

1. Objectives of Manpower Planning

"The ultimate purpose of manpower planning is to relate future human resources to future enterprise needs so as to maximise the future return on investment in human resources"⁴ Manpower planning must be integrated with the overall organisational plans. Manpower planning should be done carefully as it has got long-term repercussions. Once the wrong forecast of future requirement of human resources and the wrong analysis of the available manpower inventory are made, it may not be possible to rectify the errors in the short-run. Therefore, manpower planning should be more concerned with filling future vacancies with right type of people rather than with matching existing personnel with existing jobs.

2. Current Manpower Inventory

Analysis of current manpower supply may be undertaken by department, by function, by occupation, or by level of skill or qualifications. Appropriate adjustments in these would need to be made in the light of any foreseeable changes in weekly hours of work, holidays, leave entitlements, etc. It may be noted that assessment of demand for the operative personnel presents less problems of uncertainty and current manpower supply can be adjusted accordingly. But projections of manpower requirements for supervisory and managerial levels presents a complex problem because the required talents are not available at a short notice. This explains the need to ascertain the present manpower inventory in the enterprise. This will also help in drawing recruitment and development plans to meet the needs of certain skills in the future.

Systematic steps must be taken in order to ensure that a reservoir of talent is available when vacancies occur. The search for talented employees in the organisation must be continuous. To be sure that available talent has been included, the inventory of various skills in the enterprise should be indexed. Detailed bio-data of each individual included in the manpower inventory must be obtained separately for the purpose of manpower planning. This record will provide the foundation for a programme of individual development. It will also reveal the scarcity or non-availability of certain talents for which outside sources of manpower may be tapped.

3. Demand Forecasting

A proper forecast of manpower required in the future (say, after one year, two years, three years and so on) must be attempted. The factors relevant for manpower forecasting are as follows⁵:

(i) **Employment Trends.** The manpower planning committee at the corporate level should make an examination of number of the employees on the payroll during the past five years to know the trend within each group. With the help of this, it would be possible to determine whether a particular group has been stable or unstable and whether it has been expanding or contracting.