

MANPOWER PLANNING IN N. IRELAND

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In the current era of financial stringency, pressure on profit margins and value for money, it is axiomatic that the efficient and effective use of the human resource is critical. As key element in this utilization must be good practice in manpower planning. This article contains the results of a survey of manpower planning practice in organisations in the public and private sector in Northern Ireland.

The increased recognition by organisations that manpower planning is an organisational priority is well shown by McDonagh (1986) where personnel professionals indicate a significant shift in their priority activities. As shown in table 1, in the past and present the priorities are noted to be the traditional routine, reactive tasks of recruitment, selection and employee benefits, but in 5 years from now a more proactive strategic role in integrating human resource strategies and business strategy is envisaged. This movement in priorities is confirmed by Cairns and Smyth (1986) in Northern Ireland, and by Burack (1985) and Golden and Ramanujam (1985) in the United States.

Table 1: Top Human Resource Priorities

5 years ago	Today	5 years from now
1. Recruitment & Selection	Recruitment & Selection	Developing human resource strategies
2. Equal Employment Opportunity	Pay & Benefits	Human Resources Planning
3. Pay & Benefits	Employee Communications	Overall Business Planning
4. Working Rules & Conditions	Human Resources Planning	Recruitment & Selection
5. Organisation Design	Overall Business	Employee Communications

The focus within the survey reported here was on how the individual organisation dealt internally with manpower planning rather than an

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examination of links, particularly in labour supply, with industry wide or regional systems. Planning in this area is believed to be of little practical value to the organisation, a dissatisfaction shared by Jenkins (1979) and Richter (1984).

Survey Method and Sample

Most organisations carry out manpower planning to a certain extent, but practice varies. For the purposes of this survey, however, a more determinate form of manpower planning is implied and is defined as follows:

"Planning for the right number of people to be in the right place at the right time at the right cost to ensure achievement of organisational objectives."

The study population used in this survey was derived from a listing of 147 organisations employing more than 250 persons in the public and private sectors. This employment figure was chosen as being the size of organisation in which one could reasonably expect to find an established manpower control function.

A postal questionnaire, which was first tested in a pilot study with 14 organisations, was sent to each of the 147 identified organisations. In all, after follow up, 76 useable questionnaires were returned, representing a 51.7% response rate. An analysis of organisations which failed to respond to the questionnaire did not produce statistically significant trends.

Survey Results

Usage and Processes

A large majority, 92% of the organisations surveyed claim to carry out manpower planning as defined above. The remainder envisage an involvement in manpower planning in the future. The processes carried out on a regular basis are shown in Table 2.

Demand forecasting, the determination of future manpower needs, is seen as the most used process. Yet to forecast demand at a particular grade it is essential to understand the impact of retirement, voluntary and induced wastage on that grade. And as fewer respondents estimate their rate of wastage (76%) or indeed have replacement policies (74%) than forecast demand (93%) we must see a degree of wishful thinking in some responses. It is encouraging though that many respondents do use all the processes required for effective manpower planning in the determination of the demand and supply for staff.

Table 2: Manpower Planning Processes

	%
Estimating anticipated future demand for manpower	93
Identifying specific manpower problems	89
Identifying possible future changes and considering how each projected change effects the manpower system	84
Combining the relevant factors together in a way that assists manpower decisions	82
Estimating the rate of wastage	76
Assessing the replacement policies	74
Defining the manpower system	60
N = 76	

Responsibility for Manpower Planning

As shown in Table 3 in 48% of the organisations manpower planning was a Personnel responsibility, and 66% of the respondents indicated that the task should lie with Personnel. This desire to shift responsibilities to Personnel is in contrast to the last major survey on manpower planning conducted by Thakur (1975) for the Institute of Personnel Management. This report showed that while 84% of the companies surveyed stated that Personnel was responsible for manpower planning only 74% believed it was the correct place. This switch in the direction of desired location may be attributed to a change in opinion in the intervening years which now sees personnel as a more strategic, central and proactive function. In Northern Ireland we see, compared to Thakur (1975), four times as many corporate planning and production functions responsible for manpower planning. But we see a desire to move responsibility from these functions — a reversal of the desired shift shown by Thakur (1975). Has the move in responsibility away from Personnel between 1975-1986 been a failure

Table 3: Responsibility for Manpower Planning

Department	Who Actually %	Difference %	Who Should %
Personnel	48	15	62
Corporate Planning	15	- 5	10
Production	12	- 7	5
Finance	9	- 4	5
Other	8	- 1	9
Manpower Planning	8	1	9
Total	100%		100%
	N = 70		

and do organisations now wish to move back to the earlier position? A lack of desire for increased involvement of the manpower planning department, 8% actual to 9% should, indicates largely that only a limited number of Northern Ireland organisations can support a manpower planning department.

Purpose of Manpower Planning

Table 4 shows that the most important purpose of manpower planning is to ensure the effective use of manpower. It is notable that, given legislation on equality of opportunity and the international pressure on Northern Ireland industry concerning workplace discrimination, only 36% of the organisations believed monitoring equal opportunities/fair employment issues was a purpose at all and only 4% viewed it as the most important. 45% state that career planning is a purpose. This reflects a concern by organisations to consider more closely the development of staff in an era where promotion can rarely be considered a push flow. Now movement is generated by a vacancy at the higher level, created largely by 'dead man's shoes' or early retirement. A related unstructured question 'What do you regard as the main advantages of manpower planning for your organisation so far?' reinforced this career planning role where training and development for individuals was identified by a number of respondents.

Table 4: Purpose of Manpower Planning

	% Chosen	% Most Important
Ensure effective use of Manpower	89	58
Control Labour Costs	79	23
Assess Recruitment Needs	73	8
Establish the best cost balance between plant and manpower	58	7
Anticipate redundancies and avoid unnecessary dismissals	56	
Assist career planning	45	
Help industrial relations negotiations	40	
Assess future premises requirements	38	
Monitor equal opportunities/fair employment issues	36	4
Other	2	
		100

Methods of Manpower Planning

23% of the organisations use computers, and 19% use computer modelling in carrying out manpower planning as shown in Table 5.

Table 5: Computer Usage

	Yes	No	Don't Know
The computer is an integral part of the manpower planning process	23	70	7
Anticipation of usage in the future	40	57	3
Use of Computer Modelling	19	72	9

With the availability of easy to use models from, for example, the Institute of Manpower Studies in Sussex University, this is a low response. The use of less sophisticated models may be explained by the findings of Edwards (1983), in his comprehensive survey of models and their application, that there is a 'gap between the academic literature on manpower planning and what manpower planners and personnel managers actually do by way of real life manpower planning'. We would agree with this opinion. It is the use of simple models in a monitoring and analytic role rather than a complex forecasting mode which will produce a greater benefit to the organisation. This practical pragmatic approach underpins the work of the Institute of Manpower Studies as reflected by Bennison and Casson (1986).

Government Supply of Trained Manpower

The opinions on the success of Government in supplying 'trained manpower' was examined in one question only and the results are shown in Table 6. Only the school sector is seen on balance as inadequate in the provision of appropriate knowledge and skill, and unable to anticipate future needs. It is noteworthy that Government, largely through the Government Training Centres, (now renamed Training Centres), the University sector (which now includes the vocationally biased former Ulster Polytechnic at Jordanstown) and especially the technical colleges, are viewed as providers of knowledgeable and skilled manpower.

Table 6: Adequacy of Skill Provision

	Govt.		Schools		Colleges		Univ.	
	Yes	No	Yes	No	Yes	No	Yes	No
1. Level of knowledge and skill	53	31	43	40	64	21	56	25
2. Appropriateness of knowledge & skill	44	35	26	58	53	31	43	35
3. Anticipating future needs	44	36	31	49	47	38	44	35

We would expect the school rating to improve as we see the impact of the introduction of General Certificate of Secondary Education, the

Certificate of Pre-vocation Education, piloted in 1984 and the spin-off influence of the Technical and Vocational Education Initiative, promoted in England and Wales. Government is making further considerable impact through the development of the Youth Training Programme, into which 16,000 young people entered in April 1985 — March 1986, and through which in this period 62% of the leavers found employment.

Conclusions

In an economy where there are few natural resources and which is located on the periphery of national, as well as world markets, if Northern Ireland is to prosper it will be because of effective and efficient use of our skilled and trained manpower. Manpower planning, not simply as a mathematical model of demand and supply, but as the basis of well designed manpower strategy covering corporate strategy through recruitment to training, can make a significant contribution to this prosperity. Many respondents emphasize the effective use of manpower. We commend this. It is encouraging that only one respondent took the short-sighted view that manpower planning was irrelevant as "semi-skilled labour was so easily available". One purpose, which was in our view under-emphasized by respondents, was individual career planning, which is critical to maintain the commitment of individuals where promotion through expansion is not available. The benefit of manpower planning, for the individual, is well demonstrated, for example, by Davies and Howard (1981) in Bradford Metropolitan District Council.

Career planning will become more important in the future as organisations move towards the core group philosophy described by Atkinson (1984). This core group will perform the organisation-specific activities and will be functionally flexible, accepting multidiscipline project teams, reduced demarcation lines, changing careers and constant retraining. This smaller core group will offer fewer promotion prospects than current larger groups and careful career management will be required to avoid unnecessary wastage. In general we find it encouraging that such a large proportion of organisations surveyed carry out manpower planning and recognise the need to utilize information technology.

While the will to utilize manpower planning is undoubtedly there, we would, however express some concern about the level of completeness of the manpower planning process, which is evidenced in the lack of computer modelling. Responses to a question about major problems and difficulties suggested that basic issues in developing manpower plans had not been overcome, particularly in the supply of labour. A follow-up interview with respondents showed that parameters for modelling on the

supply side, such as promotion policy, recruitment, wastage rates, labour utilization and the learning process, were not fully considered.

We are cautious of accepting the opinion of some current practitioners that they have used the techniques of manpower planning to their maximum effect. Some organisations, particularly in the public service, recognising the need to improve their manpower planning, are appointing staff and undertaking special initiatives in this area. We also advise that they do not leave planning solely in the hands of the personnel department, which is not directly responsible for manpower utilization and is often confronted by other priorities especially those in the industrial relations area. The critical need to have line management involvement at the planning stage of a manpower plan cannot be overstated.

Our major hope for the organisations surveyed is that their involvement with manpower planning can be transferred into that strategic human resource activity which characterised the leading companies. Research evidence of recent years by McMillan and Schiler (1985) who found in 'case after case' that successful companies capitalize on critical human resource skills, is confirmed by McDonagh (1986) and Burack (1985).

The organisation which utilizes manpower planning to its fullest can prosper in the era of financial stringency. We would hope that our results and comments will allow organisations to review their current efforts and hence through the wider use of manpower planning secure more efficient and effective human resource utilization.

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