Exploring Workforce Planning Among Successful Start-Ups In India

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Abstract

This study explores the workforce planning approaches of successful start-ups in India. The

research design employed a descriptive method and used purposive sampling, resulting in a sample size of

five participants. Data was collected using in-depth, semi-structured, guided interviews, through telephonic

calls and google meet video conference. Interviews were recorded with the prior consent of the participants

via phone recorder and transcribed. Thematic analysis was employed to analyse the transcribed data with the

aid of QDA Miner lite, a qualitative analysis software.

The findings revealed challenges of workforce planning, categorised into manpower planning

and succession planning, and strategies to overcome challenges of workforce planning. The findings also

revealed retention strategies. In addition, the findings demonstrated that succession planning is an integral

part of workforce planning. Demonstrating that workforce planning goes beyond merely filling immediate

job openings, it also involves nurturing internal talent, aligning it with the organisation's growth and

leadership requirements, and ensuring that the culture and values of the organisation are preserved.

Furthermore, a workforce planning model has been developed based on the findings.

The limitations of the study lie in the sample size which is only five participants, thus, researchers can aim

for a larger and more diverse participant pool.

Keywords: Workforce planning, manpower planning, succession planning, successful startups, workforce planning model

Introduction

One of the key factors affecting an organisation's capacity to achieve long-term success is its human capital (Cotten, 2007). Workforce planning is essential to an organisation's success because it ensures that it has the right individual with the right knowledge and skills at the right time and place. By guaranteeing the team has the correct skills and knowledge at the right time and place, workforce planning aids organisations in achieving their goals. In order to align human resources with the goals of the organisation, workforce planning essentially involves analysing and planning workforce demand and supply, identifying gaps, and establishing strategies to fill the gaps to meet the current and future needs of the organisation. An efficient workforce planning ensures, productivity and sustainability of the organisation in the long-run.

For the purpose of the study workforce planning is categorised into manpower planning and succession planning. Workforce planning does not end with the recruitment cycle (manpower planning), it further involves succession planning. Succession planning is the process of identifying the critical positions within your organisation and developing action plans for individuals to assume those positions (University of Washington). Succession planning helps preserve the knowledge and excellent performance of critical/key positions of an organisation, thus ensuring organisation's continued survival and success (Ibarra, 2005).

Cotten (2007), defined workforce planning as the process of ensuring that an organisation has the right people with the right skills in the right position at the right time, executing their assignments efficiently and effectively, currently as well as in the future. Meeting the future needs here can also be interpreted as succession planning, i.e., identifying potential talents to replace crucial position within the organization. Thus, workforce planning is incomplete without succession planning, hence, it can be said that succession planning is an integral part of workforce planning.

Startups make a substantial contribution to the creation of jobs and a nation's economic development. According to a press release from the Indian Ministry of Commerce & Industry (2022), as of November 30, 2022, India had officially recognised 84,012 startups. According to study

"Impact of Startups in Indian GDP in 2022" by Sneha and Vignesh (2023), the rise of startups has made India the world's third largest startup ecosystem, and it has had a significant impact on the Indian economy, which demonstrates the ability of startups to contribute approximately 4-5 percent of India's Gross Domestic Product (GDP).

There are many startups established every year, but relatively few of them succeed. According to an article by Abaxsoft Solutions Private Limited (2022), 90% of Indian startups fail. Almost 70% of startups fail between years two and five, with 10% failing in the first year of operation. The article also states that employing the wrong team is to blame for 23% of startups failing. Eisenmann (2021), in his article "Why Startups Fail", points out that a broad set of stakeholders, including employees, strategic partners, and investors, all can play a role in a startup's downfall. He further mentioned that though the founder may have his or her own shortcomings, it can be compensated with the right employees or managers. Thus, emphasising on the significance of workforce planning.

Research Purpose and Objectives

Purpose

Start-ups make significant contributions to the economic development of nations and are key drivers of innovation. The importance of workforce planning in startups has been established by few studies as being crucial to their success. Although workforce planning is crucial for the success of startups, little study has been done in this field.

Therefore, in-depth qualitative research that focuses on the workforce planning of successful startups can potentially aid in identifying workforce planning challenges and developing strategies that could possibly improve startup's success rates.

Objectives

1. To study the following:

   - The factors influencing the decision-making process during workforce planning

   - The challenges in workforce planning

   - The strategies used to overcome those challenges

2. To develop a comprehensive Workforce Planning Model for Start-ups

Literature Review

Startups offer products and services through innovation. Startups encourage creativity, innovation, and sustainability. In addition, startups create jobs and contribute to the country's economy. A positive correlation has been identified between startups and GDP (Sneha & Vignesh, 2023).

Human resource is one of the most important factors to achieve the goals of any organisation. Human resource management has become increasingly important today because of the dynamic nature of people and its impact on the achievement of organisational goals. Human resources are not only important for established organisations but also for startups and is also one of the primary factors on which business growth is based (Keir, 2019).

An effective workforce planning process is required for an organisation to ensure they have the right human resource. The International Public Management Association for Human Resource' (IPMA-HR) defines workforce planning as the process of formulating plans to fill future employment openings, based on projecting: the positions that are expected to be open, and whether these will be filled by inside or outside applicants. It refers to plans to fill any or all of an organisation's future positions, from the mail-room clerk to the Chief Personnel Officer. Therefore, workforce planning is a crucial aspect of a startup's success.

Eisenmann (2021), provides an overview of the reasons for startup failure. He highlights the importance of workforce planning and noted that startups often fail to effectively manage their workforce, leading to poor performance, reduced productivity, and eventually leading to failure. Thus, emphasising the need for startups to prioritise on workforce planning to achieve long-term success.

According to a study by Jafari and Ali (2022), one of the risks leading to failure of startup is workforce development strategy in excess of real needs. Which is a result of inefficient workforce planning. In a related study by Nascimento (2017) on the role of human resource management in growing start-ups, one of the findings suggests that the growth accelerator of startups is exclusive or complementary to employees. Thus, reiterating the need for startups to prioritise workforce planning.

Method

Conceptual definition

Workforce planning

Workforce planning is the process of ensuring that an organisation has the right people with the right skills in the right position at the right time, executing their assignments efficiently and effectively, currently as well as in the future (Cotten, 2007).

Succession planning

Succession planning is the process of identifying the critical positions within your organisation and developing action plans for individuals to assume those positions (University of Washington).

Startups

The Indian Department for promotion of industry and internal trade (DPI&IT) defines startup as an entity that is incorporated as a private limited company or registered as a partnership firm or a limited liability partnership, working towards innovation/ improvement of existing products, services and processes and should have the potential to generate employment/ create wealth, having a turnover of less than INR 100 Crores in any of the previous financial years and not older than 10 years from the date of its incorporation.

Operational definition

Workforce planning

Workforce planning is the process of ensuring that an organization has the right people with the right skills in the right position at the right time, executing their assignments efficiently and effectively, currently as well as in the future (i.e., Succession planning).

Successful startups

Entities that have been in the market for 5 years or more from the date of its incorporation, and has achieved significant growth, profit, and a significant place in the market within its industry.

Research design

This study employed a descriptive research design. Descriptive research is suitable for this investigation as it aims to provide a clear and detailed account of workforce planning practices in successful startups. This design allows for a comprehensive examination of the subject matter without intervening or manipulating variables.

Research Setting

The study is set in India, focusing on successful start-ups across various industries to explore workforce planning among successful start-ups in India

Research participants and sampling methods

Population of the study

The population of the study are founders or Executives of successful startups in India, who have experience and knowledge about their workforce planning process.

Sampling technique

Purposive sampling technique is used. This is because, the participants were selected based on their entity, experience and knowledge.

Sampling unit

Founders and/or key Executives/HR Heads/Executives of successful startups who have experience and knowledge about workforce planning process.

Inclusion Criteria

- Founders/Key Executives/HR Heads/HR Executives of successful startups who have experience and knowledge about workforce planning process in their entity

- Startups that have been in operation for 5 years or more

- Startups that have demonstrated significant growth and success

- Startups from different industries across India.

Data collection methods

Data was collected through in-depth, semi-structured guided interviews with HR Managers and HR Executives of 5 successful startups, who have been in operation for 5 years or more and have demonstrated significant growth and success. The interviews were conducted through telephonic calls and Google Meet video conference and lasted about 20 to 25 mins.

Data recording

Prior to the interviews, participants provided informed consent for audio recording, and subsequently, the interview was recorded using phone audio recorder and were transcribed verbatim to facilitate in-depth analysis.

Strategies employed to ensure data quality and integrity

- Semi-structured, open-ended questionnaires were used
- Follow-up questions were employed to delve deeper into the topic in discussion

Data analysis

Data analysis involved the application of thematic analysis to the transcribed data. QDA Miner Lite(https://provalisresearch.com/products/qualitative-data-analysis-software/) was utilized to create and manage codes derived from the transcripts. Key concepts were recognised and categorised into pre-established themes, which were based on existing literature. Codes that were identified were cross-referenced both with each other and the transcripts, and in cases of similarity, they were amalgamated.

Results

The findings demonstrate that succession planning is indeed an integral part of workforce planning, particularly for higher-level positions within an organisation. Workforce planning goes beyond merely filling immediate job openings; it involves nurturing internal talent, aligning it with the organisation's growth and leadership requirements, and ensuring that the culture and values of the organisation are preserved.

'Definitely, because, see, at the bottom level, like I said before, we take freshers and we are able to train them and you know, get them to do the job well. But then as there are requirements in the higher level, for example, if we need a group coordinator, team leader, or we need a senior team leader, or we need a city head. What we have seen is while similar talent is available in the market and we may be able to attract people, instead, internally if people grow in to taking up higher additional responsibilities, there is one, obviously they also see growth and they also see a career path, uhm, on the other hand they also already know the culture, the know the way we expect them to work and hence, you know, they adapt and settle down in that role faster', Participant 1

Factors influencing manpower planning

Organisation's requirements

All five participants emphasised the dynamic and strategic nature of manpower

planning, which takes into account the organisation's immediate needs, long-term goals, and external factors

to ensure the right workforce is in place to support growth and development.

'when it comes to workforce planning, we take a proactive and strategic approach. Uhm, we believe

in aligning our workforce with our business objectives and long-term goals. This means that we don't

just hire to fill immediate needs. Uhm, we think about the future and what skills and roles will be

essential as we grow', Participant 5

Attrition rate

Although majority of the participants focused on organisational requirements, one of

the participants further mentioned that attrition is a significant consideration in the manpower planning

process.

'We also factor in attrition right, because there is a trend of attrition. Basis all that we decide what is

the number we need to look at to onboard every month', Participant 1

Factors influencing succession planning

Performance

Three participants emphasised the role of performance as a critical factor influencing

succession planning. Performance provides a tangible measure of an individual's effectiveness and

contributions to the organisation.

'Yeah, yeah, obviously actually performance of course. See in, what I'm trying to say is, if, if

somebody is delivering, I mean I also mention, uhm, them delivery, then delivering their work on

right time. So, people finding gap, filling in the gap, will always will go on extra mile to deliver more

than what, what we are expected out of them. Yeah, performance also is one of the important aspects',

Participant 4

Cultural fitness and attitude towards the organisation

A positive and forward-thinking attitude is indicative of someone who is motivated, adaptable, and likely to contribute to the organisation's long-term success. Individuals who are dedicated to the organisation's core principles and beliefs have a long-term perspective are more likely to remain with the company and contribute to its growth and stability.

‘The one thing that I have understood is, it's, it's your attitude that matters, it's not about how much you have studied, it's not about how much you earn in earlier job, but it's the attitude that matter, right? So, one thing that you can identify this person is going to be the future of the company is when that person has a right attitude, in terms of them working hard, or then growing, or how they interact with people, or how loyal to their, how loyal are they to the company, right? So, even, even, in their opinion how do they see their future for the company. So, people who always find the gaps, who always want to fill the gap. who always want to you know bring in something new are the one who actually wants to have a future in the company. Yeah. So, I would say, the right kind of attitude, and most, mostly the loyalty’, Participant 4

Leadership skills

Leadership skills, including the ability to take on leadership responsibilities and traits associated with a leader such as guiding and motivating others, are essential factors influencing succession planning within the organisation. ensures that the organisation has a strong pipeline of future leaders ready to guide the company forward.

‘Not just the performance, because somebody might be very good in the performance but you need to understand is that I might be brilliant as a individual contributor but do I have the skill or do I have the aptitude to go to the next step and become a leader? Or, to even, you know, grow to the next succession. It's something which you see and you get from a person's aptitude, the person's will to take on more tasks, a person's, uhm, ability to go over and beyond their regular task right’, Participant 3

Interest in the field

Interest in the field and a commitment to continuous learning and development of knowledge are important factors influencing succession planning. Individuals who are passionate about their field, continuously expand their knowledge, and exhibit the drive to excel.

'we definitely see their interest to be in this field and you know their knowledge. More than the knowledge it is also, see sometimes you may not really understand a lot issues, but given that you come to work here and come to know what are the issues we are dealing with. Then if the person is trying to develop their knowledge and develop their understanding of what is happening', Participant 1

Challenges of manpower planning

Skill Mismatching

Skill mismatching can lead to suboptimal workforce allocation, where employees may not possess the skills required for their roles. This can result in lower productivity and the need for additional training.

'Yes, mismatching skill. For example, if we want somebody who is good at Bing editing, there are very limited number people with this skill, we might end up hiring some other editing skill instead of Bing editing skill, so finding the right skill for the desired job is something we need to focus on, Participant 2

Interest of the candidate

The candidate's interest and the alignment of their will to take on roles that may be unique or have specific requirements. Skill alone may not be enough if candidates lack enthusiasm for the specific requirements of the job.

'It is largely, I wouldn't say this is skill mismatch but is more an interest. For instance, because of our, the nature of our work, not very common in a country like India. So, the acceptance of, uhm, you know, these candidates to, uhm, you know, do a job like this is a problem. Because, otherwise it is a great way to work, there is a great culture, there is group flexibility and you know, you have so many benefits, it's about their mindset and how they, uhm, understand and, you know, their willingness to do this work', Participant 1

Turnover

Turnover can disrupt the stability and effectiveness of the workforce and may lead to a loss of valuable expertise and leadership.

'One of the main challenge is turnover in key positions', Participant 5

High salary expectation and notice period

High salary expectations can pose financial challenges for organisations, especially if candidates expect compensation beyond the allocated budget for specific roles. This can lead to difficulties in recruiting, as organisations may need to reevaluate their salary structures or make compromises.

Notice period is crucial factor in hiring timelines. Lengthy notice periods can delay the onboarding of new employees, impacting immediate staffing requirements, thus impacting the organisation's performance.

'high salary expectations of the candidate, notice period plays a big role in hiring anybody', Participant 2

Challenges of succession planning

Retention

Retaining high-potential employees is a critical challenge in succession planning. Organisations invest in identifying and grooming these individuals for leadership roles, and losing them to external opportunities can disrupt the planned leadership pipeline, leading to a great loss for the organisation.

'The biggest challenge right now is that, uh, the people that we have identified as potential successors might find a better opportunity outside, a better package outside. So, there are very high chances of them moving out. So, that is one of the biggest challenges that we face', Participant 2

Delayed opportunities

Providing opportunities at the right time is a critical aspect of succession planning. If organisations are not able to provide opportunities at the right time, which may be due to budget staffing or non-vacancy of the position, even though the successor is trained, well prepared and ready for the new role, this can lead to the loss of valuable talent and disrupt the organisation's leadership continuity.

'then be able to give them these opportunities, and the opportunities becoming available at the right time. Because, sometimes we may already have four team leads already and we may be grooming one or two three people. Uhm, we need to have the opportunity to be able to, then elevate, then into

becoming team lead. Sometimes that may take time. So then obviously, uhm, some of them wait, some don't wait. Uhm, it is also about the right time. Because, all said and done are, are, uhm, budget staffing, uhm, we know what we want in a particular year. So then we can't really overshoot beyond that right? And then make the right opportunities available for them', Participant 1

Resistance to change

Resistance to change, particularly from existing leaders and employees who view

succession planning as a threat, is a significant challenge in the succession planning process.

'Talking about resistance to change, uhm, it is particularly from current leaders or employees who may perceive succession planning as a threat to their own positions. They might be apprehensive about the idea of grooming potential successors, as, uhm, this could lead to job security concerns. So, addressing this requires effective communication and ensuring the leaders that it's not about replacing them but ensuring the organisation's continuity and growth', Participant 5

Strategies to overcome challenges of manpower planning

Fresher Talent and Training

Hiring individuals with the basic skills necessary for the role and then providing

extensive training through to build their skills is a key strategy. Emphasising on implementing continuous training and refresher programs, ensures that the employees stay updated on changes in the industry or organisation which further aids in continued productivity and growth.

'rather than getting somebody with higher number of experience, I get somebody with lesser years of experience but the will to learn and scale up, to match the budget constraints because it is easier to get somebody who is younger and willing to learn than to get a higher paid, you know, higher experience resource, that would become stagnant in a very short period of time', Participant 3

No compromise on quality

Maintaining a high standard of quality when bringing new employees into the organisation

ensures that daily functioning and productivity of the organisation is not disrupted. Prioritising quality in manpower planning involves maintaining a standard of quality for new hires. It requires organisations to clearly define the key qualities and skills they are seeking in candidates and to ensure that these qualities align with the requirements of the organisation.

'See, what we try to do is, we have certain sets of qualities that we keep in mind that we want people to have and we hire according to those qualities. So, it's very important that at least the basic necessity of what we are looking for a candidate is there', Participant 2

Communication and collaboration with the management team

Effective communication and collaboration with the management team are crucial strategies to overcome challenges in manpower planning. This strategy aims to ensure that the workforce planning process is closely aligned with the organisation's strategic goals and objectives. It involves working directly with leadership and department heads to understand their requirements, maintain visibility and accountability, and make informed hiring decisions.

'So, I work directly with the vertical heads and the leadership team right, and, uhm, my hiring, uhm, process is very close knit with the leadership team. So, at every step, I always, for every hire that happens, for every year, campaigns that I close, I always have a visibility of where they are putting in the organisation. So, that helps me keep in line you know', Participant 3

Review/evaluation

Review and evaluation are valuable for ensuring that employees are placed in roles that best match their skills and capabilities. Furthermore, this review and evaluation helps in aligning the workforce with upcoming projects and workloads, thus optimising resource allocation.

'based on the review system that we have in place for the employees. That can be quarterly reviews, it can be, uhm, annual reviews or uhm, it can be, you know, random check review that we do. These help me plan better for the resource allocation. Also, based on the work pipeline or the project pipeline, that the, uhm, leadership team would have a visibility too', Participant 3

Multiple rounds of interview

By conducting multiple rounds of interviews, organisations gain a more comprehensive understanding of a candidate's qualifications, skills, and potential fit within the company. It also allows organizations to evaluate a candidate's cultural fit, soft skills, and attitude. This is crucial for ensuring that the candidate aligns with the company's values, work culture, and long-term objectives. Thus, multiple rounds of interviews aids in making well-informed and confident hiring decisions.

'during the interview process we make sure that the candidate is actually sure according to what we require them to be. The hiring process right, we end up taking two to three rounds of interview before we hire somebody. This ensures that the candidate is fit for the role and the company', Participant 2

Buffer of employees

Creating a buffer of employees is a valuable strategy for overcoming the challenges of manpower planning. It offers organisations the ability to maintain flexibility, meet annual staffing targets, and adapt to workforce fluctuations. This approach ensures that organisations remain resilient and agile in their pursuit of strategic objectives while also minimising risks and disruptions in their operations.

'But then we can feel that, you know, month on month we are not able to bring in the required number of people. That means, we then alter our roles for the city or what we also do is, because in a way what we do is, while we have multi, uhm, headcount of staffs, we don't really stop at that. Because, for example, January and February I may have, I may have needed 100 people but then I may have had only 80 people. So, what I do is in March and say by April I am achieving the objective of 100 people on field, I will still continue to, uhm, to recruit people and have a buffer, I may have a 110, 115 people, because one, there are two three months in which I have lost, uhm, you know, I have not really had enough number of people. So, then the coming months, we will make up the additional people, uhm, so, this is how we sort of mitigate and ensure that by the end of the year we are able to achieve what we have planned', Participant 1

Strategies to overcome challenges of succession planning

Mentoring

Mentoring plays a pivotal role in succession planning by facilitating the development of the next generation of leaders. It offers a structured approach to transferring knowledge, skills, and experiences from current leaders to potential successors. Effective mentoring enhances the leadership capabilities of individuals, ensures a smooth transition into leadership roles, and contributes to the long-term growth and sustainability of the organisation.

'they are directly mentored directly by the leaders in the organisation, they are mentored directly by, uhm, the people who are in the current leadership roles. As they are mentored on real life projects, so, learning is a lot more realistic', Participant 3

Continuous evaluation

Continuous evaluation ensure that individuals are progressing as expected. It promotes growth, aligns goals with organisational objectives, and enables timely decision-making regarding leadership appointments.

'And then, once a month there is a review and again on the third month we review, and then we if the person has done well, we move to the new role or they go back to their old role', Participant 2

Function Specific Training

Focus on function specific training ensures that the potential successors are technically skilled and competent in their respective fields, which is valuable when transitioning into leadership roles.

'what are the training programmes available, that is with respect to the trainings that are there. So, for example, in Paid Media we have four different kinds of training, in SEO we have four different kinds of training, in Data analytics we have three different trainings. Trainings keep going on according to the requirements', Participant 2

Goal Setting

It provides a structured framework for identifying and nurturing potential successors, ensuring they are prepared for leadership roles. Furthermore, setting goals helps individuals prepare for the responsibilities and challenges of leadership positions. It ensures that they have the skills and experience required for successful transitions.

'See, proper goals are set up during the year, once the proper goals are set up we identify whether the candidates have succeeded those goals, or is at bar, or is at under par. So, accordingly we monitor at the organisation level, because everybody is supposed to achieve a goal and with that goal is how we monitor them', Participant 2

Training need analysis

Training need analysis facilitates the designing of personalised development plans, ensures alignment with future leadership roles, and enhances employee performance.

'So, we take into account their strengths and interest, and areas for improvement. So, this ensures a personalised approach to their growth', Participant 5

Leadership Training

Leadership training equips them with the adaptability needed to excel in ever-changing leadership positions. It ensures that potential successors are well-prepared for leadership roles, aligned with organisational goals, and equipped with the skills and knowledge required to lead effectively.

'And for the potential successors, we have a monthly leadership training sessions, which is in classroom setting', Participant 1

Factors to consider for effective workforce planning

Coordination and communication with the management team

Effective coordination and communication ensure that HR understands the specific requirements, adapts to changes swiftly, hires the right talent to fulfil the organisation's strategic objectives, and ensures agility in responding to staffing needs.

'So, a good coordination and communication with the others departments and different branches of the company is vital. This will ensure that the departments needs are aligned with the HR team and the HR team hires the right skill', Participant 2

Planning and review

Planning and review are an indispensable aspects of effective workforce planning. By conducting regular assessments of staffing requirements, organisations can adapt to changing circumstances, maintain alignment with their objectives, and be better prepared for future workforce challenges. It ensures continuity of operations within the organisation.

'We need to do a half yearly ready to see what is the trend that we, like, uhm, one annual planning, so, a plan A requires so many people within the timeline also that will be connected to your budget, so, what is the budget that is allocated. So, at yearly once we need to do the 1st round of requirement and that should be given to the HR and so the HR they will build the pipeline. The second thing is we need to see 6 months once if we, if we are on the right track', Participant 1

Talent acquisition team

By strengthening the talent acquisition team, involving them strategically at the management level, and fostering collaboration within the organisation's management team, the talent acquisition team can enhance their ability to meet recruitment goals efficiently and in alignment with the

overall strategy. Furthermore, this aids in maintaining the agility needed to adapt to the ever-changing demands of the business environment.

'So, what usually happens is, uhm, the recruitment teams get visibility of, uhm, workforce planning at a much more later scale, right. If the resource team gets involved at the strategic level, it becomes much more, clearer visibility as through what kind of resources are required. This is also important for the recruitment team not just to be restricted to sourcing resources but to also understand the business that they are looking at. So, then, it's not just about finding ten people, ten candidates for one role, it is about understanding out of these ten candidates, which one candidate will actually fit the role and, uh, deliver what exactly they ask for, right? So, somewhere the HR department perse, does not, uhm, work, sometimes ends up working side-words rather than being, uhm, in conversation with the, uhm, you know, with the leadership, the management team, uhm, or the development or the tech team or the creative team, right? Which is very important I feel', Participant 3

Training Team

A robust training team ensures that the employees have the necessary skills to excel in

their roles, by offering timely interventions to address evolving needs, and by promoting a culture of continuous learning. This culture of continuous learning is especially crucial in today's fast-paced and ever-evolving business landscape. Organisation that invests in employee training and encourage their workforce to continually enhance their skills are better positioned to adapt to changing requirements and remain competitive.

'The other parallel team is your training team because, people have to be trained well, if there are interventions the we need to intervene at the right time, otherwise we are going to be losing people, either they will not be equipped well to do the job and you know, they don't perform well and they leave or they feel frustrated and they feel helpless and then, uhm, you know, we need to be able to constantly giving them support, uhm, to be able to do the job well. And, of course all your other employee rewards and recognitions schemes to encourage and reward good performance', Participant 1

Critical positions that require succession planning

Positions that have the greatest impact on the company's performance

Critical positions are chosen based on their strategic significance. It emphasises on the need to understand which roles have the most substantial impact on company's growth and overall performance.

'So, these key positions are determined based on their strategic importance and their potential impact on the company's performance. Uhm, we use criteria such as the significance of the role, the skills and knowledge required, and the experience needed to identify these positions', Participant 3

Management team

One of the primary reasons for succession planning is to mitigate leadership gaps. Inadequate leadership can significantly hinder an organisation's ability to achieve its objectives. Succession planning within the management team is crucial for ensuring that when leaders are needed or when current leaders leave, there is a well-prepared successor ready to take the reins.

'it is to mitigate the deficit of leadership that we have. Because if you don't have good leaders, be it at a team lead level, but even at senior level, if you don't have good leader then your teams don't have a direction and then the org's objectives are not met. So, largely to mitigate the gap that we have, uhm, when we grow and when we need leader, right. Uhm, and also when leaders leave and you need somebody else to take on, largely as of now I look at succession planning around those lines', Participant 1

Rare Skills

Positions with rare or specialized skills often have a singular individual with expertise that is challenging to find elsewhere. Their departure could create a significant knowledge gap, thus making it a critical role and requiring succession planning.

'Like for example, we recently hired somebody who has Conversion Rate Optimisation experience, and that skill is very rare to find especially with respect to the experience that we required. That person is the only person in the organisation who understands CRO, who can execute CRO. Because the Heads will not get their hands into execution so they need somebody to execute. So, this person's position become critical to the company', Participant 2

Retention strategies

Good incentives

A good and competitive incentive structure that are aligned with the market standards

ensuring employees feel appreciated and fairly rewarded for their contributions

'We make sure that they are well paid. Uhm, even during their appraisal cycle we keep that in mind

and we make sure that they feel that, you know, they are getting what they deserve, right. So, that is

one way, it's just basically we have to keep them happy', Participant 2

Growth opportunities

When individuals see a clear trajectory for their professional development within the

organisation, they are more likely to stay and work towards their goals. Employees seek personal and

professional development within their roles, and providing them with opportunities for advancement and

skill-building is crucial in keeping them engaged and retaining them.

'one is definitely, uhm, sort of jotting out a career path for them. Because, if you see, most of our

managers are all internally, you know, they have all joined as frontliners and then they have grown',

Participant 1

Recognition and importance

Recognising their contributions and giving employees a sense of importance and

value within the organisation can significantly enhance their commitment and loyalty to the company.

'So, one thing, you need to give the important. So, when, when you are giving the importance to

somebody, like you are listening to them voice out their opinion and if that opinion is right, making

that changes that itself will have 50% of that employee, uhm, you know, glue to the company',

Participant 4

'make them feel valued. Uhm, it's essential to make them feel valued and invested in their future

within the organization', Participant 5

Discussion

The study aimed to explore workforce planning among successful start-ups in India.

The findings demonstrate that succession planning is indeed an integral part of workforce planning,

particularly for higher-level positions within an organisation. It goes beyond merely filling immediate job

openings; it involves nurturing internal talent, aligning it with the organisation's growth and leadership

requirements, and ensuring that the culture and values of the organisation are preserved. Succession planning offers several strategic advantages, including quicker adaptation to organisational culture and expectations and the identification and development of talent from within, even when similar talent is available externally. By emphasising employees' familiarity with the organisation's culture and work expectations, it becomes clear that succession planning is an essential element of a comprehensive and strategic approach to workforce management.

The importance of critical positions that require succession planning was emphasised for positions that have the greatest impact on the company's performance, the management team, and roles with rare skills. These positions are critical to the organisation's success and continuity, making them crucial for succession planning efforts.

The factors that influence workforce planning were categorised into two broad areas: Manpower planning and Succession planning. Manpower planning encompasses considerations such as the organisation's requirements, attrition, interest of the candidate, turnover, high salary expectations, and notice periods. Succession planning involves assessing performance, cultural fitness, attitude toward the organisation, leadership skills, interest in the field, and mentoring. These factors, in turn, influence the strategies organisations adopt for workforce planning.

The challenges of workforce planning were explored in the context of both Manpower planning and succession planning. For Manpower planning, these challenges include skill mismatching, candidate interest, turnover, high salary expectations, and notice periods. Succession planning, on the other hand, faces challenges such as employee retention, delayed opportunities, and resistance to change. The responses underscore the significance of communication and collaboration within the management team as a valuable strategy to overcome these challenges.

Factors to consider for effective workforce planning encompass coordination and communication with the management team, planning and review, the role of the talent acquisition team, and the contribution of the training team. Effective workforce planning is achieved by ensuring that HR collaborates closely with department heads and the leadership team to align workforce planning with the organisation's strategic objectives and to adapt to staffing needs as they change over time. The training team, in particular, plays a pivotal role in equipping employees with the skills and capabilities needed to excel in their roles.

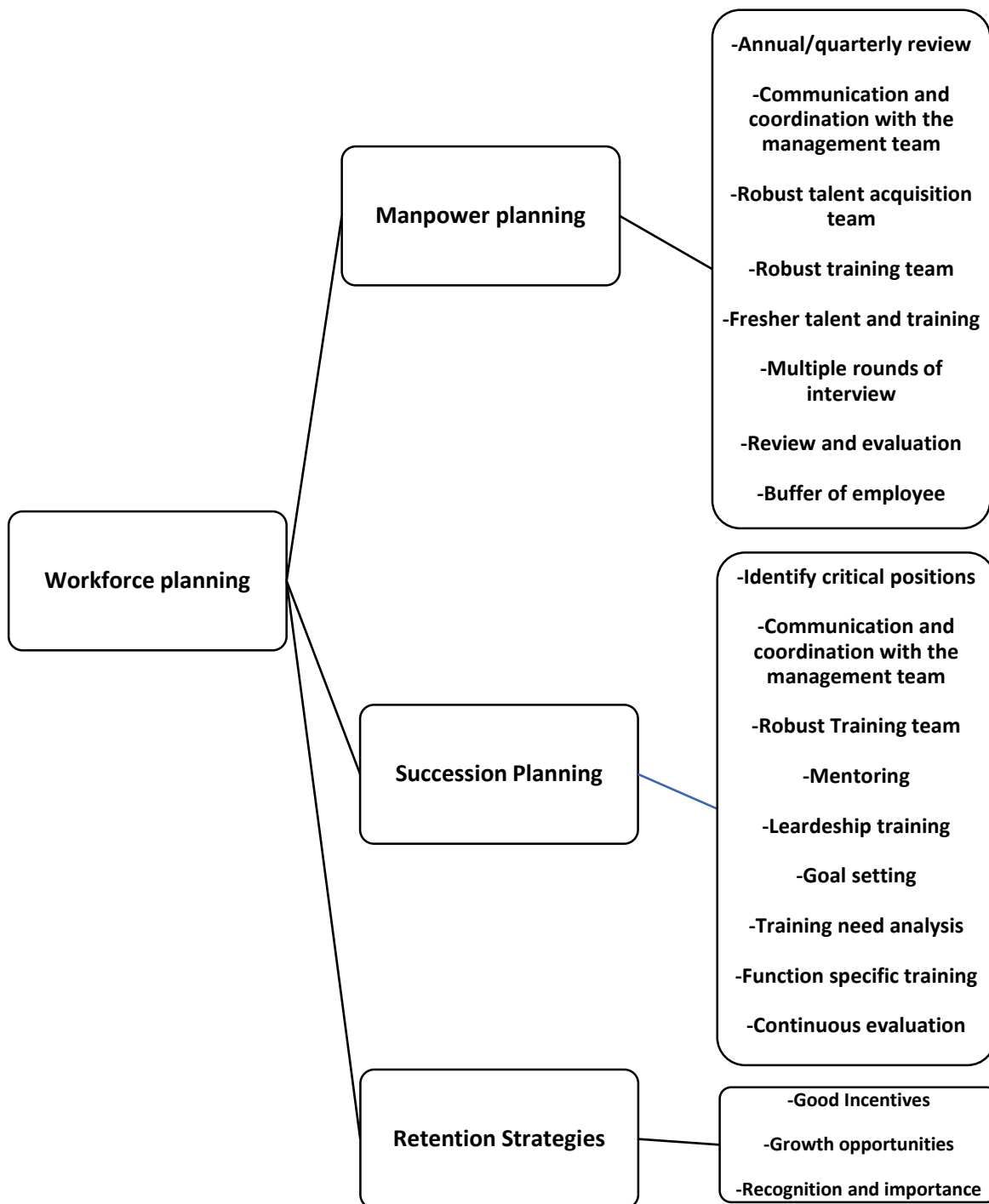Retention strategies were discussed in the context of good incentives, growth opportunities, and recognition. The responses highlight the importance of offering competitive compensation and incentives, providing clear paths for growth and development within the organisation, and recognising and valuing employees' contributions as key components of retaining talent. These strategies ensure that employees feel rewarded, have room for growth, and understand their importance within the organisation, ultimately contributing to their loyalty and satisfaction.

Practical Implication

Start-ups can refer and apply the following Workforce Planning Model:

Figure 1

Workforce Planning Model chart

Manpower planning

- -Annual/quarterly review
- -Communication and coordination with the management team
- -Robust talent acquisition team
- -Robust training team
- -Fresher talent and training
- -Multiple rounds of interview
- -Review and evaluation
- -Buffer of employee

Workforce planning

Succession Planning

- -Identify critical positions
- -Communication and coordination with the management team
- -Robust Training team
- -Mentoring
- -Leardeship training
- -Goal setting
- -Training need analysis
- -Function specific training
- -Continuous evaluation

Retention Strategies

- -Good Incentives
- -Growth opportunities
- -Recognition and importance

Limitations and recommendations

The primary limitation of this study is the small sample size of five participants,

which may not fully capture the diversity of workforce planning approaches in various start-ups.

Additionally, the qualitative nature of the research design may also limit the ability to quantify the impact of

workforce planning strategies.

To address these limitations, future research should aim for a larger and more diverse

participant pool, including a variety of organisational sizes and industries. Additionally, combining

qualitative insights with quantitative data could provide a more comprehensive understanding of the

effectiveness of workforce planning strategies in diverse organisational settings.

Conclusion

The study underscores the indispensable role of succession planning in comprehensive workforce management, especially for critical positions vital to organisational success. The findings emphasise its strategic advantages, challenges, and the interconnected factors influencing workforce planning. From effective collaboration within the management team to the integral contributions of the training team, the study reveals the nuanced strategies organizations adopt for successful workforce planning. Retention strategies, emphasising incentives and recognition, emerged as key components fostering employee loyalty and satisfaction. Ultimately, the research highlights the holistic nature of workforce planning, where succession planning emerges as an essential element for organisational resilience, growth, and the preservation of its culture and values.

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