HUMAN RESOURCE MANAGEMENT PLAN
Mandatory and Optional Elements

What is a Human Resource Management Plan?
The focus of a specialized human resource management plan is to insure that a firm has the right
skills and tools in place to effectively attract, retain and motivate employees.

MANDATORY ELEMENTS

Business Overview

- This area is a necessary and mandatory part of every Human Resource Management plan. The information captured is essential to the reader's understanding of the background of the current operation through the business description and management description. The Executive Summary will provide a snapshot of the entire plan and identify the main issues of the plan.

  Cover page
  Table of contents
  Executive summary
  Purpose of plan
  Business description
  Management description

Strategic Plan

- In this area, information on the goals and objectives will be identified along with a step by step description of how the business will meet its goals.

Human Resource Plan

- This section provides an outline of the human resources required to operate the business, their skills and availability, and any training programs needed or in place. It also describes any human resource issues facing the business, and how they will be addressed including staffing requirements and an analysis/inventory of current human resource management practices, skills, processes and requirements.
**Risk Management**

- This section includes a summary of HR risks and appropriate prevention and mitigation strategies, i.e. workplace safety, training, workers compensation, cross training, succession planning etc.

**Financial**

- This section reviews the costs associated with the expected changes and where appropriate the expected benefits. Costs could include the cost of preparing an employee handbook, developing and implementing an internal compensation system and associated changes such as bonuses, additional training, etc.
- Economic benefits may be identified such as reduced training costs for fewer new employees due to higher retention rates, better returns realized through improved productivity such as lower culling rates, reduced repair costs or better yields associated with improvements in the handling of plants and animals.
- If no additional costs are anticipated, the chapter heading should be included and an explanation as to why this chapter does not apply.

**Action Plan**

- The action plan segment maps out the activities to be taken and the timeframe that those activities are to be completed in.

**OPTIONAL ELEMENTS**

The following elements are also important but may not be covered in all cases. It will depend on the size or complexity of the plan.

**Industry and Market Analysis**

- This section will not normally assist in HRM planning and decision making. The exception may be where there is an assessment of the labor market and working conditions in the industry and related industries.
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<th>Marketing</th>
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<td>• This section will not normally assist in HRM planning and decision making. The exception could be where major changes in markets are anticipated however this will be picked up in the Strategic Planning Section. This section could include specific information on techniques on how to attract new employees.</td>
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