

# Influence of Human Resource Planning On Organizational Performance of Fast Food Companies in Port Harcourt, Nigeria

Tende, F. Buradum<sup>1</sup> & Alagah, A. D.<sup>2</sup>

<sup>1</sup> Department of Management, Faculty of Management Sciences, University of Port Harcourt, Nigeria.

<sup>2</sup> Department of Management, Faculty of Management Sciences, University of Port Harcourt, Nigeria.

**Abstract:** Attempts to enhance the capabilities of organizations to serve its intended purpose are tied to several distinguishing attributes of prospective and existing manpower available to it. This study seeks to identify the influence of human resource planning (HRP) on organizational performance (OP) of fast food companies in Port Harcourt. Eighty-two (82) copies of the survey instrument was administered to the managers of the ten (10) fast food companies under review in Port Harcourt nonetheless, only sixty-three (63) copies returned and were analyzed. This work adopted the census study technique, and espoused the Product Moment Correlation Coefficient, with the aid of Statistical Package for Social Sciences (SPSS) amongst other tools. As established by the conclusion drawn from the analysis and discussion on findings, it was recommended that: Organizations should through human resource planning policies introduce and institutionalize effective human resource plans to proactively forecast the actual numerical strength of manpower needs of the organization if the intension is to increase productivity and organizational performance. Organizations should ensure that the policies introduced and established are implemented as it will encourage proactive forecasting to be in line with the right blend of manpower requirements as this is essential for increase in sales in order to influence the proliferation of organizational performance.

**Keywords:** Human Resource Planning (HRP), Organizational Performance (OP), and Fast Food Companies.

## 1. Introduction

Every constructive strategic action taken by an organization basically is tilted towards the realization of its primary purpose, when this happens, organizations must set in motion appropriate line of actions; to boost its overall performance. This implies that organizational performance (OP) attempts to paint a picture in which the organization is achieving its primary purpose,

mission, and predetermined objectives optimally and maximally. Seemingly, OP entails cyclical activities that are applied to established organizational predetermined objectives, monitoring progress towards attaining these objectives, and making adjustments to realize them more proficiently and successfully (Afzal, Mahmood, Sherazi, Sajid & Hassan, 2013). It is for this reason that OP is established upon the view that the organization constitutes an array of productive assets viz; human, financial material, and other resources for attaining its shared purpose (Afzal et al., 2013).

There is no misgiving about this, that the core of the performance of any organization mostly depends on the proficiencies of its workforce since effective OP is largely anchored on human elements (Delaney & Huselid, 1996; Luu, Kim, Cao & Park, 2008); it is for this reason that “the human element is fundamental in the composition and functionality of the organization”; as no organization can exist without them (Barney, 1991). In this sense, if organizations must perform optimally, it must attract, hire, and retain capable manpower with requisite skills, knowledge, experience, talents, and abilities (Dessler, 2008). This requires and appropriate and broad human resource management activity which encompasses human resource planning (HRP) or manpower review and planning, succession planning, recruitment, selection and placement, continuous professional training and development e.g. aiding self-development of employees at all levels, performance appraisal, wage and salary administration and/or reward and compensation, promotion, deployment (or redeployment), rightsizing, transfers, and work-sharing. Others are social security and welfare of employees, job and/or role analysis, developing and maintaining workers’ motivation, setting and establishing general and specific management policy for organizational relationship, demotion, pay-reduction, termination, retirement, etc. to realize optimum OP (Ama, 2006; Armstrong, 2006;

Lunenburg, 2012; Newstrom & Davis, 1993; Noe, 2012; Shyamala, 2014).

Clearly, proactive HRP is needed for the realization of the HR management objectives of the firm. Specifically, HRP entails defining the specified objectives of the organization, initiate and establish a sound strategy for realizing these objectives, and develop a comprehensive “rolling plan” to integrate its activities (Lunenburg, 2012; Robbins & Judge, 2011). Similarly, Cole (2002) noted that the state of affairs surrounding HRP is largely dominated by the percentage of the demand of the goods and/or services of the organization; the availability of competent prospective manpower competing for the job(or the firm contending for such employees); and the period within which this occurred(or is likely to occur); which affects the logical approach to recruitment, retention, and continuous professional development for manpower including when essential decisions for dismissing staff are made (Ama, 2006).

In congruence with the above, so as to ensure the accessibility of suitably qualified manpower in the precise numerical strength needed by organizations, including fast food companies, organizations must proactively forecast and shop for suitably qualified and talented staff, device means for their retention on the job, optimal deployment and utilization, as well as disengagement; if and when required (Cole, 2002). That is; “taking into account existing manpower with respect to immediate and future manpower needs, proactively forecast for prospective manpower in line with the realities of the external environment of business, follow up trends in education, and trends in skills acquisition and application per time”. In the same vein, Lunenburg (2012) opined that forecasting the sum of manpower needs and acquiring same; attracting individuals suitable for job categories(s) in organizations is one key area that operating, line, or hiring manager needs to pay attention if they want to achieve high performance. An essential resource of every organization is having employees with the capability to achieve its intended purpose. This again is squarely hinged on the measure of output of the employees (Cole, 2002).

It is for this reason that, Lunenburg (2012) submitted that organizations must be proactive in the utilization of HR to attain huge performance standards. In this sense, HRP helps to offset uncertainties and complexities and ensure accessibility of the right blend of HR while bearing in mind the time and the right place that they are required(Cole, 2002). Truly, operating, line, or hiring managers seem to play an essential part in the performance of the organization because they anticipate future demands of the HR requirements. This invariably helps to engender and

manage the HR needs as required in taking strategic action(s) so as to prepare for the movement of individuals into, within and outside the firm (Ama, 2006; Armstrong, 2006; Lunenburg, 2012).

Although, several studies have been done as evident in literature on the impact of HRP on OP (e.g. Afzal et al., 2013; Ayer & Reeves, 1995; Bowen & Ostroff, 2004; Delaney & Huselid, 1996), but a gap still exists because none has been exhaustive and extensive enough to capture the influence of HRP on OP especially in the fast food sector in Port Harcourt, Nigeria. Based on this observation, this research work is steered towards filling this gap by ascertaining and identifying the influence of HRP on OP of fast food companies in Port Harcourt, Nigeria.

## 2. Statement of the Problem

An increase in the performance of a firm is a competitive advantage over its rivals, and this can be realized through human resource planning. HRP policies however have not been beneficially successful in attaining its predetermined objectives as organizations still experience low performance despite HRP practices. This is because proactive HRP in organizations is a challenge as operating, line, or hiring managers are mostly carried away by planning for financial, material, and other resources leaving HRP to chance (Armstrong, 2006; Baron & Armstrong, 2007; Huselid, 1995). Managers sometimes gamble with it by bringing on board individuals that lack the requisite qualification(s), knowledge, talents, abilities, and skills without actually having a blueprint to develop and enhance these HR for the task and duties ahead.

In the light of these realities, to enhance optimum performance of organizations; the uncertainties associated with HRP such as labour turnover, absenteeism, seasonal unemployment, market instabilities, and modifications in technology have to be well thought-out in the course of putting HR plans in motion (Huselid, 1995). These uncertainties pose a major challenge to HRP in general in that it limits the managers’ ability to forecast HR needs in particular as it hinders the organization’s much needed strategic actions, with the resultant effect of ineffectiveness, unproductiveness, and unsuccessful goal attainment. This study is therefore intended to proffer viable solutions to these challenges.

## 3. Research Hypotheses

This study is steered by these resulting testable null hypotheses:

**Ho<sub>1</sub>:** Forecasting demand does not significantly influence increased productivity of fast food companies in Port Harcourt.

**Ho<sub>2</sub>:** Forecasting demand does not significantly influence increase in sales of fast food companies in Port Harcourt.

#### 4. Literature Review

An in-depth inquiry of relevant literature recognized that the concept of HRP is underpinned by resource based view (RBV) theory (Bowen & Ostroff, 2004). This is established by the fact that quite a huge portion of literary works on HRP have been sustained by RBV theory (e.g. Youndt, 2000).

##### 4.1 Resource-Based View (RBV) Theory

The resource-based view theory (RBV) was put forward by Wernerfelt in 1984 and formalized/popularized by Barney in 1991. It suggests that organizations are heterogeneous (having varying parts) in nature as a result they possess diverse (human and non-human) resources. The resource-based view of the firm stresses distinctive and unique resources especially one that exists within the organization. Resource-based view (RBV) regards the organization as a bundle (or complete package) of resources (in various forms of man, money, material, machine, and measure), and proposes that their elements considerably affect the organization's competitive advantage, and by inference, its increased performance (Barney, 1991; Wernerfelt, 1984).

The most noticeable among these resources are those that are valuable, scarce, rare, and difficult for competitors to mimic; such as intellectual capabilities, organization-wide specific knowledge, experiences, skills and aptitudes, abilities, and entrepreneurial and market orientation, etc. (Barney, 1991). In essence, organizations are able to accumulate core managerial resources, such as knowledge and experiences, entrepreneurial and market orientation and other intangible assets, and these resources could enable the operating, line, or hiring manager realize greater operational capability to serve its intended purpose if applied prolifically (Wernerfelt, 1984).

##### 5. Human Resource Planning (HRP)

Organizations need to know how many and what kind of individuals they require to meet present and future business necessities in line with complexities resulting from externalities. This is where HRP comes in; as HRP determines the right numerical strength of individuals with the right skills, in the right places at the right time that are needed in the organization (Ayer & Reeves, 1995; Wright & McMahan, 2011). As stated earlier, HRM undertakes certain specific activities which includes but not restricted to recruitment, selection, placement, induction and/or orientation (indoctrination), motivation, appraisal, coaching, leadership,

supervision, communication, career development, empowerment and evaluation that will aid the organization in forecasting, recruiting and retaining competent manpower in an attempt to achieve predetermined objectives (Ama, 2006; Armstrong, 2006; Lunenburg, 2012; Newstrom & Davis, 1993; Noe, 2012).

Armstrong (2006) described HRP as a sequence of action in which attempts are made to estimate the demand for labour and evaluate the size, nature and sources of supply required to meet estimated demand; considering the task, responsibilities, and/or duties to be carried out. This is linked to Cole's (2002) assertion that HR, plans are associated with identifying the organization's demand for HR and devising means to ensure a sufficient supply of labour is available to meet that demands in relation to the required knowledge, experiences, abilities, and skills. Also, Huselid (1995) defines HRP as analyzing human element needs under varying conditions and working out elaborate strategic actions essential to fulfilling these needs. "It is the practice in which human resource managers (HRMs, operating, line or hiring managers) determine how the organization strategically moves from a lower to a higher rung of the performance ladder of the firm; giving careful considerations to: (a) job description (accounting for job content and competencies required), (b) job specification (stipulating minimum training required to perform a particular job), (c) job design (job enrichment, job enlargement, reengineering or restructuring, job rotation, flexi time, homework, work-sharing, shorter workweek, etc.), and (d) job analysis (knowing the right qualifications, experience, and knowledge required for each job category, training and development needs, compensation and benefits needs, employee and labour relations activities, and necessary legal considerations)". A process that is not static involving many interrelated activities which must be modified and updated as conditions required because HRP encompasses identifying staffing needs (or requirements), forecasting available manpower and determining what add-ons or proxies are required to retain and sustain a staff of the desired competence that are worth realizing competitive advantage (Barney, 2002).

In a similar thinking, Ama (2006) noted that "HRP process encompasses sequence of activities which includes; defining the corporate philosophy; (outlining predetermined objectives linked to production and marketing), forecast HR needs (determination of future human resource demands for the organization), accessing HR supply (auditing existing personnel internally and potential manpower externally), develop objectives and predetermined objectives (focusing attention on the challenges to

be surmounted and providing a benchmark that will form a source for evaluating results), continually developing strategies and applying it to maintain a balance (the programmes chosen strategically by management are put to use at the implementation stage), and evaluate (frequently assessing the levels of success made and taking necessary actions where necessary)”; as it specifically allow for the practice of **recruitment** (enlisting individuals via internal and/or external sources), **selection** (review of application, selection tests, employment interview, reference and background checks, selection decision and physical examination), **placement** (proper placement, and follow up), and **induction** (orientation through introduction to job situation, introduction to associates in the job, and introduction to organizational policies, practices, and shared values).

When these have been established, policies are then worked out to occupy the space(s) that is needed to be occupied by the required manpower; this may encompass recruitment, enrollment, development and training, contracting and partnering, with regards to undertakings relating to rightsizing (Delaney & Huselid, 1996). In explaining the postulations above, Huselid (1995) also asserts that HRP aid in reducing uncertainties, develops HR, improves labor relations, utilizes and control HR as it helps organizations realize its strategic intent. Robbins and Judge (2011) also noted that the capability of organizations to realize its strategic intent is influenced by HR in relation to cost of acquiring it, and capacity for it to operate proficiently and undertake new profitable actions. Noting that it influences the approaches (or methods) the organization adopts by dissecting ways in which manpower could be developed, deployed, and utilized to realize organization’s predetermined objectives by fixing any problem that needs to be fixed in order to certify that the right blend of manpower requirements are available and are proficient at making essential contributions in conducting a gap inquiry vis-à-vis HR supply and its future demands for the organization (Armstrong, 2006).

### 5.1 Forecasting Demand

Armstrong (2006) described forecasting demand as the series of action in estimating, assessing, and evaluating the future numerical strength of prospective and exiting manpower requirements in relation to likely aptitudes and proficiencies necessary for running the organization. The need for forecasting HR needs is traditionally done by calculating and characterizing the needs and making use of ratios to devise plan in order to contain pressures from the external environment (Armstrong, 2006), with respect to the demand for goods/services

of the organization as it relates to their strategic objectives. In the same way, forecasting HR demand encompasses the proactive determination of the sum and type of workforce that the organization requires at present and in the future. Precipitating the demand of the goods/services of the organization being a salient fragment of all the processes in the series of action thereby in advance judging the probable facts, figures, and additional data about marketing, markets, and sales respectively; which tends to sketch a representation of the probable numerical strength and worth of the manpower to serve that estimations.

Furthermore, Noe (2012) submits that a huge sum of element influences the forecasting of HR demand which is however not restricted to(a) budgeting, (b) the percentage at which manpower come into and leave the organization, (c)gaining, sustaining, and/or losing contract(s), (d) deployment, redeployment, transfers and relocations, (e) rightsizing (employment, downsizing, and/or retirement), (f) available innovative technology or technological advancement, (g)informed and quality decision(s) to provide and improve value added services offered and delivered in view of the specified objectives of hiring. The inability to plan prior to the time for prospective manpower necessities may result in making and taking decisions at the dying minute which may not always be logical for operating, line, or hiring managers; as it is logical when they deliberate on other factors with respect to time in forecasting prospective manpower requirements which will help curb future wasteful spending regarding time and money (Wright & McMahan, 2011; Youndt, 2000). By the same token, Noe (2012) maintained that HRP espouse mathematical generalizations and formulas in generating and projecting prospective requirements for HR proven by the interrelationship between the percentage at which the organization employs and other quantifiable factors of output such as revenue, and projected sales volume.

### 6. Organizational Performance (OP)

Successfully managing organizational performance communicates an up-to speed performance philosophy by portraying the meaning that meeting every performance benchmark is essential at all times (Combs, Liu, Hall & Ketchen, 2006; Guest, 2011). With this in mind, Daft (2000) opined that in managing OP, top managers through the suggestions of operating, line, or hiring managers, continually plan with available resources, organize human and other resources, coordinate certain undertakings and short-workings, and induce the attainment of strategic intent in order to satisfy the desires of all stakeholders. Individual and collective (team)

performance management coordination play a vital role, but function within the confined of what is put to work to manage OP and to workout purposeful work coordination.

Wortzel-Hoffman and Boltizar (2007) noted that embarking on developing integrated performance coordination drives optimistic complexities and enhances the process required for a philosophical shift within the organization, as performance management becomes a lasting procedure and is not a one-time event; as it takes time and effort and dedication to developing individuals. Nonetheless, performance management tends to represent laudable collective efforts brought to bear on the system at every rung indicating what is needed, and how the performance ought to be assessed while coordinating aspects necessary to monitoring projected results in evaluating outlooks (Bowen & Ostroff, 2004); in the sense that what is needed for attaining high performance are clearly specified by mapping out performance outlooks implicit on the rubbing of the mind, creating laudable intensities of engagement while motivating individuals and enhancing their proficiencies through HRP feedback and personal development planning (Bowen & Ostroff, 2004; Newstrom & Davis, 1997; Stevens, 2005).

HR contributes to enhancing OP by providing insights regarding performance issues affecting the organization and its manpower. This means identifying the reasons for the issues, exploring the implications for managing organization and individuals and conveying these messages to constituted authority within the organization (Huselid, 1995). The aim is to find different ways of meeting performance challenges. HR practitioners can advise management on the development of a high performance plan supported by compensation and reward initiatives. Additionally, HR practitioners can review strategies and practices in line with organizational cognitive process of acquiring the needed skills and the act of refining, engagement, resourcing, and employee relations because gaining knowledge and engaging in the act of improving and expanding activities help to ensure that line managers and manpower have the capabilities required (Guest, 2011; Stevens, 2005); to enhance overall performance.

### **6.1 Increased Productivity**

Increased productivity tends to demonstrate a favourable nexus between units of labour input as compared to unit of output (Davis & Newstrom, 1995); being an energetic force behind the organization's capability of organizations to serve its intended purpose and profitability, since it has turn

out to be a foremost objective of organizations (Marcoulides & Heck, 1993). It is the nexus between output and input of human and non-human or other resources used in the production sequence. Combs, Liu, Hall & Ketchen (2006) noted that productivity represents adeptness in the employment of the elements of production such as land, labour and capital to produce/achieve a higher output. In this sense, increased productivity connotes the ratio of output as compared to input; meaning that the greater the numerical value of the ratio, the greater the increased productivity (Davis & Newstrom, 1995).

In the same vein, it is the measure of how well the resources namely man, money, material, and machinery are harnessed together to their thorough utilization to the feat of a predetermined or projected result. Similar to this, Marcoulides and Heck (1993) noted that increased productivity implies attaining the peak of performance with the least or minimal expenditure of the resources; at several levels.

Wortzel-Hoffman and Boltizar (2007) revealed that the measure of judging the percentage of inputs compared to output can be realized in these ways namely; (a) constant return of scale (ratio of input is equal to the percentage of output produced); (b) increasing return of scale (proportion of output produced exceeds the percentage of input used for it); (c) decreasing return of scale (percentage of output is less than the percentage of input applied). In the light of these assertions; Becker and Huselid (1999) suggest that organizations should focus in these areas of work-life balance in order to realize huge productivity. These include; suitable and fair compensation, safe and healthy environment, jobs that develop human capacity, opportunities for developing employee capability for organizations to serve its intended purpose and security, etc.

### **6.2 Increase in Sales**

In order to increase sales, managers pursuing improved performance will find adopting and espousing a sales approach offering practical and appropriate array of tools and practices to help in realizing their predetermined objectives regarding sales (Wortzel-Hoffman & Boltizar, 2007). Organizations consider this as part of an integrated sale programme as this can be so rewarding to it (Ayer & Reeves, 1995). The satisfactions gained are mostly founded on presenting and familiarizing process thinking as well as understanding to grow, develop and multiply the sales staff. Process thinking has not by and large been a portion or linked to language of sales managers, who possibly considers it as restraining and limiting, scorning the resourcefulness and ingenuity required (Wortzel-Hoffman & Boltizar, 2007).

Increase in sales is a preliminary in a value stream as it does not stand by itself (Wortzel-Hoffman & Boltizar, 2007). Operationally; sales agencies fashion out value stream teams which encompasses manpower, processes, and skills required to fulfill the customer expectations. In a bid to manage an increase in sale; organizational sale strategies requires to be organized according to market, geography, or other pragmatic phenomenon. It usually makes no sense for a customer to have to transact with more than one sales person or sales team when they buy diverse products from the supplier. So, sales representatives are time and again structured in dissimilar ways from the fulfillment value streams team of which they are part and parcel of (Sheth & Sisodia, 2002); noting that the idea is to induce a tradition of sales increase into the value stream team, but if things happen otherwise; newer approaches for bringing this to fruition are espoused (Rust, Katherine & Valarie, 2004).

### 7. Influence of HRP on OP

It is widely held that proficient HR in organizations provides competitive advantage and the actual and appropriate management of human capital may be the ultimate determining factor for the performance (Ricardo & Wade, 2001; Youndt, 2000). Suitable HRP enhance organizational effectiveness leading to increased output by identifying, attracting, and retaining manpower with the required knowledge, talents and capabilities and getting them to behave in a manner that will support the mission and predetermined objectives. Implying that the value of HRP depends on how it engenders and instill appropriate attitudes and behaviours in manpower in implementing workable output, bearing in mind that HR practices contribute to OP in general (Becker & Huselid, 1999; Luu et al. 2008). It is for this reason that organizations now believe that the capability of organizations to serve its intended purpose of the strategic management process largely depends on the extent of involvement of the HR function (Huselid, 1995; Ricardo & Wade, 2001).

### 8. Empirical Review

Afzal et al. (2013) carried out a research on the effects of HRP on OP using an empirical taxonomy of HRP such as control, commitment to HR management practices. They found out that those organizations with commitment to resource management practices perform higher than organizations with control of HRP and this had a significant effect on OP. If HRP increases manpower' discretionary effort, manpower' efforts will increase productivity (Afzal et al., 2013). In the same vein, Ayer and Reeves (1995) suggests that enhanced HRP can affect individual manpower routine through their influence over manpower skills,

motivation and organizational structures. In this study, they found out that HRP leads to increased productivity such as improved sales per employee. Ayer and Reeves (1995) focused on the influence of HRP on OP which includes customer alignment, machine efficiency and manpower productivity and the four most commonly recognized areas of HRP which include staffing, training, performance appraisal and compensation, and concluded that HRP significantly influence OP.

### 9. Methodology

Research design characterizes the configuring of investigation aimed at identifying variables and their influence, impact and/or effect on one another (Asika, 2012), this is applied for the drive to obtaining data to aid the researcher test the null hypothesis, and give meaning to the research objective(s). This research work adopts the cross-sectional survey which analyzes data gathered, collated and collected from the population or a characteristic subset (Levin, 2006), as it relies on a sample of elements from the population of interests which are measured at any point (Baridam, 2001). Accordingly, a population is all conceivable elements (individuals) observable; relating to precise individuals of interest (Asika, 2012). It thus, represents the group of items to be studied and generalize (Baridam, 2001). It is made up of individuals who are found to have certain relevant characteristics pertinent to the researcher; thus, the totality of the elements from which the sample size is drawn.

Although, the population consist of the entire fast food companies in Port Harcourt out of which only ten (10) targeted fast food companies were studied; which comprised of eighty-two (82) randomly selected accessible operating, line, or hiring managers. Consequently, the elements for the study comprised of the accessible operating, line, or hiring managers of the ten (10) fast food companies.

**Table 1: Population distribution of research instrument for the Fast Food Companies under review:**

S/No.:	Name of Fast Food Company	No. of Branches Studied	Population Size
1.	Shandees Fast Food and Restaurant	3	9
2.	The Promise Fast Food and Restaurant	3	7
3.	Kilimanjaro Fast Food and Restaurant	3	8
4.	Genesis Fast Food and Restaurant	4	9
5.	Jevinik	2	8

	<b>Restaurant</b>		
6.	<b>Pepperoni Foods Limited</b>	4	9
7.	<b>Sizzlers Fast Food and Restaurant</b>	2	7
8.	<b>Spar Fast Food and Restaurant</b>	2	8
9.	<b>Skippers Fast Food and Restaurant</b>	2	8
10.	<b>Eldorado Fast Food and Restaurant</b>	2	9
	<b>Total</b>	<b>27</b>	<b>82</b>

Source: Field Survey by the Researcher.

A sample is a set of representative part selected from an accessible population through a well-defined research procedure, in which the elements of the population are taken as sample(s) to characterize the entire population (Asika, 2012; Baridam, 2001). A sample is broadly divided into two categories namely; probability sampling methods and non-probability sampling methods (Asika, 2012). Hence the population in this study is relatively small; the population size which is eighty-two (82) randomly selected managers of fast food companies in Port Harcourt are adopted as the sample size using the census technique whereby all the respondents were surveyed (Kothari, 2008), as a result sampling will not be mandatory.

Again, the nature of the data for this study being the primary and secondary data is original and relevant to the research problem; as it gives a realistic view of the research problem under consideration. While, the sources of data were the primary and secondary data sources; the former mainly includes observation, interview, and questionnaire administration (triangulation); while the later includes textbooks, journal articles, periodicals, theses and dissertations, etc.

In testing the validity of the instrument for this research work, the face and content validity was employed; while the Cronbach's alpha was also espoused in testing for reliability of the research instrument of the study. The reliability was accepted at 0.7 and above because measures were taken to ensure the questionnaire covered all aspects of the predictor and criterion variables under study to satisfy the face and content validity of the research instrument (Nunnally and Bernstein, 1994). The instrument for this study has been used earlier in a similar study by Afzal et al. (2013), and Ayer and Reeves (1995).

### 10. Data Analysis

In total; eighty-two (82) copies of the research questionnaire were administered to the respondents, though only sixty-three (63) returned and was

analyzed. The table below demonstrates a representation of response rate in a tabular form.

### 11. Test of Hypotheses

The decision criteria for our test of hypotheses would be a rejection of null hypotheses when p-value is less or equal than 0.05. This implies that our influence coefficient could be weak but we would take decisions firmly on the p-value if it is less than or equal to 0.05.

**Ho<sub>1</sub>:** Forecasting demand does not significantly influence increased productivity of fast food companies in Port Harcourt.

**Table 2: Influence of forecasting demand on increased productivity**

	Forecasting demand	Increased productivity
Forecasting demand	Pearson Correlation	.611
	Sig. (2-tailed)	.000
	N	63
Increased productivity	Pearson Correlation	.611
	Sig. (2-tailed)	.000
	N	63

\*\* Correlation is significant at the 0.01 level (2-tailed).

Table 4.1 above, demonstrates that the two variables have a moderate positive link, with ( $r = .611$ , p-value  $< .01$ ,  $N = 63$ ). The correlation value of .611 is well above the .3 acceptable benchmark for rejecting null hypothesis as recommended by Cohen (1988). Based on this result the null hypothesis that forecasting demand does not have significant influence on increased productivity was rejected, while its alternative was accepted.

**Ho<sub>2</sub>:** Forecasting demand does not significantly influence increase in sales of fast food companies in Port Harcourt.

**Table 3: Influence of forecasting demand on increase in sales**

	Forecasting demand	Increase in Sales
Forecasting demand	Pearson Correlation	.877
	Sig. (2-tailed)	.000

Increase in Sales	N	63	63
	Pearson	.877	1
	Correlation		
	Sig. (2-tailed)	.000	
	N	63	63

\*\**. Correlation is significant at the 0.01 level (2-tailed).*

Table 4.2 above, demonstrates that the two variables have a large positive link, with ( $r = .877$ ,  $p$ -value  $< .01$ ,  $N = 63$ ). The correlation value of  $.877$  is well above the  $.3$  acceptable benchmark for rejecting null hypothesis as recommended by Cohen (1988). Based on this result the null hypothesis that Forecasting demand does not have significant influence on increase in sales was rejected, while its alternative was accepted.

## 12. Discussions on Findings

The study measured the influence of HRP on OP of fast food companies in Port Harcourt, Nigeria. Two hypotheses stated in their null form were formulated and tested to obtain an empirical outcome.

Hypotheses one and two examined the influence of human HRP resource planning dimension (forecasting demand) and organizational performance measures (increased productivity and increase in sales).

The findings from the ascertainment of the influence of forecasting demand on increased productivity revealed that there is a positive influence of forecasting demand on increased productivity at  $0.611$ , when the  $p$ -value  $< .01$  which is  $< 0.05$ . Thus, the null hypotheses were rejected and the alternative accepted which aided the conclusion that there is significant and positive influence of forecasting demand on increased productivity. This is supported by the disposition of Ayer and Reeves (1995), which demonstrated that forecasting demand has a positive effect on the performance prospects of the organization.

The findings from the ascertainment of the influence of forecasting demand on increase in sales revealed that there is a positive influence of forecasting demand on increase in sales at  $0.877$ , when the  $p$ -value  $< .01$  which is  $< 0.05$ . Thus, the null hypotheses were rejected and the alternative accepted which aided the conclusion that there is significant and positive influence of forecasting demand on increase in sales; this is in line with the observation of Afzal et al. (2013), which indicated that the forecasting demand has strong impact on increase in sales of the organization as it enlarges its customer base.

## 13. Conclusion

The need for proactive HRP calls on organizations especially fast food companies to enhance their performance through and adhere strictly to forecasting HR or manpower needs, while taking constructive strategic actions through its HRP policies; noting that appropriate HRP sequence of action(s) (or activities) are taken into consideration when proactively forecasting HR needs and enhancing increased productivity which result in increase in sales as this will boost overall performance at every point in the life of the organization.

## 14. Recommendations

An in-depth literature review guided the theoretical/empirical perspectives of the study which aided the research hypotheses; enhancing the discussion on findings as well as the conclusion. Based on the aforementioned, it was recommended that:

- i. Organizations should through human resource planning policies introduce and institutionalize effective human resource plans to proactively forecast the actual numerical strength of manpower needs of the organization if the intension is to increase productivity and organizational performance.
- ii. Organizations should ensure that the policies introduced and established are implemented as it will encourage proactive forecasting to be in line with the right blend of manpower requirements as this is essential for increase in sales in order to influence the proliferation of organizational performance.

## 15. References

- Afzal, F., Mahmood, K., Sherazi, S. M. R., Sajid, M., & Hassan, M. (2013). Effect of human resource planning on organizational performance of Telecom Sector. *Information and Knowledge Management*.
- Ama, E. (2006). Human resource management. *Amethyst & Colleagues Publishers. ISBN: 978-38132-1-8*
- Armstrong, M. (2006). A handbook of human resource management practice. (10<sup>th</sup> Ed.). London: Kogan Page Limited.
- Asita, N. (2012). Research methodology in the behavioural sciences. *Learn Africa Plc. Ikeja, Nigeria. ISBN 978-139-775-6*.
- Ayer, L. & Reeves, T. (1995). Human resource strategies and firm performance: what do we know and where do we need to go? *International Journal of Human Resource Management*, 6(3).
- Barney, J. B. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1).
- Barney, J. B. (2002). Gaining and sustaining competitive advantage (2<sup>nd</sup> ed.). Upper SaddleRiver, NJ: Pearson Education, Inc.
- Baridam, D. M. (2001). Research methods in administrative sciences. *Sherbrook Associates. Port Harcourt, Nigeria. ISBN 978-34700-5-1*.

- Baron, A & Armstrong, M (2007). Human capital management: Achieving added value through people. *London, Kogan Page.*
- Becker, B. E. & Huselid, M.A. (1999). Overview: Strategic human resource Management in five leading firms. *Human resource management, 38(4).*
- Bowen, D & Ostroff, C (2004). Understanding HRM - firm performance linkages: the role of the "strength" of the HRM system. *Academy of Management Review, 29 (2).*
- Cohen, J. (1988). Statistical power for the behavioural sciences. *Routledge Academy, New York.*
- Cole, G. A. (2002). Personnel and human resource management. 5<sup>th</sup> ed. *TJ International, Padstow Cornwall, UK.*
- Combs, J, Liu, Y, Hall, A and Ketchen, D (2006). How much do high performance work practices matter? A meta-analysis of their effects on organizational performance. *Personnel Psychology, 59 (3).*
- Daft, R. L. (2000). Firm theory and design. *South – Western College Publishing, Thompson learning, U.S.A.*
- Delaney, J. T. & Huselid, M. A. (1996). The impact of human resource management practices on perceptions of organizational performance. *Academy of Management Journal, 39(4).*
- Dessler, G. (2008). Human resource management (11<sup>th</sup> Ed.) *New Jersey: Pearson Education.*
- Godard, J (2001). Beyond the high performance paradigm: An analysis of variation in Canadian managerial perceptions of reform programme effectiveness. *British Journal of Industrial Relations, 39 (1).*
- Guest, D. E. (2011). Human resource management and performance: Still searching for some answers. *Human Resource Management Journal, 21 (1).*
- Huselid, M. A. (1995). The impact of human resource management practices on turnover, productivity and corporate financial performance. *The Academy of Management Journal.*
- Huselid, M. A., Jackson, S.E. & Schuler, R.S. (1997). Technical and strategic human resource management effectiveness as determinant of firm performance. *Academy of Management Journal, 40.*
- Kothari, C. R. (2008). Research methodology: methods and techniques. *New Delhi: New Age International.*
- Levin, K. A. (2006). Study design III: Cross-sectional studies, *Evidence-Based Dentistry, 7.*
- Lunenburg, F. C. (2012). Human resource planning: Forecasting demand and supply. *International journal of management, business, and administration volume 15, number 1.*
- Luu, T., Kim, S., Cao, H., & Park, Y. (2008). Performance measurement of construction firms in developing Countries. *Construction Management and Economics, 26.*
- Marcoulides, G. A., & Heck, R. H. (1993). Organizational culture and performance: Proposing and testing a model. *Organization science, 4(2).*
- Newstrom, J. W. & Davis, K. (1997). Organizational behaviour: Human behaviour at work (10<sup>th</sup> edition). *New York. McGraw Hill.*
- Newstrom, J. W. & Davis, K. (1993). Organizational behaviour: Human behavior at work. *New York: Mcgraw Hill.*
- Noe, R. A. (2012). Human resource management: Gaining a competitive advantage *New York, NY: McGraw-Hill.*
- Nunnally, J. C., & Bernstein, I. H. (1994). Psychometric Theory, New York, NY, *US: McGraw Hill, 3rd. Ed.*
- Ricardo, R., & Wade, D. (2001). Corporate performance management: How to build a better organization through measurement driven strategies alignment. *Butterworth Heinemann.*
- Robbins, S. P., & Judge, T. A. (2011). Organizational behaviour(14th ed.). *Upper Saddle River, NJ: Prentice Hall.*
- Rust, R. T., Katherine, N. L., & Valarie A. Z. (2004). Return on marketing: Using customer equity to focus marketing strategy. *Journal of Marketing, 68 (1).*
- Sheth, J. N., & Sisodia, R. S. (2002). Marketing productivity issues and analysis. *Journal of Business Research, 55(5).*
- Shyamala, M. (2014). Human resource management. *University of Calicut, Kerela, India - 673 635*
- Stevens, J (2005). High performance Wales: Real experiences, real success, *Cardiff, Wales Management Council.*
- Wernerfelt, B. (1984). A resource-based view of the firm. *Strategic Management Journal, 5(2).*
- Wortzel-Hoffman, N & Boltizar, S (2007). Performance and development planning: a culture shift perspective. *Firm Development Journal, 25(2).*
- Wright, P. M. & McMahan, G. C. (2011). Exploring human capital: putting human back into strategic human resource management. *Human Resource Management Journal, 21 (2).*
- Youndt, M. A. (2000). Human resource considerations and value creation: the mediating role of intellectual capital, Paper delivered at *National Conference of US Academy of Management, Toronto.*