicants or prospective associates for vacancies within the organization.

Selection is the systematic process of choosing from pull of applicant. It involves a careful and intelligent examination of applicant in order to identify best fit for the organization. The selection process involves; completion of application, initial screening interview, written test, Background investigation, in-depth selection interview, physical examination and job offer.

Induction is the managerial activity which involves acclimatizing the employee in the organization. The induction process enables the employee to have details of the work environment, the employee of the organization. The organizational culture and scalar chain (organizational structure). To achieve organizational effectiveness, the human resource manager (HRM) must be able to make appropriate decisions relating to the four categories of staff that are important in human resource planning. These categories and various decisions required to be made by the manager are:

- Existing staff: the various decisions required to be made in relation to existing staff are performance appraisal, productivity, deployment, equal opportunities, training, remuneration and promotion/ career development.
- New recruits: The decisions relating to those staff just coming into the organization are: recruitment methods, selection procedures, induction, training and terms of contract.
- Potential Staff: these are staff that are likely to come into the organization is foreseeable future. The various decisions required to be made in regards to potential staff are; recruitment methods, public relations, employee benefits and wage/ salaries levels.
- Leavers: These last categories are staffs that are leaving the organization. The various decision required to be made as it relates to leavers are dismissal for poor performance, retirements, redundancy procedures and labour turnover (Cole 2012)

BENEFITS OF AN EFFECTIVE HRP

HRP is deliberate and purposeful. The various accruable benefits to organizations from an effective HRP will include the following;

- i. Increase in the bottom line of the organization.
- ii. Eliminating demoralizing and reduction of conflict or disharmony among associates.
- iii. It helps retain competent work force and improve on turnover rate.
- iv. It leads to flexible work force.
- v. It makes the whole organization to be able to react appropriately to the changing environment and high rate of proliferation of technology.

RESEARCH METHODOLOGY

The methodology for this study was a desk research. The data used were derived from secondary sources. These included scholarly published text books and articles that are related to this study.

The study involved an extensive literature review which critically analyzed the current state of HRP and its prospects as an indispensable key to ensuring the effectiveness in the delivery of organizational goals and objectives.

CONCLUSION

The issue of HRP is a critical success factor to all organizations and as such all organizations should ensure appropriate HRM skills and competency in order to competently execute the HRP functions. Consistently, achievement of optimal result from HRP, recruitment and selection should be void of discriminatory and bias practices in the process of accomplishing various organizational goals.

RECOMMENDATIONS

- I. All organizations should embrace HRP in order to increase the effectiveness of the organization.
- II. HRP should primarily and purposefully focus on achieving the overall goals of the organization.
- III. The organization should consistently and proactively maintain a detailed plan for recruiting appropriately skilled human resource.
- IV. In order to attract and retain competent employee, the process of recruitment and selection should minimize hiring bias or discrimination.
- V. The fiscal strength and capital expenditures of the organization should be considered during HRP.

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