



**ST. MERY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

**EFFECT OF HUMAN RESOURCE PLANNING ON ORGANIZATIONAL
EFFECTIVENESS; THE CASE OF ADDIS ABABA HOUSING DEVELOPMENT
CORPORATION**

**BY
NUHAMIN G/EGZIABHEAR**

**JUNE 2021
ADDIS ABABA
ETHIOPIA**

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DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of my advisor Dr. *Temesgen Belayneh* (PHD). All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

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ENDORSEMENT

This thesis has been submitted to St. Mary's University, School of Graduate Studies for examination with my approval as a university advisor.

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LIST OF ABBREVIATIONS AND ACRONYMS

HRM:	Human Resource Management
HRP:	Human Resource Planning
OE:	Organizational Effectiveness
HRPA:	Human resource planning Alignment with Organizational Objectives
HRIA:	Human resource inventory analysis
PS:	Placement System
OSM:	Overview of the supply market
TAE:	Timely assignment of employees
CSPS:	Career and succession planning system.
AASHDE:	Addis Ababa Saving Houses Development Enterprise

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Fig 2.1 conceptual framework of the study

ABSTRACT

This study examines the Effect of human resource planning on Organizational Effectiveness; the case of Addis Ababa Housing Development Corporation. The research has three basic objectives which are expected to be fulfilled at the end of the research work. These objectives aimed to show the extent to which HRP practiced by the organization, to examine relationship between HRP and organizational effectiveness in the organization and to show the contribution of HRP towards Organizational Effectiveness. In order to fulfill these objectives, three research questions have been proposed which question to what extent the organization practice HRP and its six elements, if there is any relationship between HRP and Organizational effectiveness in the organization and How the HRP contribute towards the effectiveness of the organization. Explanatory research method was applied to determine how and why HRP influence effectiveness of the organization. But as this method lacks statistical strength it supported by descriptive method to identify frequencies and to understand what is happening in the organization regarding Human resource planning and organizational effectiveness. Therefore observation, interviews and questioner method are applied in order to gather information. From this collected data, major findings and inferences are collected. From the findings it is possible to understand the extent to which HRP is practiced by the organization. On this matter HRP is expressed by the six elements which are Human inventory analysis, alignment of the HRP with organization objectives, timely assignment of employees, Overview of the supply market, placement system and career and succession planning system. Therefore the finding of the result shows the extent of practice of these elements in the organization, how these elements influence the organizational effectiveness of the organization and how the two variables, dependent and independent variables, are related to each other. On the finding the six elements of HRP have 55.47% up to 63.56% Extent of implementation level. on the other hand the correlation matrix result shows that these six elements have a correlation value of 0.316 up to 0.534. when it comes to the regression result all the six elements have a positive regression values. From these findings it is concluded that the descriptive result of the six elements shows that there is a moderate extent of HRP practice in the organization and when it comes to the correlation finding it shows that HRP and OE are positively related to each other. But only two elements of HRP have strong positive relation with OE the rest of four elements have weak positive relation. The last one, which is the regression analysis values, shows that each coefficient of the six elements are positively contributed to organizational effectiveness. Once look through these conclusions, recommendations have been given to fill the gap that are seen in the results. The recommendation focus on the six elements of the HRP that considered as determinants in the research and how to fill the gap regarding the result of these elements.

Key Words: Human Resource Management, Human resource planning, and Organizational Effectiveness.

CHAPTER ONE

THE PROBLEM AND ITS APPROACH

1.1 Background of the Study

Planning for people was brought up long before the advent of human resource management. However, there has been little research evidence of its increased use or of its success. One possible explanation is presented by Storey (1995), who argues that as the developing business environment forces organizations to plan effectively for their human resources, the rapid changes in the business environment also makes it increasingly difficult for organizations to plan with accuracy. In the light of this we want to investigate to what extent organizations plan for HR in today's business environment. We have identified two main concerns in order to arrive at a conclusion, namely what the underlying motives for conducting HRP are, and the prerequisites for fulfilling these motives.

Human resource planning was introduced because at previous times there was no suitable system of managing people within the organization and certainly while following the human resource management, top managers realized that the efficiency of work has increased and certainly there were some techniques and processes developed which can increase the organizational performance, then gradually the whole layout of human resource management was made and it was concerning the staffing needs, its demand and supply. The ultimate aim is to achieve economic advancement through the provision of relevant education and hence the production of the right combination of human resources (Ololube, 2009).

In today's world most organizations employ effective human resource plan in order to improve business performance through people management. These organizations manage their human resources efficiently in order to meet their expectations. The strategic role of human resource planning not only assists the organization in short period but also in many times to come. Thus, it is being seen that those organization which consider human resource planning as the significant and essential part of their human resource management, this could turn out to be very helpful in terms of dealing with its human capital which could possibly make the organization to stand out of the competition prevailing in the market.

Currently Organizations are under increasing pressure to find ways to implement their strategies in a rapidly changing business environment, in which planning lifecycles tend to shrink to reduce the 'time-to-market' intervals. At the same time, organizations are putting more and more emphasis on aligning the organization and people in their attempt to achieve business goals.

In developing countries including Ethiopia, many researches have been conducted on human resource planning and its role for company's effectiveness. But most of these researches are done in private sectors because government organizations are not easy to penetrate and get information. Therefore this will fill the gap by studying the effect of human resource planning on Addis Ababa Housing Development Corporation.

1.2 Definitions of Key terms

HUMAN RESOURCE: are those inherent and special traits as skills, creative abilities, experience, talents, energy, knowledge competence, belief etc. that a person possesses which are needed and put to use by a person or a group of people to achieve set goals and objectives (Stewart, 1994).

PLANNING – is the process managers use to identify and select appropriate goals and courses of action of an organization. They resultant plans that come out of planning process details the goals of the organization and specifies how they are intended to be attained. Like people, organizations can not have it all done, so in a scale of preference, they need to determine their pro-rates and concentrate their time, energy, and other resource to release their aims (Stewart,1994).

ORGANIZATION - According to Stewart (1994) "organizations are set ups to achieve purposes that individuals create. Individuals provide a means of working with others to achieve goals that determined by whoever in the best position to influence. The key characteristic of organization is their complexity". Individuals in organization depend on each other's effort through interactions and which enable them to work for the realization of common goal. Laid down structures however fashion out how They relate to others. It can also be define as a group of people identified with shared interest or purposes,

HUMAN RESOURCE PLANNING - is defined as a rational approach to the effective recruitment, retention, and deployment of people within an organization including, when necessary, arrangements for dismissing staff. It is therefore concerned with the flow of people through and sometimes out of the organization. It is however not a mere numbers game but rather concerned with the optimum deployment of peoples knowledge, skill creative abilities, etc. and hence qualitative and quantitative.

Management - It is formal, information-based routines and procedures managers use to maintain or alter patterns in organizational activities. (Simons, 1990)

1.3 Statement of the Problem

The ‘Urban Development Policy’ of our country indicates that urban development involves multi-sectorial activities that include inter-related and coordinated developments of the industrial, commercial, infrastructure and service sectors. In order to aim at general and holistic direction of these common development goals, the formulation of this policy was indispensable. Besides widespread shortage of Residential Houses and dilapidated of urban villages was taken as the basic constraints related to development of good governance. Hence, special attention will be given to ‘*housing*’ in urban development activities.

Thus, the Addis Ababa City Government Cabinet, in accordance with Article 23(1) of the Addis Ababa City Government Revised Charter Proclamation No. 361/2003, issued regulation No. 58/2014 so as to establish the former Addis Ababa Saving and Houses Development Enterprise (AASHDE) and recently change its name to Addis Ababa Hosing Development Corporation. This research dealt with the effect of HRP on organizational effectiveness in this organization.

As discussed with selected customers of this organization some of them are not satisfied with service of the organization. They have complains related to on time delivery of the houses, transparency of their internal process, and other related issues. In order to understand the cause of this problem it was important to discuss with employee of the organization. From this discussion it was understood that issues related to human resource in the organization have direct influence for

the above problem. Consequently, this is an area for research and the filling of this gap is, therefore, the basic problem that this research work is designed to resolve.

This research paper attempted to cover this gap by examining the Effect of HRP on the effectiveness of one of the Government sector housing service provider in Ethiopia called **Addis Ababa Housing Development Corporation**.

1.4 Research Questions

- a) To what extent the organizations practice HRP and its six elements in the organization?
- b) Is there any relationship between HRP and Organizational effectiveness in the organization?
- c) How the HRP contribute towards the effectiveness of the organization?

1.5 Objectives of the Study

1.5.1 General objective

The main objective of this study is to examine the implementation of Human resource planning process of Addis Ababa Housing Development Corporation and its impact on organizational effectiveness.

1.5.2 Specific Objectives

Specific objectives of the study are:

- a) To show the extent to which HRP practiced by the organization.
- b) To examine relationship between HRP and organizational effectiveness in the organization.
- c) To show the contribution of HRP towards Organizational Effectiveness.

1.6 Research Hypothesis

The following hypotheses have been tested in their null (Ho) form: In order to provide answers to the basic questions raised above.

Ho1 HRP is not aligned with overall organizational objectives

Ho2 HRP is not practiced by the organization

Ho3 There is no significant relationship between strategic HRP and Organizational Effectiveness.

1.7 Significance of the Study

The research has been conducted in such a way that it has certain significances for practices as well as literature:

- The findings of the study will help the organization to identify areas of potential problems related with the organization's human resource planning: mainly overview of the supply market, career planning, HR inventory system and other HRP impacts which will have a direct or indirect impact on the organization's effectiveness.
- The recommendations which described based on the conclusions of the research findings will help the organization either maintain, improve or totally change the existing HRP approach. Besides, the study adds value for the researcher gaining more knowledge regarding the topic and then getting the opportunity to work on strategy formulation, analysis and implementation of the organization and to conduct a research with similar titles in different Government sectors.
- The research will help other governmental or nongovernmental organizations as a tool to customize the suggested models in to organizational context to improve their HRP related s problems.
- The research will help other researchers working in similar/related topics as a reference.

1.8 Scope of the study

The research is done in one of the Government sector housing service provider in Ethiopia called Addis Ababa Housing Development Corporation Head office. Which located in Addis Ababa Kirkos Sub city wered 01. The research aimed at examining the impact of Human resource planning on this organization, specifically in head office and its impact on effectiveness of the organization and all departments of the head office are included in the research.

1.9 Limitation of the Study

Despite the numerous advantages derived from undertaken this project, there are some Limitations which includes the following:

Due to the current COVID 19 pandemic it was not possible to gather a lot of information from the organization. And also the organization is redesigned which created problem in finding current and tangible information. Beside this because of the redesign of the structure of the organization some of the employees are new to the position where they are now working on .So that it makes difficult to get detailed information. Moreover, as the organization is governmental, some of the information was confidential. Of all these problems the research will encounter, the limitations will not be enough to affect the outcome of the study.

1.10 Organization of the study

The research is organized and arranged into five chapters. Chapter one outlines the background to the study, background of the organization, statement of problem, basic research questions, Objective of the study, significance of the study, scope of the study, Operational definition of terms, limitations of the study.

Chapter two is devoted to the review of related literature. Chapter three will present the research design and methodology to be used for data collection: Research design and approach, population, sample size and sampling techniques used, source of data and instruments of data collection used, procedure of data collection, Method of data analysis, reliability and validity of tools and ethical issues

The fourth chapter is about the dissemination of the research results/ findings and discussion of those results. And the final chapter is about the conclusion of the research findings and recommendations which aimed at addressing the research questions posed based on the statement of the problem

Chapter Two: Review of related Literature

This chapter reviews the literatures relating to the research topic. While Human Resources Planning (HRP) is the subject area of this particular research paper, the scope of this literature review is expanded to include other related topic relevant in addressing the research questions. As Human Resources Planning (HRP) is one of the most important aspects of business planning, this literature is packed full of reasons why HRP is crucial to organizational success and effectiveness.

2.2 Theoretical literatures

2.2.1 The concept of human resource planning

Human resource planning is generally defined as the process that identifies the number of employees a company requires in terms of high quality and quantity, hence it is seen as an on-going process of regular and structured planning. HRP is the process of insuring the organization has adequate employees with the right competencies deploys or placed according to their expertise (Gilley and Maycunich, 2000), as provided by Cascio (2005),HRP seen as an attempt by an organization to predict future business needs and environmental demands.

According to Gould, 1984, HRP is defined as, “the strategically driven human resource function will be devoted to finding ways to help the organization gain important advantages over its competitors”. Those advantages are often described in terms of the capacity that a business has with which to pursue its objectives. “The capacity of an organization to achieve its strategic objectives is influenced by human resources in three fundamental ways: cost economics, capacity to operate effectively, capacity to undertake new enterprises and change operations” (Biles and Holmberg, 1980,

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According to several scholars like Barney (1991) and Wilson (1994) management of human resources is much more difficult than capital management or technology management. The definition of Human resource management (HRM) evolved in the later period of twentieth century. In the current day world, survival of an organization depends on the development of new capabilities; as a result organizations are facing critical challenges in all over the world. New challenges like globalization, investment in human capital, growth, change management etc. are emerging and organizations from all over the world needs to manage and find opportunities through these challenges. Among these challenges the management of human capital has gained added importance, as organizations are realizing the importance of people or human resource as assets of strategic importance.

Bulla and Scott (1994) has shown that, Human Resource Planning (HRP) as ,the process for ensuring that the human resources requirements of an organization are identified and plans are made for satisfying those requirements“.

According to Hartel, Fujimoto, Strybosh and Fitzpatrick (2007) Human resource management does not merely deals with the rational administration but looks after the job satisfaction of the employees and also focus on, how to motivate them for better results, as a result it is making the best utilization of each individual human power for achieving the objectives of an organization. Human resource management is also an important fact considered by organizations from all over the world, because human resource is the resource that has the capability of converting the other source like capital, technology, methods, material, machine etc. into product or service. So the need of a sound Human Resource Management system is very much necessary, in today's world.

The main purpose of human resource planning is to make sure that employees have best level of interaction with their jobs. Also, this planning process confirms that employees are in right number as required i.e. there is neither a surplus of manpower nor a shortage. In order to gain competitive advantage over the competitors, Gould (1984) explained that different advantageous ways are found

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out using strategic human resource functions, thus showing that these functions play a critical role in making a company competitive. Biles et al. (1980) elaborated that organization's ability to achieve strategic objectives is discriminated by its human resource in following three ways: cost economics, capacity for effective operations, ability to take new enterprise and change the operations. Dwevedi (2012) describes "Planning for future balance by comparing the number of employees needed to the number of present employees who can be expected to stay with the organization, a project manager should give more time to the human resources experts to work on that".

Jonathan Rice (2011) stated that Human Resource Planning is a long lasting process organized in a way that properly employs the human resource of the organization. In order to create and maintain the best fit between the job and employee, planning is given special attention. "The three key elements of the HR planning process are forecasting labour demand, analysing present labour supply, and balancing projected labour demand and supply".

Human resource planning seems to be in practice by those firms and/or enterprises which consider their employees the most essential part of the organization. Organizations usually become unable to meet the desired objectives just due to the fact that at times of stiff competition, the moral of their employees is not as that good as it is of their counterparts. The reason is quite clear to everyone that the employees of that firm are not having that level of potential or motivation which becomes due while operating at that level in the industry. However, those organizations outperform in the market which does well with the employees in terms of boosting their satisfaction level at work through different ways, motivating them enough to take courage and making them put forth the level best effort to meet the targets.

At times, there are many factors that change the entire way human resource planning is done. Those could be external and internal factors that may influence the whole process of human resource planning like for instance, the external environment and the internal one and open competition in the market, etc. that organization follows and the way through which it aligns the workforce

planning with various departmental planning. All these contribute to design different policies and procedures in crafting Human resource planning.

Organizations tend to consistently work on capacity building of their workforce in acute manner and similarly manage the talent of their number of employees in different ways like doing succession planning for best individuals so that they may discharge their responsibility for key positions in future course of time. Therefore, organizations work on numerous ingredients of human resources planning; one of which is that organizations use to streamline the flow of communication across the whole organization which in turn not only boosts the satisfaction of the employees but also adds up significantly to the overall performance of the organization.

The strategic role of human resource planning not only assists the organization in short span of time but also in many times to come. Thus it is being seen that those organization which consider human resource planning as the significant and essential part of their human resource management, this could turn out to be very helpful in terms of dealing with its human capital which could possibly make the organization to stand out of the competition prevailing in the market.

2.2.2 Tools and Techniques in Human Resource Planning

Many tools are available to assist in the HRP process. Byers and Rue (1984), in their book Human Resource Management (6th edition), state the following as the tools of Human Resource Planning.

- The skills inventory is one of the frequently used Human Resource Planning tool, a skill inventory consolidates information about the organizations human resources. It provides basic information on all employees, including in its simplest form, a list of names, certain characteristics, and skill of employees.
- The second useful tool is succession planning which identifies specific people to fill key positions throughout the organization. Under an optimal succession planning system, individuals are initially identified as candidate to move up from up after being nominated by management. Their performance appraisal data are reviewed, potentials is assessed, development program are formulated, and career paths are mapped out.

- The third tool is commitment planning (CMP), a systematic approach to HRP designed to get managers and their subordinates thinking about and involved in HRP (Byers and Rue, 1984).

2.2.3 Objectives of Human Resource Planning:

Butler et al (1991) explain that there is an important role of human resource management to create competitive advantage for the organization against the competitors present in the industry.

Manzini (1988) emphasized that all organizational initiatives need an integration with the HR practices for successfully integrating corporate strategies. When all strategic initiatives i.e. growth, better customers service, innovative production methods, improvements in after sale services, mergers, etc. possess an alignment with HR practices and policies of the organization e.g. with organizing, communicating, developing, appraising, and rewarding employees, and keeping an eye on the future capabilities of the organization, the chances of successful and better resulting implementation of strategic plans increase. The HR practices also need to be aligned with objectives of the organization.

Walker (1990) outlined that “Like most organizational practices, however, the effectiveness of HR planning depends on the perspective within which it is utilized”. HR planners need to have clear and precise objectives in mind in order to better execute HR planning process.

Similarly, Ulrich (1987) added that HR planning is recognized as a source of development of organizational functions based on missions and objectives of the business. With the help of planning, areas that need better functioning are identified to make them grow and succeed. “Many HR planning methodologies have been developed and organizations have also crafted their own, most of these methods are similar to those described in the literature like: setting up formal objectives, identifying appropriate organizational strategies and searching for any innovative HR applications”.

2.2.4 Significance of Human Resource Planning:

Speamerfam (2011) describes that hiring the best talent for the organization is the job of HR department. Significant amount of planning is required for all this in order to put attractive advertisement to attract talented candidates. Afterwards, job descriptions and job specifications are put forward to provide details relevant to the work, the responsibilities to handle in a particular job, required qualifications, technical and other needed skills. In human resource planning, turnover rate of employees is also forecasted. Lastly, interviews are done and candidates are selected to whom training is provided so that they conduct all their job activities very well. This effective working motivates the employees and reduces the turnover rate of employees. Also, the administrative activities of HR department such as performance appraisal, employee compensation management need proper planning and management of all the functions.

Gopikrishna (2011) also highlighted the significance of human resource planning process by mentioning that objectives of the organization are achieved when planning is done properly. Therefore, organizations at first collect data about the goals and objectives, afterwards it arranges people, resources and other competencies required to meet the objectives.

Dwevedi (2012) defines HRP as a process which helps out in properly performing important HR functions such as true and timely information is provided about when to do recruitment of employees. This timely process saves extra cost of company.

2.2.5 Process of Human Resource Planning

Human resource planning captures all actions involving continuous environmental scanning and reviewing of organizational strategies, objectives, and policies in order to ensure that the right quality and quantity of human resources are available when and where they are needed.

Randhawa, 2007). Dessler, (2001) opined that human resource planning is an ongoing process that is not static involving many interrelated activities which must be modified and updated as conditions require. Randall (2000) asserted that human resource planning involves making an

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inventory of current human resources in order to determine the human resource status, for example, the current size and kind of the human resources as well as work scope, the inventory involves examining the available employees skills and number of employees, the experience and age structure span of control.

Harbison (1973) argued that, human resource planning consists of various activities which include forecasting human resource requirements, making an inventory of present human resources and assessing the extent to which these resources are employed optimally, anticipating human resource problems by projecting present resources into the future and comparing them with the forecasts of requirements to determine their adequacy and planning the necessary programs of requirements, selection, training and development, utilization, transfer promotion, motivation, and compensation to ensure that future human resource requirements that are properly met.

Relatively, John (2008) advocated that five steps process is used for creating a linkage between human resource or workforce planning and departmental planning to regulate the current and future requirements and demands of the human resource include determination of business goals, environmental scanning, performing gap analysis, deciding human resource priorities and measure, monitor and report the progress.

Edwards (1983) discussed three pillars of manpower planning which are the prediction of the future demand in human resource, the prediction of the future supply of the human resource and closing the gap between the first and second pillar and making policies for that.

Izueke (2009) pointed that human resource planning requires detailed analysis of the present and the future to ensure that the organization has the right number of people available who possess the right kinds of skills to perform the jobs required by the organization when the work is needed.

Butter, (2002) advised that it is important to note that the quality of human resource planning depends on personal records. Ghazala & Habib, (2012) contended that the process of human resource planning should ensure that, an organization's employees have the requisite skills and competencies an enterprise needs for it to succeed.

2.2.6 Importance of Human Resource Planning to the Organization.

Armstrong (1992) postulated that the importance of increasing productivity is one of the most critical goals in business and Human resource planning is essential for the achievement and attainment of this productivity.

Parker and Caine (1996) mentioned that it is important for organizations to have the right number of manpower in order to avoid the unwanted situation such as the issue of shortage and excess of manpower. Cole (2002) said that human resource planning is critical to the success of an Organization's strategy and planning is tied to the nature of organizations. Reilly (2003) concurred that human resource planning practices enable a firm to estimate the demand for labour and evaluate the size, nature, and sources of supply which will essentially be required to meet the demand. Craft (1980) observed that human resource planning influences the calibre and type of applicants who choose to join an organization, that firms that practice human resource planning are more likely to know what specific characteristics they are looking for applicants and this helps them to increase the quality of decisions.

Katua et al (2014) discovered that human resource planning strategies can enhance the performance of a firm; that firms ought to develop and document strategies for human resource planning with the object of enhancing both employee and organizational performance. Hassan (2003) pointed that failure to properly articulate and implement the three fundamental functions of human resource planning which include labour forecast, managing demand for employees and available supply in market and keep a balance between labour supply and demand predictions will pose a great problem to firms in terms of cost and expertise which in turns reduce their competitiveness.

Walker (1990) narrated that planning for human resources is more important than ever as competitive advantage is sought through superior service, quality, lower costs and organizational effectiveness; that with increased emphasis on productivity, quality and service, executives now recognize that attention to the financial and technological side of business must be balanced by attention paid to planning for human resources.

The need for human resource planning has become an ever more important aspect of the business planning process (Meehan et al, 2002). Aslam et al (2013) elaborated that organizations which consider human resource planning as the significant and essential part of their human resource management turn out to be very helpful in terms of dealing with its human resource capital which could possibly make the organization to stand out of the competition prevailing in the market. A study by Edwards and Pearce (1988) on a high technology businesses revealed that human resource planning is particularly important for emerging, rapid-growth and high tech business. A study conducted by Gifford (2011) on the development of human resource revealed that Human resource planning identifies the skill requirements for various levels of jobs. A study by Mursi (2003) revealed that there is a significant and positive relationship between human resource planning and organizational performance.

A study on coping with change conducted by Bogdan (2012) in the northern province of France highlighted that Human resource planning is important to cope with the change associated with the external environmental factors. Ogunrinde (2001) examined the application of human resource planning and its relationship with organisational performance and found that organisations engaged in human planning performed better than those that did not. A study by Mildred (2012) on the influence of Human Resource Management practices on financial performance of commercial banks in Kenya concluded that the major human resource management practices that affect the financial performance of commercial banks include human resource planning. A study by Hiti (2000) found that human resource planning has a positive relationship with organizational performance.

A study by Cakar (2012) revealed that one of the importance of human resource planning is that effective human Resource planning fulfills the organization needs for a quality workforce, that a proper human resource plan reduces labour costs substantially by maintaining a balance between demand for and supply of the human resource. Arsad (2012) in his study of manpower planning effect on organizational performance found that there is a positive relationship between manpower planning an organizational performance. Moreover, a study by Johne (2009) indicated that human resource planning plays an important role in organizational performance by

providing team players. A study by Chand and Katou (2007) in their study in the Indian hotel industry revealed that manpower planning has a strong relationship to productivity and productivity impact on organizational performance.

A study by Amaratunga (2012) on how human resource planning can Assuring Adequate staff levels found that a primary function of human resources planning is making certain that various company departments have sufficient staff to complete all the work required to meet the organization's goals. Anya, Umoh and Worlu (2017) studied human resource planning and organization performance in oil and gas firms in Port Harcourt Nigeria and found that human resource planning has a strong influence on organizational performance in forecasting future demand of business and environment which helps to manage human resource demand as required. A study by Ngui et al (2014) on the effect of employee resourcing strategies on the performance of commercial banks in Kenya found that employee resourcing strategies have a significant positive effect on performance of the aforementioned banks, that banks should develop and document strategies for human resource planning so as to enhance employee and organizational performance.

Leng (2005) examined the importance of human resource planning on a construction project and found that human resource planning plays a significant role in improving the project's performance, addressing skilled labour shortages, a transient workforce, and a lack of effective training and performance appraisals. Katua et al. (2014) discovered that human resource planning strategies can enhance the performance of a firm. According to their findings, the scholars recommended that firms ought to develop and document strategies for HRP with the object of enhancing both employee and organizational performance. Chan et al (2006) advised that reliable manpower demand and forecasts can provide a basis for making better decisions for avoiding redundant investments, achieving efficient and balanced growth of an industry and in developing the economy.

2.2.7 Human resource planning and employee performance linkage

Organizations take steps for employees' training and development to increase their level of skills and productivity. In a discussion about work force planning, Shantz A. et al. (2009) mentioned that when employees are provided with specific training about their work and job, they can perform better and attentively even if there is no supervision after training takes place. Performance efficiency increases after training. In a study, Marwat A. Zubair et al (2006) have reported seven variables which positively relate with employee performance. Variables include selection, training, performance appraisal, career planning, compensation plans, employee participation and job definition. Sarkodie W.G (2011) has revealed in his thesis study that proper without human resource planning organizations cannot attain their goals. In different organizations, along with employees own different skill sets, abilities and knowledge, organizational resources add to ensure sustained growth and development. Al Ahmadi (2009) emphasized that performance improvement does not result only from good performance of system, rather motivated and committed human resource also plays its part which is possible by successful implementation of human resource strategies.

2.2.8 Open Competition Policy

Under this policy in application, the knowledgeable, skilled and competent employees are identified from inside and outside the organization. Also, competent employees are identified for potential promotions by conducting performance appraisals. Therefore, instead of creating any hindrances in career development of employees, this policy guarantees the productive competition between the employees and promotes advancement of employees.

2.2.9 Linkage and alignment of HR/workforce planning and departmental planning

John (2008) elaborated that usually a five step process is used for creating a linkage between HR or workforce planning and departmental planning to regulate the current and future requirements and demands of the human resource. These steps include:

1. Determination of business goals.
2. Environmental Scanning (that includes a workforce analysis, and an internal and external scans as well).
3. Performing gap analysis.
4. Deciding HR priorities
5. To measure, monitor, and report the progress.

To establish HR priorities is the main reason for listing the steps above involved in creating a linkage between HR or workforce planning and departmental and strategic planning.

STEP 1: Determination of business goals:-

For smooth running of business, organizations need to identify and determine their business goals and prepare government documents including budget speeches and other necessary documents including strategic and business plans (John, 2008). This is important in order to understand governmental regulations, deciding on organization's and department's HR priorities and to cope with changing and new emerging environmental trends.

STEP 2: Environmental Scanning:-

John (2008) mentioned that after determining the business goal, next step is to address the need to understand the workforce as well as to plan about the necessary workforce (shortage and surplus) with specific skills and knowledge. There is need to undergo the workforce analysis. Characteristics such as age, gender, skills, competencies, etc. are vital to look at, also some internal factors such as eligibility criteria, vacancy, turnover rate, etc. are significant for conducting workforce analysis.

Step 3: Internal scanning

According to John (2008) internal scan mainly looks at identifying the factors that have an effect on the organization's work force capabilities necessary to meet the departmental goals. Barret et al.

(2006) mentioned that internal analysis gives attention to workforce trends including their age distribution, and portion of positions filled by internal candidates.

Each department is responsible for identifying the internal opportunities and challenges. It is necessary for the organization to make and retain strengths to face and reduce the risks and challenges to attain success. External scanning

Barnard et al. (2006) advised that external analysis should not be a time consuming process. All the potential changes that may occur and their influences may be reviewed by the planning team. Also, team should look at the how the changes impact the organization, its work and recruitment and selection patterns, process of training, retaining and developing the required workforce.

STEP 4 : Performing gap analysis:-

John (2008) explained how to recognize the business goals and requirements and how these may help forecast the future hiring needs, in terms of the number of employees, skills, and work experiences required.

On the basis of departmental goals, priorities and environmental scanning, McGraw-Hill Ryerson (2000) determined the current and future HR requirement. Following questions are found to be helpful in identifying the HR needs and requirements for gap analysis. 1. Do the organization have succession plans for critical positions? 2. In order to bring changes in delivery system, do acquiring new skills necessary?

STEP 5: Deciding HR priorities to help achieve departmental goals:-

McGraw-Hill Ryerson (2000) explained that after looking at the results of gap analysis, some HR priorities must be decided and strategies to attain the desired outcomes should be developed that must be acknowledged by the department.

STEP 6: Measuring, Monitoring, and Reporting the progress:-

John (2008) mentioned that while evaluating the progress of the targeted area, monitoring, assessing and presenting the results of HR performance is highly critical. It brings improvements in the skills, and capabilities of the employees and organizational learning so as to meet the future needs and demands.

If an organization wants to meet future needs and requirements then the employees must be capable to perform. It would become possible only when the employees are committed to continuous learning and development and are ready to avail the career development opportunities.

Learning and development is not only important to get the competitive benefit but also it is necessary to boost talent and delivery of best services and performances. John (2008) explains that in order to retain the top talent and to deliver the best services there should be access to the learning as well as knowledge and skill enhancement programs by performing the challenging tasks because when challenging tasks are assigned, employees will struggle more and try to find new knowledge related to assigned task. This will enhance their knowledge and skills, and increase their confidence.

Relationship building: Providing a significant learning opportunity using a sense of real work is the main ingredient of this activity. For example, organization may consider arranging such programs in different work departments including: Apprenticeships , Internships ,Workshops , Part time employment

2.2.10 Assignment opportunities:

Employees get the opportunity to work in the other departments of the organization where the work is different and also there is a need of an employee to complete it. Such opportunities are known as reassignment opportunities. Employers' requirements are also fulfilled this way and also offer at hand learning opportunities to the employees.

Barnard et al. (2006) said that participating in formal succession planning and development programs does not a guarantee employee replacement. Candidates need to face competition on open positions. Succession planning goals may be short term or long term. Following are the factors that measure succession planning:

- Presence of diversified and qualified pool of talent
- Leaders' effectiveness is developed through the process
- The succession planning and the department's workforce planning processes should be integrated.

2.2.11 HR planning and Work Environment:

Work environment is an important factor to consider while developing and implementing staffing strategies. It enhances the level of employee motivation and their satisfaction with the job. Work environment and employee performance are directly related. Quality of performance and commitment enhances if good quality work environment is provided to employees. Also, it reduces absenteeism from and job stress (Lowe et al., 2002).

2.2.12 HR planning and employee's Leadership:

Leadership is considered a crucial feature of organizational performance. Employee performance enhances if appropriate leadership is practiced, the behavior of leader is motivational factor which leads employees to work best and make leaders get the best performance from the employees. Intellectual leadership makes leaders do the best efforts in company's favor, do their duty ethically as they visualize the future outcomes of their work. Integration between employees working patterns and achievement of team goal is the result of good governance and effective leadership efforts.

Some people opine that effective leadership positively influence the performance of company. It is the result of high performance of employees that the overall performance of the organization enhances and the goals are achieved in their due time. In last fifty years, many leadership theories have been put forward that are found to have an influence on the effectiveness of the organizations where they were employed. It is very important in this age of global competition between the businesses that organizations use such leadership styles that best enable organizations to cope with the dynamic nature of environment. Many researchers have acknowledged that employee performance and leadership are directly related and if leadership phenomenon is ignored, companies suffer with bad results (Oluseyi et al., 2009).

2.2.13 Communication:

The transfer of messages or information between employees is known as communication. Job satisfaction of workers is strongly influenced by the level and way of communication between the employees. Effective communication, an important and necessary element of the organizational

environment, results in informed employees about the challenges of the industry, i.e. what is happening in the industry and at workplace and what is the firm's strategic intent. To make employees able to communicate their concerns, needs and frustrating matter, is the duty of management of the firm by providing support systems. Proper strategic work needs to be done for this purpose. Job satisfaction and openness are directly related as identified in many studies on communication (Tourani et al., 2012). Effective communication in the organization also makes a significant addition in implementing organizations' strategic plans (Ince et al., 2011)

2.2.14 Organizational Effectiveness

Organizational Effectiveness (OE) is a systemic and systematic approach to continuously improving an organization's performance, performance capacity and client outcomes.

Systemic refers to taking into account an entire system or in the case of OE an entire organization and systematic refers to taking a step-by-step approach. In simple terms, therefore, OE is a step-by-step approach to continuously improving an entire organization (American Public Human Services Association, 2009).

An effective organization is one that achieves its purpose of meeting the needs of its stakeholders, matching its resources to opportunities, adapting flexibly to environmental changes and creating a culture that promotes commitment, creativity, shared values and mutual trust. The improvement of organizational effectiveness is an overall objective of strategic HRM, which addresses the organization-wide process issues relating to organizational development and transformation, culture management, knowledge management, change management, developing a climate of high commitment and trust, quality management, continuous improvement and customer relations (Armstrong, 2008).

Measurement is an issue because a significant portion of the service sectors in the economies of developed nations relies on knowledge and human capital. Managers in these economies recognize that technology ultimately derives from human inventiveness. The challenge becomes to quantify, and more effectively manage, intangible components of the productivity mix

(Miller, 2004).

The measurement of organizational performance is therefore, not easy for business organizations with multiple objectives of profitability, employee satisfaction, productivity, growth, social responsibility and ability to adapt to the ever changing environment among other objectives. Although performance has been traditionally conceptualized in terms of financial measures, some scholars have proposed a broader performance construct that incorporates non-financial measures including among others market share, product quality, and company image (Waiganjo, Mukulu and Kahiri, 2012).

2.2.14.1 Dimensions of organizational effectiveness

Organizational effectiveness has different dimensions. There is no a universal model for organizational effectiveness which is applicable to all organizations. And there are no universally accepted indicators/variables of measuring effectiveness.

From different viewpoints about the nature of organizations, their relevant features and dimensions, and their key effectiveness criteria, multiple models of organizational effectiveness naturally arose. Debates about which approach was best, which model was most predictive, and which criteria were most appropriate to measure were typical of the organizational studies literature in the 1970s and 1980s (Smith and Hitt, 2005:307).

None of the models of effectiveness has emerged as the universalistic model of choice, of course, although the Competing Values Framework is probably considered to be the most comprehensive. Some writers have become so frustrated by the confusion surrounding effectiveness models, in fact, that they recommended a __moratorium on all studies of organizational effectiveness, books on organizational effectiveness, and chapters on organizational effectiveness““ (Smith and Hitt, 2005).

In response to this confusion and resistance, the literature in organizational studies and the

discussions at the annual Academy of Management meetings provided a series of suggestions for resolving issues and clarifying approaches (Cameron and Whetten, 1983). The primary objective was to clarify the construct and stimulate additional research. Five conclusions emerged from that literature in (Smith and Hitt, 2005):

1. Despite the ambiguity and confusion surrounding it, the construct of organizational effectiveness is central to the organizational sciences and cannot be ignored in theory and research.
2. Because no concept of an organization is comprehensive, no concept of an effective organization is comprehensive. As the metaphor describing an organization changes, so does the definition or the appropriate model of organizational effectiveness.
3. Consensus regarding the best, or sufficient, set of indicators of effectiveness is impossible to obtain. The criteria are based on the values and preferences of individuals, and no specifiable constructs boundaries exist.
4. Different models of effectiveness are useful for research in different circumstances. Their usefulness depends on the purposes and constraints placed on the organizational effectiveness investigation.
5. Organizational effectiveness is mainly a problem-driven construct rather than a theory- driven construct.

Because rigorous effectiveness evaluations are much more complicated than merely using a single, universalistic assessment (e.g., A perceptual judgment of effectiveness) or a single numerical indicator (e.g., Profitability) as a proxy for effectiveness, guidelines were created to assist effectiveness researchers in systematically assessing this construct. These guidelines are in the form of seven questions meant to assist researchers in selecting appropriate effectiveness criteria and to help build a set of comparable effectiveness studies (Cameron and Whetten, 1996).

That is, by carefully and systematically selecting effectiveness criteria, comparisons among definitions and approaches to effectiveness are possible, cumulative findings can emerge, and theoretical propositions can begin to be developed.

These seven guidelines should be taken into account in any assessment of organizational effectiveness. That is, every investigator of effectiveness consciously or unconsciously makes a selection regarding these seven questions, and deliberately articulating which choices are made will greatly enhance the probability of comparative research (Smith and Hitt, 2005).

1. What time frame is being employed?
2. What level of analysis is being used?
3. From whose perspective is effectiveness being judged?
4. On what domain of activity is the effectiveness judgment being focused?
5. What is the purpose for judging effectiveness?
6. What types of data are being used for judgments of effectiveness?
7. What is the referent against which effectiveness is judged?

2.2.14.2 Models of Organizational Effectiveness

Different authors at different times have developed and argued different organizational effectiveness models. Later on five models, in particular, became representative of the best known and most widely used in scientific investigations Smith and Hitt, (2005), identifies the following models;

1. **The goal model** was the most appropriate model of choice i.e. Organizations are effective to the extent to which they accomplish their stated goals.
2. **Resource dependence model**, i. e., Organizations are effective to the extent to which they

acquire needed resources.

3. **Internal congruence models**, i.e., Organizations are effective to the extent to which their internal functioning is consistent, efficiently organized, and without strain.

4. **Strategic constituency's model**, i.e., Organizations are effective to the extent to which they satisfy their dominant stakeholders or strategic constituencies.

5. **The human relations model**, arguing that organizations are effective to the extent to which they engage members and provide a collaborative climate.

2.2.15 Human Resource Management and organizational Performance Linkage

Human resource management is set to control the segment of managing the employees of the organization. Human resource management helps the organization in selecting the employees for the organization according to the demands of the business organization. It monitored the behavior of the employees in the organization and helps them to adopt the working atmosphere of the organization. Human resource management performs functions from selecting the effective employees for the organization to maintain the work ethics in the business organization (Pratoom, 2010). Human resource management of an organization plays an important role in the business activities. The HRM of an organization makes a suitable working environment for the organization. The selection of the employees in the pizza hut is done through the Human resource management. The HRM follows ethical approach on selecting or promoting any employee in the organization. It helps the employees to understand their roles in the organization and clears the organization goals and perspective. Human resource management of an organization enhances the performance of the employee.

The HRM of an organization plays vital role in designing structured methodology in order to eliminate the challenges oriented with the human resource management approaches. The HRM

considers both elements exploration and exploitation which enables the organization to support effective human resource management for sustainable growth. The effective HRM practice at organizational level requires effective management, leadership approach of managers, constructive evaluation, effective feedback system and supportive co-workers. The HRM helps in making effective strategic implementations and supportive work culture of an organization enables the organization which helps in gaining enhanced revenue with cost saving and improved performance. Therefore, effective HRM is a potential factors which can inhibit or enhance performance of an organization. Apart from this, HRM encouragement plays essential role in developing innovation and creativity. The advanced feedback system through which employees can directly communicate with the management for their concern and ideas. It will also help in developing trust and definite vision for HRM within the organization.

2.2.16 Influence of human resource planning on organization's performance:

HRP is possibly one of the most critical elements that link the work of the human resources in achievement of business objectives of the organization. It is significant to note that few aspects of human resource management give results for strategic plans and activities (Richard G., 1984). Particularly, human resource policies from human resource planning are required for other areas' policy development and implementation. For this, integration of human resource planning activities and strategic planning is required (Kochan et al., 1985).

It is evident that human resource planning is gaining importance in the business community. Because of inflation and weak economic conditions, profits are shrinking, effective human resource planning process is considered much important to enhance production without wastage and with minimum staff requirements to save costs (Georg et al., 1980).

According to Edwards and Pearce (1988) "Human resource planning is particularly important for emerging, rapid-growth and high tech business. Mature business in need of new products, services, markets, acquisitions or divestitures must also plan to identify, attract or reallocate the talent necessary for revitalization and continued competition". For satisfying training and career

development needs of employees and fulfilling organizational demands, succession planning and organization development occupy an important role. If, in case, the in-house supply of labour is more than needed, this problem of resource rearrangement needs to be dealt with.

According to Craft (1980), Human resource planning owns a significant role in deciding and specifying the characteristics of applicants, in order to select the best fit that organization looks for. Noe et al (2003) elaborated that it is important to rightly implement human resource planning in order to create the lead time necessary to confront potential problems.

2.2.17 Human resource planning for Business success:

Gould (1984) explained that many factors need attention from human resource professionals and strategists, they must consider all relevant issues, for example if there occurs any mismatch of culture strategies, it can hurt the successful implementation of the course of actions and strategies planned for the future.

According to its operational view, human resource planning investigates all the requirements of the organization and associated needs of management programs, policies and the resources that are necessary to fulfil the requirements. Human resource plans set the bases for all human resource activities. It is commonly taken that human resource planning is the prime activity of the human resource management. Hax (1985) emphasized the important role of human resources strategy by mentioning that for sustaining the firm in the long run and achieving long lasting competitive advantage, HR strategy is important to develop and act upon well-coordinated objectives and to make certain effective action plans. It is taken as a critical component of organization's corporate and business level strategies. HR plans are required to be flexible enough so that these are made in accordance with business environment for the long term period, therefore, as far as human resource planning is concerned, it should also be an uninterrupted and continuous process.

Human resource planning is a systematic, well-integrated, disciplined and a continuous process. It is defined as “The human capital which consists of skills and competencies of the people that are required to fulfil the strategic goals and objectives of the organization”.

Burack (1985) emphasized the significance of HR planning by calling it a workforce stock. Planning for workforce is a central function of the human resource department because it is the most important and critical task of the overall human resource planning field. Human resource planning process makes it certain that right number of employees is available at the right place at the right time required by the business. Gould (1984) mentioned in a study that evaluating HR issues help company gain useful insights about which human abilities are required to implement strategies for successful accomplishment of objectives.

Biles et al. (1980) described that developing strategies, deciding mechanism, having appropriate machinery and instrument development are vital elements for success of any business. Workforce planning is important for smooth functioning, some planning strategies include making operational plans, making and following mission of the organization, regularly collecting, processing and analyzing the quantitative data to have a view of company’s success rate. In order to deal with critical circumstances and sudden situations, planning process should also look at the availability and use of mechanical capabilities, this makes planning process credible and fruitful. Business plans and human resource information systems are the two main information providing sources for appropriate workforce planning.

2.2 Empirical review

Coleman, Sharon, et al, (2000) study identified, the experiences of several organizations provide good examples of the integration of strategy and HRp. One such example is provided by experiences of people’s Bank, a financial service company headquartered in Bridgeport, Connecticut. During the 2000, the company has made a massive transformation following the

changing environment of the banking sector in Bridgeport Connecticut.

As a result of these changes the bank transformed itself into a diversified financial services company with 139 branches and a fully integrated banking services and stock trading presence on the internet. Because of the changes in the bank, the organizational structure was changed to accommodate those changes. Following this change the bank then conducted a study of the type of employees that would be needed with the new strategy's skill and organizational requirements. Major changes were undertaken as a result of the audit. For example the performance appraisal system was revised to emphasize goal-setting by linking individual goal plan accomplishment and rewards with the attainment of the bank's objectives. Further human resource planning was more fully integrated with the strategic planning process through synchronization of its scanning process with the bank's overall environmental scanning process (Coleman, Sharon, et al,2000).

Niehaus and Price (1988) in Greer (2001) described that, the experiences of the U.S Navy provide another example of the integration of strategy and human resource planning. As a result of the linkage, the Navy was able to pursue a proactive strategy that provides lower labour costs. In the Navy's case, its human resource planners analysed the labour cost savings of a strategy involving its civilian employees that would substitute local wage policies for national wage policies. By developing human resource forecasts to determine labour market reactions to these changes, planners could determine whether sufficient labour supplies would be available with the cost saving strategy. In this example, the planner also examined the impact of the reduction private sector middle management positions and found that higher quality employees could be hired.

McManis, Gerald and Leibman (1988) in Greer (2001) found that, Ingersoll-Rands experiences with one of its divisions also provide a good example of the outcome of a strong linkage between human resource planning and organizational effectiveness. Ingersoll-Rand's rock drilling divisions was experiencing rapid growth and had a shortage of labor. It also needed to

train its employees to work with new technology and wanted to control labour costs. The outcome of integrating its human resource capabilities with its strategic planning process was that the company implemented a number of programs, including gain sharing and employee involvement teams. It also had employees participate in decisions on the purchase of new technology and made a major commitment to technological training.

In their comparative study of 137 large manufacturing firms, Budhwar and Boyne (2004) differentiate the HR practices in the public sector and private sector companies in India. Their findings suggest that against the established notion, the gap between the Indian private and public sector HRP practices is not very significant but in a few functional areas, private-sector firms have adopted a more rational approach than their public sector counterparts.

Green et al., (2006) reported that organizations that vertically aligned and horizontally integrated HRP practices performed better and produced more committed and satisfied employees who exhibited improved individual and organizational performance.

Dimba and K'Obonyo (2009) investigated the nature of the effect of HRP practices on organizational performance. The study sought to determine whether the effect of human example, the planner also examined the impact of the reduction private sector middle management positions and found that higher quality employees could be hired.

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Green et al., (2006) reported that organizations that vertically aligned and horizontally integrated HR function and practices performed better and produced more committed and satisfied employees who exhibited improved individual and organizational performance.

Dimba and K'Óbonyo (2009) investigated the nature of the effect of HRP practices on organizational performance. The study sought to determine whether the effect of human resource management practices on organizational performance is direct or indirect through employee motivation, and whether employee cultural orientations moderate the relationship between strategic human resource practices and employee motivation. Fifty multinational manufacturing companies in Kenya were sampled. One HR manager, 2 line managers and 3 employees from each organization were chosen for the survey. The study adopted the measures developed by Hofstede and Huslid. Using regression analysis, the results indicate that all the variables of SHRM practices, except recruitment and selection were positive and significantly correlated with performance; relationship between HRP practices and firm motivation did not depend on employee cultural orientations when cultural values were considered; motivation mediated the relationship between HRP practices and firm performance and motivation affected

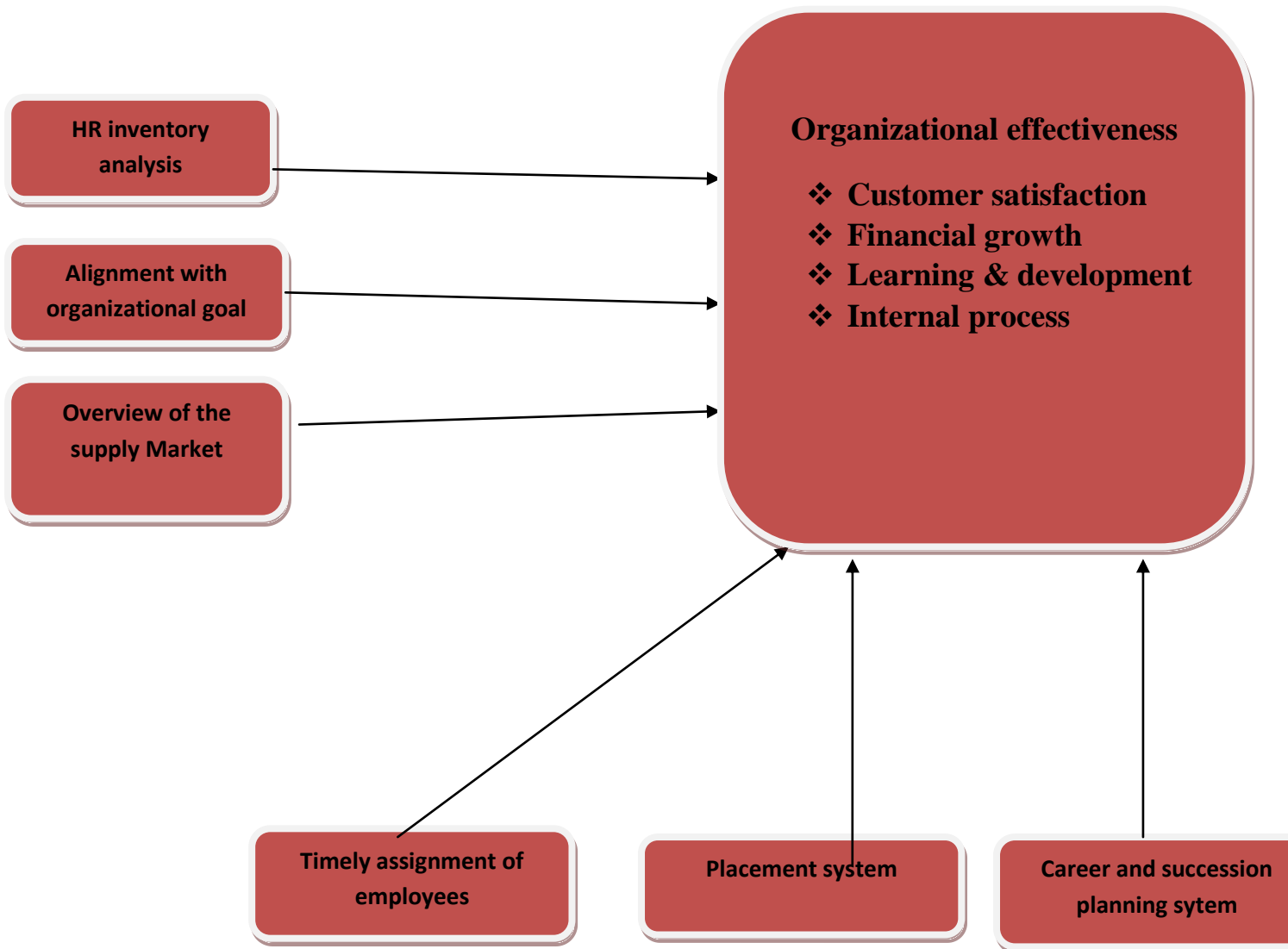
firm performance

2.5 Conceptual framework of the Research

The conceptual framework of the study shows all the independent and dependent variables of the study. As the figure shows the dependent variable is organizational effectiveness which influenced by all the independent variables .This includes the current labour supply of the organization, the extent to which the organization forecast the future labour demand, the balance between supply and demand of human resource in the organization, how the HRP process of the organization aligned with goal and objective of the organization and the culture of the organization regarding human resource planning.

All these points are core issues that have direct influence on the organizational effectiveness. Therefore the study considers these points in order to investigate the impact of human resource planning on Addis Ababa Housing Development Corporation.

Fig 2.1 conceptual framework of the study



Source: Own extraction from the theory.

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

This study is aimed at examining the implementation of human resource planning of Addis Ababa housing Development corporation. This chapter discusses the research design, target population, sample, sampling techniques, sources of data, and data collection procedures, Method of Data analysis, reliability and validity of tools and ethical issues while doing the research.

3.1 Research Design and Approach

This study applied an explanatory and descriptive research design since it seeks to establish the impact of Human resource planning; on organizational effectiveness in the case of Addis Ababa Housing Development Corporation. The study used a selected number of samples to get empirical data.

The research method is quantitative and qualitative to draw inferences about relationship of variables from survey data. A deductive approach was applied to draw the research problem, research questions, and hypothesis from the general theories on the research topic.

3.2 Population, sample Size and Sampling Techniques

3.2.1 Research population

The research intended to cover a total population of 220 people working at Addis Ababa Housing Development Corporation. The categories included in this population are the Human Resource officers, Line managers, Office Engineers, Accountants, procurement officers, economists in head office, as well as Personal Secretaries.

3.2.2 Sample size

The research has covered a total number of 135 respondents and this sample of 135 respondents was taken intending to cover the research as proposed. Among these

total questionnaires distributed to 135 managers, officers and chief officers, a total of 120 were returned; 100 completed and usable questionnaires representing a response rate of 100 percent are used for analysis. The remaining 20 questionnaires were rejected due to inadequate data.

3.2.3 Sampling techniques

A sample is a group of people, object or events that are selected from a large population for measurement. This becomes necessary as the entire population cannot be studied due to the size, inaccessibility, time and financial constraints. This study had an estimated population size of two hundred twenty (220) employees in the main office and this large size made it impossible to do the research and it became important to define a specific sample. Since the population of the study are many in number it was difficult to use census, and imitating the sample size of similar studies was not possible because it was difficult to gate this kind of research that is done in the organization. Therefore, a formula is used for determining sample size Guilford and flruchter (1973) formula, which is $Z = N / (1 + \mu^2 N)$

Where; Z is sample size, N is size of the population, μ is alpha = ± 0.05

The sample size of this study was calculated to be 141 and a total of 135 questionnaires were randomly distributed to employees of the organization at different level of responsibility. In addition, 5 HR officers have been interviewed.

3.3 Sources of data

3.3.1 Primary Data

Primary data refers to the information gathered directly from respondents Kothari (2004). Primary data is important for all areas of research because it is unvarnished information about the results of an experiment or observation. It is like the eyewitness testimony at a trial.

3.3.2 Secondary data

The secondary sources of data refer to data collected by a person or researcher other than the user of the information.

This kind of previously collected information is not case-specific but it can be relevant to the studied problem(Lindstrom et al 2010) Available handbooks, annual reports, performance reports, employment policies, relevant information from the organizations“ website, blogs,

journals, newsletters and other documented materials made up the secondary data used in the research. The data obtained from these sources were scrutinised for reliability, validity, adequacy and suitability in answering research questions. The use of multiple independent sources of data was to establish the truth and accuracy of any claim; thus it is expected to enhance the reliability and validity of the study.

3.4 Data gathering instruments

3.4.1 Questionnaires

A set of logical written questions was administered to selected individuals. There was single set of questionnaire that used for both member of management and other respondents. For questionnaire advantages are that; firstly covers wide area, and secondly there no bias on the side of a researcher.

In addition, a semi-structured interview schedule was prepared to gather data from key informants of the organization on HRP practices and organization's performance.

3.5 Procedures of Data Collection

The data collection stage involves several different strategies such as conducting interviews and identifying comparable theories through various books and journals. Moreover, annual reports from the various cases are reviewed in order to have a more detailed understanding of the case study/ There is no single source of information that can provide a comprehensive and complete perspective on the study (Merriam, 1998). It is therefore important for case study research to use multiple sources of data to get as broad a view as possible about each specific case.

By collecting primary data, it was possible to ensure the information to be relevant from a time and real-life perspective. The secondary data provides us with a deeper understanding of the subject as well as the subject's history and development. By gathering internal secondary data, i.e. annual reports, it's possible to learn how each organisation was structured etc., which in turn provided with a sound platform for each case that built the interviews upon.

3.6 Pilot testing

A pilot testing has been used to evaluate the feasibility, time, cost, risk and performance of the research project. Randomly selected group of end users try the system under the test and provide the feedback before the full deployment of the research.

3.7 Methods of Data Analysis

Descriptive statistics, simple percentage analysis and correlation analysis have been used in analyzing the quantitative data and exploratory approach to analyze respondents 'opinion and interview results. Further, a regression model was applied to analyse the quantitative data, check the association of variables and predict the dependent variable. The model was used by Ayanda & Sani (2010) to measure organizational effectiveness in the public sector of States in Nigeria. Since it was customizable to the research and the researcher utilize it with major modifications of variables and indicators.

3.7.1 Empirical Model Specification

The general model of the study work which is stated as follows:

$$\text{Organizational Effectiveness} = f(\text{HRP}) \dots\dots (1)$$

Equation 1 will further expand as follows

$$OE = f\{HRPA, HRIA, PS, OSM, TAE, CSPS, \} \dots\dots (2)$$

Where:

OE = Organizational Effectiveness

HRPA= Human resource planning Alignment with Organizational Objectives

HRIA= Human resource inventory analysis

PS= Placement System

OSM=Overview of the supply market **TAE**=

Timely assignment of employees

CSPS = Career and succession planning system.

3.7.2 Operational Definition of Variables

A, Dependent Variable

Measuring organizational effectiveness is a broader and more complex concept depending on the size and sector of an organization. To measure organizational effectiveness theorists in different years has developed different models of organizational effectiveness. Among which the Goal Model, Internal Congruence Model, Strategic Constituencies' Model, Resource Dependence Model and Human Relations Model are the most well-known five models of measuring organizational effectiveness (Ken and Armstrong, 2005).

For the purpose of this study organizational effectiveness will therefore measure by extracting a new model called BSC (Balanced Score Card) model; to mean an organization is effective to the extent the four BSC dimensions (Customer satisfaction, Finance, Learning & Development and Internal Process) are achieved.

The new model will take the following existing models as a benchmark (Goal, Human Relations, Internal Process, System Resource, and the Customer Focus models). And taking variables and indicators from each model of the following: Financial growth (revenue/savings & profitability), culture to develop intellectual capital through organizational, team and individual learning, ability to attract and retain quality manpower, relationship between top management and labour union and, the efforts made to satisfy customers, low customer complaint, the level of customer satisfaction, quality of services & infrastructure (efficiency).

The integration of the above variables will lead the company to organizational effectiveness indicators like; Financial growth, Internal Process, Learning and Development and Customer satisfaction. These indicators have been rated anonymously by the respondents on a 5-point scales (1 = strongly Disagree; to 5 = strongly Agree) method.

B, Independent variables

The independent variables (which collectively are a measure of Strategic HRM practices) in this study are: HRP alignment with organizational objectives, HR inventory analysis, placement system (recruitment, selection, placement), timely assignment of employees, career & succession planning system and overview of the supply market. The items are derived from a comprehensive review of the literature that are considered to relate to organizational effectiveness.

- HRP alignment ‘with business objectives is measured by fourteen (12) items, each item rated on a 5-point scale ranging from 1 ‘strongly disagree to 5 ‘strongly agree’.
- HR inventory analysis variable is measured by having 5 items and respondents were asked to indicate on a scale of 1 ‘strongly disagree’ to 5 ‘strongly agree’.
- Overview of the supply Market is measured through a scale having 3 items. The respondents are asked to indicate on a scale of 1 ‘strongly disagree to 5 ‘strongly agree’.
- Timely assignment of employees variable is measured by an instrument having 5 items, each rated on a 5-point scale. The respondents are asked to indicate on a scale of 1 ‘strongly disagree to 5 ‘strongly agree’.
- Career & succession planning system variable is measured by an instrument having 7 items, each rated on a 5-point scale. The respondents are asked to indicate on a scale of 1 ‘strongly disagree to 5 ‘strongly agree’ the clarity and usage of career planning system in the organization.
- Placement (recruitment, selection & appointment) system’ is measured by an instrument having 6 items each rated on a 5-point scale. The respondents are asked to indicate on a scale of 1 ‘strongly disagree ‘to 5 ‘strongly agree ‘the extent to which the employment process is done as per the business priority of the organization.

3.8 Ethical Issues

In a whole wide concept Ethics refers to the moral principle that an individual must follow irrespective of the place or time. When it comes to research it involves the moral principle that the researcher must follow while doing the research. Regarding this research, all the respondents were informed about the purpose of the research while they give information and data. The name of these respondents and other personal information are not included, beside these

confidentialities of the documents were kept throughout the research and there is no deceptive information.

3.9 Scale Reliability:

To address issues of possible common method variance, the Cronbach Alpha reliability test was conducted for all the measures. Reliability was checked for each of the variables. Among the total 10 variables 9 of them have less than 10 items and the remaining one variable have more than 10 items.

According to George and Mallery(2003), For any variable whose items are less than 10 should have a cronbach's alpha value greater than 0.5 and when the item exceed 10, the cronbach's alpha should be more than 0.7.

Therefore the 9 variables with less than 10 items have a cronbach's alpha values of 0.501 up to 0.682 and for the rest of the variables with more than 10 items have a cronbach's alpha of 0.702 values. This indicates the reliability of the scales is reasonably good thus, depicting there is internal consistency among the measurement item.

Item	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
HR Inventory analysis in the organization	0.679	0.692	5
Human resource planning alignment with organizational objectives	0.702	0.705	12
Overview of the supply market	0.528	0.527	3
Timely assignment of employees	0.751	0.755	5
Placement (Recruitment, Selection & Placement) System	0.537	0.543	5
Career & Succession Planning System	0.682	0.682	7
Customer Satisfaction	0.501	0.513	3
Financial Growth	0.568	0.571	3
Learning & Development	0.588	0.595	4
Internal processes	0.542	0.540	3

Table 3.1 reliability test of Measurement variables

CHAPTER FOUR

Data analysis and Interpretations

4.1 Response rate

From the total questionnaires distributed to 135 managers, officers and chief officers, a total of 120 were returned; 100 completed and usable questionnaires representing a response rate of 100 percent are used for analysis. The remaining 20 questionnaires were rejected due to inadequate data.

4.2 Demographic Characteristics of the Respondents

As the demographic characteristics of the respondent's shows the majority of the respondents (37 percent) are between the age group of 31 and 40 years. This implies that Most of the respondents are with good experience and not Fresh graduates.

On the other hand 65 percent of respondents are male and the remaining 35 percent are female. This implies that the gender composition of the Organization is weak.

All of the respondents, 72 percent are degree holders. Which shows most of the respondents are officers which work in different departments. This helps to get information of each department in the organization. The other 14 percent are Master's Degree holders who works as Chief officer in different departments and the other 5 percent are PHD holders who works as Managers at different level and the rest 9 percent are Diploma holders who works as a supporting staff.

About 52 percent of the respondents have put in 5 up to 10 years of service. Which shows most of the respondents are not new to the organization. About 31 percent of the respondents are between 1 up to 4 years of experience, 14 percent of the respondent are 11 up to 15 years of work experience and the remaining 3 percent works more than 16 years of work experience Which is the lowest percentage of all.

The majority of them 61 percent are working in the core divisions while the remaining 39 percent are working in the supporting divisions.

Demographic variable		Frequency	Percent
Gender	Male	65	65
	Female	35	35
	total	100	100
Age of respondents	25 up to 30 years	24	24
	31 up to 40 years	37	37
	41 up to 50 years	21	21
	51 up to 65 years	18	18
	Total	100	100
level of education	Diploma/Equivalent	9	9
	BA/BSc/BLL degree	72	72
	Master's Degree	14	14
	PHD	5	5
	Total	100	100
Job experience	1 up to 4 years	31	31
	5 up to 10 years	52	52
	11 up to 15 years	14	14
	16 years and above	3	3
	Total	100	100
Current Job level	Manager	6	6
	Chief Officer	14	14
	Officer	72	72
	Others	8	8
	Total	100	100
Work division	core	61	61
	supporting	39	39
	Total	100	100

Table 4.1.1 Demographic distribution of respondents

In general, the study gives a favorable picture concerning the level of education of the

respondents. A substantial proportion of the respondents have at least a first degree. This is an indication that the respondents are composed of highly educated people. The majority of the respondents have put in at least five years of service. This is also an indication that the respondents have actually spent enough time in the service to know how HRP influence the organization's effectiveness.

4.3 Analysis of collected data

4.3.1 Extent of Human resource planning Practices

Table 4.3.1.1 presents the descriptive statistics of the Measurement variables. To assess the tendency of the organization to do Inventory analysis is very important. Based on the descriptive statistics which done on each variables, the mean score of Inventory analysis is 14.98 out of a possible maximum score of 24, suggesting a moderate (62.42%) inventory analysis practice in the organization.

The mean score of the HRP alignment with the overall organizational goals and objective is 34.96 out of a possible maximum score of 55, suggesting a moderate (63.56 %) extent of HRP alignment with the overall business objectives.

Overview of the supply market on the other hand, has a mean score of 8.32 (55.47%) out of a possible maximum score of 15 depicting a moderate level overview of the supply market.

The mean score of Timely assignment of employees is 12.9 (56.08%) out of a possible maximum score of 23. Results reveal that the timely assignment of employee system currently being practiced is moderate.

The placement (Employee recruitment, selection & assignment) system records a mean score of 15.13 (60.52%) out of the possible maximum score of 25. The result indicates a moderate fit between the prospective employee's abilities and qualifications and the organization's requirements.

The mean scores of career & succession planning system found to be 18.09 (56.53%) out of a possible maximum score of 32. The result also indicates moderate career & succession

planning system.

Measurement Variables	Mean	Std. Deviation	Minimum	Maximum
HR Inventory analysis in the organization	2.9960	0.67748	1.40	4.80
Human resource planning alignment with organizational objectives	2.9133	0.56007	1.42	4.58
Overview of the supply market	2.7733	0.85396	1.00	5.00
Timely assignment of employees	2.6367	0.95122	1.00	5.00
Placement (Recruitment, Selection & Placement) system	3.0260	0.71557	1.00	5.00
Career & Succession Planning System	2.5843	0.71676	1.00	4.57
Customer Satisfaction	2.1900	0.83988	1.00	4.00
Financial Growth	1.9800	0.82582	1.00	4.33
Earning & Development	2.3900	0.73023	1.00	4.00
Internal processes	2.7933	0.93177	1.00	5.00

Table 4.3.1.1 Descriptive statistics of the Measurement variables

4.3.2 Relationship between HRP Practices and Organizational Effectiveness

As shown in Table 4.3.2.1, the zero-order correlation between HR Inventory analysis in the organization and organizational effectiveness is $r = 0.366$. While the Human resource planning alignment with organizational objectives has a weak positive relationship with organizational effectiveness with a correlation (r) = 0.316.

Overview of the supply market and Timely assignment of employees also have a weak positive relationship with organizational effectiveness with a correlation (r) of 0.353 and 0.302

respectively. On the other hand Placement (Recruitment, Selection & Placement) System and career & succession planning system have a significant positive relationship with organizational effectiveness with a correlation (r) of 0.512 and 0.534 respectively.

Inter-Item Correlation Matrix

		1	2	3	4	5	6	7
1	HR Inventory analysis in the organization	1						
2	Human resource planning alignment with organizational objectives	0.249	1					
3	Overview of the supply market	0.222	0.292	1				
4	Timely assignment of employees	0.235	0.253	0.307	1			
5	Placement (Recruitment, Selection & Placement) System	0.446	0.367	0.42	0.355	1		
6	Career & Succession Planning System	0.474	0.318	0.4	0.461	0.585	1	
7	Organizational Effectiveness	0.366	0.316	0.353	0.302	0.512	0.534	1

Table 4.3.2.1 Inter-Item Correlation Matrix

4.3.3 Effect of HRP Practices on Organizational Effectiveness

As shown in Table 4.3.3.1 there is a weak positive relationship between HRP practices and organizational effectiveness with a multiple correlation (R) of 0.367. The adjusted R^2 of 0.50211 implies that 50.2% of the variance in organizational effectiveness is explained by HRP practices used in this study.

The results also show that HR Inventory analysis in the organization and HRP alignment with

overall objectives of the organization has a positive effect on organizational effectiveness with coefficients of 0.079 and 0.089 respectively. However, the result of Overview of the supply market shows that it has also positive (0.092) effect on organizational effectiveness.

Timely assignment of employees and Placement (Recruitment, Selection & Placement) System were also found to have a positive effect on organizational effectiveness with coefficients of 0.018 and 0.230 respectively. career planning system are also found to have a positive effect on organizational effectiveness with coefficients of 0.289.

The multiple regression equation allows estimating how the pre-defined independent variables predict the dependent variable (Lawrence, 2009:178-79). This means how HRP practices predict organizational effectiveness in this study. The result shows as follows;

A, Multiple regressions Equation

$$\text{Predicted OE} = 0.396 + 0.072\text{HRIA} + 0.072\text{HRPA} + 0.066\text{OSM} + 0.011\text{TAE} + 0.196\text{PS} + 0.247\text{CSPS}$$

B, Standardized regression equation

$$\text{Predicted Oe}^* = 0.079\text{HRIA} + 0.089\text{HRPA} + 0.092\text{OSM} + 0.018\text{TAE} + 0.230\text{PS} + 0.289\text{CSPS}$$

As the equation shows the dependent variable, Organizational effectiveness is increased by the value of each coefficients of the independent variable.

a. Dependent Variable: Organizational Effectiveness					
R	R Square	Adjusted R Square	Std. Error of the Estimate		
.606 ^a	0.367	0.326	0.50211		
Independent Variable	Unstandardized Coefficients		Standardized Coefficients	T	P
	B	Std. Error	Beta		
(Constant)	0.396	0.325		1.221	0.225
HR Inventory analysis in the organization	0.072	0.087	0.079	0.820	0.414
Human resource planning alignment with organizational objectives	0.097	0.099	0.089	0.975	0.332
Overview of the supply market	0.066	0.068	0.092	0.975	0.332
Timely assignment of employees	0.011	0.061	0.018	2.089	0.039
Placement (Recruitment, Selection & Placement) System	0.196	0.094	0.23	2.538	0.013
Career & Succession Planning System	0.247	0.097	0.289	0.187	0.852

Table 4.3.3.1 Regression results on perceived Organizational Effectiveness

4.4 Hypothesis Testing

Hypothesis-1: HRP is not aligned with overall organizational objectives

The results of this study indicate that HRP is integrated into the company’s business operations. Table 4.1.2 presents the descriptive statistics of the variables, the mean score of HRP alignment with the overall organizational goals and objective is 34.96 out of a possible

maximum score of 55, suggesting a moderate (63.56 %) extent of HRP alignment with the overall business objectives. Hence, the null *hypothesis one is rejected*. This indicates that HRP is aligned with organizational objectives of Addis Ababa Housing Development Corporation.

Hypothesis-2: HRP is not practiced by the organization

Table 4.1.2 shows the descriptive statistics of the variables, which are components of HRP practice. The first component of HRP, Inventory analysis has a mean score of 14.98 out of a possible maximum score of 24, suggesting a moderate (62.42%) inventory analysis practice in the organization. The other component, Overview of the supply market on the other hand, has a mean score of 8.32 (55.47%) out of a possible maximum score of 15 depicting a moderate level overview of the supply market.

The other components Timely assignment of employees and placement system has 12.9 (56.08%) out of a possible maximum score of 23 and 15.13 (60.52%) out of the possible maximum score of 25 respectively. Results reveal that these two components of HRP are moderately practiced by the organization.

The last component of HRP that mentioned as a variable in the research, career & succession planning system has mean scores of to be 18.09 (56.53%) out of a possible maximum score of 32. The result also indicates moderate career & succession planning.

As the above results from descriptive statistics shows there is a moderate practice of HRP in the organization. Hence, *hypothesis 2 is rejected*.

Hypothesis-3: There is no significant relationship between strategic HRP and Organizational Effectiveness.

As shown in Table 4.1.3, the zero-order correlation between the variables and organizational effectiveness HR Inventory analysis, Human resource planning alignment with organizational objectives, Overview of the supply market and Timely assignment of employees has positive relationship with organizational effectiveness with correlation $r = 0.366$, $(r) = 0.316$, 0.353 and 0.302 respectively. Even though the correlation is weak, there is positive relationship with

organizational effectiveness.

On the other hand Placement (Recruitment, Selection & Placement) System and career & succession planning system have a significant positive relationship with organizational effectiveness with a correlation (r) of 0.512 and 0.534 respectively.

Hence,

Hypothesis 3 is rejected. This implies that strategic HRM practices have positive significant relationship with organizational effectiveness.

4.5 Discussion of results

This part of the research point out finding of the study. Therefore it has been attempted to examine and qualify the results and draw conclusions from them and tried to emphasize validity of the conclusions.

As results of this study indicates HRP of the organization is aligned to the Organization's goal and Objectives, although such strategic alignment was only at a moderate level (63.56 %) . As the responses of the HR division Members to the interview shows they consider organizational objectives while they prepare the HR plan. But it's not consistent. In addition to this the majority of employees who participated on the survey are not satisfied with the existing Inventory system. As the interview shows even though the organization has HR inventory system, it's not organized and updated.

In contrast, the empirical evidence regarding alignment of HRP with organizational objectives. That tested in 10 governmental organization shows, there is comparatively a high range of alignment of alignment of HRP in the organization. This imperial data shows that these organizations manage to align their HRP with the organizations objective which leads to the effectiveness of the organization.

The result regarding Supply market overview and timely assignment of employees shows both of them are moderately practiced by the organization. As the response from the interview indicates, there is a gap on assigning the right employee for a position. As they explained, sometimes newly assigned employees lack experience, the last two elements of HRP, placement system and career and succession plan also have Moderate results, 60.52% and 56.53% respectively.

As a study in china by . Liang, Marier, and Cui (2010) shows that among the organization that the study is done 45% of them fail to assign the right person for the right position. Most of the time employees become under qualified. Which results limits the effectiveness of the organization.

In general The results indicate that all HRP practices tested in this study: HR inventory system, HRP alignment with organizational objectives ,Overview of the supply market, timely assignment of employees, career and succession planning system and placement system are all positively related to effectiveness of the organization.

These results shows the six elements of HRP that measure in the study are key elements for the effectiveness of the organization. This implies that the organization should pay more attention to these practices to improve the success of the organization.

CHAPTER-FIVE

FINDINGS, CONCLUSIONS & RECOMMENDATIONS

5.1. Summary of major findings

The research is to analyze the Impact of Human Resource Planning on organizational effectiveness in the case of Addis Ababa Housing Development Corporation. It attempts to answer three questions while doing the study. These equations focus on the extent of practice of HRP and six selected elements which includes HR inventory analysis, HRP alignment with organizational objectives, overview of the supply market, timely assignment of employees, placement system and career and succession planning system. And their impact on organization effectiveness.

For these reason, questionnaires were administered to one hundred staffs of the Organization as well as interviews with the human resource manager and other division involved in the human resource planning to solicit further information and detailed explanation.

All the six selected elements of HRP are measured and tested in order to know their influence on organizational effectiveness. . As the result indicates all the measured independent variables have moderate level. The Inventory analysis practices 62.42%, of HRP alignment with the overall business objectives. (63.56 %), Overview of the supply market (55.47%), Timely assignment of employees(56.08%), The placement (Employee recruitment, selection & assignment) system (60.52%) and career & succession planning system(56.53%) .As the result shows all of these elements of HRP is practice moderately in the organization. Beside these the correlation results shows that all these elements have positive relationship with the organizational effectiveness. And the regression result shows that all these elements have positive influence on organizational effectiveness of the organization. The results from each analysis help in drawing conclusion and recommendations that will help the organization to improve on their human resource planning practices.

5.2. Conclusions

The Research assesses the relationship between HRP and organizational effectiveness of Addis Ababa Housing Development Corporation. The term organizational effectiveness is used as a measure of performance in other studies. There is no universally agreed definition and expression of organizational effectiveness. The term effectiveness as a measure of performance used different expressions such as productivity, efficiency, profit, quality, growth, conflict/cohesion, information management & communication, the value of human resource etc., (Hal , 2009).

For the purpose of this research organizational effectiveness is defined by constructing a new model: Balanced Score Card model of organizational effectiveness. This is further explained as an organization is effective to the extent the four BSC dimensions (Customer satisfaction, Financial growth, Learning & development and Internal process) are achieved.

The results obtained from this study indicate that HRP is moderately practiced by the company. And that organizational effectiveness symbolized by the four Balanced Score Card dimensions ; *Customer satisfaction* (the level and attempt to satisfy customers), *Financial growth* (sales & profitability), *Learning and development* (intellectual capital, equipment's, technologies), *Internal process* (organizational structure, scope, definition and integration internal work process, the attempt to support and automate those business process through Enterprise Resource Planning) is reasonably enhanced by the six HRP practices tested.

The study, to this extent, has provided evidence for the value added by HRP to Organizational effectiveness through properly implementation of the six HRP elements. Moreover, an effective HRP is characterized by alignment with organizational effectiveness (Belcourt & M^cBey, 2009). Results reported that, the elements also significantly correlated to each other. Indicating that to some extent there is an attempt/ promising initiation to internally integrate those practices with each other and with other organizational effectiveness.

To achieve Organizational effectiveness, the HRP has to be supportive with organizational objectives . (Stringer, 2002). Certainly, HRP elements identified in this study should play this role creditably well and to act as facilitator, the organization should consider the benefits of

integrating its HRP elements with its overall strategies and operations.

5.3. Recommendations

After data presentation, analysis, and providing answers to the research questions the researcher provides the following recommendations:-

1. Even though there is an attempt to integrate and align HRP practices with organizational objectives with a moderate level, More effort has to be made to link the HRP with the organization's objectives. As Boxall, P.F, (1996) explains applying strategic HR planning, which consists of assessing the current HR capacity, forecasting HR requirements, gap analysis and Developing HR strategies helps to support organizational strategies. Therefore the organization should apply this strategy; they should assess their current HR capacity to understand their HR demand which helps them to do a consistent forecast and able to develop a strategy that fits the objective of the organization.
2. The organization should Improve the HR inventory system through properly listing the relevant skills, identifying strength, weaknesses and opportunity for growth and by sharing the skills board so that the organization can use it for tracking the skill and ability of current employees and allow the organization to identify skill gap, to detect skill gaps for current employees and identify areas where skills need to be upgraded and to ensure that an organization has the right personnel to function.
3. As Marier Janet H. (2012, May) explains . In order to improve timely assignment of employees, the organization should give priority to internal recruitment which is a massive time-saver because there is no interview and onboarding process.
4. The involvement of Employees during the planning and implementation of HRP has to be increased. As Bana, B. A. (2006, May) illustrates trainings have to be provided to employees in understanding of HRP so that they will be cooperative on the implementation of HRP and to make sure that it results to the effectiveness of the organization. Therefore in order to improve the involvement of employees in the HRP process the organization should provide trainings.
5. The organization should apply strategies such as;
 - Analysing the organizations vision and growth plan

- Creating HR inventory of existing skill set
- Communicate employees and understand their interest and skill
- Evaluate employees potential
- Discuss with employees about the succession plan

These strategies will help the organization to improve the way of identifying key roles, people with the right skills and positions that needs to be filled in a short period of time.

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APPENDICES:

Appendix-A: Interview Questions

Appendix-B: Questionnaire designed for the study participants

Appendix-A: Interview Questions

Questions for interview

1. Does the organization have HR Inventory system?
2. How often the organization update the HR inventory?
3. Does the HR plan is designed to meet organizational goal?
4. Does the HR planning team are aware of the organizational goals?
5. Does the organization collect information about the HR supply Market?
6. What aspects do you consider while doing the HR plans?
7. How effective the career and succession plan in promoting effectiveness of the organization?
8. In what matter that the HR planning contribute for the achievement of the organization's goal and objectives?
9. How you relate the HR plan of your organization with effectiveness of the organization?

Appendix-B: Questionnaire designed for the research participants

St. Mery University School of Graduate Studies

Master of Business Administration

**Questionnaire to be filled by Addis Ababa housing development
corporation employees**

Dear Sir/Madam

You have been selected as a valued and knowledgeable participant in this research project titled '*The Impact of human resource planning on organizational effectiveness; the case of Addis Ababa housing Development Corporation*'. The aim is to study and clarify the organization's human resource planning and its impact on organizational effectiveness. By participating in this research project you will provide valuable information that the researcher will use to determine the current Impact of HRP in the organization and make valuable recommendations.

The questionnaires are completely anonymous and confidentiality is assured. For the research to yield valid results, it is important that you answer all the questions as honestly and truthfully as possible. The answers must reflect your own opinion and perception. Please answer all the questions and statements.

Thank you for your willingness to participate in this study.

It is greatly appreciated!!!

For any clarification request:

Researcher Name: Nuhamin G/Egziabhear

SECTION-I: Demographic Information

Please provide me with some information about yourself:

1. Which age brackets are you belong?

25– 30 years 41-50

31 – 40 years 51- 65

2. Sex?

Male Female

3. Your highest level of formal education?

Diploma/equivalent BA/BSc/BLL degree Master’s Degree PhD

4. How long have you been working in your current position?

1 – 4 year’s 11 – 15 years

5 – 10 years 16 years & above

5, your current job level?

Manager Officer Chief Officer Other please specify

6, Your working

Marketing, Customer vice, Network S, Quality & Proc , PMO

SFD, HR, Finance, Internal Audit Other

SECTION-II: Human resource planning analysis questions

Listed below are descriptive statements about Human resource planning. For each statement, please indicate to which degree you display the behavior described.

Please make a cross (X) mark in the applicable box.

	Measurement variables	disagree	y disagree	agree	y agree	agree
	Statements	1	2	3	4	5
	#1 HR Inventory analysis in the organization					
1	The organization has a data base that has basic information about employees.					
2	The organization update the HR data whenever there is new information about employees.					
3	The organization use information from the inventory to make HR planning.					
4	All employees' information in the HR inventory is valid and similar with the actual employee's background.					
5	The organization uses the HR inventory to assess whether current staff can meet company goal.					
	#2 Human resource planning alignment with organizational objectives					
1	The organization has a clear vision, mission and strategic goals.					
2	The organization develops processes and programs to link HRP with Company strategy.					
3	I am expected to develop processes and programs that link HRP to company strategies					
4	I make sure that HR strategies are aligned with company strategy.					
5	I work/provide inputs to align HRP strategies and my business strategy.					
6	I participate in the process of defining company strategies.					

7	I am an active participant in business planning in my division.					
8	I believe that I am a strategic partner in my organization.					
9	I believe that line managers/officers perceive me as a strategic partner.					
10	My credibility comes from helping to fulfill company goals.					
11	Being a strategic partner determines my success as a manager/officer.					
12	The management group expects me to contribute to the achievement of business goals.					
	#3 Overview of the supply market					
1	The organization already build strong employer brand to be dominant in the supply market.					
2	The management train hiring team on understanding the supply market.					
3	The organization consider both internal and external source of employees.					
	# 4 Timely assignment of employees					
1	The organization assigns the required personnel with the required time.					
2	The organization prepares personnel in acting position for future vacant space.					
3	If there is a gap because of emergency on employees, the management assign from the internal source.					
4	The assignment/hiring process doesn't delay the company's activity.					
5	The recruitment process focuses only on promising candidates					
	#5. Placement (Recruitment, Selection & Placement) System					

1	Employment is done as per the HR plan					
2	Placement process matches skills of candidates with competency requirement for positions.					
3	Employees are selected & placed according the company requirement.					
4	Employee's in your respective division feel that their job is worth doing.					
5	Employees are provided with opportunities to make full use of their skills and abilities.					
#6. Career & Succession Planning System						
1	There is a career development system in HRP					
2	There is a succession planning system for all critical positions.					
3	Career & Succession Planning are designed to support business goals.					
4	Employees are kept informed about what is required of them to advance.					
5	I have a good understanding of the potential career moves in the company.					
6	Employees in their respective job have clear career paths within the organization.					
7	Employees have more than one potential position they can promoted to.					

SECTION-III: How Addis Ababa housing development corporation is effective to the extent that the four under listed dimensions are achieved.

Please make a cross (X) mark in the applicable box.

#7. Organizational Effectiveness	1	2	3	4	5
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Customer Satisfaction						
1	The organization makes every effort to satisfy its customers.					
2	Our service quality and infrastructures are adequate.					
3	I believe that we acquire the maximum expected level of customer satisfaction.					
Financial Growth						
1	During the last three years the organization achieves financial targets (savings and/or revenues).					
2	There is salary increment and bonus to employees.					
3	The organization is able to purchase all the required resources for employees.					
Learning & Development						
1	The organization encourages employees to learn and develop their competency.					
2	The organization promotes to develop intellectual capital through organizational team and individual learning.					
3	The organization accumulates the required resource (knowledge, equipment and technology).					
4	The right quality workforce is available to meet present and future needs.					
Internal processes						
1	Internal work processes are exhaustively identified.					
2	Internal work processes are clearly designed, well integrated and cost effective.					
3	The interaction within and/or across sections, departments is smooth					