



**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATES STUDIES**

**HUMAN RESOURCE PLANNING PRACTICES AND CHALLENGES AT
SPECIALIZED FINANCIAL AND PROMOTIONAL INSTITUTION**

**BY
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ID NO.SGS/0046/2010B**

**January 2019
Addis Ababa, Ethiopia**

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**A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY, SCHOOL OF
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APPROVED BY BOARD OF EXAMINERS

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DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Goitom Abraham (Asst.Prof). All source of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

Name

Signature

ENDORSMENT

This thesis has been submitted to St. Mary's University, School of Graduate Studies for examination with my approval as a university advisor.

Advisor

Signature & Date

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ACRONYMS

BDS	Business Development service
CEO	Chief Executive Officer
HR	Human Resource
HRM	Human Resource Management
HRIS	Human Resource Information System
HRP	Human Resource Plan
M	Mean
SD	Standard Deviation
SFPI	Specialized Financial and Promotional Institution
SPSS	Statistical Package for Social Sciences

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ABSTRACT

Human resource planning is one of the most important human resource management practices in the organization. Organizations rely much on human resource planning to determine their current position and future needs of manpower. The purpose of this thesis is to examine the practice and challenges of human resource planning at Specialized Financial and Promotional Institution (SFPI) focusing on the process of human resource planning, integration of human resource planning with the strategic plan and identifying factors hindering the planning process. Due to its descriptive nature, the researcher deployed a descriptive method in order to assess and describe the practice of human resource planning in the organization under study. Besides, the study used both quantitative and qualitative approaches. The researcher divided the population into two major groups: managerial and non-managerial employees according to their position and responsibilities in the organization. For the managements are appropriate person to provide information about human resource planning and challenges the researcher undertook in depth study with the management and non-managerial employees were included just for triangulation of responses obtained from managerial employees. The findings of the study depicted that the following among many others: limitation of conducting current human resource inventory, limitation in preparing action plan to deal with forecast deficit through internal promotion, training or external recruitment. Thus, it is recommended that SFPI should conduct skill inventory by compiling the skill, education and experience of current employees and use this inventories to assess whether current staff can meet company goals. For understanding the company's pool of current skill and future skill requirements aids in strategic efforts.

Keywords: HR Planning process, Integration of HRP with strategic plan, challenges of human resource planning.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Human resource management is of key importance in almost all companies. Human resource management has the opportunity to enable organizations to survive, grow, be competitive and profitable (Werner, Jackson & Schuler, 2012). Many CEOs from the largest multinational firm to the smallest domestic firm claim that the management of people is vital to their success today and will continue to become more vital. A key area in human resource management is human resource planning, which has been widely studied

Organizations are formed by people and the same people are the most important strategic resource in the organization. There is no organization that can achieve its objectives without people. There must be a proper utilization of human resource in organizations in order to achieve high-performance standard (Lunenburg, 2012), and all the objectives of the organization are achieved through effective human resource planning. Effective human resource planning is a mechanism for building long-term capacity to meet the workforce challenges (Choudhury, 2007). Therefore, human resource management has the opportunity to enable organizations to survive, grow, be competitive and profitable (Werner, Jackson & Schuler, 2012). Human resource planning plays an important role in human resource management because it translates the objectives of the organization into a number of workers needed by determining the human resource required by the organization to achieve its strategic goals. In order for an organization to manage its human resource, it must ensure effective human resource planning. (Janes, 2018, p.24)

Empirical studies conducted on human resources planning practices and challenges revealed the following among others:

A study by Husna A. John (2013) on assessment of the role human resource planning towards organizational performance, case of National Institute of Transport (NIT). The study found out that human resource planning is an efficient tool to achieve the goals and objectives of National Institute of Transport if planning involves setting the required objectives, analyzing

the environment, carrying out an audit of human resources, making a forecast, reconciling the demand and supply of human resources and evaluating the implementation.

Another study conducted by Markos (2018) in Ethiopian banking industry particularly in case of Enat Bank revealed that the HRP process of the bank has limitations in maintaining a good record of the number and quality of staffs, in following a systematic approach towards forecasting future human resource needs. The study also found out that the bank has limitation in using qualified personnel with technical skills relevant for HRP and in giving enough emphasis to internal sources when matching human resource needs and human resource supply is done. Besides, the study revealed that the bank has faced with a number of challenges including conflicts between short term and long term human resource needs.

Even though the HR policy of SFPI and its preamble necessitates the establishment of a system that may attract and retain competent skilled staff dedicated to serve the company, the practical experience and preliminary observation indicate that the HRP of SFPI has not much been carried out systematically in line with the current demands and future challenges of SFPI that micro finance industry requires.

It is therefore a big deal to assess how the Specialized Financial and Promotional Institution (SFPI) manage its HRP processes.

Furthermore, the researcher, as a member of this organization observed that, attempts to find and fit the right people in the organization's structure and function can come at a greater financial cost and can be time consuming due to internal and external problems. It was from this background that the researcher was urged to conduct this assessment

1.2 Background of the Organization

Specialized Financial and Promotional Institution (SFPI) is a micro-financing institution; which was established in accordance with proclamation No. 40/96, issued by the Ethiopian Government to regulate the business of micro-finance in Ethiopia.

As it is stated in the human resource and administration policy of the SFPI, The institution Headed by General Manager, the management of SFPI constitutes Deputy General Manager

five department managers these are Finance and Accounts, HR and Administration, Credit, Internal Audit and Saving Departments and three Services Heads these are Marketing and Business Development, Legal & Contract administration and MIS.

The HR and Administration Department Manager is responsible to Plan, organize, direct, coordinate and supervise the HR & Administration activities of the Institution. He establishes and maintains policies and procedures for recruitment, transfer, promotion and other matters relating to the effective development and use of human resource of the Institution.

The Human Resource and Administration Department, in consultation with Department Managers, Service Heads, Branch Managers and the General Manager of the Institution, shall prepare annual human resource plan based on the overall short term and long term human resource requirement of the Institution.

However, in its preliminary survey the researcher observed that there is a mismatched between the annual human resource plan and the achievement. This is an indication for the existence of problem in the human resource planning.

Like many other organizations, SFPI is no exception, is facing looming challenges in attracting and retaining skilled and valuable employees to meet changing service delivery needs. Together with rapid advances in technology, these factors are already having a profound effect on what and how services are provided, to whom, and at what cost. This has made the need for effective planning of the organization's most valuable asset. The issue of Human Resource Planning raises series of questions. For instance, how effective is Human Resource Planning policies and practices in the SFPI? How do they address human capital challenges that hamper the execution of service delivery initiatives? How effective is the Human Resource Planning practices and procedures at the SFPI? It is against this background, that this researcher seeks to analyze the Human Resource Planning practices and challenges in the SFPI.

1.3 Statement of the Problem

An increase in the performance of a firm is a competitive advantage over its rivals, and this can be realized through human resource planning among others. HRP policies however have not been beneficially successful in attaining its predetermined objectives as organizations still

experience low performance despite HRP practices. This is because proactive HRP in organizations is a challenge as operating, line, or hiring managers are mostly carried away by planning for financial, material, and other resources leaving HRP to chance (Armstrong, 2006; Baron & Armstrong, 2007; Huselid, 1995).

In the light of these realities, to enhance optimum performance of organizations; the uncertainties associated with HRP such as labor turnover, absenteeism, seasonal unemployment, market instabilities, and modifications in technology have to be well thought-out in the course of putting HR plans in motion (Huselid, 1995). These uncertainties pose a major challenge to HRP in general in that it limits the managers' ability to forecast HR needs in particular as it hinders the organization's much needed strategic actions, with the resultant effect of ineffectiveness, unproductiveness, and unsuccessful goal attainment.

According to a preliminary survey conducted by the researcher, there is a practice of human resource planning in the SFPI which was conducted during the formulation of the institution's five year strategic plan and annual business plan formulation. However, the human resource part has not been given due attention like that of operational and financial plan. This can be deduced from the procedure followed by the SFPI while conducting human resource planning. For example: HRP was done without action plan to deal with forecast deficit through internal promotion, training or external recruitment. There is also lack of action plan to deal with forecast surplus through downsizing, layoff or voluntary separation. It looks SFPI has let attracting talented work force and retaining quality work force to chance. If SFPI continue keeping ad hoc based human resource planning, it will be one of hampering factors among others that will affect the success of SFPI in today's competitive environment.

Therefore, it was timely and important to assess whether or not the HRP was carried out in systematic manner in line with standard literatures that helps to identify the gap between theory and practices. Besides, this study intended mainly to assess some of the challenges of the HRP practice of SFPI and to come up with necessary alternative solutions. By doing in depth assessment the stud tried to contribute to the alleviation of existing problems. To this end, the research tried to answer the following research question:

1.4 Basic Research Questions

- ❖ How is the human resource planning practice carried out at SFPI?
- ❖ Is the human resource plan aligning with the organization's strategic plan?
- ❖ What are the challenges the organization face in developing and implementing its HR plan?

1.5 Objectives of the Study

The general objective of the study is to assess the practice and challenges of human resource planning in the SFPI, specifically the objective of the study include the following:

1. To assess how the human resource planning practice carried out in the SFPI
2. To identify whether HRP is aligned with the organization strategic plan
3. To assess the challenges in the development and implementation of human resource planning

1.6 Significance of the Study

Today, more and more organizations are realizing the need for serious human resource planning, since human resource would prefer the organizations that enable them to fulfill their true potential and, in so doing, help the organizations to achieve their objectives. Knowing of this fact, this study is expected to offer the following benefits.

- The human resource department of SFPI would benefit from the awareness that will be created in addressing the role of human resource planning on improving organizational performance.
- The policy makers in the service providing institutions will find the study useful in formulating appropriate policies and programs that will create a good environment for proper human resource planning.
- It will also identify gaps for further study and discussions and serve as a stepping stone for other researches.
- To the researcher the study will lead to partial fulfillment of the requirement for the award of a master's degree in General MBA.

1.7 Scope of the Study

This research tried to assess the practice and challenges of human resource planning in the company. As a basic research the scope of the research was limited to disclosing the practice and challenges of human resource planning at Specialized Financial and Promotional Institution by excluding other HRM functions. Interims of respondents and geographical location the study were delimited to Deputy General Manager, Department Managers, Service Managers and Division Heads at head office in Addis Ababa and Branch Managers at branch office respectively for they are appropriate respondents to the subject matter. The study also limited to a single microfinance institution due to constraints of time and money. Methodologically the study was limited to descriptive statistics to interpret the findings obtained through questionnaire and interview administered for the mere objective of the study is just to assess what is happening in the SFPI with regard to human resource planning. To this end, the study covers, a panel data of this company over a period of 2018 to 2019

1.8 Organization of the Thesis

The thesis has five main chapters. The first chapter is an introduction, which provided overall information while the second chapter dealt with conceptual and empirical literatures. Under the third chapter, research methodology was stated. The main body of the study that is data analysis and interpretation would be presented in the forth chapter. Finally, the summary, conclusion and recommendation part was presented in fifth chapter.

1.9 Definition of Terms

Human Resource: people in working environment gifted with the right ability, skills and attitudes (Bratton and Gold, 2007).

Human Resource Planning: ‘A process in which an organization attempts to estimate the demand for labor and evaluate the size, nature and sources of supply which will be required to meet the demand.’ Reilly (2003)

Human Resource Management: is designing management system to ensure that human talent is used effectively and efficiently to accomplish organizational goal. (Robert L& John K, 2007)

Scenario Planning: Making broad assessments of future environment factors and their likely impact on people requirements. (Bulla and Scott, 1994)

Recruitment- is the process of generating a pool of capable candidates to apply to an organization for employment (Bratton and Gold, 2007).

CHAPTER TWO

RELATED LITERATURE REVIEW

2.1 Theoretical Literature Review

2.1.1 The Concept of Human Resource Planning

It is the work of the organization to determine its current and future manpower requirements that will help to meet its objectives. According to Bulla and Scott (1994), human resource planning is a process for ensuring that the human resource requirements of the organization are identified and plans are made for satisfying those requirements. Milkovich and Boudreau (1993) outlined that human resource planning is the process of collecting and using information on the base of which it can be discussed as the number of resources spent on personnel activities. Mondy and Noe (2006) advocated that human resource planning is the entry point of human resource management concerned with the determination of human resource requirements, job analysis, recruitment, selection and socialization. Reilly (2003) defined workforce planning as a process in which an organization attempts to estimate the demand for labor and evaluate the size, nature and source of supply which will be required to meet the demand. Anyim, Mba and Ekwoaba (2012) were of the opinion that Human resource planning is a first and most basic, activity of the human resource management function.

Khadka (2009) stressed that human resource planning must be linked to the overall strategy of the organization. Koubek (2007) stated that personnel planning serves to achieve the goals of the organization by development prediction, setting the targets and realizing arrangements leading to current and future ensure of business tasks with adequate manpower.

Dessler and Varkkey (2009) affirmed that personnel planning embrace all future positions and planning flows from the firm's strategic plan. Mullins (2003) condemned that human resource planning as the process of planning for the work- force needs of an organization to ensure that the personnel needs are constantly met and this is achieved through demand and supply analysis. Dwevedi (2012) saw human resource planning as a process which helps out in properly performing important human resource functions such as true and timely information which is provided about when to do recruitment of employees. Cascio (1992) narrated that human resource planning can be defined as an effort to anticipate future business and environmental demands on an organization, and to provide the employees to fulfill that

business and satisfy those demands. Walker (2002) affirmed that human resource planning is the process of identifying and responding to the issue of workers and charting new policies, systems and programs that will ensure effective human resource management under changing conditions. Mursi (2003) postulated that human resources planning is a process of guiding activities related to the human resources management. Human resource planning is a process that put one organization in suitable place by having the correct number and desired human resource that meets the purpose of the organization (Jahanian, 2009).

Forecasting manpower demand involves the estimation of the number and type of human resource required at different levels in different departments in an organization (Pradeesh, 2011). Randal (2000) was of the view that human resource planning is the process that consists of developing and implementing plans and programs to ensure that the right number and type of individuals are available at the right time and place to fulfill organizational needs.

2.1.2 Objective of Human Resource Planning

Reilly (1999) highlighted that there are several reasons why organization chooses to engage in human resource planning. Michael (2006) contended that, the aims of human resource planning in any organization will largely depend on its context. The purpose of human resource planning is to forecast organizational needs for employees taking into account the internal and external supply of labor to meet staffing requirements; that is, identifying the gap between what is needed and what is available (Santos, Zhang, Gonzalez & Hyde, 2009). Noe (2012) highlighted that other factors that influence forecasting demand for personnel include budget constraint, turnover due to resignations, contract terminations, transfers and relocations, retirement, new technology in the field, decisions to upgrade the quality of services provided and minority hiring goals. That when it comes to the human resource planning context, a mathematical formula is used to project future demands of human resources based on an established relationship between an organization's employment level and some measurable factors of output such as revenue, sales or production level.

Walker (1980) established that human resource planning occupies an important role to forecast future demands of business and environmental factors in the organization and it also helps to generate and manage the human resource demands as required and as conditions depict. Imison, Buchan and Xavier (2009) contended that getting the balance right between

labor demand and supply is the most common objective of human resource planning. Ulrich (1987) advocated that human resource planning is recognized as a source of development of organizational functions based on missions and objectives of the business. Like most organizational practices, the effectiveness of human resource planning depends on the perspective within which it is utilized (Walker, 1990).

2.1.3 Process of Human Resource Planning

Human resource planning captures all actions involving continuous environmental scanning and reviewing of organizational strategies, objectives, and policies in order to ensure that the right quality and quantity of human resources are available when and where they are needed. (Randhawa, 2007). Dessler, (2001) opined that human resource planning is an ongoing process that is not static involving many interrelated activities which must be modified and updated as conditions require.

Randall (2000) asserted that human resource planning involves making an inventory of current human resources in order to determine the human resource status, for example, the current size and kind of the human resources as well as work scope, the inventory involves examining the available employees skills and number of employees, the experience and age structure span of control.

Harbison (1973) argued that, human resource planning consists of various activities which include forecasting human resource requirements, making an inventory of present human resources and assessing the extent to which these resources are employed optimally, anticipating human resource problems by projecting present resources into the future and comparing them with the forecasts of requirements to determine their adequacy and planning the necessary programs of requirements, selection, training and development, utilization, transfer promotion, motivation, and compensation to ensure that future human resource requirements that are properly met.

Relatively, John (2008) advocated that five steps process is used for creating a linkage between human resource or workforce planning and departmental planning to regulate the current and future requirements and demands of the human resource include determination of business goals, environmental scanning, performing gap analysis, deciding human resource

priorities and measure, monitor and report the progress. Edwards (1983) discussed three pillars of manpower planning which are the predictions of the future demand in human resource, the prediction of the future supply of the human resource and closing the gap between the first and second pillar and making policies for that. Izueke (2009) pointed that human resource planning requires detailed analysis of the present and the future to ensure that the organization has the right number of people available who possess the right kinds of skills to perform the jobs required by the organization when the work is needed. Butter, (2002) advised that it is important to note that the quality of human resource planning depends on personal records. Ghazala & Habib, 2012) contended that the process of human resource planning should ensure that, an organization's employees have the requisite skills and competencies an enterprise needs for it to succeed.

A book by Bulla and Scott (1994) revealed that human resource planning activities as follows:

Scenario planning – making broad assessments of future environmental factors and their likely impact on people requirements.

Demand forecasting – estimate future needs for people and competences by reference to corporate and functional plans and forecasts of future activity levels.

Supply forecasting – estimate the supply of people by reference to analyses of current resources and future availability, after allowing for wastage. The forecast will also take account of labor market trends relating to the availability of skills and to demographics.

Forecasting requirements – analyses the demand and supply forecasts to identify future deficits or surpluses with the help of models, where appropriate.

Action planning – prepare plans to deal with forecast deficits through internal promotion, training or external recruitment. If necessary, plan for unavoidable downsizing so as to avoid any compulsory redundancies, if that is possible. Develop retention and flexibility strategies.

Although these are described as separate areas, they are closely interrelated and often overlap. For example, demand forecasts are estimates of future requirements, and these may be prepared on the basis of assumptions about the productivity of employees. But the supply forecast will also have to consider productivity trends and how they might affect the supply of people.

A flow chart of the process of human resource planning is shown in Figure bellow and each of the main activities is described below.

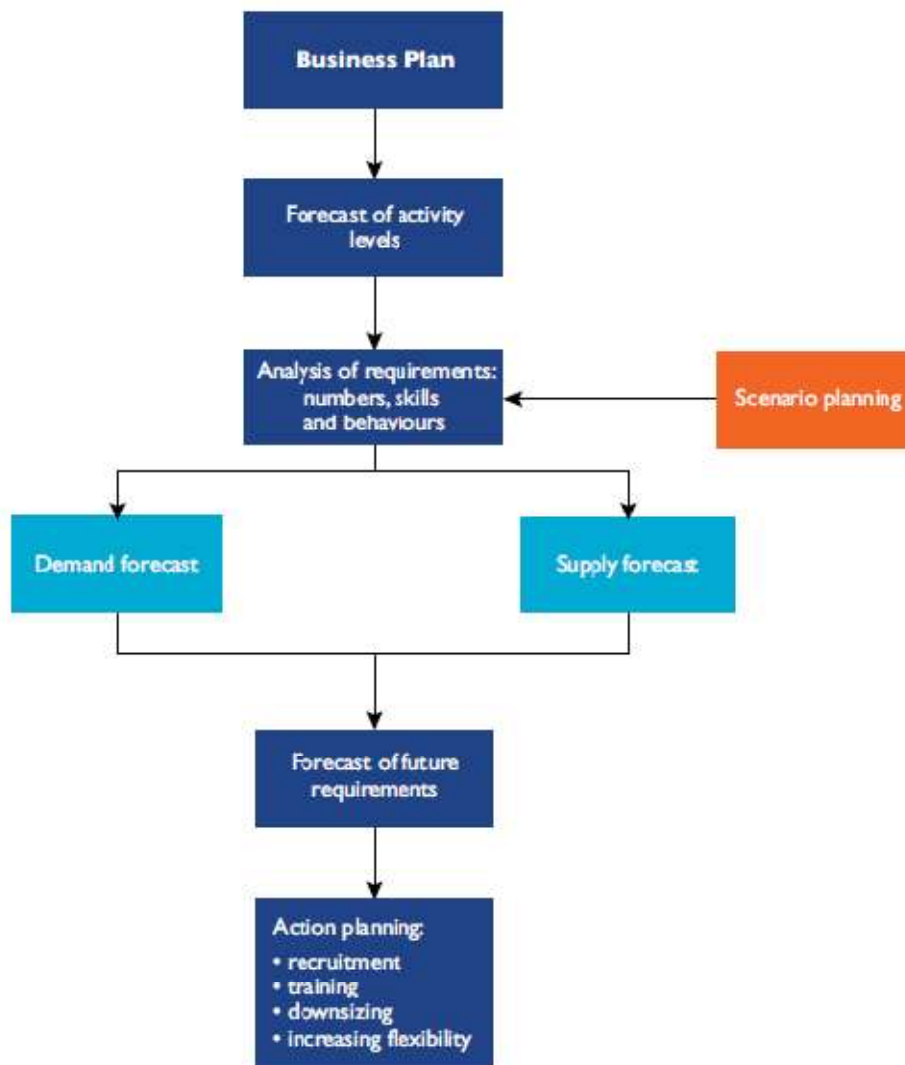


Figure 1 Human Resource planning process (From Bulla and Scott, 1994, p.490)

2.1.4 Scenario Planning

Scenario planning is simply an assessment of the environmental changes that are likely to affect the organization so that a prediction can be made of the possible situations that may have to be dealt with in the future. The scenario may list a range of predictions so that different responses can be considered. The scenario is best based on systematic environmental scanning, possibly using the PEST approach (an assessment of the political, economic, social and technological factors that might affect the organization). The implications of these factors on the organization’s labor markets and what can be done about any human resource issues can then be considered.

2.1.5 Demand Forecasting

Demand forecasting is the process of estimating the future numbers of people required and the likely skills and competences they will need. The basis of the forecast is the annual budget and longer-term business plan, translated into activity levels for each function and department or decisions on 'downsizing'. In a manufacturing company the sales budget would be translated into a manufacturing plant giving the numbers and types of products to be made in each period. From this information the number of hours to be worked by each skill category to make the quota for each period would be computed.

Details are required of any organization plans that would result in increased or decreased demands for employees, for example setting up a new regional organization, creating a new sales department, decentralizing a head office function to the regions. Plans and budgets for reducing employment costs and their implications on the future numbers of people to be employed would also have to be considered.

The demand forecasting methods for estimating the numbers of people required are described below.

2.1.6 Managerial Judgment

The most typical method of forecasting used is managerial judgment. This simply requires managers to sit down, think about their future workloads, and decide how many people they need. It might be done on a 'bottom-up' basis with line managers submitting proposals for agreement by senior management.

Alternatively, a 'top-down' approach can be used, in which company and departmental forecasts are prepared by top management, possibly acting on advice from the personnel departments. These forecasts are reviewed and agreed with departmental managers. A less directive approach is for top management to prepare planning guidelines for departmental managers, setting out the planning assumptions and the targets they should try to meet.

Perhaps the best way of using managerial judgment is to adopt both the 'bottom-up' and 'top down' approaches. Guidelines for departmental managers should be prepared that indicate broad company assumptions about future activity levels that will affect their departments.

Targets are also set where necessary. Armed with these guidelines, departmental managers prepare their forecasts to a laid-down format. They are encouraged to seek help at this stage from the personnel or work study departments. Meanwhile, the personnel department, in conjunction as necessary with planning and work study departments, prepares a company human resource forecast. The two sets of forecasts can then be reviewed by a human resource planning committee consisting of functional heads. This committee reconciles with departmental managers any discrepancies between the two forecasts and submits the final amended forecast to top management for approval. This is sometimes called the 'right-angle method'.

Ratio-trend analysis

Ratio-trend analysis is carried out by studying past ratios between, say, the number of direct (production) workers and indirect (support) workers in a manufacturing plant, and forecasting future ratios, having made some allowance for changes in organization or methods. Activity level forecasts are then used to determine, in this example, direct labor requirements, and the forecast ratio of indirect to direct would be used to calculate the number of indirect workers needed.

Work study techniques

Work study techniques can be used when it is possible to apply work measurement to calculate how long operations should take and the number of people required. Work study techniques for direct workers can be combined with ratio-trend analysis to calculate the number of indirect workers needed.

2.1.7 Forecasting Skill and Competence Requirements

Forecasting skill and competence requirements is largely a matter of managerial judgment. This judgment should however be exercised on the basis of a careful analysis of the impact of projected product-market developments and the introduction of new technology, either information technology or computerized manufacturing.

Supply forecasting

Supply forecasting measures the number of people likely to be available from within and outside the organization, having allowed for absenteeism, internal movements and promotions, wastage and changes in hours and other conditions of work. The supply analysis covers the following areas.

Supply analysis areas:

- Existing number of people employed by occupation, skill and potential.
- Potential losses to existing resources through attrition (employee turnover).
- Potential changes to existing resources through internal promotions.
- Effect of changing conditions of work and absenteeism.
- Sources of supply from within the organization.
- Sources of supply from outside the organization in the national and local labor markets.

Forecast of future requirements

To forecast future requirements it is necessary to analyze the demand and supply forecasts to identify any deficits or surpluses. Bulla and Scott (1994) showed that the analysis can be made with the help of spreadsheets. It can be set out as follows:

1. Current number employed	70	2.
2. Annual level of turnover	10%	
3. Expected losses during year	7	
4. Balance at end year	63	
5. Number required at end year	75	
6. Number to be obtained during year (5- 4)	12	

2.1.8 Action Plan

Action plans are derived from the broad resourcing strategies and the more detailed analysis of demand and supply factors. However, the plans often have to be short term and flexible because of the difficulty of making firm predictions about human resource requirements in times of rapid change. The planning activities start with the identification of internal resources available now or which could be made available through learning and development programmes. They continue with plans for increasing the attractiveness of working for the organization by developing an employer brand and an employee value proposition, taking steps to reduce employee turnover and absenteeism, and increasing employment flexibility.

2.1.9 Importance of Human Resource Planning to the Organization

Armstrong (1992) postulated that the importance of increasing productivity is one of the most critical goals in business and Human resource planning is essential for the achievement and attainment of this productivity. Parker and Caine (1996) mentioned that it is important for organizations to have the right number of manpower in order to avoid the unwanted situation such as the issue of shortage and excess of manpower. Cole (2002) said that human resource planning is critical to the success of an Organization's strategy and planning is tied to the nature of organizations. Reilly (2003) concurred that human resource planning practices enable a firm to estimate the demand for labor and evaluate the size, nature, and sources of supply which will essentially be required to meet the demand. Craft (1980) observed that human resource planning influences the caliber and type of applicants who choose to join an organization that firms that practice human resource planning are more likely to know what specific characteristics they are looking for applicants and this helps them to increase the quality of decisions. Katua et al (2014) discovered that human resource planning strategies can enhance the performance of a firm; that firms ought to develop and document strategies for human resource planning with the object of enhancing both employee and organizational performance. Hassan (2003) pointed that failure to properly articulate and implement the three fundamental functions of human resource planning which include labor forecast, managing demand for employees and available supply in market and keep a balance between labor supply and demand predictions will pose a great problem to firms in terms of cost and expertise which in turns reduce their competitiveness. Walker (1990) narrated that planning for human resources is more important than ever as competitive advantage is sought through superior service, quality, lower costs and organizational effectiveness; that with increased

emphasis on productivity, quality and service, executives now recognize that attention to the financial and technological side of business must be balanced by attention paid to planning for human resources. The need for human resource planning has become an ever more important aspect of the business planning process (Meehan et al, 2002). Aslam et al (2013) elaborated that organizations which consider human resource planning as the significant and essential part of their human resource management turn out to be very helpful in terms of dealing with its human resource capital which could possibly make the organization to stand out of the competition prevailing in the market.

A study by Edwards and Pearce (1988) on a high technology businesses revealed that human resource planning is particularly important for emerging, rapid-growth and high tech business. A study conducted by Gifford (2011) on the development of human resource revealed that Human resource planning identifies the skill requirements for various levels of jobs. A study by Mursi (2003) revealed that there is a significant and positive relationship between human resource planning and organizational performance. A study on coping with change conducted by Bogdan (2012) in the northern province of France highlighted that Human resource planning is important to cope with the change associated with the external environmental factors. Ogunrinde (2001) examined the application of human resource planning and its relationship with organizational performance and found that organizations engaged in human planning performed better than those that did not. A study by Mildred (2012) on the influence of Human Resource Management practices on financial performance of commercial banks in Kenya concluded that the major human resource management practices that affect the financial performance of commercial banks include human resource planning. A study by Hiti (2000) found that human resource planning has a positive relationship with organizational performance. A study by Cakar (2012) revealed that one of the importance of human resource planning is that effective human Resource planning fulfils the organization needs for a quality workforce, that a proper human resource plan reduces labor costs substantially by maintaining a balance between demand for and supply of the human resource.

Arsad (2012) in his study of manpower planning effect on organizational performance found that there is a positive relationship between manpower planning and organizational performance.

2.1.10 Linking HRP Processes with Strategic Planning

When HRP practices are linked and aligned with strategic planning, they contribute to the creation of a competitive advantage for an organization by reducing cost, increasing performance, and improving the organizational response to environmental changes.

Effective HRP is an aspect of HRM that can be conducted at the organizational level; however, the overall success of any organization is achieved through integrating HRP and organizational strategic planning (Omoankhanlen, 2013). In order to link HRP activities with strategic planning, HR professionals need to implement better methods of aligning their objectives and practices with the development, design and implementation of organizational strategic objectives and initiatives (Lam & Schaubroeck, 1998).

A number of models have been proposed in the literature to explain how HRM and strategic planning can be strategically linked. For example, Golden and Ramanujam, (1985) developed four levels of integration of HRP activities and organization strategy: administrative linkage, one-way linkage, two-way linkage, and integrative linkage. The most advanced form of linkage is integrative linkage, where the senior HR manager is represented on the senior management team, and is involved in various stages of the decision making process (Wright et al., 2003). The most recent model from Bulmash et al. (2010) is also in line with this approach and involves the HR function and those responsible for strategic planning working together as a team to plan and integrate the strategic and HR plans.

2.1.11 Challenges of Human Resource Planning

Human resource is the most important aspect in the organization because organizations are unlikely to deliver without the right people. The process of human resource planning has become a complex matter particularly in ever changing environments, as the instability of the economy increases the tensions between greater need for planning and greater difficulties of human resource prediction also increase. According to Pilbeam and Corbridge (2010) human resource planning is a systematic and continuing process of analyzing an organization's human resource needs under changing conditions and integrating this analysis with the development of human resource policies to meet those needs. Mahapatro (2010); Pilbeam and Corbridge (2010) note that human resource planning should be future and goal oriented, reduce uncertainty, balance supply and demand of labor and ensure that the organization has the right skills it requires by going through a process that include four stages. The four stages

include investigation and analysis stage, forecasting stage, planning and resourcing stage, Implementation and control stage. These elements make human resource planning to become proactive by anticipating labor deficits and labor surpluses, acquiring and developing required skills. According to Pilbeam and Corbridge (2010) the gaps are identified by the demand and supply forecasts where deficit will imply that an organization should recruit from outside or invest in the available skills while a surplus of human resource may suggest redundancy or redeployment of the human resource. According to Armstrong (2011) human resource gaps may also occur in terms of skills or knowledge which may require an organization to engage in recruitments, promotions or training and development. However, in an unstable economy, it is very difficult to recruit from outside due to brain drain and high labor mobility to greener pastures because of high unemployment in the economy. Andersson et al. (2002) state that the characteristics of the economy greatly influence the way in which organizations approach human resource planning. The human resource planning process is usually successful in a stable environment but complex in an unstable economy. Fapohunda (2012) states that the characteristics of an unstable economy includes high unemployment, shrinking output, numerous bankruptcies, reduced amounts of trade and commerce, currency fluctuations and devaluations, financial crisis and bank failure. In such a turbulent economic environment, organizations usually face rampant human resource planning problem.

2.1.12 Problems/ Barriers to Human Resource Planning

Human resource planning is as important is not so easy to make. The planners face various problems while formulating human resource plans. The major ones are discussed as follows:

- ❖ People perceive that people are available in abundance in our labor surplus economy. Then, why to spend time and money in forecasting human resources? Surprisingly, this perception about human resource planning is also held by the top management.
- ❖ Another problem in human resource planning is that the demand for and supply of human resources is not cent percent accurate. Experience suggests that longer the time horizon for forecasting human resource requirements, greater is the possibility of inaccuracy in estimates of human resource needs.

- ❖ Various types of uncertainties like labor turnover, absenteeism, seasonal employment, market fluctuations and changes in technology render human resource planning ineffective. The reason being these uncertainties makes human resource forecast mere a guess far from reality.
- ❖ Sometimes human resource planning suffers from a conflict between quantitative and qualitative approaches used for it. Some people view human resource planning as a mere numbers game to track the flow of people across the departments and in and out of the organization. Conversely, others take a qualitative approach focusing on the quality of human resources like career planning development, skill, morale etc.
- ❖ Generally, human resource personnel are perceived as experts in handling personnel matters. But, they are not experts more than often. Hence, human resource requirements estimated by such people are not realistic ones. The organizational plans based on such estimates are endangered to be flopped.
- ❖ As human resource planning is based on data relating to human resources, the same is not maintained in a proper manner in some of the industrial organizations. Then, in the absence of reliable data, it becomes difficult to develop effective human resource plans.

In sum and substance, problems in human resource planning arise both from inherent limitations of forecasting, on the one hand, and from weaknesses of human that do it, on the other. But, both can be overcome.

2.1.13 How to Make HRP Effective

Following are some of the steps that may improve the effectiveness of human resources planning.

- ❖ Human resource plans must be viewed as an integral part of corporate planning. So to say, human resource plans should be tailored with the objectives, strategies and overall environment of the particular organization.
- ❖ The support and commitment of the top management be ensured before starting the process of human resource planning.

- ❖ Personnel records must be complete, up-to-date and readily available to ensure an adequate and strong data-base. Data-base serves as backbone for human resource planning.
- ❖ The time horizon of the human resource plan should be appropriate to accommodate the changing needs and circumstances of the particular organization.

Both quantitative and qualitative aspects of human resource plans should be stressed in a balanced manner in order to avoid conflicts between the two.

2.2 Empirical Literature Review

In this section the researcher tried to identify findings of prior studies on human resource planning practices and challenges. With this regard four research findings are identified both from the home country and abroad as follows:

A study by Husna A.John(3013) on assessment of the role human resource planning towards organizational performance, case of National Institute of Transport(NIT). The study found out that human resource planning is an efficient tool to achieve the goals and objectives of National Institute of Transport if planning involves setting the required objectives, analyzing the environment, carrying out an audit of human resources, making a forecast, reconciling the demand and supply of human resources and evaluating the implementation.

Birhane(2011) examined in her research paper to study, An assessment of human resource planning, training and placement practices and problems of the ministry of defense in Ethiopia. The research was based on both primary and secondary data obtained from four higher educational colleges and nine training centers organized as Human Resource sector under the jurisdictions of the chief of staff in the Ministry of Defense and from HRM at head office. The sampling technique which was used in this study was Probability sampling. The key finding of the study were that the practice of human resource planning, training and placement of MOD described as dysfunctional and reactive because the processes and procedures of HR planning were not developed and arranged in an integrated way so as to serve as input or conducive situation for HR planning.

The human resource management system could translate the goals of the organization into specific action through policy and procedures. But the management system of the institution has not developed appropriate management philosophy that can translate the institutional goals in the specific actions in consistent with the nature of the institution. On top of this, the organizational structure was not satisfactory on designing efficient and effective organizational design, job design and job structure.

Moreover, the approach and methods of forecasting analysis of demand and supply were not comprehensive and supported with quantitative statistical evidence, it only depended on subjective qualitative approach and limited to some forecasting analysis methods. As a result the organization is not in a position to predict the job requirement and staffing needs in advance.

The Third study the researcher took as an example here is the research by Tesmeyiki(2019) from Ethiopia. The researcher under his research titled “Human resource planning practices and challenges at Ethiopian construction workers corporation” The study tried to find out how the human resource planning process carried out in the company; to what extent the human resource planning integrated with its strategic plan and the major challenges the corporation faced in human resource planning.

The study result revealed that the company has not good human resource planning practices for there is not computerized human resource information system in the corporation. The study also showed that the human resource planning was not integrated with the corporation’s strategic plan.

2.3 Conceptual Frame Work

The process of the HR planning begins with considering the organizational objectives and strategies. Then both external and internal assessments of HR needs and supply sources must be done and forecasts developed. Key to assessing internal human resources is having solid information, which is accessible through a human re-source information system (HRIS). Once the assessments are complete, forecasts must be developed to identify the mismatch between HR supply and HR demand. HR strategies and plans to ad-dress the imbalance, both short and long term, must be developed.

Based on the above theoretical and empirical literature, the following integrated frame work was developed and it shows the relationship between human resource planning practices and challenges of human resource planning practices.

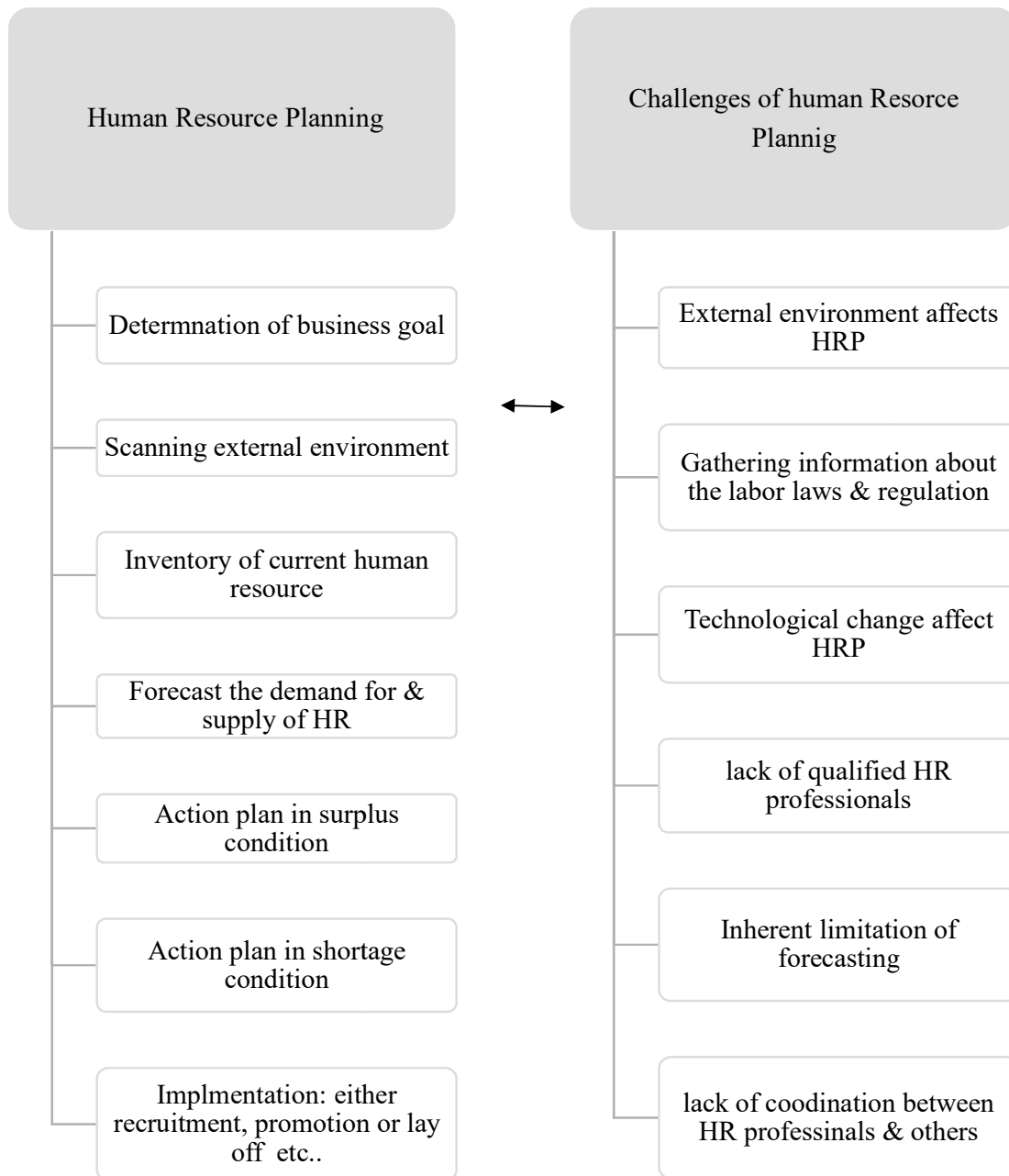


Figure 2 Conceptual Frame Work

2.4 Research Gap

Even though the HR policy of SFPI and its preamble necessitates the establishment of a system that may attract and retain competent skilled staff dedicated to serve the company, the practical experience and preliminary observation indicate that the HRP of SFPI has not much been carried out systematically in line with the current demands and future challenges of SFPI that micro finance industry requires.

It is therefore a big deal to assess how the Specialized Financial and Promotional Institution (SFPI) manage its HRP processes.

Furthermore, the researcher, as a member of this organization observed that, attempts to find and fit the right people in the organization's structure and function can come at a greater financial cost and can be time consuming due to internal and external problems. It was from this background that the researcher was urged to conduct this assessment

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Research Design and Approach

Since the intention of this research is simply to determine, describe or identify what is there regarding the human resource planning practice and challenges, the researcher has no control over variable. Accordingly the study will adopt descriptive research method that focus on in-depth description of the Human Resource Planning practices and challenges of the target organization.

Due to its descriptive nature, the researcher deployed a descriptive method in order to assess and describe the practice of human resource planning in the organization under study. Besides, the study has used both quantitative and qualitative approaches. This is because employing the mixed approach helps to converge or confirm findings from different data sources and helps to ensure the reliability of the study. The quantitative approach is used in analyzing the respondents' response through questionnaire in terms of frequency mean and standard deviation while the qualitative approach is deployed in narrating the interview response and the researcher practical experience and observation to increase the reliability of the data obtained through questionnaire.

3.2 Population, Sample Size and Sampling Techniques

This sub-topic contains Population, sample size and Sampling techniques

3.2.1 Target Population

Population refers to a group which the researcher is interested in gathering the information, as well as drawing conclusion on (Crowl, 1993). This study was conducted at SFPI. The focus of this study was to cover all departments in which the study was considered. The total number of the population in the study area was 307 employees.

3.2.2 Sample Size and Sampling Techniques

The study used specialized Financial and Promotional Institution in the study areas. There were a total number of 307 employees. Therefore, the researcher took a sample size to collect

data through questionnaire. For this research the number of respondents was determined by using Yamane's formula.

$$n = \frac{N}{1 + N(e)^2}$$

Where n = sample size

N = population of the study

e= % level of significance or margin of tolerable error. The researcher considered 5% level of significance or margin of tolerable error and the confidential level is 95%. By computing the sample size of the population using the above formula, the sample size to be included to the study would be = $307 / 1 + 307(0.05)^2$ n=164.

Therefore, 164 respondents were used as sample for this study to gather data through questionnaire.

The researcher wanted to highlight a specific sub groups within the population and thus stratified sampling was used in order to take independent sample for managerial and non managerial employees. Accordingly, all the managerial employees who were 30 in number taken by the researcher for they are appropriate person to know the practice of human resource planning in the organization than the non managerial employees and 144 non managerial employees were taken randomly. The non managerial employees were used just for the triangulation of a response given by the managerial employees.

3.3 Source of Data and Data Collection Tools

There are two sources of the data that are primary and secondary.

Primary source was information or records that provide first hand evidence that can be used to create a picture or what happened at the time. It was a source of study that was collected from various sources; the primary source of the data would include actual information, opinion, views and attitudes on the problem understudy. The Primary sources of the study

included all the department managers, service heads, division heads, branch managers and selected employees of SFPI.

Secondary Source interprets and analysis primary sources of the study and it was collected from various books, annual reports, plan documents, strategies manuals, journals and internet, the researcher's prior information and experience in the issue under consideration are the vital inputs.

To conduct this study, the researchers employ the following data tools. To collect quantitative data, close ended questionnaires and some open ended questionnaires were set. To collect qualitative data interview were used as a data collection instrument.

3.4 Data Collection Procedure

Research procedures refer to a detailed description of the steps taken by the researcher to conduct the study. For this study, the draft questionnaires were developed first, which is different for managerial and non managerial employees. A pilot test was conducted using 5 questionnaires for the management group and 10 questionnaires were developed to subordinates group to collect preliminary data to enable the testing of validity and reliability. During the pilot study, the researcher has randomly distributed the research questionnaires to respondents in the pilot study. The result of the pilot study was used to enhance the effectiveness of the data collection instrument and to define the procedure to be applied in the actual study.

3.5 Data Analysis Methods

Before analysis, data collected from questionnaires were reviewed carefully and checked for completeness and consistencies. Descriptive statistics was analyzed using SPSS: frequency tables, percentages and mean. The result has been presented using tables.

3.6 Reliability and Validity of Measurements

3.6.1 Reliability

Reliability is a measure of consistency between multiple measurements of a variable. The consistency of these measures indicates homogeneity of the variables measuring the same construct. The items should be highly correlated to obtain a reliable measure for the construct (Hair et.al., 1998). Cronbach's Alpha is a test designed to measure their reliability. The

correlation is indicated by a score greater than 0.70 (Hair et.al., 1998). The present research uses Cronbach's Alpha to test the reliability of the construct.

All the three variables of human resource planning reported a high degree of homogeneity consistency, and reliability with Cronbach Alpha greater than 0.70. The overall value of Cronbach's is 0.814 as shown in table 3 (includes all the statements) and the variable wise value of Cronbach Alpha has been calculated as Human resource planning process(10 variables)=0.744, HRP alignment with business plan (5 variables)=0.894 and challenges of human resource planning(7 variables)= 0.701 as shown in table below.

Table 1 Cronbach's Alpha for all the Factors to Managerial Employees

S/N	Theme	No of items	Cronbach's Alpha
1	HRP planning process	10	0.744
2	Alignment of HRP with strategic plan	5	0.894
3	Challenges of HRP	5	0.701
	Grand Mean	20	0.814

Table 2 Cronbach's Alpha for all the Factors to Non-Managerial Employees

S/N	Item	No of item	Cronbach's Alpha
1	Human Resource planning	7	0.733

3.6.2 Validity

Construct validity is one of the validity types. It is the extent to which the questions on the instrument and the scores from these questions represent all possible questions that could be asked about the content or skill (Creswell, 2005). It ensures that the questionnaire includes adequate set of items that tap the concept. The more the scale items represent the domain of the concept being measured, the greater the content validity (Shekaran & Bougie, 2010). With it is the interested in assessing current performance rather than predicting future performance. It is related to a type of validity in which different elements, skills and behaviors are adequately and effectively measured (DeVellis, 2006; Messick, 1995). There is no statistical test to determine whether a measure adequately covers a content area, content validity usually depends on the judgment of experts in the field. The unclear and obscure questions can be

amended, and the ineffective and non-functioning questions can be discarded by the advice of the reviewer.

Accordingly the researcher focused to ensuring the content validity and tried to construct the main research framework based on the researcher review consulted. Therefore, the instruments were carefully designed and then reviewed by subject experts, who are acknowledged in the area. In addition, the instruments were evaluated by the thesis advisor thoroughly. Based on the feedback obtained from the subject experts and the thesis advisor, the instruments were modified and further enriched finalized in a form that they would be clear and understandable to the participants of the study.

3.7 Ethical Consideration

It is unethical to a researcher to present a biased report or not to report the truth as it is. Required information about the research has been written on the cover page of the questioner & interview so the information provider can read it & understand before they provide the required information.

Respondents of the research were informed about the purpose of the study and personal information is kept anonymous. Undertaking research study conducted elsewhere by somebody is plagiarism so here any cited paper for the purpose of this study is given credit for that specific author.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This chapter is based on the data collected with the help of standardized questionnaire from the respondents of selected management and employees of specialized financial and promotional institution (SFPI). The data collected has been shifted and tabulated to obtain results. The data has been analyzed by applying various statistical tools like frequencies, percentage and mean with standard deviation and SPSS as per the requirements of the present research study. Results obtained from the data analysis have been presented in tabular form to describe the findings relating to study.

In this chapter, the data so collected with previously mentioned research instruments has been duly analyzed and interpreted to achieve the desired objectives of the study. The study aimed at assessing the existing human resource planning practices and challenges at SFPI by looking different variables like human resource planning practices, alignment of human resource plan with the strategic plan and challenges of human resource planning.

The study was based on an in-depth study of 30 managerial employees and 164 non managerial employees from specialized financial and promotional institution (SFPI) covered under study. In all 194 employees have been selected randomly from the organization as stated earlier.

4.1 Response Rate

A total of 30 questionnaires were distributed to managerial employees of SFPI and all of the questionnaire were filled and returned. On the other hand 144 questionnaires were distributed to non managerial employees and all of 144 questionnaires were filled and returned.

Table 3 The Response Rate of Managerial Employees

Questionnaires	Number	Percent
Number of Questionnaires Distributed	30	100%
Number of Questionnaires Collected	30	100%
Number of Questionnaires unreturned	0	0

Table 4 The Response Rate of Non-Managerial Employees

Questionnaires	Number	Percent
Number of Questionnaires Distributed	144	100%
Number of Questionnaires Collected	144	100%
Number of Questionnaires unreturned	0	0

4.2 Demographic Profile of Respondents

Demographic profile of the respondents has been classified under three heads (i) Gender (ii) Tenure of service (iii) Educational qualification.

Table 5 Demographic Characteristics of Respondents

Variables	Managerial Employees			Non Managerial Employees	
	Respondents	Frequency	Percent	Frequency	Percent
Sex of the Respondent	Male	23	76.7	97	67.4
	Female	7	23.3	47	32.6
	Total	30	100.0	144	100.0
Service year of the respondent	less than a year	6	20.0	18	12.5
	1 to 2 year	4	13.3	11	7.6
	2 to 3 years	2	6.7	24	16.7
	3 to 5 years	3	10.0	32	22.2
	greater than 5 years	15	50.0	59	41.0
	Total	30	100.0	100	100
Educational Level of respondents	Diploma	1	3.3	80	55.6
	1st degree(BA/BSc)	20	66.7	62	43.1
	2nd Degree(MA/MSc)	8	26.7	2	1.4
	Total	30	100.0	144	100

Source: Own survey(2019)

Table 2 shows that 77% of the total managerial employees are male and only 23% are females and 65% non managerial employees are male while only 33% are female. This shows that the organization is male dominated both in terms of managerial and subordinate employees.

The record of tenure of service shows signs of instability in employment. More than 59% of employees serving in this company for less than 5 years this show instability in employment in the SFPI.

Majority of managerial employees 67% are working with first degrees. They are followed by second degree holders. And majority of subordinate employees 56% are working with diploma. They are followed by first degree holders. This infers that the development policy of SFPI is not encouraging to staffs to have their second degree.

All the above facts tell us about the heterogeneous nature of the respondents that could see the research questions from different perspectives. Accordingly, the sex difference may contribute to see the questions from the angle of male and female perspective, , the qualification level of each category may contribute to examine and judge the questions from scholarly dimension of outlook, the working experiences supports to describe the long-time observations about the practices of HRP from their empirical practices, job position and division of duties and responsibility within the same institution may gives opportunities to the two groups to grasp the practices of HRP in depth. Therefore, the composition of the sampling size and type can be the representative of the population so as to generate facts that enable the researcher to generalize about the population on issues under the study.

4.3 Analysis and Interpretation of Data Related to the Study

Respondents were asked to rate the Human Resource planning process practice in the organization on a five -point likert type scale ranging from 1 strongly disagree, 2 disagree, 3 neutral, 4 agree,5 strongly agree.

The analysis of mean score is based on the following assumption. If the mean statistical value is between 1 to 1.5 implies the respondents strongly disagreed, if the mean value is between 1.5 to 2.5 the respondents disagreed, the mean value is between 2.50 to 3.50 the respondents were neutral, the mean value is between 3.50 to 4.50 the respondents were agreed and mean value is 4.50 and above shows respondents are strongly agreed (Burns & Burns, 2008). Based on the above assumption the mean scores have been computed for each component of variables by equally weighting the mean score of all items under each dimension. The average mean result together with their respective variables was separately presented analyzed and interpreted as follows:

Table 6 Human Resource planning Practices

Items		Response					Mean	SD
		SD	D	N	A	SA		
SFPI has clear policy and procedure that guide how HRP is to be developed.	Frequency	2	6	5	9	2	3.5	1.28
	%age	6.5%	20%	16.7%	30%	26.7%		
Scanning external environment of human resource is done before HRP is developed.	Frequency	10	1	4	8	3	3.13	1.04
	%age	33.3%	3.3%	26.7%	26.7%	10%		
Inventory of current human resource is done in order to determine the human resource status.	Frequency	10	1	9	7	3	3.07	1.04
	%age	33.3%	3.3%	30%	23.3%	10%		
SFPI forecast the demand for human resource and competencies required.	Frequency	5	1	9	13	2	3.2	1.06
	%age	16.7%	3.3%	30.3%	43.3%	6.7%		
SFPI forecast supply for human resource and competencies required.	Frequency	5	1	9	13	2	3.2	1.06
	%age	16.7%	3.3%	30.3%	43.3%	6.7%		
SFPI maintained human resource data base.	Frequency	9	3	10	6	2	2.8	1.09
	%age	30%	10%	33.3%	20%	6.7%		
The organization prepare action plan to deal with forecast deficits through internal promotion, training or external recruitment.	Frequency	9	5	6	6	4	2.93	1.28
	%age	30%	16.7%	20%	20%	13.3%		
The organization prepare action plan to deal with forecast surplus through downsizing, layoff or voluntary separation.	Frequency	9	5	6	6	4	2.93	1.28
	%age	30%	16.7%	20%	20%	13.3%		
Follow up of the implementation of the human resource action plan done to keep the right track as per determined	Frequency	6	1	10	10	3	3.13	1.10
	%age	20%	3.3%	33.3%	33.3%	10%		
HRP is periodically evaluated based on its achievement per determined objectives.	Frequency	5	1	9	8	7	3.37	1.24
	%age	16.5%	3.3%	30%	26.7%	23.3%		

Source: Own survey (2019)

SD= Strongly Disagree D= Disagree N= Neutral A=Agree SA= Strongly Agree

M= Mean SD=Standard Deviation

As depicted in Table 5, SFPI has clear policy and procedure that guide how HRP is to be developed. This is evident from the 56.7% agreement by the respondents and also by 3.5 mean score and 1.28SD which shows the response are close to the mean. The human resource policy of SFPI also confirmed this. However, the interview result revealed that SFPI didn't

undertake the HRP activities in line with its policy. To have a guiding policy might be a means to an end but not the end by itself. This implies that the guiding policy remained in shelf which was not helpful in the preparation of human resource planning.

With regard to item 2, 36.7% of respondents are agreed that scanning of external environment is done before HRP is developed and 36.6 % disagreed and the remaining 26.7% are neutral to this statement. From the mean value of 3.13 one can infer that there is uncertainty among the respondents whether the scanning of external environment is done or not in the SFPI.

In line with this, the researcher has conducted an interview with the Human Resource and Administration division head and found out that SFPI didn't have practice of scanning external environment during human resource planning. As it was discussed in the theoretical background conducting an assessment of the environmental changes that is likely to affect the organization is vital so that a prediction can be made of the possible situations that may have to be dealt with in the future. So from this we can infer that SFPI has left the planning process to mere chance.

Of the respondents, 36.6% disagreed that inventory of current human resource is done in order to determine the human resource status whereas, 33.3% agreed. The response from non-managerial employees shows that 43.8% disagreed and 39.6 % agreed. This shows that both source of information support each other. So from the mean value of 3.07 and 2.94 for managerial and non managerial employees respectively one can infer that the practice is weak in conducting inventory of current human resource in order to determine the human resource status in the organization. So HRP is executed without clear information about the skills and knowledge of current employees. Thus SFPI couldn't identify if there is a gaps between the current levels of skills and relevant knowledge possessed by the employees and the knowledge, skills and abilities needed to meet future business goals.

Regarding forecast the demand for and supply of human resource and competencies required 50% of the respondents are agreed with the statements and 20% disagreed with it.

In line with this, interviewed human resource division heads also revealed that SFPI has practice of forecasting the demand in terms of quantity and position required during annual plan preparation. However, the division head mentioned that forecasting of human resource

supply is not exercised rather reactive with this regard. This implies that the practice of SFPI with regards to forecasting the demand for and supply of human resource and competencies required are not satisfactory.

The Human Resources database is where transactions relating to payroll processing, position management, time and attendance, recruitment, benefits, and other human resources data collection protocols are recorded, stored and retrieved in a variety of ways. The transactions recorded ensure the timely payment of employees and provide information to business staff, managers, leaders, and local and state government for the purpose of making decisions and accountability reporting.

As shown in the above table, significant number respondents (40%) replied that SFPI didn't maintain human resource database. However, 26.7% of respondents agreed that SFPI maintained human resource database the rest of the respondents were undecided to gave the response.

On the other way the interview result obtained reveals that SFPI has human resource database that comprises employees name, gender, age, educational background and employment date. However, prior experience of employees and trainings taken so far are not included. As a result the existing database is not helpful in identifying clear status of employees.

About 47% of the respondents disagreed that the organization prepare action plan to deal with forecast deficit through internal promotion, training or external recruitment and about 33% agreed and the remaining 20% are undecided/neutral to response this question.

Besides, 45.1% of non managerial respondents disagreed that the organization has good HRP practices that enable it proactively manage resignation and 34.1% agreed and the remaining 20.8% were neutral.

If the forecast relating to future supply of manpower from internal sources of the organization shows favorable trends, the management may prefer internal candidates and plan for their promotion, transfer, training and development .If suitable candidates are not available from internal sources, and the forecasts relating to future supply from external sources indicate the availability of required human resources, then plan for outsourcing, recruitment and selection.

However, from the mean value of 2.93, 2.79 for managerial and non managerial employees respectively there is not good practice of action plan to deal with forecast deficit through internal promotion, training or external recruitment rather the SFPI approach it reactively.

From the respondents' views, 47% disagreed that the organization prepare action plan to deal with forecast surplus through downsizing, layoff or voluntary separation, 33% agreed with the view while 20% were neutral/undecided. From the mean value of 2.93 we can conclude that there is not good practice of action plan to deal with forecast surplus through downsizing, layoff or voluntary separation.

Of the respondents, 43.3% agreed that follow up of the implementation of the human resource action plan is done to keep the right track as per determined, 23.3% disagreed and 33.3 % neutral/undecided. This implies that there is a practice of the implementation of the human resource action plan to keep the right track as per determined. However, hence the number of respondents who disagreed and neutral are significant in number the practice is not good as required.

The same table shows that 50% of respondents agreed that HRP is periodically evaluated based on its achievement per determined objectives, 20% disagreed and 30% neutral/undecided. This implies that the practice of periodical evaluation of achievement per determined objective is somehow good in the SFPI.

As it is stated in the literature part of this study the essence of Human Resource (HR) is strategic and if properly aligned, it can have a lot of contribution in enabling an organization to have a successful strategy and financial base. In order for the HR to earn itself a position at the strategic table it will require to maintain a strong administration foundation. This strategic approach should be aligned with the human resource so as to ensure that an organization's employees, skills and abilities are made use of in the achievement of its business goals (Huselid, Jackson & Schuler, 1997).

The researcher asked the respondents to assess whether there is alignment of human resource planning with the organization's strategic plan as shown in the table below:

Table 7 Alignment of HRP with the Organization’s Strategic Plan

Items		Response					Mean	SD
		SD	D	N	A	SA		
There is alignment between HRP & organization’s strategic plan	Frequency	7	2	6	9	6	3.37	1.21
	%age	23.3 %	6.7%	20%	30%	20%		
Senior management of the organization believes that HR can play an important strategic role, beyond administrative duties.	Frequency	6	1	5	10	8	3.63	1.15
	%age	20%	3.3%	16.7%	33.3%	26.7 %		
The HR department filled with strategic focused professionals.	Frequency	0	3	8	14	5	3.70	0.87
	%age	0%	10%	26.7%	46.7%	16.7 %		
HR department involved in the development of organization’s strategic plan.	Frequency	0	5	4	14	7	3.77	1.01
	%age	0%	16.7%	13.3%	46.7%	23.3 %		
Top management supported HR’s role by accepting HR in to strategic planning initiatives.	Frequency	0	3	9	12	6	3.70	0.915
	%age	0%	10%	30%	40%	20%		

Source: Own survey (2019)

As shown in Table 6, 50% of respondents were agreed that there is alignment between HRP and organization’s strategic plan, 36.7% disagreed and the remaining 20% were neutral or undecided. The response from non-managerial employees shows that 64.6 % agreed, 21.6% disagreed and 13.9 neutral. From the mean value of 3.37 and 3.53 for managerial and non managerial employees one can infer that the human resource planning is somehow aligned with the organization’s strategic plan.

From the respondents’ views, 60% agreed that senior management of the organization believes that HR can play an important strategic role, beyond administrative duties, 23.3%disagreed with the view while 16.7% were neutral/undecided.

From the mean value of 3.63 one can infer that there is believe among the senior management of SFPI that HR can play an important strategic role, beyond administrative duties.

With regard to item 3, 63.4% of respondents are agreed that the HR department filled with strategic focused professionals and 10 % disagreed and the remaining 26.7% are neutral to

this statement. From the mean value of 3.7 one can infer that the HR department of SFPI is filled with strategic focused professionals. However, the remaining respondents are significant in number the department has limitation with this regard.

Of the respondents, 70% agreed that HR department involved in the development of organization's strategic plan, 16.7% disagreed and 13.3 % neutral/undecided. From the mean value of 3.77 we can conclude that the HR department involved in the development of organization's strategic plan.

The same table shows that 60% of respondents agreed that top management supported HR's role by accepting HR in to strategic planning initiatives, 10% disagreed and 30% neutral/undecided. From the mean value of 3.7 one can infer that the top management supported HR's role by accepting HR in to strategic planning initiatives.

As it was discussed in the literature part in a turbulent economic environment, organizations usually face rampant human resource planning problem. With this regard the researcher tried to dig out the existing challenges in relation with human resource planning in the SFPI as shown in the table below:

Table 8 Challenges of Human Resource Planning

Items		Response					Mean	SD
		SD	D	N	A	SA		
There is lack of coordination between HR department and others department in the SFPI.	Frequency	0	4	7	15	4	3.63	0.89
	%age	0%	13.3%	23.3%	50%	13.3%		
Technological change and market fluctuation are uncertainties, which serve as constraints to HRP in the organization.	Frequency	0	6	9	11	4	3.43	0.97
	%age	20%	3.3%	16.7%	33.3%	26.7%		
There is too much focus on the quantitative aspect to ensure the flow of people in and out of organization.	Frequency	0	1	8	18	3	3.77	0.67
	%age	0%	3.3%	26.7%	60%	10%		
Managers & human resource specialists do not fully understand human planning process & lack of a strong a strong sense of purpose.	Frequency	0	0	7	16	7	4.00	0.69
	%age	0%	0%	23.4%	53.3%	23.3%		
Management of SFPI feels that manpower planning is time consuming & expensive exercise.	Frequency	0	3	7	13	7	3.80	0.92
	%age	0%	10%	23.4%	43.3%	23.3%		

Source: Own survey (2019)

As shown in table 7, 63.3% agreed that there is lack of coordination between HR department and other departments in the SFPI, 13.3% disagreed with the view while 23.3% were neutral/undecided. From the mean value of 3.63 one can infer that there is lack of coordination between the human resource department and other departments in the SFPI.

From the respondents' view, 60% of respondents are agreed that Technological change and market fluctuation are uncertainties, which serve as constraints to HRP in the organization, 23.3 % disagreed and the remaining 16.7% are neutral to this statement. This implies that technological change and market fluctuations are uncertainties, which serve as constraints to HRP in the organization.

Of the respondents, 70% agreed that There is too much focus on the quantitative aspect to ensure the flow of people in and out of organization., 3.3% disagreed and 26.7 % neutral/undecided. From the mean value of 3.77 we can conclude that there is too much focus on the quantitative aspect to ensure the flow of people in and out of organization.

With regard to item 4, 76.6% of respondents were agreed managers & human resource specialists do not fully understand human planning process & lack of a strong sense of purpose and the remaining 23.4% were neutral or undecided. However, contrary to this the response from non-managerial employees' shows that SFPI has qualified HR professionals this was expressed by 64.3% agreement and mean value of 3.53. Hence managerial employees are more appropriate than non-managerial employees regarding the human resource planning the researcher agreed with what the management said and conclude that Managers and Human resource specialists do not fully understand human resource planning process and lack of a strong sense of purpose.

The same table shows that 66.6% of respondents agreed Management of SFPI feels that manpower planning is time consuming & expensive exercise, 10% disagreed and 23.4% neutral/undecided. From the mean value of 3.8 one can infer that Management of SFPI feels that manpower planning is time consuming & expensive exercise.

Table 9 Response from Non-Managerial Employees

Items		Response					Mean	SD
		SD	D	N	A	SA		
The organization has good HRP practices that enable it proactively manage resignation.	Frequency	18	47	30	45	4	2.79	1.10
	%age	12.5 %	32.6%	20.8%	31.3%	2.8%		
SFPI has clear Job description & specification for every position.	Frequency	1	19	13	89	22	3.79	0.88
	%age	0.7%	13.2%	9.0%	61.8%	15.3%		
In your opinion SFPI has qualified HR professionals	Frequency	7	24	20	71	22	3.53	1.09
	%age	4.9%	16.7%	13.8%	49.0%	15.3%		
SFPI utilizes human resource information system for human resource planning.	Frequency	17	36	18	61	12	3.10	1.21
	%age	11.8 %	25.0%	12.5%	42.4%	8.3%		
In your opinion HRP is aligned with the business strategy of the organization,	Frequency	7	24	20	71	22	3.53	1.09
	%age	4.9%	16.7%	13.9%	49.3%	15.3%		
Inventory of current human resource is done in order to determine the human resource status.	Frequency	6	57	24	53	4	2.94	1.02
	%age	4.2%	39.6%	16.7%	36.8%	2.8%		
The organization considers qualified people for succession plan.	Frequency	18	47	30	45	4	2.79	1.10
	%age	12.5 %	32.6%	20.8%	31.3%	2.8%		

Source: Own survey (2019)

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary of Major Findings

The general objective of the study was to investigate the practice and challenges of human resource planning in specialized financial and promotional institution (SFPI) and thus to identify the strength and weakness of the practice and to forward possible solutions and recommendations. To this effect the survey method was employed and the following basic questions were raised.

1. How is the human resource planning process carried out at SFPI?
2. Is the human resource planning aligned with the strategic plan of SFPI?
3. What are the challenges the SFPI face in developing and implementing its HR plan?

Besides, sample study has been made by taking the head office and branch offices as specific study area. Of total 30 managerial staff and 277 non managerial staff 100% of managerial staff and 59% of non managerial staffs were selected from each population group and the researcher believed that it was representative sample size to conduct reliable research.

Therefore a total of 194 employees were used as source of data. In addition the human resource and administration division head was interviewed.

The data were gathered through data gathering tools like questionnaire and interview. The collected data were pre-processed using Microsoft of professional windows XP and statistical package for social science (SPSS) for the data analysis. Finally, the data received from the questionnaires were analyzed and interpreted using varies statistical tools like frequencies, percentage and mean and demonstrated by tables. Consequently, the major findings of the study were presented below.

5.1.1 Human resource planning Practices

The responses given on the HRP practices are summarized below:

- As confirmed by majority of the respondents (56.7%) and human resource and administration policy of SFPI showed, SFPI has clear policy and procedure that guide how human resource planning is to be developed in the SFPI. But, the interview result revealed that SFPI didn't undertake the HRP activity in line with its policy.
- As the data analyzed revealed, significant number of respondents (36.6%) and (26.7%) disclosed that the practice of scanning external environment at the SFPI during human resource planning was weak and moderate respectively.
- It was found that significant number of respondents (36.6%) and (30%) revealed that the practice to undertake inventory of current human resource in order to determine human resource status was weak and moderate respectively. This was also supported through questionnaire with the non managerial employees.
- It was found that average number of respondents (50%) indicated that SFPI has undertaken forecasting of human resource demand and supply. However, as the interview result revealed the practice of forecasting is limited to quantities and position and the required competencies were left to chance. Besides, the interview result revealed that SFPI didn't forecast for supply of human resources.
- As data showed, significant number of respondents (40%) and (33.3%) declared that SFPI has weak and moderate human resource database system respectively. This was also supported through interview with the human resource and administration division head.
- Based on the respondents mean value(2.93) and (2.79) from managerial and non managerial employees respectively it was found that SFPI didn't have action plan to deal with forecast deficit through internal promotion, training or external recruitment rather the SFPI approach was reactive.
- Again as confirmed by mean value of respondents(2.93) and (2.79) from managerial and non managerial employees respectively it was found that SFPI didn't have action plan to deal with forecast surplus through downsizing, layoff or voluntary separation.
- As verified by significant number of respondents (43.3%) and (33.3%) the practice of SFPI regarding follow up of implementation of the human resource action plan was strong and moderate respectively with some limitations.

5.1.2 Alignment of HRP with the Organization's Strategic Plan

- It was found that average number of respondents (50%) revealed that the human resource planning was aligned with the organization's strategic plan. This was also supported through interview with the human resource and administration division head.
- As confirmed by majority of the respondents (60%) senior management of SFPI has believed that HR can play an important strategic role beyond administrative duties.
- As the data analyzed revealed majority of respondents (63.4%) disclosed that the HR department filled with strategic focused professionals. However, hence the remaining respondents (36.6%) were significant in number the department has limitation with this regard.

5.1.3 Challenges of Human Resource Planning

- As data showed, majority of respondents (63.3%) revealed that there was lack of coordination between HR department and others departments in the SFPI. This was also supported through interview with the human resource and administration division head.
- It was found that majority of respondents (60%) disclosed that technological change and fluctuation were uncertainties, which served as constraints to HRP in the SFPI.
- As confirmed by majority of respondents (70%) there was too much focus on the quantitative aspect to ensure the flow of people in and out of the SFPI.
- It was discovered that greater part of respondents (76.6%) declared that managers and human resource specialists of SFPI didn't fully understand human planning process and lack strong sense of purpose.
- As it was confirmed by majority of respondents (66.6%) management of SFPI felt that manpower planning is time consuming and expensive exercise.

5.2 Conclusions

The main goal of human resource planning is to ensure that a company always has candidates lined up to take on new positions, so that time and productivity are not lost. Long lag times between one employee's departure and a new hire can weigh on a company's ability to compete.

Forecasting is important components of this because it lets a company know how long hiring will likely take and what it can do to speed up the process. If an HR department decides that a company needs a large number of workers to staff a new division, but the job market is tight for workers with the skills needed, it will have to secure these workers. Because competitors are also seeking people with these skills, the company will have to step up recruiting efforts and increase compensation packages to lure talent. If a company did not engage in human resource planning, it would not know how difficult it would be to hire the necessary workers until too late. Potential employees would be lost to competitors, and the business would be unable to build the team it needs.

The purpose of this study was to assess the human resource planning practices and challenges in SFPI. On the basis of the analysis and findings of the study following conclusions are drawn:

- ❖ SFPI has limitation in scanning external environment while conducting the human resource planning.
- ❖ The HRP practice of SFPI has limitation in conducting inventory of current human resources
- ❖ The HRP practice of SFPI has limitation in forecasting supply of human resource and competencies required.
- ❖ SFPI has limitation in preparing action plan to deal with forecast deficit through internal promotion, training or external recruitment.
- ❖ SFPI has limitation in preparing action plan to deal with forecast surplus through downsizing, layoff or voluntary separation.
- ❖ The human resource planning is moderately aligned with the organization's strategic plan.
- ❖ The HRP implementation in the SFPI is faced with a number of challenges; Such as lack of coordination among departments, lack of full understanding of human resource planning and market fluctuation as well.

5.3 Recommendations

The researcher proposed the following recommendations based on the findings of the research and conclusions drawn from the findings in order to enhance the human planning practices of SFPI.

- ❖ While conducting the human resource planning SFPI should scan the external environment for the possible environmental changes that are likely to affect the organization so that a prediction can be made of the possible situations that may have to be dealt with in the future. This can be done through regular monitoring of external trends including, but in no way limited to: Economic trends, competitive trends, political trends, industry trends, employment trends, technological trends and demographic trends.
- ❖ SFPI should conduct skill inventory by compiling the skill, education and experience of current employees and use this inventories to assess whether current staff can meet company goals. Understanding the company's pool of current skill and future skill requirements aids in strategic efforts. To achieve this SFPI should maintain complete and updated staff profile data base system.
- ❖ The organization should forecast the demand for and supply of human resource and competencies required so that SFPI would be able to ensure the balance between the demands and supply both in terms of quantity and competencies required. Hence, SFPI is small organization it can achieve this through managerial judgment. Under this method the managements sit together and determine the future manpower requirements.
- ❖ Once forecasting of human resource is done SFPI should prepare action plan to deal with deficit or surplus. In case of deficit the company should plan for internal promotion, training or external recruitment whichever is appropriate. Whereas in case of surplus the company should plan for downsizing, layoff or voluntary separation.
- ❖ Different departments in the SFPI should be coordinated in order to have their Human resource needs catered for when planning for the institution as a whole. This should be accompanied with proper Human Resource records kept and an updated database so as to make plans based on accurate records.
- ❖ SFPI should work more in order to ensure strong alignment of human resource planning with its strategic plan. This can be achieved through capacity building to the HR professionals and allowing them to fully participate in the development the organization's strategic plan.
- ❖ SFPI should work on coordination between HR departments and others department so that they can ensure hiring of the right person with the right skill in the right time. This can be achieved by allowing HR professionals to sit together with others during strategic and business plan formulation of the organization. Besides, allowing the

departments to be part of the recruitment committee will enable smooth implementation of HR action plan.

- ❖ SFPI should facilitate capacity building to its human resource professionals by outsourcing training on human resource planning so that they can deliver sound human resource planning to the organization.

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APPENDIEXS

APPENDIX 1: QUESTIONNAIRE TO MANAGERIAL EMPLOYEES

ST.MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDY

DEPARTMENT OF GENERAL MBA

RESEARCH QUESTIONNAIRE

DEVELOPED FOR MANAGERIAL EMPLOYEES

Research Topic: Human Resource Planning practices and challenges in case of Specialized Financial and Promotional Institution (SFPI)

Note: The study is being conducted as a part of the Research work for the Masters Programme on purely academic basis. The study will be submitted in the University of St. Mary's in the form of Master thesis. If you feel interested, the results will be made available to you. I will be highly obliged if you would please complete the following questionnaire. Any information obtained in connection with this study will remain confidential; and in any written reports or publications, no one will be identified and only group data will be presented. If you have any question about the research, please contact me at my email id: habtamuketsela64@gmail.com

Thank you very much for your kind cooperation

Direction

- It is not necessary to write your name in the questionnaire
- Please select your best choice for questions requiring optional response by putting \sqrt mark on each the box provided.
- For questions that require your further opinion, please respond clearly and faithfully

NB: Rating scale Strongly Disagree (SD) =1, Disagree (D) =2, Neutral (N) =3, Agree (A) =4, strongly Agree (SA) =5

I. Personal Information

1. Sex Male Female

2. How long have you worked on managerial position?

Less than a year 1 to 2 years 2 to 3 years 3 to 5 years greater than 5 years

3. Educational Level:

Diploma 1st Degree (BA/BSC) 2nd Degree (MA/MSc) PhD

I. Instruction: please put tick (✓) in the relevant box

I. Open-ended Items

Human Resource Planning Questionnaire		Response				
I. Human Resource Planning Process		SD	D	N	A	SA
1	SFPI has clear policy and procedure that guide how HRP is to be developed.					
2	Scanning external environment of human resource is done before HRP is developed.					
3	Inventory of current human resource is done in order to determine the human resource status.					
4	SFPI forecast the demand for human resource and competencies required.					
5	SFPI forecast supply for human resource and competencies required.					
6	SFPI maintained human resource data base.					
7	The organization prepare action plan to deal with forecast deficits through internal promotion, training or external recruitment.					
8	The organization prepare action plan to deal with forecast surplus through downsizing, layoff or voluntary separation.					
9	Follow up of the implementation of the human resource action plan done to keep the right track as per determined.					
10	HRP is periodically evaluated based on its achievement per determined objectives.					
II. Alignment of HRP with the organization's strategic plan						
11	There is alignment between HRP & organization's strategic plan.					
12	Senior management of the organization believes that HR can play an important strategic role, beyond administrative duties.					
13	The HR department filled with strategic focused professionals.					
14	HR department involved in the development of organization's strategic plan.					
15	Top Management supported HR's role by accepting HR in to the strategic planning initiatives.					
III. Challenges that the organization face in the execution of HRP						
16	Lack of coordination between the human resource department and others department in the SFPI.					
17	Technological change and market fluctuations are uncertainties, which serve as constraints to HRP in the organization.					
18	There is too much focus on the qualitative aspect to ensure the flow of people in and out of organization.					
19	Managers & Human Resource Specialists do not fully understand human planning process & lack of a strong sense of purpose.					
20	Management of SFPI fell that manpower planning is time consuming & expensive exercise.					

Direction: Considering all aspects of your organization with respect to human resource: planning and challenges, please describe some specific actions you think the organizations should consider in its continuing efforts to improve the performance by responding to the following questions.

1. List the major challenges of the institution regarding human resource planning.

2. How does the human resource planning processes in the SFPI address personnel challenges such as:

Resignations-

Promotions -

Retirements -

APPENDIX 2: QUESTIONNAIRE TO NON-MANAGERIAL EMPLOYEES

ST.MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDY

DEPARTMENT OF GENERAL MBA RESEARCH QUESTIONNAIRE

DEVELOPED FOR NON MANAGERIAL EMPLOYEES

Research Topic: Human Resource Planning practices and challenges in case of Specialized Financial and Promotional Institution (SFPI)

Note: The study is being conducted as a part of the Research work for the Masters Programme on purely academic basis. The study will be submitted in the University of St. Mary's in the form of Master thesis. If you feel interested, the results will be made available to you. I will be highly obliged if you would please complete the following questionnaire. Any information obtained in connection with this study will remain confidential; and in any written reports or publications, no one will be identified and only group data will be presented. If you have any question about the research, please contact me at my email id: habtamuketsela64@gmail.com

Thank you very much for your kind cooperation

Direction

- It is not necessary to write your name in the questionnaire
- Please select your best choice for questions requiring optional response by putting this mark on each the box provided.
- For questions that require your further opinion, please respond clearly and faithfully

NB: Rating scale strongly Disagree (SD) =1, Disagree (D) =2, Neutral (N) =3, Agree (A) =4, strongly Agree (SA) =5

II. Personal Information

1. Sex Male Female

2. How long have you worked in the SFPI?

Less than a year 1 to 2 years 2 to 3 years 3 to 5 years greater than 5 years

3. Educational Level:

Diploma 1st Degree (BA/BSC) 2nd Degree (MA/MSc) PhD

4. Instruction: please put tick (✓) in the relevant box

S/N	General Question on Human Resource Planning Items	Response				
		SD	D	N	A	SA
1	In your opinion the organization has good HRP practices that enable it proactively manage resignation. .					
2	SFPI has clear Job description & specification for every position.					
3	In your opinion SFPI has qualified HR professionals					
4	SFPI utilizes human resource information system for human resource planning.					
5	In your opinion HRP is aligned with the business strategy of the organization.					
6	Inventory of current human resource is done in order to determine the human resource status.					
7	The organization considers qualified people for succession plan.					

APPENDIX 3: INTERVIEW QUESTIONS

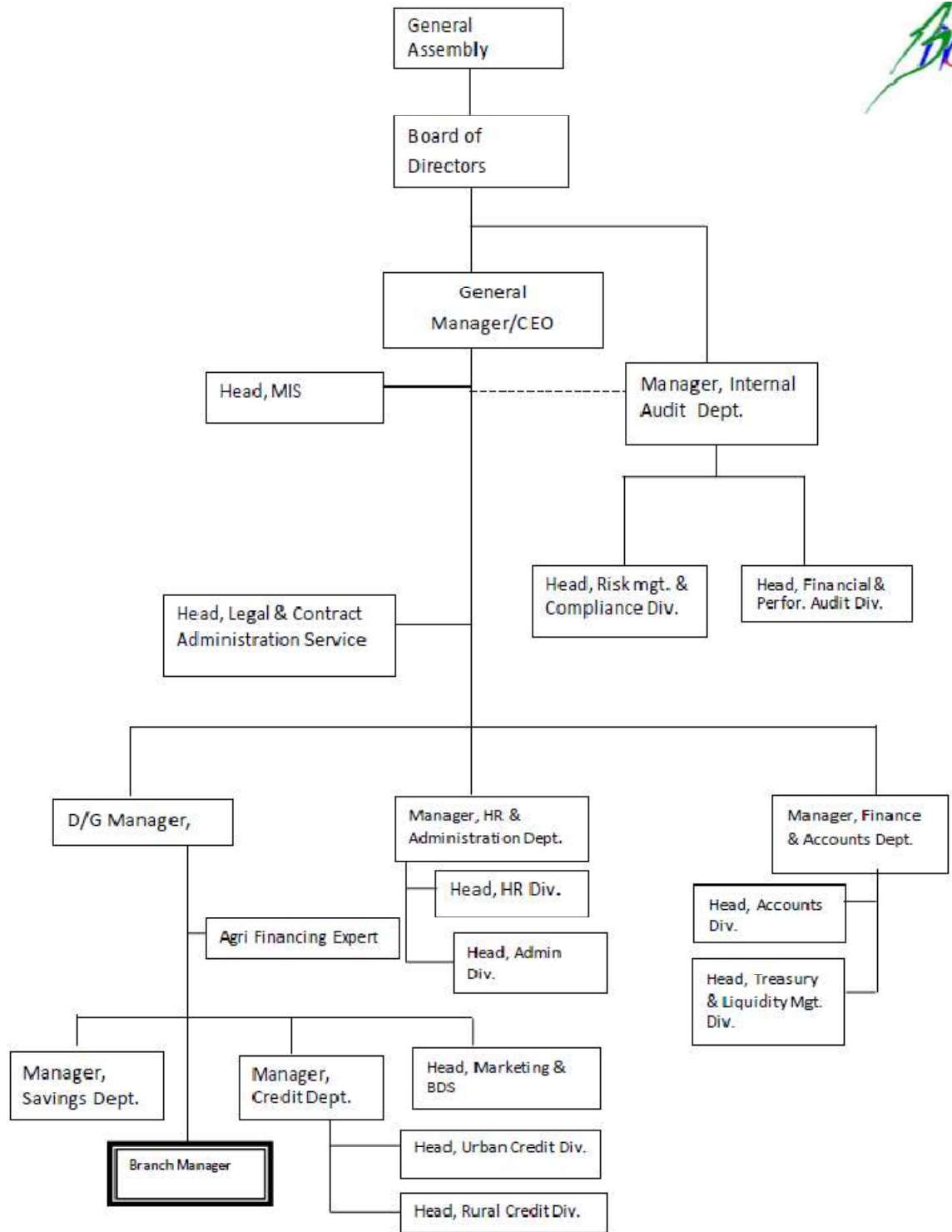
St. Mary's University

School of Graduate Students

Interview questions prepared to the Human Resource and administration Division Head of SFPI.

1. Do you have policy and Procedure that guide how human resource policy is to be developed? If yes, is that independent policy or part of the human resource management policy?
2. Do you have practice of scanning external environment during human resource planning?
3. Do you forecast the demand for and supply of human resource and competencies required? If yes, forecasting includes what?
4. Do you have human resource database? If yeas, what are the contents of the database?
5. Is there a link between human resource planning and strategic plan of SFPI? If yeas how?
6. How do you evaluate integration between departments with respect to human resource planning?

APPENDIX 4: ORGANIZATIONAL STRUCTURE OF SFPI



Source: SFPI (2018)