



## Human Resource Planning and Organizational Development Goals

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### **Abstract**

*Human resource planning and organizational development are critical components of effective management. The purpose of this abstract is to provide an overview of the goals of human resource planning and organizational development, as well as their importance in today's business world. Human resource planning involves identifying current and future staffing needs, assessing the availability of qualified employees, and developing strategies to recruit, train, and retain personnel. Organizational development involves enhancing the overall effectiveness of an organization through a variety of interventions, such as changes in management structures, employee training, and process improvements. The goals of these activities are to optimize employee performance, improve organizational efficiency and effectiveness, and achieve long-term business success. Successful human resource planning and organizational development require a thorough understanding of the organization's goals, culture, and strategic direction, as well as ongoing evaluation and adjustment to ensure that objectives are being met.*

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## Introduction

Organizational development (OD) is a systematic and planned approach to improving an organization's effectiveness and efficiency. It involves a range of strategies and interventions aimed at enhancing organizational performance, including changes to organizational structure, processes, systems, and culture. One critical aspect of OD is strategic human resource planning (SHRP), which involves aligning an organization's human resource management practices with its overall business strategy (Burke & Noumair, 2015)

Jackson, Schuler and Rivero (2019) sees strategic human resource planning is a crucial component of organizational development because it ensures that an organization has the right people with the right skills, in the right place, at the right time. It involves analyzing the current and future needs of an organization and developing strategies to recruit, retain, and develop the workforce to meet those needs. SHRP is essential because it enables organizations to identify and address gaps in their workforce, anticipate future talent needs, and develop plans to acquire and develop the talent necessary to achieve organizational goals.

This paper explores the importance of strategic human resource planning in achieving organizational development goals. The paper begins by providing an overview of the concepts of organizational development and strategic human resource planning. It then examines the link between SHRP and OD and discusses how SHRP contributes to achieving organizational goals. The paper also highlights the challenges and opportunities of SHRP and provides practical recommendations for organizations to develop and implement effective SHRP strategies. Overall, the paper aims to demonstrate the critical role that strategic human resource planning plays in achieving organizational development goals. By aligning HR practices with organizational goals and strategies, organizations can optimize their workforce to achieve sustainable success and maintain a competitive advantage in today's rapidly changing business environment.

## Statement of the Problem

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Organizations often find it challenging to align their workforce planning strategies with their business goals. Human resource planning involves assessing the current and future human resource needs of an organization and developing strategies to meet those needs. On the other hand, organizational development involves implementing interventions to improve organizational effectiveness and achieve strategic goals.

One of the main challenges in this area is a lack of integration between human resource planning and organizational development initiatives. For example, an organization may develop a strategic plan to expand its operations into new markets but fail to consider how this expansion will impact its current workforce or what changes will be necessary to support this growth. Another challenge is the difficulty in predicting future workforce needs. Organizations need to understand their talent pipeline and anticipate future changes in staffing requirements, which can be influenced by factors such as economic conditions, technological advancements, and demographic shifts. However, accurately forecasting these needs can be difficult, especially in uncertain times.

Organizations today are struggling with attracting and retaining top talent, which can impede their ability to achieve organizational development goals. This can be due to various factors such as competition for skilled workers, inadequate compensation packages, and a lack of professional development opportunities. Therefore, human resource planning and organizational development goals requires organizations to develop integrated strategies that align their workforce planning efforts with their business objectives, anticipate future workforce needs, and prioritize talent management to achieve sustainable growth. It is in the light of the foregoing that the researcher ventured into the study.

### **1.1 Objectives of the Study**

The study objectives of this paper on the importance of strategic human resource planning in achieving organizational development goals are as follows:

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1. To provide a comprehensive understanding of the concepts of organizational development and strategic human resource planning and how they are interconnected.
2. To examine the link between strategic human resource planning and organizational development and explore how strategic human resource planning contributes to achieving organizational goals.
3. To identify the challenges and opportunities of strategic human resource planning and offer practical recommendations for organizations to develop and implement effective SHRP strategies.
4. To highlight the benefits of strategic human resource planning in terms of workforce optimization, sustainable success, and maintaining a competitive advantage in today's rapidly changing business environment.
5. To demonstrate the critical role of HR in strategic decision-making and the importance of HR professionals in ensuring that organizations have the right people with the right skills, in the right place, at the right time.

## 2.0 Conceptual Clarifications

### 2.1 Strategic Human Resource Planning

Strategic Human Resource Planning (SHRP) is a process of aligning an organization's human resource management practices with its overall business strategy. It involves identifying the current and future workforce needs of an organization and developing strategies to acquire, develop, and retain the talent necessary to achieve organizational goals. SHRP involves a range of activities, including workforce analysis, talent acquisition, succession planning, career development, performance management, and employee engagement (Armstrong & Taylor, 2019).

According to Collins and Smith (2006), the core of SHRP is the recognition that an organization's workforce is its most valuable asset, and HR professionals play a critical role in ensuring that the

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organization has the right people with the right skills, in the right place, at the right time. SHRP requires a comprehensive understanding of the organization's goals, strategies, and values, as well as the external business environment and the workforce trends and challenges. The primary objective of SHRP is to ensure that an organization's human resource practices are aligned with its business goals and strategies. By doing so, SHRP enables organizations to optimize their workforce, anticipate future talent needs, and develop plans to acquire and develop the talent necessary to achieve organizational goals.

SHRP involves a systematic analysis of an organization's current and future human resource needs to identify gaps in the workforce and develop strategies to fill those gaps. This includes workforce planning, recruitment, selection, training and development, performance management, succession planning, and retention. The key concept underlying SHRP is that an organization's human capital is its most valuable asset and should be managed strategically to achieve sustainable success. SHRP requires a deep understanding of the business environment, organizational culture, and workforce demographics to develop effective strategies that support organizational goals. Effective SHRP involves collaboration between HR professionals, business leaders, and other stakeholders to ensure that HR practices are integrated with the overall business strategy. It requires ongoing evaluation and adjustment to respond to changes in the business environment and workforce dynamics. In summary, SHRP is a process of aligning an organization's human resource management practices with its overall business strategy to optimize its workforce and achieve sustainable success (Delery & Doty, 2016).

## 2.2 Organizational Development

French, Bell and Zawacki (2015) defines organizational development (OD) goals as the specific objectives an organization sets for improving its overall effectiveness and efficiency. Thus, organizational development is a systematic and planned approach to improving organizational performance through a range of strategies and interventions aimed at enhancing organizational structure, processes, systems, and culture. Organizational development goals are typically developed through a collaborative process involving multiple stakeholders, including top

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management, HR professionals, and employees. These goals are aligned with the organization's overall mission and vision and are designed to drive long-term success. Organizational development goals can be both qualitative and quantitative and may include improving communication, enhancing teamwork, increasing employee engagement, optimizing performance management processes, and enhancing customer satisfaction, among others. These goals are designed to drive continuous improvement and ensure that the organization is adaptable and responsive to changes in the business environment (Beer, Eisenstat & Spector, 2018).

Accordingly, Guest (2017) suggested that effective organizational development goals requires ongoing evaluation and adjustment to ensure that goals remain relevant and aligned with the organization's strategic objectives. Organizational development goals are typically tracked and measured through key performance indicators (KPIs) to assess progress and ensure that interventions are driving the desired outcomes. In summary, Organizational development goals refer to the specific objectives an organization sets for improving its overall effectiveness and efficiency. These goals are aligned with the organization's overall mission and vision and are designed to drive continuous improvement and ensure that the organization is adaptable and responsive to changes in the business environment.

### **2.3 The Connection between Strategic Human Resource Planning and Organizational Development**

According to Marshak and Grant (2018), Strategic human resource planning (SHRP) and organizational development (OD) are interconnected and mutually reinforcing. SHRP is a critical component of OD because it ensures that an organization has the right people with the right skills, in the right place, at the right time to achieve its goals. At the same time, OD provides the framework and context for SHRP by aligning HR practices with organizational goals and strategies. The link between SHRP and OD can be seen in the following ways:

*Alignment with organizational goals:* SHRP ensures that HR practices are aligned with the overall business strategy and OD goals. This includes workforce planning, recruitment, selection, training



and development, performance management, succession planning, and retention. By aligning HR practices with organizational goals, SHRP contributes to achieving OD goals.

*Development of human capital:* SHRP involves developing the human capital necessary to achieve OD goals. This includes identifying the current and future needs of the organization and developing strategies to recruit, retain, and develop the workforce to meet those needs. Effective SHRP ensures that the organization has the right people with the right skills to drive organizational success.

*Continuous improvement:* OD requires ongoing evaluation and adjustment to drive continuous improvement. Effective SHRP contributes to OD by providing ongoing evaluation of HR practices and adjusting them to respond to changes in the business environment and workforce dynamics.

*Change management:* OD involves implementing changes to improve organizational effectiveness and efficiency. Effective SHRP contributes to OD by ensuring that HR practices are aligned with the change management process and support the successful implementation of change initiatives.

Overall, SHRP and OD are interconnected and mutually reinforcing. Effective SHRP contributes to achieving OD goals by aligning HR practices with organizational goals and strategies, developing human capital, driving continuous improvement, and supporting change management.

Lepak and Snell (2016) also noted that effective strategic human resource management involves developing and implementing strategies that support OD goals, such as workforce planning, recruitment, selection, training and development, performance management, succession planning, and retention. By aligning SHRP with OD goals, organizations can optimize their workforce to achieve sustainable success and maintain a competitive advantage in today's rapidly changing business environment. SHRP enables organizations to identify and address gaps in their workforce, anticipate future talent needs, and develop plans to acquire and develop the talent necessary to achieve organizational development goals.

## **2.4 Challenges and Opportunities of Strategic Human Resource Planning**

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According to insights offered by Nadler (2015), Strategic human resource planning can bring many benefits to organizations, including optimized workforce, sustainable success, and a competitive advantage. However, there are also several challenges and opportunities that organizations should be aware of when developing and implementing SHRP strategies:

### **Challenges**

*Complexity:* SHRP involves a complex and systematic approach that can be challenging to implement, particularly for smaller organizations with limited resources.

*Resistance to change:* Resistance to change can be a significant barrier to effective SHRP implementation. Employees and managers may resist changes to established HR practices or be skeptical of new approaches.

*Uncertainty:* The future is unpredictable, and organizations may face difficulties in anticipating their future talent needs and workforce requirements.

*Data availability:* The effectiveness of SHRP relies on the availability and accuracy of data on workforce demographics, skills, and performance. However, data may not always be readily available or accessible.

*Limited resources:* SHRP requires significant resources, including time, money, and personnel, which may be a challenge for smaller organizations.

### **Opportunities**

*Anticipating future needs:* Effective SHRP allows organizations to anticipate and prepare for future talent needs, ensuring that they have the right people with the right skills at the right time.

*Developing talent:* SHRP enables organizations to develop and nurture their existing talent, ensuring that employees have the necessary skills and knowledge to succeed.





*Improving retention:* SHRP can help improve employee retention by identifying and addressing issues that may cause turnover, such as poor job satisfaction, lack of development opportunities, or inadequate compensation.

*Aligning HR with business strategy:* SHRP enables HR to be more closely aligned with the organization's overall business strategy and objectives, ensuring that HR practices support organizational goals.

*Improving organizational performance:* Effective SHRP can enhance organizational performance by optimizing workforce efficiency

#### **2.4 The Benefits of Strategic Human Resource Planning in Maintaining Competitive Advantage in Today's Rapidly Changing Business Environment.**

Ulrich, Brockbank, Johnson, Sandholtz, and Younger (2016), highlighted the benefits of strategic human resource planning which was described as an essential process that helps businesses align their workforce with their goals and objectives. It involves forecasting the company's future human resource needs, identifying skills gaps, and implementing strategies to fill those gaps. Here are some of the benefits of strategic human resource planning:

*Workforce optimization:* Strategic human resource planning helps organizations optimize their workforce by ensuring that they have the right people in the right roles at the right time. By analyzing the company's current and future human resource needs, businesses can identify the skills and capabilities they require and take proactive steps to develop or acquire those skills. This can lead to improved productivity, reduced employee turnover, and a more engaged workforce.

*Sustainable success:* A well-executed strategic human resource plan can help businesses achieve sustainable success by ensuring that they have the talent they need to grow and adapt to changing market conditions. By investing in employee development and retention, businesses can build a strong, loyal workforce that can help them weather economic downturns and seize opportunities for growth.



*Maintaining a competitive advantage:* In today's rapidly changing business environment, companies that can adapt quickly and effectively to new challenges and opportunities are more likely to maintain a competitive advantage. Strategic human resource planning can help businesses stay ahead of the curve by ensuring that they have the right people with the right skills and capabilities to meet changing market demands. This can help companies innovate faster, respond more quickly to customer needs, and outperform their competitors.

In conclusion, strategic human resource planning is critical to the success of any business looking to thrive in today's rapidly changing business environment. By optimizing their workforce, achieving sustainable success, and maintaining a competitive advantage, businesses can position themselves for long-term growth and success.

## **2.5 The Role of Human Resources in Strategic Decision-Making and its Importance in the Selection and Recruitment of Quality Manpower**

Human resources (HR) play a critical role in strategic decision-making in organizations. HR professionals are responsible for ensuring that the organization has the right people with the right skills, in the right place, at the right time to achieve its strategic goals. Here are some of the ways in which HR contributes to strategic decision-making according to Youndt, Snell, Dean, & Lepak, (2016).

*Workforce planning:* HR professionals use data analysis and forecasting to predict the organization's future workforce needs. This involves identifying the skills and capabilities required to achieve the organization's strategic objectives and developing plans to acquire or develop those skills. By collaborating with business leaders, HR professionals ensure that the organization has the talent it needs to meet its goals.

*Recruitment and selection:* HR professionals are responsible for attracting and selecting the best candidates for the organization. This involves developing job descriptions, sourcing candidates, conducting interviews and assessments, and making hiring decisions. By ensuring that the

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organization has a diverse, qualified, and engaged workforce, HR professionals help drive the organization's success.

*Performance management:* HR professionals are responsible for developing and implementing performance management processes that align employee goals with the organization's strategic objectives. This involves setting performance standards, providing feedback and coaching, and evaluating employee performance. By ensuring that employees are performing at their best, HR professionals help the organization achieve its goals.

*Training and development:* HR professionals are responsible for developing and implementing training and development programs that build employee skills and capabilities. This includes onboarding programs for new hires, professional development programs for current employees, and leadership development programs for managers (Bamberger & Meshoulam, 2015).

In essence, when an organization invests in employee development, human resource professionals ensure that the organization has the talent it needs to succeed. Thus, human resource management plays a critical role in strategic decision-making in organizations. By ensuring that the organization has the right people with the right skills, in the right place, at the right time, HR professionals help drive the organization's success. Through workforce planning, recruitment and selection, performance management, and training and development, HR professionals help ensure that the organization has a talented pool of employees.

Anderson and Anderson (2017) asserted that human resource professionals play a critical role in strategic decision-making by providing expertise on the workforce, talent management, and employee engagement. These they do by identifying skills gaps and developing strategies to address them. Also, human resource professionals can use data and analytics to identify skills gaps within the organization and develop strategies to address them. This may involve recruiting new talent, developing existing employees through training and development programs, or outsourcing certain functions. Other ways includes:



*Ensuring compliance with employment laws and regulations:* HR professionals are responsible for ensuring that the organization complies with employment laws and regulations. This includes laws related to hiring, termination, compensation, and benefits. By staying up-to-date with these laws and regulations, HR can help the organization avoid legal risks and protect its reputation.

*Developing and implementing talent management strategies:* HR professionals can develop talent management strategies to attract, retain, and develop high-performing employees. This may involve creating career paths, offering training and development opportunities, and providing competitive compensation and benefits packages.

*Providing insights into employee engagement and organizational culture:* HR professionals can provide insights into employee engagement and organizational culture. This may involve conducting employee surveys, identifying areas of improvement, and developing strategies to improve employee satisfaction and retention.

In order to ensure that organizations have the right people with the right skills, in the right place, at the right time, HR professionals must work closely with other leaders within the organization. This includes collaborating with hiring managers to identify talent needs, working with training and development teams to build skills, and partnering with business leaders to align talent management strategies with overall business goals (Burke & Noumair, 2015).

## **2.6 Theoretical Underpinnings**

Collings, Wood and Szamosi (2018) in a study on human resource management underpins human resource planning on the following relative theories:

*Human Capital Theory:* This theory proposes that an organization's success is closely tied to the skills and knowledge of its employees. It suggests that by investing in training and development, organizations can increase the productivity and effectiveness of their workforce.



*Resource-Based View:* This theory suggests that an organization's competitive advantage is derived from its unique resources and capabilities. Human resources are considered to be a valuable and rare resource that can be a source of competitive advantage if managed properly.

*Contingency Theory:* This theory proposes that the best approach to human resource planning depends on the specific circumstances of the organization. It suggests that there is no one-size-fits-all approach to human resource planning, and that organizations should tailor their strategies to fit their unique situations.

*Stakeholder Theory:* This theory suggests that an organization should consider the needs and interests of all its stakeholders, including employees, customers, suppliers, and the community. Human resource planning should take into account the needs and interests of all these groups, and strive to create a balanced approach that benefits everyone.

*Institutional Theory:* This theory proposes that organizations are influenced by social and cultural norms and values. Human resource planning should take into account these broader societal factors, and strive to create policies and practices that are aligned with the prevailing norms and values.

*Action Research:* This theory emphasizes the importance of involving employees in the change process. The goal of OD using action research is to engage employees in identifying problems and developing solutions to address them. This process involves collecting data, analyzing it, and taking action based on the findings.

## 2.7 Recommendations

Organization can utilize human resource planning in developing an themselves through the following ways:

1. *Identify the organization's goals and objectives:* The first step in human resource planning is to identify the organization's goals and objectives. This will help HR professionals develop a workforce plan that is aligned with the organization's strategic direction.

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2. *Conduct a workforce analysis:* HR professionals should conduct a workforce analysis to identify the organization's current and future workforce needs. This includes analyzing the organization's current workforce, forecasting future workforce needs, and identifying any skills gaps that need to be addressed.
3. *Develop a recruitment and retention strategy:* Based on the workforce analysis, HR professionals should develop a recruitment and retention strategy that is aligned with the organization's goals and objectives. This may involve recruiting new talent, developing existing employees through training and development programs, or outsourcing certain functions.
4. *Develop a succession plan:* HR professionals should develop a succession plan to ensure that the organization has a pipeline of talent for key positions. This involves identifying critical positions, developing a talent pool, and providing training and development opportunities for potential successors.
5. *Implement an employee development program:* HR professionals should implement an employee development program that provides employees with opportunities to learn new skills and develop their careers. This can help to improve employee retention and engagement, as well as ensure that the organization has the skills and capabilities it needs to achieve its goals.
6. *Measure and monitor the effectiveness of the human resource plan:* HR professionals should measure and monitor the effectiveness of the human resource plan on an ongoing basis. This involves tracking key metrics such as employee turnover, retention, and engagement, and making adjustments as needed.

By following these recommendations, organizations can use human resource planning to develop a workforce that is aligned with their goals and objectives, and that has the skills and capabilities needed to achieve sustainable success

## Conclusion

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In today's rapidly changing business environment, strategic human resource planning is critical to organizational development and sustainable success. By aligning the workforce with the organization's goals and objectives, HR professionals can help businesses stay competitive and adapt to changing market conditions. Effective strategic human resource planning involves identifying the organization's goals and objectives, conducting a workforce analysis, developing a recruitment and retention strategy, implementing an employee development program, and measuring and monitoring the effectiveness of the plan. HR professionals play a critical role in strategic decision-making, providing expertise on the workforce, talent management, and employee engagement. Ultimately, strategic human resource planning is essential to ensuring that organizations have the right people with the right skills, in the right place, at the right time. By developing a workforce that is aligned with the organization's strategic direction, HR professionals can help businesses achieve their goals and thrive in today's competitive business environment.

## ABBREVIATIONS

**SHRP:** Strategic Human Resource Planning

**OD:** Organizational Development

**HR:** Human Resource

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