

NEED OF MANPOWER PLANNING :

Manpower Planning is a two-phased process because manpower planning not only analyses the current human resources but also makes manpower forecasts and thereby draw employment programmes. Manpower Planning is advantageous to firm in following manner:

1. Shortages and surpluses can be identified so that quick action can be taken wherever required.
2. All the recruitment and selection programmes are based on manpower planning.
3. It also helps to reduce the labour cost as excess staff can be identified and thereby overstaffing can be avoided.
4. It also helps to identify the available talents in a concern and accordingly training programmes can be chalked out to develop those talents.
5. It helps in growth and diversification of business. Through manpower planning, human resources can be readily available and they can be utilized in best manner.
6. It helps the organization to realize the importance of manpower management which ultimately helps in the stability of a concern.

ADVANTAGES OF MANPOWER PLANNING :

No Risk of Manpower Shortage

The biggest benefit of manpower planning is that it makes sure that company does not have to face that situation where there is plenty of work. Hence for example, if the company has 100 workers and each worker produces 10 units per day then the total capacity of the company is 1000 units now company receives an order for 1200 units and if the company has 20 workers in reserve due to manpower planning than the company will be able to fulfill the order of 1200 units.

Better Allocation of Manpower

Another advantage of this planning is that it results in a better allocation of manpower to various departments because without manpower planning some department will be having problem to reach the organisational goal. In simple words, this planning helps in maintaining the balance between various departments by having a proper allocation of manpower to various departments in the company.

Good Human Resource Practice

Another benefit of this planning is that it is considered to be a good human resource practice because it is through this planning that company's top management comes to know about the departments where the attrition rates are high and since this process also outlines training and orientation program for newly recruited employees a company is better prepared for handling its human resource capital.

DISADVANTAGES OF MANPOWER PLANNING :

Expensive

The biggest drawback of manpower planning is that it is an expensive process because it involves careful planning and analysis of manpower situation of the company which requires experts knowledge or opinion and experts charge fees or salary from companies besides they need team for carrying out this planning successfully which again requires money on the part of the company.

Difficult to Predict Accurately

A company carrying out manpower planning cannot say with 100 percent surety that their estimates about the manpower will be accurate because sometimes the company recruits more employees than required.

Biased

It can sometime be biased in the sense that while one planner who is conservative can consider excess staff to be a headache and waste of money of the company and therefore he or she will always recruit fewer people than required. While another planner who is aggressive can consider excess staff to be an asset and therefore he or she will always recruit more people than required. In simple words, manpower planners need to maintain a fine balance by recruiting an appropriate number of employees so that the company does not have too much excess or shortage of employees at any point of time.