

ADDIS ABABA UNIVERSITY
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HUMAN RESOURCE PLANNING PRACTICES AND CHALLENGES
IN ETHIO TELECOM

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“Human Resource Planning Practices and Challenges in Ethio Telecom”

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DEDICATION

I dedicate this paper to my mother (W/ro Tigist Mulatu) who have been supportive to my academic success may the blessing of God and holy mother be with you all the time.

Abstract

This study was to examine the human resource planning practices and challenges at Ethio Telecom and suggest possible solutions to curb the problems in human resource planning processes of the organization. The descriptive research design was applied for data collection and stratified sampling technique used which helps represent key sub-group of the population and also different data gathering instruments were used to collect relevant information from the respondents; semi-structured interview was prepared and conducted with division heads of the company to collect whether the human resource planning is aligned with the overall strategic business plan and to assess the existing human resource planning practices of the company. Moreover, there were also questionnaire that were filled by sample section and department heads to find out whether there is human resource planning processes, policies, procedures and practices; to assess whether the human resource planning practices and procedures are applied properly or not; and to find out linkages human resource planning with strategic business plan and the challenges of the provision of a framework to guide the implementation of human resource needs in the company. The results of the study reveal that most of the management staff did not have in-depth knowledge on human resource planning; the main determinant factors such as skill inventory, job analysis and HRIS weren't applied satisfactorily and the linkage of HRP with SBP were given less attention. Thus, it is not well practiced by the managements of Ethio Telecom. The study concludes the organization managements unable to being proactive in forecasting human resources needs and also unable to link HRP with strategic business plan would affect the effort to achieve the company's objectives. Based on the findings, therefore, a recommendation for Ethio Telecom management towards an effective human resource planning is provided. Thus, it is recommended that Ethio Telecom should give meticulous attention to create integrative and interactive linkage between the human resource planning process and that of the strategic business planning process so that they both rely heavily upon each other and organizational effectiveness can substantially be improved.

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ABBREVIATIONS

ET: Ethio Telecom

HRP: Human Resource Planning

SBP: Strategic Business Planning

HR: Human Resource

Chapter One

Introduction

In this chapter, the background of the study, statement of the problem, basic research questions, objectives of the study and significance of the study have been treated one after the other.

1.1 Background of the study

In the early days of industrialization, managers rarely had to think ahead about the numbers and kinds of people required to get the work out: Conditions outside organizations were relatively stable. Most work demanded little by way of specialized training and expertise. And managers could find all the people they needed on short notice, provided they were willing to pay competitive wages. However, there must have been some HR planning going on, even in earliest times. It is hard to imagine that the builders of the Great Pyramids or of Stonehenge completely disregarded planning those superhuman exertions that were required to erect these monuments of antiquity over many generations. Yet records from that time do not exist to reveal how managers planned for their human resources (William and others, 2002).

The origin of manpower planning, the predecessor of modern HR planning, predates the beginnings of twentieth-century management theory. Among the first to raise the manpower-planning issue was the Frenchman Henri Fayol (1841–1925). His famous fourteen points of management are still considered valid today. One point had to do with what Fayol called stability of tenure of personnel. For Fayol, administrators bear responsibility to plan for human resources, ensuring that “human and material organization is consistent with the objectives, resources, and requirements of the business concern” (Fayol, 1930, p. 53). This point resembles some modern definitions of HRP (William and others, 2002).

Human resource planning is the strategic alignment of an organization’s human capital with its business direction. It is a methodical process of analyzing the current human resource, identifying future human resource needs, establishing the gap between the present and future,

and implementing solutions so the organization can accomplish its mission, goals, and objectives. Organizations are concerned about having an adequate supply of successors for their top-level positions who will have the experiences and skills needed to provide leadership in this century. With the recognition of human resources as a source of competitive advantage, human resource planning will have a larger strategic role in the future. Along with increasing strategic importance, there also has been a trend toward decentralization of the responsibilities for human resource planning to line managers (Charles, 2004).

Ethio Telecom was restructured as a new company in 2010 by the decision of Council of Ministers Regulation No. 197/2010. Now, Ethio Telecom is an autonomous, state-owned telecom operating entity with the exclusive right to engage in the construction, operation, and maintenance of telecom services. Thus human resources are the back bone of the organization. ethio telecom, being one of the largest as well as most important companies in the country that is striving to develop and maintain a modern information and communications network infrastructure which enables it to fulfill its vision of becoming an internationally recognized, agile, strong and vibrant world-class ICT infrastructure and service provider. To achieve its vision and mission, Ethio Telecom strives to provide its customers with quality and reliable service that will increase customer satisfaction and it needs resources such as money, material, and human resource. Among these resources human resource is a very special kind of resource.

In broad terms, the major factors that can influence HRP requirements can be divided into two major sets of parameters: first the external forces, such as market forces, technological change, changing nature of the human resource and the emerging patterns of work arrangements, and second, the internal parameters, such as job analysis, skill inventory, human resource information system database, productivity, and labor mobility (Heneman and Schwab, 1993).

In the current, highly uncertain socioeconomic climate, the HRP function is emerging as a focal human resource activity as it is increasingly becoming an essential and very prominent boundary spanning function. As such, that function endorses the crucial role of dealing with the necessary changes in the volume and make-up of the human resource. HRP has likely become the greatest challenge faced by our organizations today. We continue to hear about the imbalances between

work that needs to be performed and the availability of skilled workers. HRP, as a tool, has become one of the best strategies for improving our organizations as it forces us to think strategically about how to align people to our business. Today, it is known that human resource (HR) professionals must play more strategic roles in ensuring that human capital issues remain a priority. HRP provides such an opportunity for the HR professional to serve in the strategic roles of leader, change agent, and business partner.

Fundamentally, William (2002) stated that human resource planning helps to ensure that the right numbers of the right kinds of people are available at the right times and in the right places to translate organizational plans into reality. In essence, it involves assessing current levels and utilization of staff and skills, relating the internal elements to the market demand for the organization's products, and providing alternatives to match human resources with anticipated demand. The planning for human resources is fundamentally a dynamic process that endeavors to monitor and manage the flow of people into, through, and out of the organization in order to achieve equilibrium. This process has to take into consideration the total corporate plan and the many environmental issues that affect the employment of people.

Human resource planning has an integral part of business planning because it is the core of all planning processes of the enterprise. The human being is the most important factor in the operation of the enterprise. A human resource plan must ensure that there is the right number and structure of people in the right jobs at the right time. These people should meet the required company objectives. Human resource planning in the business practice should represent generally used and key activity for human resource management because human resource planning helps to make optimum utilization of the human resources in the enterprise and it helps to avoid wastage of human resources. Human resource planning allows to forecast the future manpower requirements and also to forecast the number and type of employees who will be required by the enterprise in a near future. In the long term period, success of any enterprise depends on whether the right people are in the right places at the right time, which is the nature of human resource planning (Kristina and others, 2012).

Therefore, careful analysis of human resource planning, on the other hand, can equip us to meet this challenge. Effective human resource planning requires strong executive leadership and management; clearly articulated vision, mission, and strategic objectives; and cooperative, supportive efforts by staff in several functional areas. To make human resource planning succeed, human resource professionals will be called upon to master new roles as leaders, business partners, and change agents. All human resource activities show that their effectiveness and efficiency, which result in increased productivity, depend on effective human resource planning and the researcher study is to figure out human resource planning and management practices and challenges in Ethio Telecom.

1.2 Statement of the problem

In the current, highly uncertain socioeconomic climate, the HRP function is emerging as a focal human resource activity as it is increasingly becoming an essential and very prominent boundary spanning function. We continue to hear about the imbalances between work that needs to be performed and the availability of skilled workers. Ivancevich (2000), states that the human resource planning function plays a critical role in making sure that strategy implementation is effective throughout the organization. As such, that function endorses the crucial role of dealing with the necessary changes in the volume and make-up of the human resource. HRP has likely become the greatest challenge faced by our organizations today. We continue to hear about the imbalances between work that needs to be performed and the availability of skilled workers. HRP, as a tool, has become one of the best strategies for improving our organizations as it forces us to think strategically about how to align people to our business. Today, we know that human resource (HR) professionals must play more strategic roles in ensuring that human capital issues remain a priority.

Greer (2004) states that in early practice, human resource planning was often the responsibility of a specialist in the human resource area. This planning was sometimes conducted with little involvement of others in the organization. Not surprisingly, when planning was conducted in this manner, the data supplied for use in forecasting were often inaccurate. Managers were asked to take the time to supply information for something that they didn't understand. Because they did

not see how forecasts could help their job performance, the value of forecasts was not appreciated.

In the researcher experience many organizations have increased tremendously in recent years and some appear to have difficulty in determining the exact size of the workforce. They appear to be incapable of updating the retrievable information which is essential to HRP. Because of the increasing complexity of organizations, the rate of technological change causes difficulties in HR planning. This is because, at times, it is difficult to keep up with the technical development. There is always resistance to change within an organization, but somehow this resistance must be overcome if manpower is to be utilized effectively. HRP is now becoming a sophisticated process, only involving the use of experts, and these experts must have rapid access to accurate information.

Vlad (2010) described that organizations seek to thrive in increasingly uncertain economic and business environments; more and more attention is being focused on the role of talent management in better utilizing knowledge workers. Specifically, companies are searching for processes and techniques to keep knowledge workers engaged and committed in order to achieve organizational goals effectively and efficiently.

The role of human resource planning in recruitment and selection process has assessed and defined as it is used by organizations to ensure that they have the right number and the right kind of people at the right place and at the right time (British Journal of Humanities and Social Sciences August 2012, Vol. 6 (2))

According to Sisay (2011), he described that human resource planning recruitment and selection in Ethiopian Telecommunication Corporation (ETC) were affected subjective judgment and intuition rather than application of scientific techniques like systematic techniques, managerial judgment, combining systematic and subjective techniques, and working back from cost and statistical tools like time serious or ratio analysis, work study and productivity trend analysis. This is poor forecasting techniques experienced by ETC.

According to Addisalem (2011), she stated that 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 necessity of applying a strong human resource management in general and a sound human resource planning in particular has not yet been realized and didn't bring any meaningful result, other than its being theoretical knowledge. Similarly, Ethio Telecom has been a victim of such problem and so were its clients, the government and its other development assistants weren't gaining satisfaction with the service it had been providing. To properly utilize the available human resource with the intended benefit, human resource planning becomes crucial.

Therefore, this study has attempted to examine some general aspects of the current state of affairs in human resource planning practice and challenges of Ethio Telecom so that it has a significant contribution. The researcher study also mainly focuses on how the major determinant factors (skill inventory, job analysis and human resource information system) of HRP are applied and managed, how HRP links with strategic business plan, how HRP is acknowledged its' importance by employees' of Ethio Telecom who are working in managerial position, since the organization was restructured as a new company world class level in 2010 and was managed by contact management of French Telecom (Orange) for last three years and currently it is fully managed by newly assigned Ethiopians' management. Then, this study focuses on assessing the determining factors of human resource planning to ensure that the organizations strategic business planning demand for individuals at any particular time will be just met by available human resources.

1.3 Basic Research Questions

In this study in order to provide an analysis of human resource planning practices and challenges, the following specific and key questions includes:

1. What are the determining factors considered during human resource planning practices?

2. To what extent does the organization utilize the skill inventory, job analysis and human resource information system in human resource planning?
3. What major challenges faced executing human resource planning process within Ethio Telecom?
4. To what is extent human resource planning linked with Ethio Telecom's strategic business plan?

1.4 Objectives of the study

General Objectives

The aim of this research is to investigate human resource planning and management practices and challenges in ethio telecom. Therefore, to do this the following specific objectives relevant to the above general objective are listed below.

1. To find out the major insight of Ethio Telecom management (managers) about human resource planning practices.
2. To identify other factors to be considered in human resource planning practices.
3. To assess the extent of the relationship between skill inventory, job analysis and human resource information system and human resource planning
4. To find out what the major challenges for execution of human resource planning practices.
5. To assess the linkages between human resources planning and strategic business plan of Ethio Telecom.

1.5 Significance of the Study

This study will have an enormous significance. Now a day, an organization needs people just as they need raw materials, equipment, and other materials in order to function successfully. In fact, it is not uncommon to hear managers acknowledge: 'Our people are our most important asset'. Organizations undertake human resource planning to enable them to meet their future 'people' needs in the same way in which they plan for their non-human resources. So, human resource planning is very useful for human resource management in large organizations like Ethio Telecom.

The necessity of applying a strong human resource management in general and a sound human resource planning in particular has not yet been realized and didn't bring any meaningful result, other than its being theoretical knowledge. Similarly, Ethio Telecom has been a victim of such problem and so were its clients, the government and its other development assistants weren't gaining satisfaction with the service it had been providing. To properly utilize the available human resource with the intended benefit, human resource planning becomes crucial. Therefore, this study has attempted to examine some general aspects of the current state of affairs in human resource planning practice and challenges of Ethio Telecom so that it has a significant contribution in:

1. Encouraging Ethio Telecom management to develop a clear link between strategic business plan and human resource planning
2. Motivating Ethio Telecom to review and reexamine its existing human resource planning and management practice and challenges and make improvements in its HRP practice.
3. Enabling Ethio Telecom to identify some of the current problems or challenges in performing human resource planning and management processes,
4. Serving as a guideline for making policy in Ethio Telecom and further research works to be conducted on areas of human resource planning, and
5. Forwarding some possible solutions so as to alleviate the problems which are manifested in human resource planning process.

Chapter Two

Review of Related Literature

This chapter presents related literature that helps to enrich the study. The literature deals with human resource planning practices and challenges. It also discusses a definition of human resource planning, integration of strategy and human resource planning, process of human resource planning, action decisions in human resource planning, forecasting techniques in human resource planning for supply and demand and evaluating strategic contributions have been defined and described in details one after the other.

2.1 Definitions of Human Resource Planning

Many authors at different times gave different definitions for human resource planning. The various authors of the last few years have defined human resource planning according to their own disciplines, philosophies, orientations and contextual frameworks. To facilitate the discussion, these contributions are grouped as strategy oriented definitions and process-oriented definitions of human resource planning.

Strategy-Oriented Definitions

Human resource planning defined as a strategy for the acquisition, utilization, improvement and retention of an enterprise's human resources (Department of employment, 1970). This definition was criticized by Stainer (1971) as stated by Idris and Eldridge (1998) as being too detached from the objectives of the whole organization. He states "Human resource planning aims to maintain and improve the ability of the organization to achieve corporate objectives, through the development of strategies to enhance the contribution of personnel at all times in the foreseeable future". Lynch (1982) identifies two aims of corporate human resource planning, namely to ensure the optimum use of the personnel currently employed, and to provide for the future staffing needs of the organization in terms of skills, numbers and ages. He focuses on the development of personnel strategies to get the right number of employees, with the right level of talent and skills, to achieve the right objectives, to fulfill the corporate purpose. Scott and others (2012) "...combines strategic planning and human resource planning, it can be thought of as the

pattern of human resources deployments and activities that enable an organization to achieve its strategic goals.”

A more recent view of human resource planning seeks to link policy and practice together in day-to-day decision making, stressing the interrelationship of various aspects such as training, development and recruitment. Bramham (1988) summarizes this view and suggests that human resource planning is essentially concerned with the effective use of human resources, which also embraces the future impact of employment decisions made today.

Process-Oriented Definition

The process-oriented definitions view human resource planning as a continuous process. Emmerichs and others (2003, p23) defines it as “... a systematic process for identifying the human capital required to meet organizational goals and for developing the strategies to meet these requirements.” Similarly, Ripley (2000, p1) as cited by Emmerichs and others (2003) suggests that workforce planning is “a systematic assessment of workforce content and composition issues and [determination of] what actions must be taken to respond to future needs.”

Scott and others (2012, p46) defines it as “... is the process of anticipating and providing for the movement of people into, within, and out of an organization. Overall, its purpose is to help managers deploy their human resources as effectively as possible, where and when they are needed, to accomplish the organization’s goals.”

De Cenzo and Robbins (2009) defines that human resource planning is one of the function which helps an organization to ensure that the organization to has the right number and kinds of people at the right place, at the right time, capable of effectively and efficiently completing those tasks that will help the organization achieve its overall strategic objectives. Thus, the process of human resource planning supports to identify human resource needs and it is a key function for success of human resource management program. Thomas (2008, p. 41) also defines that human resource planning is a process:

It is a process that organizations use to help them identify and address the staffing implications of business plans and strategies. By implementing this process,

organizations can ensure that they will have the right number of people, with the right capabilities, in place at the right time. When implemented effectively, the process results in two major outputs or deliverables: staffing strategies (which describe what will be done in the long term, across planning periods, to address critical staffing issues) and staffing plans (which describe specific, short-term tactical plans and staffing actions to be implemented in the near term within a given planning period).

The process oriented definitions on the whole emphasize the creation of the best possible framework of information within which decisions about the utilization of resources to achieve organizational objectives can be made, particularly the human resource. Such information acts as an indispensable instrument for management to assess the feasibility of future alternative routes in meeting organizational demands.

Despite the difference in emphasis, both strategy and process oriented definitions share a common destination that is the attainment of organizational or corporate objectives through the effective utilization of human resources. Therefore, from the definitions of human resource planning proposed by the various researchers and practitioners, it is possible to attempt to define what human resource planning in today's circumstances. Accordingly, human resource planning is a management process designed to translate strategic objectives into targeted quantitative and qualitative skill requirements, to identify the human resource strategies and objectives necessary to fulfill those requirements over both the shorter and longer terms and to provide necessary feedback mechanisms to assess progress (Idris and Eldridge, 1998). They added that overall, the purpose of the planning is to invoke organizational learning process and to generate information which can be utilized to support management decision making in all staffing areas.

2.2 Integration of Strategy and Human Resource Planning

According to Greer (2003), the integration of business strategy and human resource strategy and planning is particularly important for long-range planning efforts. Furthermore, with the recognition of the potential contributions of human resource planning, line managers have taken on greater responsibilities for these planning efforts. He also provides that long term human resource planning is important by integrating strategic business plan of the organization and this process also requests the integrating of the skills and knowledge of human resource planner with other responsible person who executives for strategic planning.

2.2.1. Determinants of Integration

The strategy and human resource planning linkage is affected by a number of influences including environmental factors such as intense competition, which often requires productivity enhancements and workforce downsizing; technological change, which requires different employee skills; and changes in the composition of the workforce (Greer, 2003).

Greer (2003) described level of integration; less integration is likely in stable environments. Another influence is level of diversification, as greater integration occurs in companies with one dominant core business as opposed to diversified companies. At the opposite end of the continuum, where an organization's divisions are indifferent core businesses, a decentralized structure would be likely. Greater integration also occurs where the top human resource executive has equal status with the heads of the other functional areas and has credible line experience. More integration also occurs out of necessity where there are severe skill shortages. Greater integration also occurs where compensation systems reward executives' performance. Likewise, it occurs where line managers perceive that human resource planning can help them implement strategies that will further the goals of the company. He also discussed that changing demands for skills also has the potential to affect the degree of integration between strategic planning and human resource planning. With the decline in proportion of employment accounted for by manufacturing and growth of services, there has been a changing demand for employee skills. In the service industry, there is concurrent creation and consumption of the service by the consumer.

As a result, service workers must be more involved in controlling quality, make appropriate adjustments when standards are not met, and must be responsible for more of their own supervision. Such changes dictate that service workers be more involved and committed to the organization. In order to create institutional climates and processes, which provide information and power sharing necessary for employees to operate in this manner, companies must plan ahead and make major changes in organizational direction. Conversely, integration is less likely where senior management incorrectly assumes that there are qualified employees in the external

labor market and specifies that areas such as finance and marketing should have sole responsibility for strategic planning. Human resource executives who lack a strategic perspective of the business also impede integration (Greer, 2003).

2.2.2. Evolution of Strategy and Human Resource Planning Integration

Greer (2003) stated that there are probably four stages in the evolution of linkages between strategic business planning and human resource management. These are:-

Administrative linkage: the first stage is called an administrative linkage, although there is no real linkage. Senior executives operate as if qualified personnel are always available in the labor market, and the human resource unit is relegated to a paperwork-processing role.

One-way linkage: the second stage involves one-way linkage in which the human resource function becomes involved only in implementation.

Two-way linkage: in the third stage, there is a two-way linkage. This involves a reciprocal relationship in which the resource function helps implement strategic business plans and also provides input to strategy formulation.

Integrative linkage: the final stage is called integrative linkage. This linkage goes beyond the reciprocal relationship to an equal involvement with other functional areas of business in the development of strategic business plans, including issues outside of the human resource area. Interestingly, a fully integrated linkage may be described as informal (Greer, 2003).

The researcher hypothesis is human resource planning have to be linked with the overall strategy business plan of the organization and human resource needs to be aligned with the organization strategic business plan. Human resource planning needs to become interdependent with the rest of the organization strategic business plan. And also it has to take a comprehensive approach that aligns its actions with the entire organizational strategy business plan and it has much to contribute in a strategic supporting role and the organization's strategy development. Therefore, integrative linkage one of a key stage and the organization managements have to work hard to address the strategic business needs and support of the organization by aligning human resource planning process with the organization's strategy business plan and also an organization management needs to acknowledge that human resource planning importance to the

organization's business success. On the other hand, Rothwell and Kazanas (2003) stated that generally speaking, three approaches can be used to link strategic business plans and HR plans. First is the formal, which ensures linkage through explicit and institutionalized processes or rituals and specifically delegated work methods or structure.

Second is the informal, which ensures linkage through interpersonal interactions of top management strategists and those responsible for strategic planning for HR. This approach is based on leadership relations. Third is a combination of formal and informal approaches, in which varying degrees of linkage depend on formal methods and informal leader relations. To a considerable extent, organizational culture is the determining factor in any setting as to which approach will most likely be successful.

A. Formal Approaches

Rothwell and Kazanas (2002, p. 49) described that in most cases, an organizational plan implies long-term change, a gradual narrowing of a gap between what is (present conditions) and what is desired (intended future conditions). If we view organizations as rational, then we can confidently place reliance on structure and methods to help bring about change. The idea is simple enough: If we want something to be done on any regular basis, we must create a structure for carrying it out and assign the responsibility for doing it to somebody specific. By extension, if we want HRP to be done, we must create a means to do it and place somebody in charge of seeing that it is carried out.

Most academic and professional literature on HRP stresses this approach. In part, that accounts for the extraordinarily large number of HRP models: They help conceptualize a means for conducting HRP and tying it to strategic business plans. Most of these approaches are based on a few key elements that include linking HR plans to strategic business plans (SBPs), analyzing internal and external environments, designing and considering HR program, evaluating results.

In one classic treatment of the subject of HRP that is still relevant today, Dyer (1984) as stated by Rothwell and Kazanas (2003) relied on his personal experience to suggest the most specific approaches of any to link HRP and SBP. He finds that "linkages are always made, but not always in the same companies". Nine methods are possible, he believed, though not all are necessary in

any one company at same time. One link takes place before the strategic business planning process begins. Working alone or with others, HR planners assess external environmental conditions pertaining to HR, such as labor union trends or employment- related legislation. They then prepare written summaries of the likely impact of each condition on the firm and distribute the summaries to key strategists before they begin strategic business planning (SBP). The intent is to make strategists aware of key issues, so they can consider them during the SBP process. The same approach can be used in a less formal way, where meetings or discussions with strategists take the place of written summaries. Dyer considered this informal approach a second link between human resources planning and SBP.

A third link is made during the process of creating the Strategic Business Plan. Strategists obtain specific information from HR planners and insert it into prepared planning forms, and then consider HR issues as part of the business plan. A related approach and the fourth link is to leave it up to corporate planners to determine when specific HR issues are relevant; they would not be required to consider HR, but could do so. A fifth link takes place shortly after this SBP process: Tentatively prepared strategic business plans are reviewed by staff groups—including HRP practitioners— before being placed before top managers for final approval. The top decision-maker in the HR department expresses formal concurrence or non-concurrence with the plan, because the idea is to build consensus. In most cases, HR planners are given initial input in business plans, so review serves only to strengthen their desire to implement the plans (Rothwell and Kazanas, 2002).

A sixth link takes place after the Strategic Business Plan is written. It is submitted to HR practitioners, so that they can work in consultation with others to do the following: identify specific, potentially critical, HR issues requiring attention; designate task forces to study specific issues in depth; and prepare action plans for the HR function based on more intensive study of specific issues. Of course, a task force has a highly structured activity confronting it and can draw on the expertise of people from various hierarchical levels. A seventh link is very similar to the sixth described above. Action planning is substituted for task force study. In other words, HR practitioners are asked to prepare very specific plans to deal with critical HR-related issues. Dyer believes this approach is rarely used (Rothwell and Kazanas, 2002).

The eighth and ninth links between strategic business planning and HR planning are closely related. One is not often thought of: The same people are involved in both processes. Hence, business strategists are familiar with HRP because they participate in it as a process separate from SBP. Linkages occur in their minds, not in written plans. The ninth and final link occurs when separately prepared HR plans and business plans are reviewed by top managers at the same time. In short, they have a common review point and are thereby linked (Rothwell and Kazanas, 2002).

Dyer believes that the most popular approaches are the fifth and sixth—what he calls interpretation. As Dyer (1984, p. 83) as stated by Rothwell and Kazanas (2003) noted that

If you are only going to link at one point, I think it makes sense to use interpretation because it provides an opportunity to demonstrate that you can take action and contribute to the business plans that managers are trying to accomplish. Without this credibility, it is very difficult to make use of the other linkage points.

To achieve linkage between SBP and HRP, Dyer (1984, p. 79) had simple advice: Practitioners should “discover how business strategy is actually formulated, determine how much consideration is given to HR, decide how much consideration should be given to HR, and close the gap.”

B. Informal Approaches

Advocates of the so-called behavioral school have done a convincing job of demonstrating that organizations are at least as political as they are rational. Rothwell and Kazanas, 2002) showed that its process, that is, how decisions are made is much more revealing about the values and beliefs of top managers than decisions or even results. In another classic and still-relevant treatment, argued that formulation of business goals and strategies is really a political process in which different people and groups jockey for power. In fact, power is an end in itself, and a means to achieve self-interested goals (Mintzberg (1979): cited by Rothwell and Kazanas, 2003). Research has demonstrated that as much as 60 to 75 percent of organizational planning is informal, falling outside the purview of formal processes or rituals, but inside the political sphere (Dyer, 1984: cited by Rothwell and Kazanas, 2003).

Rothwell and Kazanas (2003) described that several writers in the HRP field have avoided models, preferring instead to focus on specific issues and offer general advice about how to link organizational and HR plans. Some “models” will not transfer well across organizations. Hence, general advice might be more useful in that it can be used to create an approach in unique settings. To be more effective in linking HRP to organizational planning, HR practitioners should be more professional in approach and behavior, familiar with the business, willing to lead others by suggesting new ideas while doing “the basics” well, willing to act as team players in dealing with others, willing to influence others by setting a good example, vocal, successful in avoiding surprises, willing to take a stand on some issues and fight for them and maintain integrity, even in the face of unfavorable odds. These suggestions sound more like a code of professional ethics than principles for linking SBP and HRP, but they do imply that personal credibility is a helpful source of power for achieving linkage between SBP and HRP (Rothwell, Prescott, and Taylor, 1998: cited by Rothwell and Kazanas, 2002).

2.3 Human Resource Planning Process (Model)

To ensure that appropriate personnel are available to meet the requirements set during the strategic planning process, human resource managers engage in employment planning. The purpose of this planning effort is to determine what human resource management requirements exist for current and future supplies and demands for workers.

2.3.1. Assessing current human resources

Assessing current human resources begins by developing a profile of the organization’s current employees. This internal analysis includes information about the workers and the skills they currently possess. In an era of sophisticated human resource information systems software (HRIS), it is not too difficult for most organizations to generate an effective and detailed human resources inventory report. The input to this report would be derived from forms completed by employees and checked by supervisors. Such reports would include a complete list of all employees by name, education, training, prior employment, current position, performance ratings, salary level, languages spoken, capabilities, and specialized skills (De Cenzo and Robbins, 2009).

From a planning viewpoint, this input is valuable in determining what skills are currently available in the organization. The inventory serves as a guide for supporting new organizational pursuits or in altering the organization's strategic direction. The completed profile of the human resources inventory can also provide crucial information for identifying current or future threats to the organization's ability to successfully meet its goals (DeCenzo and Robbins, 2009).

2.3.2. Determining the Demand for Labor

Once an assessment of the organization's current human resources situation has been made and the future direction of the organization has been considered, it's time to develop a projection of future human resource needs. This means performing a year by year analysis for every significant job level and type. In effect, the result is a human resource inventory or skill inventory covering specified years into the future. These pro forma inventories obviously must be comprehensive and therefore are complex. Organizations usually require a diverse mix of people, that's because employees are not perfectly substitutable for one another within an organization (De Cenzo and Robbins, 2009).

2.3.3. Predicting the Future Labor Supply

By determining future human resource requirements, that is, by estimating as closely as possible how many employees the organizational unit of interest will need in each job category by the end of the planning period to do the work that will have to be done. As the figure below shows (in the left-hand column), the logical place to begin this process is with an organization's business plans. This information tells the human resource planner whether volumes will be going up, staying about the same, or going down. Business plans also tell how management intends to compete in each relevant product line. In some businesses, for example, management may be planning to buy the market with low prices, while in others it may be planning to skim the market with innovative and/or particularly high-quality products to be sold at premium prices. In the former case, management will be more interested in (Heneman and Schwab, 1993).

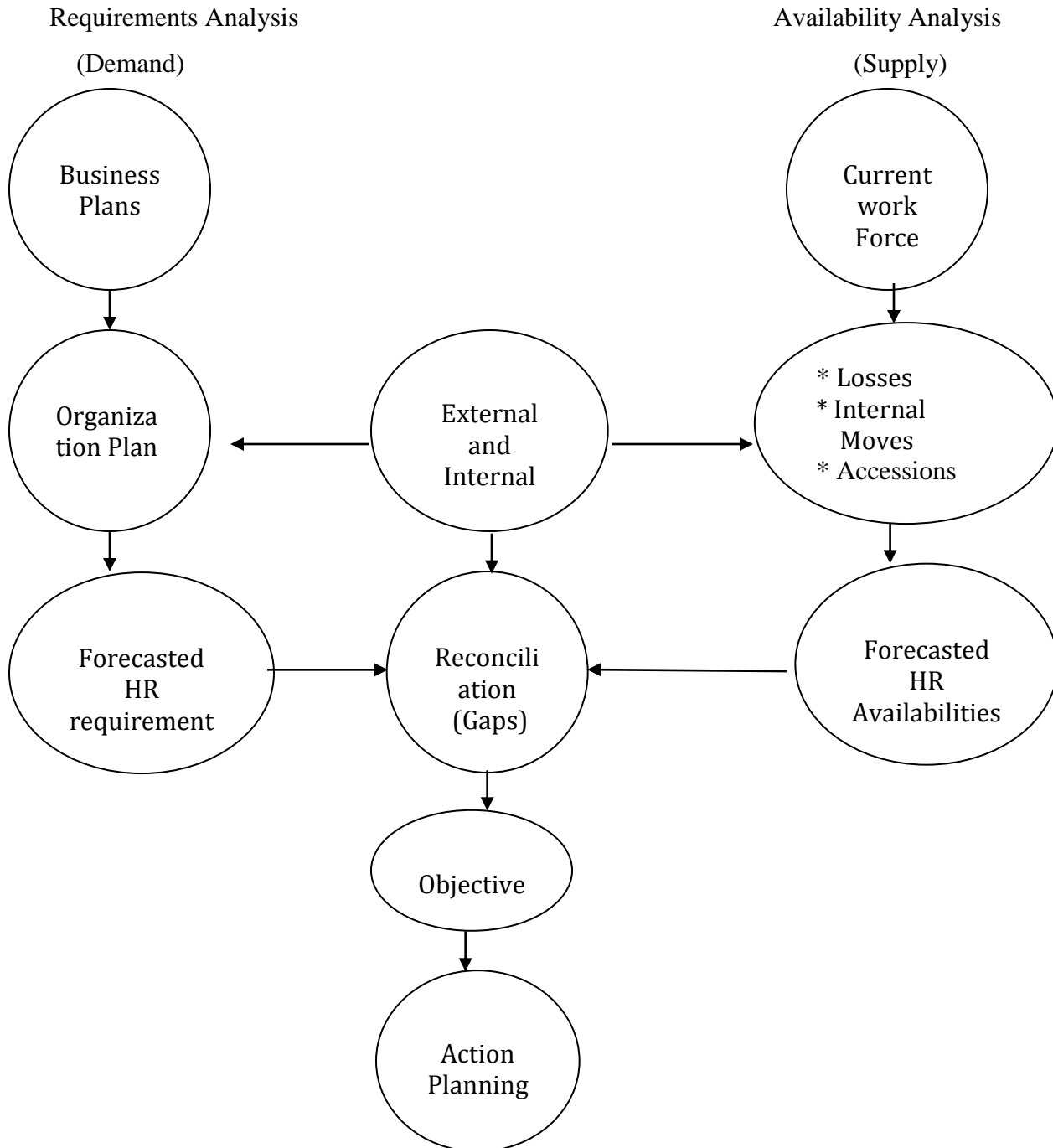


Figure 1: The Human Resource Planning Process

Source: Personnel/Human Resource Management Book of Heneman and Schwab (1993)

Maximizing employee productivity and minimizing head counts (and thus labor costs); in the later, it might be much more concerned with maximizing employee flexibility and adaptability even at the expense of having a few extra people around. Also, the employees probably would

have to be more skilled. In addition to volumes and strategies, business plans usually reveal whether or not there will be any changes in the basic technologies the organization uses to make, market, and distribute its products or services. Such changes typically are introduced as a means of increasing employee productivity requirements. They also usually alter the skill requirements of jobs, and thus the nature of the job categories that are being planned for (Heneman and Schwab, 1993).

When establishing future human resource requirements, it is very important to know whether management has any plans to restructure or reorganize the future strategic business plan. Such plans, in and of them, may lead to the addition or, more likely, elimination of some jobs or job categories, or significant changes in the number of employees needed in certain job categories but it is not easy matter to translate strategic business plan of an organizational into estimates of human resource requirements, particularly in large, rapidly changing organizations that employ thousands of employees in many different job categories. Long planning horizons complicate the task even further. Basically, planners can go at it in one of two ways; statistically and judgmentally.

2.3.4. Determining future human resource availabilities

On the above discussion we considered internal factors. We will now review those factors outside the organization that influence the supply of available workers. The potential supply can differ from what one might conclude by looking only at the visible sources of supply. The task here is to estimate the numbers and types of employees that will be available in various job categories at the end of the planning period. The right-hand column of the figure shows the basic process. It all begins with an inventory of the employees expected to be in the various job categories (obviously the same ones for which human resource requirements were established) at figures are subtracted anticipated losses during the planning period due to retirements, voluntary turnover, and other reasons (involuntary turn-over, transfer to other units, and leaves of absence). Then it is necessary to make internal adjustments (plus and minus) across job categories to account for anticipated promotions and demotions. The result of these manipulations is an estimate of future human resource availabilities at the end of the planning period (Heneman and Schwab, 1993).

From where do these numbers come? The beginning inventory is extracted from the Human Resource Information System. A beginning inventory may also include information about each employee, including name, current job title, and length of service with the company and on current job, performance rating, promote ability rating, potential rating, salary, location, previous jobs, retirement status, race, and sex. The estimates of the human resource flows (that is, losses and internal moves) can be derived statistically using the more personal data noted just above (Heneman and Schwab, 1993).

2.3.5. Conducting external and internal environment scanning

A number of external and internal influences affect the conduct of HR management; external factors are such as economic forces, labor markets, laws and regulations, and labor unions. Accordingly, these factors are also grist for the HRP mill. Environmental scanning is the process of tracking trends and developments in the outside world, documenting their implications for the management of human resources, and ensuring that these implications receive attention in the HRP process. De Cenzo and Robbins provide the following a brief description of the main determinants factors of human resource planning:-

Human resource skill inventory is not too difficult for most organizations to generate an effective and detailed human resources inventory report. Such reports would include a complete list of all employees by name, education, training, prior employment, current position, performance ratings, salary level, languages spoken, capabilities, and specialized skills.

Job Analysis provides information about jobs currently being done and the knowledge, skills, and abilities that individuals need to perform the jobs adequately.

The HRIS (sometimes referred to as a human resource management system) is designed to quickly fulfill the HRM informational needs of the organization. The HRIS is a database system that keeps important information about employees in central and accessible location even information on the global workforce. When such information is required, the data can be retrieved and used to facilitate employment planning decisions.

Thus, this research paper will assess how managers of an organization consider those factors when they prepare human resource planning and aligning with strategic business plan of their organization. Managers and human resource specialists of an organization must fully aware of the importance of the data of these main determinant factors in advance for human resource requirements preparation.

2.3.6. Reconciling Requirements and Availabilities:

The objective of employment planning is to bring together the forecasts of future demand for workers and the supply for human resources, both current and future. The result of this effort is to pinpoint shortages both in number and in kind, to highlight areas where overstaffing may exist (now or in the near future), and to keep abreast of the opportunities existing in the labor market to hire qualified employees either to satisfy current needs or to stockpile potential candidates for the future (De Cenzo and Robbins, 2009).

Once acquired, information concerning future human resource requirements and availabilities, as well as external and internal environmental conditions, must be brought together to identify potential gaps and the reasons for them, and to decide on appropriate planning objectives. In brief, in the reconciliation process, gaps between anticipated human resources requirements and availabilities are identified and the reasons for these clarified. Even the relatively simple reconciliation suggests that the organization will have to deal with both employee shortages and surpluses, as well as with reducing labor costs through automation, promotion blockages, and possible increases in voluntary turnover rates. Reconciliations of availabilities and requirements through action decisions are discussed in detail below (Heneman and Schwab, 1993).

Objectives derive from the reconciliation process. They are statements of what managers intend to accomplish during the planning period. Once derived, they provide direction for the action planning process, as well as standards against which accomplishments can later be judged. Objectives emanating from staffing planning usually evolve around controlling head count, controlling labor costs and improving productivity (derived from forecasting future human resource requirements), and eliminating potential employee shortages or surpluses by altering

employee flows (derived through comparisons of anticipated availabilities and requirements)(Heneman and Schwab, 1993).

Certain issues can give rise to multiple objectives. For example, staffing planning at a rapidly growing high-technology company might indicate a potential shortage of skilled technician that cannot be met from within. The company's environmental scan of the relevant labor markets, however, might well turn up the fact that such talent is extremely scarce and that experienced technicians are virtually impossible to find. Under the circumstances, the company might establish as one objective the elimination of the anticipated shortage through outside hiring, and then a second objective: the elimination of the anticipated skill deficiencies of the new hires during their first six months on the job (Heneman and Schwab, 1993).

2.4 Action Decisions in Human Resource Planning

According to Ivancevich and Gluek, after the human resource planning system has analyzed both the supply of and the demand for future workers, these two forecasts are compared to determine what, if any, action should be taken. Whenever there is a discrepancy between these two estimates, the organization needs to choose a course of action to eliminate the gap. These are listed as follow:-

1. Action Decision with a Shortage of Employees

When employment specialists comparing demand with supply find that the supply of workers is less than the demand, several possibilities are open to the organization. If the shortage of small and employees are willing to work overtime, it can be filled with present employees. If there is a shortage of highly skilled employees, training and promotions of present employees, together with the recruitment of less-skilled employees, are possibilities. The decision can also include recalling employees who were previously laid off. Intense global competition, rapid technological change, and fears caused by recent work force reductions have also led many organizations to increase their use of part-time workers, subcontractors, and independent professionals in response to changing demands.

2. Action Decision in Surplus Conditions

When comparison of demand for and supply of employees indicates a surplus, the alternative solutions include attrition, early retirements, demotions, lay-offs, and terminations. Decisions in surplus conditions are some of the most difficult that managers must make, because the employees who are considered surplus are seldom responsible for the conditions leading to the surplus. A shortage of a raw material such as fuel or a poorly designed product can cause an organization to have a surplus of employees.

As a first approach to dealing with a surplus, most organizations avoid layoffs by relying on attrition, early retirement, and creation of work, and the like. Many organizations can reduce their workforce simply by not replacing those who retire or quit (attrition). Sometimes this approach is accelerated by encouraging employees close to retirement to leave early, but there are drawbacks to this approach if the early retirement program is not carefully planned. First, statistics indicate that workers over 50 years tend to be healthier, have fewer work-related injuries, and are less likely to change jobs than their counterparts.

Also, large amounts of retirements are expected to lead to acute skills shortages that will negatively affect company's ability to compete in the global marketplace. Thus, without proper planning and retention strategies, organizations run the risk of losing their best employees. Second, care must be taken not to offer promises that won't be kept. Once certain benefits are promised, it may be illegal to change them without approval of the early retirees (Ivancevich John and Gluek William, 1989).

2.5 . Forecasting Techniques in Human Resource Planning

There are several techniques that have potential applicability in human resource planning and forecasting. Greer (2003) stated that techniques used to forecast human resources may be classified as either quantitative or qualitative, though the distinction is sometimes unclear. Besides, some forecasting techniques may be used to forecast both the supply and demand of human resources. Thus, classification of techniques as either supply or demand, as well as quantitative or qualitative must be arbitrary to some extent. With these limitations in mind, the

category of quantitative techniques includes Markov analysis or network flow models, attrition analysis models, computer simulation, operations research techniques, and renewal models. And the category of qualitative supply forecasting techniques includes replacement charts or succession planning and supervisory estimates. Thus, it is important to have some insight about both the supply and demand forecasting techniques for human resources in detail as discussed by Greer (2003) below.

2.5.1. Forecasting Techniques for the Supply of Human Resources

Geer describes forecasting techniques in the supply of human resources include replacement charts, succession planning, Markov analysis, renewal models, and computer simulation. These are:-

1. Replacement Charts

Replacement charts describe a company's organizational structure in terms of individuals occupying various managerial and professional positions. For each position incumbent, potential replacements are identified along with such information as their individual potential for advancement and numbers of years' experience needed before being qualified for the next higher position. The individual's age also may be included for estimating retirement dates. For each replacement, the potential replacements for that individual also are listed with similar information. Thus, the replacement chart, which is likely to be computerized, provides a description of how vacancies can be filled from the internal labor market. It also shows the associated cascading effects.

In determining the time when potential managerial replacements will be ready to take on higher-level responsibilities, an assessment of their current skills must be conducted and matched against those required for higher-level positions. There are two organizational dimensions that should guide such assessments: (1) the hierarchical or vertical level of various jobs and (2) where the job falls in a continuum from basically individual contributions to managing the efforts of others. Thus, the assessment should include not only the skills that will be required for vertical moves, but also the skills to move horizontally, typically toward the broader orientation and

responsibilities of general management. Movement upward often entails a shift toward the managerial end of the continuum.

Beginning with the individual contributor end of the continuum and moving toward the managerial end, employees would be assessed against skill requirements for the following tracks: technical development, technical application, technical management, operations management, and business management. Another aspect of the utilization of replacement charts to forecast supplies of human resources involves the assessment of the organization's current employees' abilities and qualifications to take on future positions. Before the number of qualified replacements for a current or future position can be determined, there must be a means of comparing potential replacement candidates with the position's requirements.

2. Succession Planning

Although similar to replacement planning and the use of replacement charts, succession planning tends to be directed toward a longer-range time horizon and is more focused on development. It is also more concerned with the development of pools of potential replacements, as opposed to individuals. Succession planning involves more elaborate planning for skill development of potential replacements, is more systematic in the assessment of potential replacements and their developmental needs, and generally applies to higher levels of managerial positions. In some companies, succession planning also incorporates developmental planning for high-potential managers while they are still in lower-level positions (Greer, 2003).

According Greer (2003) this is especially prevalent for minorities and women who are likely to become long-range successors. Additionally, succession planning also may be concerned with the future requirements of executive positions since the necessary personal skills and characteristics may differ substantially from current requirements. Given the growing interdependencies across functional areas in many companies, one promising approach for developing potential successors for positions of the future may be to assign them leadership responsibilities in cross-functional teams. Nonetheless, current executives may be hesitant to make selection decisions on projections of future skill requirements that are difficult to quantify. While there are important benefits of succession planning, there are increasing concerns about

the ability of traditional succession planning to produce qualified successors, particularly on a position-by-position basis. Improvements to the process involve 360-degree feedback, more self-initiated programs, and developmental assignments across functions and units (Greer, 2003).

3. Markov Analysis

In the past, some researchers observed that companies tended to have greater expertise and placed greater emphasis on forecasting the demand for human resources than for their supply. However, the application of Markov analysis to human resources forecasting changed the situation by providing a practical and versatile technique for forecasting internal supply. As such, the techniques can serve the strategic purpose of evaluating the availability of human resources required for different strategies. Markov models have an advantage of being relatively simple to understand, although they can be quantitatively sophisticated (Greer, 2003).

In setting up the Markov models, the forecaster must account for all possible moves or flows of employees in an organization. Such moves include moves into the organization, moves from one job to another and exit moves. Moves between jobs can be upward moves in hierarchical level as well as moves across functions. Essentially, Markov models begin with distributions of the number of employees in various job categories at a starting point in time. These distributions are then transformed by a transition probability matrix into a forecasted distribution of employees across these same job categories one period later. The transition probabilities in each row of the matrix must total to 1. The diagonal set of transitional probabilities, after excluding the column representing exit moves, represents the proportion of employees remaining in the same job from Time 1 to Time 2. Markov models cannot take into account more than one move per time period (Greer, 2003).

4. Renewal Models

These models reflect the movement or flow of employees through companies as they are “pulled” upward to fill vacancies in higher-level job categories. An advantage of renewal models is that they involve simple mathematics and are readily understood by managers. Renewal models, in their simplest form, can use age cohorts of employees as the focus of analysis. As the level of incumbent employees in an age group is projected forward into the future, the group is

“aged” by one year. When greater rates of change are expected, shorter time periods may be used. The “aged” cohort is then adjusted for losses of employees due to various forms of attrition. Rates of attrition can be obtained from historical data and typically differ across the age cohorts. Typically, attrition would be relatively high with younger workers, such as recent college graduates and for age cohorts close to retirement.

In addition to “aging” employee cohorts and adjusting age cohorts for attrition, renewal models also may be configured in accordance with the job classification hierarchy and also may reflect the hiring of new employees and promotion of current employees into different job categories. The numbers of employees in each job category may be adjusted during the process to reflect needs for growth or contraction, which is dictated by the company’s strategic plan. Starting with the top of the hierarchy, the human resource planner can work downward through each job category, in a step wise manner, to determine the number of employees that must be promoted from the lower classifications and the flow policies that will be needed to supply such numbers. Renewal models also can be run with different specifications of promotion rates so that their differential impacts can be determined. The models also can be run with different attrition rates and other planning assumptions (Greer, 2003).

5. Computer Simulation

Simulations have the advantage of allowing the forecaster to create a number of different future scenarios by altering the values of the simulation’s parameters. Through this process, the forecaster can determine variations in forecasted values according to different formulations of future conditions and can plan alternative courses of actions to reduce uncertainty and manage risk. Further, computer simulations allow planners and forecasters to assess the sensitivity of the simulation model’s parameters to alternative specifications. By running sensitivity analyses, forecasters can gain an understanding of the impact of inaccurate assumptions. With the rapidly power of personal computers advances in software, computer simulations are likely to grow in importance as human resource planning and forecasting techniques (Greer, 2003).

Therefore, the forecasting techniques for human resource planning are mentioned earlier, clearly show us having a quality data or an information which will support as in put for HRP and

effective human resource planning allows management to recruit, develop and deploy the right people to meet organizational strategic objective, mainly human resource inventory, HRIS or HRMIS and job analysis and others are crucial data or information which required as in put for human resource planning process. The purpose of this paper is to describe how human resource planning practiced and acknowledged and how its main determents factors mentioned earlier and other factors are considered while HRP is processed and links with strategic business plan of an organization.

2.5.2. Forecasting Techniques for the Demand for Human Resources

As indicated earlier, Greer also describe some forecasting techniques have both supply and demand applications. Replacement charts and renewal models have demand implications because they also indicate vacancies when replacements are promoted into vacancies at higher levels. Computer simulations also may be used for both supply and demand forecasting. Some of the qualitative forecasting techniques for the demand of human resources include heuristics, rules of thumb, and the Delphi technique. Besides, the quantitative techniques include management science and operations research applications and regression analysis.

1. Heuristics, Rules of Thumb, and the Delphi Technique

Rules of thumb are simple guidelines that are used to predict demand for human resources. For instance, a retailing chain may have developed a heuristic that specifies that for every 12 new stores, another regional manager will be hired. Heuristics are conceptual frameworks, often expressed as diagrams, which help human resource forecasters organize relevant conceptual relationships and trace through the outcomes of various personnel action alternatives (Greer, 2003).

Using the retail chain example, forecasters might consider the strategic plans for the number of new stores the next year, and then apply the heuristic to forecast the number of regional managers that will be needed. One common qualitative approach for forecasting the demand for human resources is the “bottom-up” approach in which unit managers estimate their specific

human resource needs for the next period. These estimates are then combined into aggregate forecasts for the whole company (Greer, 2003).

The Delphi technique, as Greer explain an iterative judgment refinement technique based on the collection of expert opinion, is sometimes categorized as a qualitative demand forecasting technique. This technique can approach the accuracy of quantitative techniques and does not require a historical database. Nonetheless, the Delphi technique is used for such purposes by only a very small number of organizations.

2. Operations Research and Management Science Techniques

Techniques such as linear programming, integer programming, and network optimization techniques are generally considered as operations research or management science techniques. Such techniques can be used to determine optimal personnel flows through the organizations. These flows can be managed specifications of time-in-grade requirements for promotions, rates of turnover, and the like. Managed flows can produce desired stocks of personnel in various positions or ranks at points in the future (Greer, 2003).

A further extension of linear programming, called goal programming, allows human resource planners to take into consideration sequential and multiple managerial goals or constraints, such as maximum head counts, budgetary limitations and so on. The use of such planning techniques runs counter to the trend toward more reliance on less sophisticated approaches. However, such techniques are still very important in that they affect the service capability and profitability of major corporations and governmental organizations. Human resource planning systems based on these techniques require mathematical sophistication and complex computer programs (Greer, 2003).

They also are expensive to develop. Nonetheless, they are often key systems in large organizations, which produce savings of millions of dollars in labor costs. Such systems are developed by human resource planning specialists. Although they are developed and maintained on a centralized basis, they may be used on computerized networks by line managers for applications such as the development of optimal workforce schedules.

3. Regression Analysis

Regression analysis is a robust statistical technique having applicability to forecasting demand for human resources. Although its greatest applicability may be for centralized human resource forecasting at the corporate level by planning specialists, its wide availability as a feature of computerized spreadsheets makes it potential technique for widespread adoption by line managers as well. Multiple regression analysis allows the forecaster to control for several potential influences on the number of employees needed in a particular specialty. Thus, the techniques mostly used to forecast human resource needs in Ethio Telecom is qualitative techniques, among these replacement charts, succession planning and rules of thumb are mainly used and considered during human resource planning process.

2.6 Evaluating Strategic Contributions of Human Resource Planning

The effectiveness of human resource planning can be viewed from a behavioral perspective. This includes the degree to which managers accept human resource planning as an activity that helps them perform their jobs. Line management's willingness to supply information to be used in the development of forecasts and actually use human resource forecasts in their own planning provide other indicators of human resource planning effectiveness. Even when forecasts are inaccurate, the human resource planning process has value. This is because, as in any planning effort, the process of forecasting is often more valuable than the forecast itself because managers are forced to reexamine fundamental operating assumptions. Such reexamination and resultant communications are often valuable side-effects (Greer, 2003).

He also discussed that from a quantitative perspective, for companies that have strong preferences to fill vacancies from internal sources, the extent to which the organization must hire in the open labor market, instead of from its internal labor market, may be an indicator of the effectiveness of the human resource planning process. To the extent that shortages in certain skill areas are forecasted and prepared for with the development of employees, the organization has less need to hire externally. Companies that hire from the external market only at entry levels must have effective human resource planning programs. Another standard or criterion of human resource planning and development effectiveness mentioned by Greer is provided by the concept

of just-in-time talent, which means that vacancies can be filled quickly from within the company by a person qualified for promotion. The promoted individual should have been developed by previous assignments and training but should not have to wait in a holding pattern in which his/her skills are underutilized.

The concept of just-in-time talent has a great deal of appeal because, from the company's standpoint, during the period in which the individual is underutilized, the company is not obtaining a return on its investment in development. From the individual's perspective, there is the obvious advantage of not having to spend time in positions that underutilize one's talents. Such situations lead to turnover, which has costly implications for the company as well. It is interesting to speculate about a potential cause for inaccuracies of human resource forecasts. This explanation points to the rationales for planning. Although piling in comparison to the effects of global expansion or recession, demographic influences, immigration, and intensified international competition, at the micro-level individual companies probably plan for the forecasted shortages (Greer, 2003).

This speculative explanation is also consistent with a general description of an effective human resource management function. In line with this, James Walker (1992) as cited by Greer (2003) has explained that the human resource planning is paramount function that ensures that there are no difficult on human resource issues for concerning management since it is the most proactive, strategic approach to managing resources anticipates and addressing different factors which will be encountered as challenges or conditions continuously change are always addressed in the future during HRP process and also the function may bring these issues to management's attention and create a sense of urgency for action.

To sum up, human resource is about people, which is the core of an organization and its strategic business plan and effective human resource planning allows management of an organization to recruit, develop and deploy the right people at the right place at the right time, to meet organizational internal and external service demand and commitments and the need and opportunity HRP to align with strategic business plan of an organization unquestionable.

Chapter Three

Research Design and Methodology

This chapter is devoted to research design and methodology of the study which contains the research design, study population, sample and sampling techniques, instruments and procedures of data collection, questionnaire and interview, method of data analysis and brief description of the research site Ethio Telecom.

3.1. Research design

The research design used for this study is a descriptive research, thus data was systematically collected at a point in time, analyzed and presented to give a clear picture of human resource planning and management practices and challenges at ethio telecom. A descriptive research was used in that it is basically designed to find out the existing situation of a particular phenomenon of concern.

Louis and others (2007) defined descriptive research, according to Best (1971), is concerned with: conditions or relationships that exist; practices that prevail; beliefs, points of views, or attitudes that are held; processes that are going on; effects that are being felt; or trends that are developing. At times, descriptive research is concerned with how what is or what exists is related to some preceding event that has influenced or affected a present condition or event. This type of research is a systematic attempt to collect information from members of an identifiable population particularly, management of ethio telecom. The rationale for using the descriptive survey is that it helps in telling what the situation is in a systematic manner; it involves collection of accurate data for the purpose of determining the current nature of the subject of study thus practices and challenges of human resource planning on ethio telecom; it also involves formulation and test, the questionnaire has 35 question items by describing the situation and using logical methods to arrive at generalizations.

3.1.1. Population, Sample and Sampling Techniques

Martins, Loubser and Van Wyk (1996) stated that the population is the aggregate of elements from which the sample is drawn. Aaker, Kumar and Day (1998) concur, but add that it is

important to determine the target populations. In the case of this study, the target population for this study is the management of Ethio Telecom based in Addis Ababa. The management of Ethio Telecom is used because of human resource planning and management practices and affects them directly. The sample populations of the organization were those individuals who were working in managerial position, for this study division heads, department heads and section heads those were participated in human resource planning and management practices.

Martins and others (1996) stated that sampling involves defining the population, identifying the sample, selecting the sampling method and sample size. As was explained above the applicable target populations in this research study ninety four (94) samples was identified in management employees of ethio telecom. Various sampling methods exist, such as probability sampling which includes random sampling, systematic sampling, stratified sampling, etc, and non-probability sampling which also includes purposive, convenience sampling, and many more. In all forms of research, it would be ideal to test the entire population, but in most cases, the population is just too large that it is impossible to include every individual. This is the reason why most researchers rely on sampling techniques like convenience sampling, the most common of all sampling techniques.

Louis and others (2007) state that the difference between probability and non-probability sample is this: in a probability sample the chances of members of the wider population being selected for the sample are known, whereas in a nonprobability sample the chances of members of the wider population being selected for the sample are unknown. In the former (probability sample) every member of the wider population has an equal chance of being included in the sample; inclusion or exclusion from the sample is a matter of chance and nothing else. This is because in probability sampling method, every unit has an equal chance of being included in the sample.

In this particular study one probability sampling technique is stratified sampling technique which is used by researcher. This is because stratified sampling technique assures that the researcher would be able to represent key sub-group of the population. In the case of this study there were divisions, departments and section sub groups. Thus, from each division all division heads; two departments and three sections heads were chosen randomly since all of them were

homogeneous by their positions and to obtain a sample representative of whole population in random selection of subjected from each level of management were taken. As result, the sample size constituted ninety four (94).

The sample size of each Category

No	Category	Population size	Sample size	Percentage	Instruments used
1	Division Head(CXO)	13	13	100%	Interview
2	Department Head (Officer)	45	26	57.78%	Questionnaire
3	Section Head (Manager)	182	55	30.22%	Questionnaire
Total		240	94	39.17%	

In other words, stratified random sampling generally has statistical precision since the strata or sub-groups, in this case, the divisions, departments and sections heads' or managers' who was participated in human resource planning process, and were relatively homogenous by their position. Thus, since the groups were more homogenous than across the population as a whole, it is expected greater statistical precision (i.e. less variance).

3.1.2. Sources of Data

The objective of the study is to assess the practices and challenges of human resource planning and management. The study was based on the willingness of the study participants and to achieve the aforementioned objective, the researcher collected information from both primary and secondary data sources.

3.1.2.1. Primary Data Sources

The primary data were gathered from the response of subject of the study through questionnaire and interview. The questionnaires were disseminated to 55 section heads and 26 department heads based in Addis Ababa. The managers were believed to reveal the actual picture of the human resource planning and management practices and challenges of ethio telecom, since necessarily they passed through this process during their operational activities.

Accordingly, the gathered information from the questionnaire, twenty six (26) department heads and fifty four (54) section heads gave their responses. And finally the data collected from eighty (80) respondents among Ethio Telecom management were analyzed using descriptive statistics with the help of SPSS and stratified sampling method was used where the strata were department head and section head and both were working managerial positions.

Table 4:1: The total number of questionnaire distributed, returned and unreturned to and by managements staff of Ethio Telecom

Questionnaire	Frequency	Percent
Total distributed	81	100%
Returned	80	99%
Unreturned	1	1%

The questionnaire was distributed to eighty one (81) management employees. From these 80 (99%) were kind enough to fill the questionnaires properly and returned on time. All the returned questionnaires were completed and considered for the analysis. The questions (see annex) consisted of both close-ended and open-ended questions.

3.1.2.2. Secondary Data Sources

The secondary data source includes documents, both published and unpublished books, journals, policy and procedures of Ethio Telecom and other different sources.

3.2. Instruments and Procedures of data collection

The main research tool or technique used for collecting the primary data was questionnaire and interview.

Questionnaire

According to Yin (1994), questionnaire is the appropriate method for descriptive research study. For the purpose of this study questionnaire was used because it helped to collect data from large number of respondents in different locations. There is also standardized data from identical

questions without need have face to face interaction. Apart from these, it saves time and other resources. In addition to these advantages, the survey questionnaire also enables one to collect standardized information in respect of the same variables for everyone in the sample selected (Parfitt,1997; cited in Zahari,2007). This makes the questionnaire an indispensable tool in gathering primary data about people, their behavior, attitudes, opinions and awareness of specific issues. Based on the above reasons questionnaires were used to collect primary data. Carefully crafted but wide-ranging questionnaires aimed at eliciting right responses were constructed for the management of Ethio Telecom.

In the questionnaire, the researcher used close-ended questions with single answers, close-ended questions with multiple answers, rankings and Likert scaled questions. The appearance and layout of the questionnaire are very important factors and essential in ensuring that relevant data is collected. Martins and others (1996) feel that there should be sufficient space to record answers, the questionnaires should not appear overly long, as this may put off both the respondents and discourage them from being totally committed to complete the questionnaire as efficiently as possible. The researcher made the questionnaire clear and understandable to encourage the respondents to answer them. Most of the questionnaire items were close-ended questions.

Interview

The researcher also conducted semi-interview with key officials of management of Ethio Telecom, all division head (chief officer) and human resource division managers with managerial responsibility for human resource planning and management practices and challenges. Interviews have been used in this work because they represent a valuable and rich source of information in doing this study. The interviews have been done in an open, lively but focused manner with the intention of acquiring relevant information to enrich the findings of the study. The researcher realized that a lot of information could be derived from interviews that are conducted in an open and focused way. The researcher acquired a wealth of information from all these people which sheds more light on the intricacies surrounding human resource planning and management practices and challenges of Ethio Telecom.

3.3. Procedures of data collection

After the adaption and customization of instruments is done, all questionnaire items were prepared in English language. After it is commented and edited by linguistic professionals and masters graduate colleagues, the final version is distributed for pre-testing purpose.

Pilot-testing

It is always desirable to pilot-test the data collection instruments before they are finally used for the study purposes at least using a convenience sample (Kothari, 2004). Such pre-testing may uncover ambiguity, lack of clarity or biases in question wording which should be eliminated before administering to the intended sample eventually to get high response rate (Bhattacharjee, 2012). To assure this rule, the researcher has distributed 10 questionnaires for conveniently selected respondents. Sekaran (2003) believed that pilot testing involves the use of a small number of respondents to test the appropriateness and comprehensiveness of questions. Thus, in the pilot-test, pilot respondents were asked to comment on substance of questions against objectives of the study, length of the instrument, format, wording, language translation, item redundancy and word sequencing.

Among 10 pilot-testing questionnaires, 8 of them (80%) were returned with relevant comments. Thus, based on which the questionnaire was significantly revised by the researcher on the aspects of language translation, wording and content of items. Once the revision is completed, it is distributed to the intended respondent for final data collection.

Reliability analysis

As proclaimed by Bhattacharjee (2012), reliability is the degree to which the measure of a construct is consistent or dependable. In other words, if we use a certain scale to measure the same construct multiple times, we will get pretty much the same result every time, assuming the underlying phenomenon is not changing. This research has administered the most commonly used internal consistency reliability measure of Cronbach's alpha which was originally designed by Lee Cronbach in 1951. According to Sekaran (2003), reliabilities less than 0.6 are considered to be poor, those in the 0.7 range to be acceptable and those over 0.8 are good. The reliability

coefficient closer to 1 is better. Therefore, Cronbach's alpha coefficient of the pilot study is calculated as 0.92 and for the final survey it is 0.89 overall.

3.4. Method of Data Analysis

The kind of analysis for this study is that of descriptive statistics which made use of numbers, tables, charts, and graphs used to describe, organize, summarize, and present raw data. All questionnaires completed during the research process were subjected to the editing process to ensure that the data collection procedure was performed properly and to eliminate questionnaires that did not comply with the criteria. Each completed questionnaire was inspected to determine whether it was usable and statistical package for social science (SPSS) was used to process the data for the analysis. Tables and statistical diagrams like bar charts and pie charts also aided when it is necessary in the data presentation.

3.5. Brief description of the research site-Ethio Telecom

Ethio Telecom was restructured as a new company in 2010 by the decision of Council of Ministers Regulation No. 197/2010. Now, Ethio Telecom is an autonomous, state-owned telecom operating entity with the exclusive right to engage in the construction, operation, and maintenance of telecom services. In fact the introduction of telecommunication services in Ethiopia dates back to more than one hundred years. It was Minilik II, the Emperor of Ethiopia, who introduced telephone technology of the country around 1894 E.C., with the installation of 477 Km long telephone and telegram lines from Harar, eastern part of Ethiopia, to Addis Ababa (Ethio Telecom annual statistical bulletin, 2011).

Fifty years later, as mentioned on the above by Council of Ministers Regulation no. 197/2010. The rights and obligations of the former Ethiopian Telecommunication Corporation were transferred to Ethio Telecom with the principal duty of maintaining, expanding telecommunication services in the country under the supervision of Ethiopian Telecommunications Agency (ETA).

Currently, Ethio Telecom, being one of the largest as well as the sole industry in telecom service in the country, is striving to realize its vision of to be a world-class provider of telecom services.

Hence in order to realize its vision, the company attempts to provide diversified telecom services including internet, fixed line, mobile telephone service and others. ethio telecom, being one of the largest as well as most important companies in the country that is striving to develop and maintain a modern information and communications network infrastructure which enables it to fulfill its vision of becoming an internationally recognized, agile, strong and vibrant world-class ICT infrastructure and service provider so human resources is the back bone of the organization.

Ethio Telecom has its headquarter and six zonal offices in the capital city of Ethiopia so called Addis Ababa and eight regional offices out of Addis Ababa and currently possesses around nine thousands(9000) employees all over the country, out of the total number of employees two hundred forty(240) employees were working in managerial positions.

Chapter Four

Data Analysis, Interpretation and Presentation

This chapter analyses and discusses the findings. The study has attempted to examine some general aspects of current state of human resource planning practices and challenges of Ethio Telecom by gathering information from managers of the company through questionnaire and interview. The interview was conducted with division heads and placement department, managers which has the authority of evaluating and practicing of the human resource needs submitted by different section, department and division. The questionnaire was distributed to eighty one (81) management employees. From these, eighty (80) or ninety nine percent (99%) were kind enough to fill the questionnaires properly and returned on time. The data acquired were summarized and narrated in detail below.

4.1. Characteristics of the Respondents

From table 4:2 under below, we can infer the following facts. Out of the 80 respondents who answered the questionnaires, sixty two (62) respondents representing 77.5% were males and eighteen (18) respondents representing 22.5% were females. This implies that both groups were represented in the samples and Ethio Telecom management positions were male dominated. The reason is that, tertiary level qualification is basic requirement for managerial position in ethio telecom. This is the level where in most cases male out-number females.

Table 4:2: Showing the Sex of Respondents

Statement		Frequency	Percent
Sex of respondents	Male	62	77.5
	Female	18	22.5
	Total	80	100.0

According table 4:3 below indicates that fifty five (55%) of the respondents have first degree holders and forty five (45%) of respondents have second degree holders. This implies that majority of Ethio Telecom managers were degree holders. The situation has resulted from

recruiting more degree holders and above and also the company had human development policy which encouraged for educational career.

Table 4:3: Educational Level of Respondents

Statement		Frequency	Percent
Educational Level	First Degree	44	55.0
	Second Degree	36	45.0
	Total	80	100.0

Table 4:4: Years of service on managerial positions

Statement		Frequency	Percent
Years of service on managerial positions	For 1-3 Years	9	11.3
	For 4-6 Years	23	28.8
	For 7-9 Years	17	21.3
	For 10 Years and Above	31	38.8
	Total	80	100.0

According to table 4:4 above looks at the years of service of respondents in managerial position. It shows that nine representing 11.3% of the respondents have been in managerial position between 1-3 years; twenty three representing (28.8%) of the respondents have been on managerial position 4-6 years; seventeen representing (21.3%) of the respondents have been on managerial position 7-9 years and thirty one representing (38.8%) of the respondents have been on managerial position for 10 and above years. This implies that more than one-half of Ethio Telecom management employees had more than 7 years on managerial position work experience. The reason is that, the senior managers of Ethio Telecom who constitute the majority percent were the top experienced on managerial position. In addition this fact implies that most of Ethio Telecom managements were experienced at managerial positions and expected they have exposure for human resource planning and management practices and challenges of the company.

4.2. Human resource planning process, policy and procedures at Ethio Telecom

The process of human resource planning activities according to three time horizons, human resource planning are described for three time horizons. These are: Short-term (up to one year), Intermediate-term (two to three years) and Long-term (more than three years). In short-term time horizon, demand and supply of human resources can be predicted with some certainty. Human resource objectives follow logically from consideration of any discrepancies between demand and supply. Salient questions in short-term human resource planning are “what jobs need to be filled or vacated during the next 12 months?” and “How and where will we get people to fill those jobs?” Therefore, the short-term objectives are often easy to state in quantifiable terms (Jackson and Schuler, 1990).

Therefore, in Ethio Telecom the availability of up-to-date information and access of determinant factors during human resource planning process such as human resource information system or ERP system, job analysis, skill inventory, strategic business plan, knowledge about the present human resource policy of the organization in general and human resource planning process and policy in particular, and the level of responsiveness of the human resources management division with regard to the provision of advice, timely services and necessary information to line and functional management of the company regarding human resource issues are very critical to make effective the preparation of the human resource planning of each work offices within Ethio Telecom. Accordingly, the study used secondary data source items such as Ethio Telecom_ staffing _ edition_1_volume-3 (2011), the strategic plan of Ethio Telecom for 2010-2015 and various books.

Table 4:5: **Availability of a Comprehensive Human Resource Planning Policy**

Statement		Frequency	Percent
Ethio Telecom possess sound human resource planning policy	Strongly Disagree	9	11.3
	Disagree	31	38.8
	Undecided	25	31.3
	Agree	12	15.0
	Strongly Agree	3	3.8
	Total	80	100.0

Tables 4:5 shows on the pervious page that, nine representing (11.3%) of the respondents said they are strongly disagreed that means Ethio Telecom didn't have human resource planning policy; thirty one representing (38.8%) said they are disagreed this implies that the company didn't have human resource planning policy; twenty five representing (31.3%) of the respondents said they didn't decide; twelve representing (15%) of the respondents said they are agreed as there was human resource planning policy, this implies that they knew there was human resource planning policy and three representing (3.8%) of the respondents said they are strongly agreed on having human resource planning policy in Ethio Telecom. As a result of that, all management didn't have the similar information about their company HRP policy to the best practices of human resource planning.

One of the seiner management in Ethio Telecom told to the researcher during interview period which conducted, he said that:-

Currently Ethio Telecom don't have human resource planning policy which helps to implement human resource planning process validated by the company's chief executive officer (CEO), it states that HRP process is started by the submission of the human resource needs in grade level and describing about the position need and number of staffs needed by the work offices' management by rule of thumb after the requisition letter is dispatched to different work offices by Human Resource Division or Placement Department. And the information gathered from the work offices regarding their human resource needs will be evaluated to determine whether their request is proper or not by try error. The company uses human resource planning requisition process is bottom-up approach for forecasting its human resource needs.

Accordingly, managers make initial estimate for their sections, departments and divisions and then it will be refined and consolidated through a series of reviews (usually through face-to-face and telephone interview) by placement department head and human resource division head of ethio telecom. This also suggests that managers such as section heads and department heads are involved in the human resource planning processes of the company by this approach. All managers are expected to analyze their present requirement of the jobs and skills of the incumbents and submit their human resource needs. The placement department then sum up these units' forecasts after thorough evaluation and the result becomes the aggregate employment forecast for the company.

This implies that the company has practiced human resource planning process but it was not systematic methods and quality source of data which supported scientific input will minimize a consequence of (overstaffed or layoff).

Table 4:6: Knowledge about Human Resource Policy and Planning

Statement	Frequency	Percent	
You have exposure or knowledge about the present human resource policy of Ethio Telecom relating to human resource planning.	Strongly Disagree	3	3.8
	Disagree	19	23.8
	Undecided	20	25.0
	Agree	19	23.8
	Strongly Agree	19	23.8
	Total	80	100.0

Concerning the level of knowledge about the present human resource policy of the company pertaining to human resource planning, this study made it clear that the sum of the respondents' response who were agreed and strongly agreed (47.6%) that they have knowledge regarding the human resource planning process and policy, (27.6%) of the respondents have no exposure or knowledge about the present human resource policy relating of human resource planning and 25% of the respondent were undecided about the knowledge or exposure they have about human resource policy pertaining with human resource planning. This implies that there is human resource policy in company but it lack creating awareness fully by all management and employees of the company in fact considerable proportion of the respondents have agreed (47.6%) they have exposure about human resource policy of the company.

4.2.1. Managers' Satisfaction with aspects of Human Resource Planning Practices

To understand the level of satisfaction of Ethio Telecom managers at the practices of human resource planning; managers were asked whether they have satisfaction on the current human resource planning practices within the last four years or not.

Table 4:7: Managers Satisfaction with Human Resource Planning Practices

Statement	Frequency	Percent	
Are you satisfied with the manner human resource planning has been practiced in your department or section over the last 4 years?	Yes	12	15.0
	No	68	85.0
	Total	80	100.0

Table 4:7 shows on the above that fifteen percent (15%) of the respondents said yes because they practiced human resource planning process. Eighty five percent (85%) said no and majority of respondents justified that they didn't practiced it properly human resource planning process and they didn't have satisfaction on the practices because the practice was a trial. As a result of that, to minimize the dissatisfaction of practicing human resource planning the company has to in place human resource planning policy to the best practices in human resource planning.

4.2.2. To what extent Ethio Telecom managers were satisfied by human resource planning practices

Table 4:8: Level of Satisfaction on Human Resource Planning Practices

Statement		Frequency	Percent
How do you rate your satisfaction with the human resource planning practices over the last 4 years?	Satisfied	6	7.5
	Fairly Satisfied	39	48.8
	Somehow Satisfied	14	17.5
	Not Satisfied	21	26.3
	Total	80	100.0

Accordingly the above table 4:8 shows that six representing (7.5%) of respondents said they are satisfied because there was no any major challenges in the planning and implementation of the human resource planning practices over the years; thirty nine representing (48.8%) of respondents said they are fairly satisfied; fourteen representing (17.5%) of the respondents said somehow satisfied because human resource division tries set up new policy instead of working trial based human resource planning and twenty one representing (26.3%) of respondents said they are not satisfied because there has not been enough motivation and measures to apply human resource planning. This means that only one fourth of Ethio Telecom managers weren't satisfied with the human resource planning practices but majority of the respondents were fairly satisfied. This implies that the human resource planning process facilitator office would be expected to create awareness and clarification to minimize the gap and to raise interest on human resource planning practices.

Some of the respondents who rated fairly satisfied were put their reason. They said that:-

Human resources management division tried to ask human resource plan from each divisions, departments and sections at the beginning of the budget year, but since the human resource requirement were not properly identified and it took too much time to collect back headcount projection from all respective offices. In addition, the validation process was very long. For example headcount projection of this year (2006 Ethiopian fiscal year) was not yet validated for all work offices and recruitment was not being done on a need basis.

This infers the company strategic business plan would be affected directly or indirectly due to unable to supplying human resources needs for each office on the budget year at the company performance and it would also affect strategic business plan that require human resources.

4.3. To what extent the main determinant factor such as skill inventory, job analysis and HRIS used for HRP process in Ethio Telecom

It is as clear as crystal that before engaging in human resource planning, management must first define what work is to be performed and determine how tasks can be divided into jobs. The effectiveness of human resource planning of organization is determined by a number of factors. However, for this study, the three most determining factors in assessing the effectiveness of the human resource planning of an organization. These are: - Skill Inventory; Job Analysis and Human Resource Information System (HRIS) or Enterprise Resource Planning (ERP) system.

Skill inventory is valuable in determining what skills are currently available. In other words, good skill inventory enables organization to determine quickly and expediently what kinds of people with specific skills are presently available whenever they decide to expand to accept new contracts or change their strategies. While skill inventory is concerned with telling us what individuals employees can do, job analysis defines the jobs within the organization and the behaviors necessary to perform these jobs.

Job analysis identifies “where we are” by taking a close look at the jobs currently being done and the people doing those jobs. Because such jobs should be the result of previous human resource

planning efforts, they provide a fairly accurate reflection of what human resources the organization needs to achieve and what objectives the organization is currently seeking.

Human resource information system (HRIS) or ERP system is a method used by an organization to collect, store, analyze, report and evaluate information and data on people, jobs and costs. HRIS or ERP system enables human resource management units to play a more active role in strategic planning, integrate personnel information in a simple data base and to efficiently and regularly compare costs and benefits of programs, so that assessments of effectiveness can be conducted. Thus, to deal with the need to plan for human resource needs, organizations with thousands of employees must computerize their human resource planning system in such a way that information will be provided in a timely manner to help make human resource decisions.

Therefore, in this regard respondents were asked to what extent they utilized skill inventory, job analysis and HRIS/ERP system while they have been preparing the human resource needs for their sections or departments. The tables listed as follow:-

Table 4:9: Degree of Utilization of Skill Inventory for HRP

Statement		Frequency	Percent
Ethio Telecom utilizes skill inventory for human resource planning	Strongly Disagree	16	20.0
	Disagree	30	37.5
	Undecided	18	22.5
	Agree	14	17.5
	Strongly Agree	2	2.5
	Total	80	100.0

Accordingly, Table 4:9 on above show that forty six representing (57.5%) of respondents gave their response expressing that they haven't used skill inventory when they were preparing the human resource plan; eighteen representing (22.5%) of respondents gave their response respectively expressing they haven't decided applying of skill inventory when they were preparing human resource plan and sixteen representing (2.5%) of respondents agreed that they have used skill inventory during human resource planning on their office. This implies that skill inventory data was considered as mandatory input for human resource planning process but it

was not satisfactory level. And these might have a consequence to have overstaffed or lack the right skill gap analysis.

Table 4:10: Degree of Utilization of Job analysis for HRP

Statement		Frequency	Percent
Ethio Telecom utilizes job analysis for human resource planning	Strongly Disagree	17	21.3
	Disagree	31	38.8
	Undecided	22	27.5
	Agree	9	11.3
	Strongly Agree	1	1.3
	Total	80	100.0

Accordingly, Table 4:10 on above show that forty eight representing (60%) of respondents gave their response saying that they haven't used job analysis when they were preparing the human resource plan; twenty two representing (27.5%) of respondents said that they haven't decided put on job analysis for human resource planning and ten representing (12.6%) of respondents said that they used job analysis data as input when they were preparing human resource plan. This implies that job analysis data was considered as mandatory input for human resource planning process but not reasonable.

Table 4:11: Degree of Utilization of HRIS/ERP System for HRP

Statement		Frequency	Percent
Ethio Telecom utilizes HRMIS/ERP system for human resource planning	Strongly Disagree	14	17.5
	Disagree	26	32.5
	Undecided	22	27.5
	Agree	14	17.5
	Strongly Agree	4	5.0
	Total	80	100.0

Accordingly, Table 4:11 on above show that forty representing (50%) of respondents gave their responded that they haven't used HRIS/ERP system when they were preparing the human resource plan; twenty two representing (27.5%) respondents didn't decide applying of HRIS/ERP system when they were preparing human resource plan and eighteen representing

(22.5%) of respondents said that they were consuming HRIS data for human resource planning process. This might be the result of poor availability of up to date and integrated human resource information system.

In addition one of the top management replied on their interview period that *the company faced poor availability of up to date and integrated human resource information system and also unable to create awareness or providing a training for human resource planners or managers.* However, the human resource head said that at the interview conducted ‘the company tries to use or apply HRIS or ERP system database for human resource activities since 3 years ago to enhance human resource planning and accessing skill inventory but the system is not fully deployed due to shortage of skilled manpower, time constraint and by other different limitation.’

Furthermore, the study tried to identify how human resources need is forecasted without having or using the main factors and majority division heads replied that they didn’t consider the main factors and also responded that although there is no computerized skill inventory data which consists of all the elements that must be included in modern skill inventory data but there is a new data base system called ERP system which is on process to implement all modules, and currently it helps to show data of sex, age, position, grade level, salary, qualifications. They added that the reason of not having modern skill inventory data which consists of the essential attributes of personnel data is because of lack attention of top management for personnel data, skilled manpower to implement ERP system modules and lack of sufficient training for user division, department and section management and staffs.

4.4.To what extent job analysis, skill inventory and HRIS or ERP system exercise will help in enhancing the human resource planning process in Ethio Telecom

To realize how job analysis, skill inventory and HRIS or ERP system exercising will help in enhancing the human resource planning process in Ethio Telecom for human resource need, the respondent were asked.

Table 4:12: Job Analysis exercising helps in enhancing HRP

Statement		Frequency	Percent
The job analysis exercise will help in enhancing the human resource planning process in Ethio Telecom as demands of the jobs versus the supply of human resources are now known.	Strongly Agree	22	27.5
	Agree	17	21.3
	Undecided	17	21.3
	Disagree	23	28.8
	Strongly Disagree	1	1.3
	Total	80	100.0

Accordingly Table 4:12 show that thirty nine representing (48.8%) of respondents strongly agreed and agreed the job analysis exercising will help enhancing the human resource planning process; seventeen representing (21.3%) of respondents undecided whether the job analysis exercising will help enhancing the human resource planning process or not and twenty four representing (30.1%) of respondents said that they disagreed and strongly disagreed exercising job analysis will not help in enhancing of human resource planning. This result implies that majority number of respondents believes that exercising job analysis; will enhance human resource planning process but they couldn't apply it due to lack of those data as input during HRP process. And this shows job analysis recognized as main determinant factor of HRP.

Table 4:13: Skill Inventory exercising helps in enhancing HRP

Statement		Frequency	Percent
The skill inventory exercise will help in enhancing the human resource planning process in Ethio Telecom as demands of the skills versus the supply of human resources are now known	Strongly Agree	25	31.3
	Agree	25	31.3
	Undecided	11	13.8
	Disagree	19	23.8
	Total	80	100.0

Accordingly Table 4:13 show that fifty representing (62.6%) of respondents strongly agreed and agreed the skill inventory exercise will help enhancing the human resource planning process and

eleven representing (13.8%) of respondents undecided about the skill inventory exercise will help enhancing the human resource planning process or not and nineteen representing (23.8%) of respondents they strongly disagreed and disagreed the skill inventory will not help in enhancing the human resource planning. This result implies that majority number of respondents believe that skill inventory will enhance human resource planning process but they couldn't apply it completely due to lack of the data as input during HRP process.

Table 4:14: HRIS/ERP System exercising helps in enhancing HRP

Statement		Frequency	Percent
The HRIS (HRMIS) or ERP system exercise will help in enhancing the human resource planning process in Ethio Telecom as demands of relevant data versus the supply of human resources are now known	Strongly Agree	28	35.0
	Agree	39	48.8
	Undecided	9	11.3
	Disagree	4	5.0
	Total	80	100.0

According to Table 4:14 show that sixty seven representing (83.8%) of respondents strongly agreed and agreed the HRIS or ERP system exercise will help enhancing the human resource planning process; nine representing (11.3%) of respondents and four representing (5.0%) of respondents strongly disagreed and disagreed HRIS or ERP system exercise will help enhancing the human resource planning process. This result implies that majority number of respondents believe that exercising HRIS or ERP system will enhance human resource planning process but currently they couldn't use it fully due to lack of personnel data base system or ERP system as input during HRP process.

4.5.Linkage of HRP with Strategic Business Plan

A link means “anything serving part of a thing with another; a bond or tie.” Similarly, linkage means “the act of linking; the state or manner of being linked.” A linkage between the organizational and the HRP function thus refers to the process of tying them together or aligning them. This link helps ensure that the right numbers and right types of people are available with the right talents at the right times and in the right places to help achieve organizational goals. It

also helps to address a pressing skill shortage that is hampering growth in many organizations (Greengard, 1998: cited by Rothwell and Kazanas, 2003).

The determination of future personnel requirements logically stems from the organization’s strategic business plan- the document that identifies the direction in which the firm intends to move in the long-run as well as the short-run. Through strategic business planning, the organization clarifies its missions and purposes, sets its goals and objectives, and develops courses of actions that it hopes will lead to goal accomplishment and mission fulfillment. Despite the progress made by HR planners in large firms, relatively few organizations make any systematic attempt to anticipate and provide for human implications of strategic business plans. Strategists have a tendency to establish overly ambitious goals and objectives that call for too much social change in too little time, without regard to the skills and resources needed to achieve them. At the same time, managers—particularly at lower levels, where strategic plans are implemented—are forced by daily pressures to adopt short-sighted, reactive-based practices to get the work out. The strategic business plan is easily lost sight of as each short-term problem cries out for attention (Rothwell and Kazanas, 2003).

Table 4:15: Linkage of HRP with Strategic Business Plan of Ethio Telecom

Statement		Frequency	Percent
Ethio Telecom actual HRP practice aligned with the strategic business plan	Strongly Disagree	6	7.5
	Disagree	11	13.8
	Undecided	27	33.8
	Agree	33	41.3
	Strongly Agree	3	3.8
	Total	80	100.0

Accordingly, table 4:15: showing that seventeen representing (21.3%) of the respondents said that they strongly disagreed and disagreed for the question that Ethio Telecom actual HRP practice aligned with strategic business plan of the company; twenty seven representing (33.8%) of respondents said they couldn’t decide about the linkage of HRP with strategic business plan of the company; thirty six representing (45.1%) of respondents said they agreed and strongly agreed that Ethio Telecom actual HRP practice aligned with the strategic business plan. This implies

that twenty one percent (21.3%) of the respondents or managers weren't agreed that the actual HRP practice aligned with strategic business plan of Ethio Telecom but forty five percent (45.1%) of respondents agreed that the actual HRP practice aligned with strategic business plan of Ethio Telecom. This implies that there is clearly established process or policy which can be known by all management of the organization and also we can infer the company has given attention for HRP alignment with strategic business plan of the company but it needs more to work on that to integrate the two plans.

In this regard, strategic business plan department told to the researcher during the interview that *Ethio Telecom has also designed strategic business plan for 2014-2018, this the strategic business plan of Ethio Telecom consider human resource projection need as one of the strategic issues that must be addressed for the company to achieve its objectives.*

The strategic business plan specifically on HRP part emphasizes more on strategies and objectives of skill and qualification upgrading of employees, institutionalizing sound human resource management system for the time period of 2014-2018 considering the expansion of telecom infrastructure and technology advancement in order to meet gross transformation program (GTP) target of the country. Accordingly, one of the strategic business plans with regard to human resource issue that has been expected to be fulfilled in the period of 2014-2018 is shown below:

Table 4:16: Linkage of HRP with Strategic Business Plan on Five Years Budget Plan

<p>Institutionalize sound human resource management system during 2014 and 2018 GC</p>	<ul style="list-style-type: none"> • Develop and implement strategies, policies and procedures to practice sound human resource management system that addresses issues related to recruitment, professional career development, wellbeing, benefits & compensation and retention of top talent and highly skilled professionals • Increase the current no. of permanent employees to 15,000. Specially IT professionals, Engineers, Business graduates considering the expansion of infrastructure and technology change
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Source: Strategic Plan of Ethio Telecom (2014-2018 G.C)

As it can be seen in the Table 4.16 and from the interview data gained from the senior management of the company, although the strategic business plan has included human resource planning as one of the strategic issues, it is stated crudely and is not clearly defined, and does not give any direction as to how the sound human resource management system is institutionalized. However, the human resource management system in an organization comprises all processes, activities, and tasks concerned with the acquisition, utilization, development and rewarding of people in the workplace.

All parts of the human resource management system must be integrated so that they function as a system. Human resource planning is affected by everything else that occurs in human resource management and, through the people it brings into the organization; planning affects all other human resource processes. So, human resource planning actions must be carefully thought through to assess their actual or potential impact on other aspects of the effective management of people in the workplace.

Besides, one of the critical aspects in institutionalizing sound human resource management system is the establishment of computerized human resource information system which has the tremendous role in facilitating in the creation of integrated human resource management system. In fact, there is an integrated human resource information system, which is called ERP system. However, this system is not integrated and implemented fully all modules due to different reason and also it is not used in a sufficient way for the strategic business plan of the company with respect to human resource planning issues.

Therefore, the researcher tried to identify what kind of linkage human resource planning has with the overall strategic business plan of the company by interviewing the strategic business plan department head. According to the interview data gathered from the department head, she replied that efforts were being made to participate the human resource division management in the process of devising the strategic business plan of Ethio Telecom though it was not that much satisfactory and integrative.

The recent trend is that the human resource division is involved in the formulation and implementation of the strategic business plan of the company. In other words, the placement department together with other parts of the human resource offices in the department is requested to provide their input for the implementation of this strategic business plan. This implies that the linkage of human resource planning with the strategic business plan is two-way. This means that the human resource planning helps implement strategic business plans and also provides input to strategy formulation. However, as Rothwell and Kazanas (2003) stated, strategic planning and human resource planning are being increasingly viewed as interactive processes that rely heavily upon each other. To construct viable plans, company strategists need information on the availability of personnel; to forecast requirements and availability of personnel; human resource planners need information on anticipated expansions or contractions of the organization. So, only through an interactive or integrative linkage can both strategic planning and human resource planning become truly effective.

Because the purpose of human resource planning is to ensure that the right people are in the right place at the right time, it must be linked with the strategic business plan of the company. Traditionally, there has been a weak one-way linkage between business planning and human resource planning. Business plans, where they exist, have defined human resource needs, thereby making human resource planning a reactive exercise.

With a two-way linkage, strategic business plans are considered somewhat malleable in that they are influenced by human resource considerations, such as the cost and availability of labors. However, in organizations having a completely integrative linkage between human resource planning and strategic planning, organizational effectiveness is facilitated by human resource planner who is a fully participating member of the top management team. In this case, then, business plans can be substantially modified by the human resource planner, and business results can be substantially improved. Unfortunately, we can conclude that the linkage between human resource planning and strategic business planning is not integrative as one in Ethio Telecom and known the process as the majority of respondents or management the company (Rothwell and Kazanas, 2003).

However, some studies including this study show that many organizations probably don't devote enough time and energy to HRP process. Others are not aware that many solutions exist to any gap that might develop between the supply and demand of labor. So, organizations must begin to realize that an effective human resource plan should work in partnership with a strategic plan. For this to happen, organizational goals must be clearly understood and effectively communicated to employees.

According to the interview made with the placement department head from the human resource division and the head of human resource division, they expressed that Ethio Telecom has not yet realized the importance of human resource planning in the achievement of the company's business objectives so that managers at the top often give lip services to the importance of human resource planning, but rarely is detailed, thoughtful analysis performed. To make the matter worse, personnel professionals, even human resource managers, often are not well-informed regarding business planning processes and rarely have any direct contact with business planners and are thus ill-equipped to introduce integrative linkage between human resource planning and business strategic planning.

4.6. Major challenges for Human Resource Planning Practices

In far too many instances, human resources do not receive the same meticulous attention that management devotes to other organizational resources. Nowhere is this more evident than in planning for future personnel needs. Physical and financial resources are usually planned for well in advance. The need for new facilities, equipment, or capital may be anticipated years ahead of the time they will actually be required. Costs will be calculated, sources will be determined, rates of return will be computed, and other analysis will be performed. But when it comes to people resources, it is common to find many organizations relying on the "faith principle" i.e. the assumption that sufficient quantities and qualities of human resources will be available as needed to staff the new facilities and operate the new equipment. In most cases, people planning occur after the fact. The new plant is opened, the new machinery is installed, and the scramble is on to find employees to staff the facility and operate the equipment.

However, to neglect human resource planning is to invite disruptions and delays if sufficient numbers of properly trained people do not materialize when they are needed. Some of the major problems in human resource planning practice in ethio telecom, as inferred from the primary and secondary data source, are: lack of integration of human resource planning with the strategic business plan, lack of fully computerized human resource information system or ERP system, lack of skill inventory data and lack of job analysis, lack of human resource division (HRD) support, technological development and change, political influence and standardizing for work measurement and lack of skilled manpower who have knowledge about human resource planning process and policy of the company.

Table 4:17: Observation any challenges hindering Human Resource Planning

Statement		Frequency	Percent
Do you observe or experience any challenges hindering human resource planning in the department or section?	Yes	64	80.0
	No	15	18.8
	Total	79	98.8
	Missing	1	1.3
Total		80	100.0

Whether they observed or experienced any constraints and challenges hindering human resource planning in their department or section. Eighty percent (80%) of the respondents said they experienced constraints; nineteen percent (19%) of the respondents said they haven't experienced any challenges or constraints that hindering human resource planning. This implies that most of the challenges of the human resource planning known by majority of management employees of ethio telecom.

Out of the eighty respondents who answered the question on what were these constraints and challenges. Most of respondents said that they didn't have knowhow or knowledge on human resource planning; no training was given to them and also there was no proper job analysis, skill inventory done and also section managers or department managers did not really know how many workforces was needed to do the task.

Table 4:18: Impact of these constraints and challenges on Human Resource Planning

Statement		Frequency	Percent
How do you rate the impact of these constraints and challenges on human resource planning in the department or section?	Very high	20	25.0
	High	41	51.3
	Fair	12	15.0
	Low	2	2.5
	Total	75	93.8
	Missing	5	6.3
Total		80	100.0

How do you rate the impact of these constraints and challenges on human resource planning in your department or section? Table 4:18 shows that twenty five (25%) percent of the respondents said that the impact was very high; fifty-one percent (51%) said that the impact was high; fifteen (15%) of the respondents said that it was fair and three percent (3%) said that the impact was low. This implies that majority of Ethio Telecom management believe the impact was serious as result of human resource planning unable to implemented in a proper way.

Table 4:19: Internal factors which affect HRP connecting with HRD (part-I)

Questions	Lack of coordination b/n HRD and Other		Lack of HRD support	
	Frequency	Percent	Frequency	Percent
Strongly Agree	3	3.8	18	23
Agree	23	28.8	18	23
Undecided	17	21.3	20	25
Disagree	22	27.5	17	21
Strongly Disagree	15	18.8	6	8
Total	80	100.0	79	99
Missing			1	1
Total			80	100

Table 4:19 shows that twenty six representing (32.6%) of respondents, they strongly agreed or agreed that lack coordination between HRD and other work offices had effect on HRP and seventeen representing (21.3%) of respondents, they undecided that lack of coordination between human resource division (HRD) with others concerned offices who involved in preparing human resource needs was a constraint or challenge. Thus, lack of coordination hindered for successfully preparation of HRP.

However thirty seven representing (46.3%) of respondents, they didn't believe lack coordination was not a factor for HRP process. This implies that coordination HRD with other work offices had no effect at HRP process but some managers considered coordination essential and add value on HRP process. On other hand, thirty six representing (46%) of respondents strongly agreed or agreed that there was no HRD support as they expected and twenty representing (25%) undecided about lack of human resource division support constraint for failure HRP. This implies significant respondents' response showed that human resource division couldn't support when managers were preparing human resource planning.

Table 4:20: **Internal factors which affect HRP connecting with HRD (part-II)**

Questions	Provide advice for managers by HRD		Getting data or information relevant for HRP and SBP	
	Frequency	Percent	Frequency	Percent
Strongly Agree	3	4	4	5
Agree	24	30	13	16
Undecided	15	19	21	26
Disagree	35	44	39	49
Strongly Disagree	2	3	3	4
Total	79	99	80	100
Missing	1	1		
Total	80	100		

Table 4:20 shows that that thirty seven representing (47%) of respondents, they didn't get an advice from HRD and fifteen representing (19%) of respondents, they undecided providing

advice for managers by HRD. This shows human resource division didn't play its role as company management expected. This implies there was no consultancy or training or supportive advice for some company's managers rather they were requested to prepare human resource needs.

Information or data is very important for human resource planning activities specifically company's strategic business plan is a key as an input and to link with HRP. So forty two representing (53%) of respondents, they strongly disagreed or disagreed on supplying the necessary data or information for strategic business plan or HRP of the company and twenty one representing (26%) of respondents, they undecided whether they got the data or information for strategic business plan or human resource planning preparation. This has a result that significant number of management didn't get relevant information or data for strategic business plan and human resource plan of the company. The company has to give attention data or information has an impact SBP and HRP.

Table 4:21: **External factors which affect HRP part-I**

Questions	Technological development and change		Unable to get SBP during HRP preparation	
	Frequency	Percent	Frequency	Percent
Strongly Agree	2	2.5	2	3
Agree	23	28.8	24	30
Undecided	17	21.3	16	20
Disagree	33	41.3	29	36
Strongly Disagree	4	5.0	9	11
Total	79	98.8	80	100
Missing	1	1.3		
Total	80	100.0		

Table 4:21 shows that thirty one percent (31.1%) of the respondents, they strongly agreed and agreed technological development and change had influence at human resource planning practice; twenty one percent (31%) of respondents, they said that they undecided about technological development and change effect on human resource planning practices at Ethio Telecom and forty six percent (46.3%) of the respondents, they didn't believe technological development and change has influence at human resource planning practice. This has a result

considerable number of management staffs accepted technological development and change have no a constraint for implementation of HRP process.

Table 4:22: **External factors which affect HRP part – II**

Questions	Political Influence		Lack of top management support	
	Frequency	Percent	Frequency	Percent
Strongly Agree	22	28	1	1
Agree	15	19	29	36
Undecided	25	31	19	24
Disagree	10	13	24	30
Strongly Disagree	6	8	7	9
Total	78	98	80	100
Missing	2	3		
Total	80	100		

Table 4:22 shows that forty seven percent (47%) of the respondents, they strongly agreed or agreed politics had influence at human resource planning practice; thirty one percent (31%) of respondents, they said that they undecided about political influence at human resource planning practices at Ethio Telecom and twenty one percent (21%) of the respondents, they didn't believe politic has influence at human resource planning practice. This has a result considerable number of management staffs accepted politics has been a constraint for implementation of HRP and has affected to achieve the company's objectives.

Lack of top management support didn't have an effect at human resource planning practices at Ethio Telecom, Table 4:22 shows thirty seven percent (37%) of respondents, they did agree lack of top management has influenced on the practices of human resource planning; twenty four percent (24%) of the respondents, they undecided lack of top management support has impact on human resource planning practices and thirty nine percent (39%) of the respondents, they said that lack of top management support impacted at human resource planning practices at ethio telecom. This implies whether top management support for company managers when they were preparing human resource needs or not it was not a factors for human resource planning practices.

Chapter Five

Summary, Conclusion and Recommendations

5.1. Summary

This study was to analyze human resource planning and management practices and challenges at ethio telecom. What are the determining factors to be considered during human resource planning practices? To what extent does the organization utilize the skill inventory, job analysis and human resource information system in human resource planning? What major challenges or obstacles are in executing human resource planning process within ethio telecom? To what extent human resource planning links with Ethio Telecom's strategic business plan

For these reason, questionnaires were administrated to eighty one management of Ethio Telecom who are based in Addis Ababa as well as interview was conducted within thirteen division head (chief officer) involved in human resource planning to solicit further information and detailed explanation.

Both secondary and primary methods were used, with the secondary sources were concerned data was collected from documents such as annual report, strategic business plan of ethio telecom, brochures on the profile of ethio telecom, policy, procedures and process manual of Ethio Telecom. Primary data is the basic material form which the study is obtained. First-hand full investigation was undertaken through the administration of questionnaires and interviews guides. The method was used to supplement the data collected from the secondary source.

The finding of the study indicated that human resource planning in Ethio Telecom management employees how they perceived, their knowledge towards HRP and level of satisfaction on the HRP practices. Furthermore, the findings showed that no skill inventory and job analysis was made for the purpose of human resource planning. However human resource information system or ERP system is on process for fully implantation all modules and integrated with other

resources of the company such finance, supply, payroll and personnel data. It will help to have skill inventory data and job analysis.

The study also came up with the findings that the linkage of human resource planning of Ethio Telecom with the strategic business plan is two-way. This means that the human resource planning helps implanting strategic business plans and also provides input to strategy formulation.

In addition, the study came up with some of the major challenges that possibly obstructed the efficiency and effectiveness of human resource planning practice in ethio telecom, and there were lack of integration linkage between human resources planning with strategic business plan, lack of fully computerized human resource information system or ERP system, lack of skill inventory data and lack of job analysis and standardizing for work measurement and lack of skilled manpower who have knowledge about human resource planning process and policy of the company.

The study ended with conclusion recommendations that will help Ethio Telecom to create awareness; identify determinate factors of HRP and the advantage of using job analysis, skill inventory and HRIS or ERP system and to improve on their human resource planning and management practices.

5.2. Conclusion

The study is to examine human resource planning and management practices and challenges at ethio telecom. The results of the study reveal that most of Ethio Telecom management didn't have in depth knowledge on human resource planning, thus it was not well practiced by top management and human resource division managers. It also reveals that human resource planning was not aligned properly with the company strategic business plan. It also exhibited that the company majority management have no awareness about the human resource planning policy even it was not incorporated on others policy of the company but they had a guideline which was validated by CEO of ethio telecom. This infers that considerable numbers of managers couldn't understand to how to use and to be consistent on the implementation and made them dissatisfied.

The study reveals that job analysis, skill inventory and HRIS or ERP system were very important for enrichment of human resource planning and recognized by the management but it wasn't applied. In addition the company didn't have skill inventory data and fully utilized HRIS or ERP system that support for strategic business plan and human resource plan preparation. It also sought to examine the relationship between job analysis or skill inventory or HRIS or ERP system and human resource planning and to extent they enhance for human resource planning process but somehow the company had a trial for implementation. This indicates the main determinant factors weren't fully applied in relating with human resource planning.

Furthermore, the study touched on the response for human resource planning, how it is carried out, management responsible for human resource planning as well as the challenges of Ethio Telecom practices.

Finally, the findings indicated that the existing human resource plans weren't integrated into an overall strategy of the company and design appropriate means of averting these critical problems which have great impact in the outcome of human resource planning practice which, in turn, has a significant contribution in the accomplishment of the overall strategic business plan of ethio telecom. The study ends with a recommendation for Ethio Telecom towards the improvement of human resource planning and management practices.

5.3. Recommendations

This part of the study tries to give some possible resolutions to be taken by Ethio Telecom so as to alleviate the deficient parts in its practice and challenges of human resource planning and management.

- One of the problems that Ethio Telecom faced in carrying out its human resource planning practice was lack of fully utilized computerized human resource information or ERP system. In organization that maintains records and qualifications for thousands of employees, a manual system is not efficient and even feasible. Thus, to deal with the need to plan for human resource needs, Ethio Telecom shall be better to give attention and priority fully computerize its human resource information system in such a way that information will be provided in a timely manner to help make human resource decisions.
- The deficiency of human resource planning in Ethio Telecom was absence of clear effectiveness policy, process, procedures and criteria to evaluate human resource planning preparation. As it is true for any type of program evaluation, human resource planning also requires assessing how well objectives are achieved so that it can be learned from the results generated during the evaluation and then apply what is learned to make adjustments in objectives and programs. Therefore, as the company all its management and staffs should have clarified information about human resource planning and its effectiveness and evaluate the success of the planned at beginning of the years by providing an exercise and creating awareness with different means of communication.
- The human resource division should develop and implement a comprehensive training program for Ethio Telecom managers on human resource planning process, policy and procedures for its implementation and to be used fully others human resource policy and procedures. This would make management of Ethio Telecom proactive and resilient, end effectively propagate the company polices and enable the managers to have in-depth knowledge of the company.

- The human resource division management should have a clear understanding on human resource planning process, procedure and policy in advance as owner of the function. This enables others management of the company makes to create a confidence on the information and advice from human resource managers.
- Aligning human resource planning with strategic business planning has major role in successful achieving of the company objectives. Therefore, since the strategic business plan can only be realized when the right people are at the right times to do the right things, Ethio Telecom top management should give attention the integration of HRP with SBP during the plans have prepared. To construct viable plans, company strategists need information on the availability of personnel; to forecast requirements and availability of personnel; human resource planners need information on anticipated expansions or contractions of the organization. Only through an interactive or integrative linkage can both strategic business planning and human resource planning become truly effective.
- Therefore, Ethio Telecom shall give meticulous attention to create integrative or interactive linkage between the human resource planning process and that of the strategic business planning process so that they both rely heavily upon each other and organizational effectiveness can substantially be improved.
- Lastly, everyone should be self-disciplined so as to execute both company strategic business and human resource plans. Ethio Telecom management should know that for human resource planning to be effective it should be align with the company strategic business plan.

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Appendix 1: Questionnaire

Addis Ababa University

School of Graduates Study

Collage of Education and Behavioral Study

Department of Educational Planning and Management

Questionnaires prepared for department and section managers of ethio telecom

Dear Respondents,

This questionnaire is designed to collect information on **human resource planning practices and challenges of Ethio Telecom** based in Addis Ababa. Since the questionnaire is for research purpose, your genuine responses have great importance for the successful completion of the study. Hence your short, precise and honest response is highly appreciated.

Confidentiality

As it has been mentioned above this questionnaire is for academic purpose that the response generated from this research will be kept confidential. Thus, your valuable response is highly helpful in the preparation and understanding of the title under the study.

How to Contact with the researcher

Please use the following Address:

Abeyot Abera: Mobile =+251-911-202586

Email: abeyabera@gmail.com

Thank you in advance for your cooperation.

Abeyot Abera Tesfaye: Candidate of MA Degree

General Direction:

- It is not necessary to write your name in the questionnaire.
- Please select your best choice for questions requiring optional response by putting make on each the box provided and indicate your opinion by making a ‘X’ for questions with rating scale (choice).
- For questions that require your further opinion, please respond clearly and faithfully

N.B: Rating Scale (Strongly Agree=5, Agree=4, Undecided=3, Disagree=2, Strongly Disagree =1)

Strongly Agree=5, Agree=4, Undecided=3, Disagree=2, Strongly Disagree =1

No.	Question Item	5	4	3	2	1
9.	Ethio Telecom possess sound human resource planning policy					
10.	You have exposure or knowledge about the present human resource policy of Ethio Telecom relating to human resource planning.					
11.	Ethio Telecom actual HRP practice aligned with the strategic business plan					
12.	Ethio Telecom utilizes job analysis for human resource planning					
13.	Ethio Telecom utilizes skill inventory for human resource planning					
14.	Ethio Telecom utilizes HRMIS/ERP for human resource planning					
15.	How do you rate the responsiveness of human resource division with regard to:					
15.1	Providing advice to managers of other divisions who lack HRP process					
15.2	Supplying the necessary information and data which is relevant HRP and SBP					

16. Do you observe or experience any challenges hindering human resource planning in your department or section? Yes No

17. If yes, what are these obstacles or challenges?

18. How do you rate the impact of these constraints and challenges on human resource planning in your department or section?

- a. Very high
- b. High

- c. Fair
- d. Low
- e. Very low

19. Give reasons for your answer of a or b or c or d or e

20. The job analysis exercise will help in enhancing the human resource planning process in Ethio Telecom as demands of the jobs versus the supply of human resources are now known

- a. Strongly agree
- b. Agree
- c. Undecided
- d. Disagree
- e. Strongly Disagree

21. The HRIS (HRMIS) or ERP system exercise will help in enhancing the human resource planning process in Ethio Telecom as demands of relevant data versus the supply of human resources are now known

- a. Strongly agree
- b. Agree
- c. Undecided
- d. Disagree
- e. Strongly Disagree

22. The skill inventory exercise will help in enhancing the human resource planning process in Ethio Telecom as demands of the skills versus the supply of human resources are now known

- a. Strongly agree
- b. Agree
- c. Undecided
- d. Disagree
- e. Strongly Disagree

23. Please indicate your level of agreement or disagreement with regard to human resource planning failures by using the rating scale provided

Strongly Agree=5, Agree=4, Undecided=3, Disagree=2, Strongly Disagree =1

No.	Question Item	5	4	3	2	1
24.	Lack of management support					
25.	Lack of knowledge how to prepare human resource planning					
26.	Lack of human resource division support					
27.	Unable to know or get data or information about strategic business plan of Ethio Telecom during HRP preparation					
28.	Technological development and change					
29.	Political influence					
30.	Lack of coordination between HRD and others (Section, or department or division)					

31. What do you think about the way of overcoming these problems

32. What recommendations would you give to improve the practice of human resource planning in ethio telecom?

33. What recommendations would you make to address the obstacles or challenges hindering human resource planning in ethio telecom?

34. Feel free to add any other comments you wish to make!!!

Thank You for Your Cooperation!!!

Appendix 2: Interview Guide

1. What do you know about human resource planning and strategic business plan?

2. In your opinion, what are the determinant factors of human resource planning?

3. How do you use the skill inventory, job analysis, and HRIS (HRMIS) or ERP system for human resource planning?

4. Do you consider strategic business plan of Ethio Telecom while you are preparing human resource planning? How do you link each other

5. How do you make sure that the human resource plan of Ethio Telecom is integrated into the overall strategic plan of the company?

6. What are the most frequently recurring problems you encounter in human resource planning_____

7. Do you observe or experience any determinants factors hindering human resource planning process in ethio telecom? What are the techniques used to overcome these problems_____

8. What recommendations would you give to improve the practice of human resource planning in ethio telecom?

9. If you have any other comments or recommendation to improve the human resource planning and management practices of ethio telecom, feel free to add any other comments you wish to make!!!

THANK YOU

DECLARATION

I declare that the thesis entitled “Human Resource Planning Practices and Challenges in Ethio Telecom” is my original work and has not been presented in Addis Ababa University or any other University and that all sources of material used for the project have been duly acknowledged.

Declared by:

Abeyot Abera Tesfaye

Student

Signature

Date

Confirmation by Advisor:

Yekunoamlak Alemu (PhD)

Advisor

Signature

Date