

Work Booklet 1

Introduction to Human Resources

SECTION II: Planning your Human Resources Strategy

Before developing and executing your organization's strategy for meeting its current and future HR requirements, it is important to first take a methodical, yet simple approach to planning.

This section provides some basics for you to think about as you develop your HR strategy.

- Human resource planning is a process that is used to:
 - a) identify the HR needs of a business, sector, community, region or country; and
 - b) develop a plan and strategies for addressing such needs.
- Human resource or workforce planning is a need that has historically been limited to large employers, however; current workplace realities have increased the necessity for smaller employers to undertake their own HR planning.
- Many companies develop a business plan, plan the purchase of new equipment, prepare marketing strategies, and develop operational plans, yet, they do not take the next step of planning their human resources without which these other plans will often fail.

Work Booklet 1

Introduction to Human Resources

Why Plan for your Human Resources?

- Many small businesses do not think they have the money or the time to plan for their human resources needs.
- The cost of not undertaking HR planning and the cost of mistakes made and time lost because planning is lacking can be significant.
- Some of the potential impacts of not having HR strategies in place have been assessed in a survey of small businesses in BC:
 - Having to hire under-qualified workers (65%)
 - Having to pass responsibilities to other employees (41%)
 - Having to function with fewer employees (40%)
 - Having to use overtime/longer shifts (35%)

There are numerous pitfalls from not having HR planning in place, these include: hiring the wrong person, losing valuable staff because of turnover, having unmotivated, disengaged staff, and employing people who are not properly qualified.

The ultimate impact and cost of neglecting HR planning is the temporary shutdown or permanent closure of your business.



Do you have a human resource plan?

Yes No

If no, why not? _____

Work Booklet 1

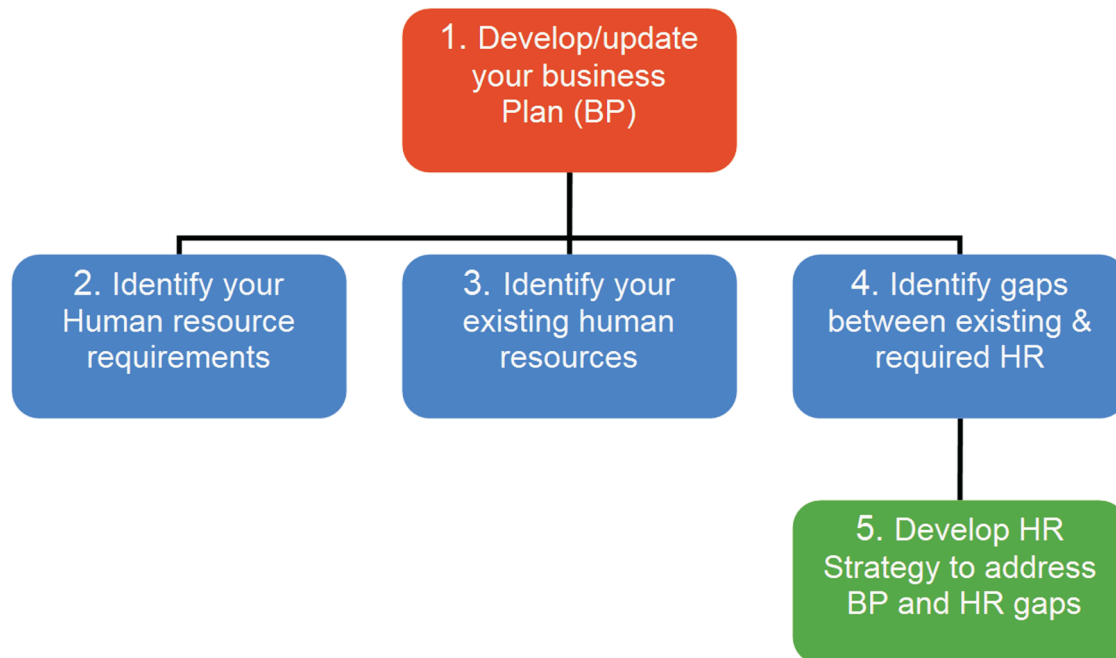
Introduction to Human Resources

Understanding and Planning For Your Human Resources

Human resources planning is a method of determining how best to secure, deploy and apply HR strategies to help your organization better:

- assess future recruitment needs
- anticipate and avoid staff redundancies
- facilitate, develop or access key industry training programs
- adopt career development practices including career and succession planning
- minimize staffing costs while maintaining competitive levels of compensation
- assess future premises and infrastructure requirements

Start now... Here are five key steps to planning your HR:



See HR Planning for Small Business at www.hrsg.ca

