CHAPTER - II
Theoretical Frame Work on HRD
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THEORETICAL FRAME WORK ON HUMAN RESOURCE DEVELOPMENT

The present chapter is made an attempt to give a briefly on HRD Frame Work, HRD Process, Objectives of HRD, The Role of HRD, HRD Mechanism, HRD Climate, Components of HRD Climate, Appraising the HRD Climate, HRD Culture, Changing Boundaries in HRD, Significance of HRD, Need for HRD in Indian Context, HRD Philosophy and so on.

2.0 HRD FRAME WORK

The economic liberalization initiated by the Government of India towards the market economy in 1991 started creating a more dynamic environment in India than ever before. HRD plays a significant and crucial role in market economies under dynamic environments. However, it cannot be effective to those who do not possess potentials to perform the present and future roles in the organizations. HRD to be effective should essentially have a strong base of human resource planning, recruitment and selection based on effective HRD requirements. These base factors enable the organizations to develop their human resources effectively.

Human resource planning for HRD should plan for human resources not only for the present and future jobs but also for the roles to be played by the employees. Further, the human resource planning should plan for potentialities. Recruitment for HRD refers to searching for prospective employees having skills, talents and potentials to carry out the present and future jobs and also for developing them. Selection for HRD refers to designing the selection techniques like written test, interview, etc. These base factors help in analyzing the roles of employees such as individuals, as members of the teams and organization along with the ever-changing environment. The positive base factors exert positive influence on the analysis of the roles and vice-versa. The analysis of roles of the employees as individuals, members of team and members of organization helps the organization to know the employee’s present capabilities and potentials. Further, performance appraisal and potential
appraisal techniques help in evaluating the present capabilities, performance and potential more accurately.

Organizational plans including the plans for change based on environmental opportunities and threats are the bases to determine the organizational requirements. Organizational requirements, in turn, are the bases to determine the future requirements of various roles in the organization. The difference between the present capabilities of employees and the future role requirements is to be bridged by the human resources and hence they have to be developed accordingly.

Human resources to be acquired and developed are determined in terms of skills, knowledge, abilities, values, aptitudes, beliefs, commitment etc. Suitable techniques of human resource development are to be selected depending upon the resources to be acquired and developed. These techniques include the performance appraisal, potential appraisal, training management development, organizational development, career planning and development, reward orientation, employee welfare etc.

The outcomes of HRD are four-fold. For instance, HRD benefits the organization by developing the employees and making them ready to accept the responsibilities, welcome changes, adapt to changes, enables the implementation of the programmes of total quality management, maintenance of sound human relations and increase in productivity and profitability. HRD is also beneficial to the individuals in achieving their potentials, increase in performance, fulfilling their needs and also in enhancing the social and psychological status. HRD helps the groups in the form of increase in co-operation, increase in collaboration and team spirit. Further, it helps in achieving the social goals by offering value for money in its goods and services.

2.1 HRD PROCESSES

The main characteristics of HRD work in India, both in terms of the concepts and practices are based on value-anchored processes and systems. The concept of human resources in HRD is not value-free. Broadly speaking, there are three
meanings attached to the concept of HRD. In the first place, persons working in the organizations are regarded as a valuable resource, implying that there is a need to invest time and effort in their development. Second, they are human resources, which means that they have their own special characteristics and therefore cannot be treated like material resources. The approach focuses on the need to humanize organisational life and introduce the human values in the organization. Third, human resource development does not merely focus on employees as individuals but also on other social units and processes in the organization. These include the role or the job a person has in the organization, the dyadic unit (consisting of the person and his supervisor), the various teams in which people work, inter-team processes and the total organization\(^1\). Therefore, six distinguishable human units are included in the human resources, namely persons, jobs or roles, dyads, teams, inter-teams and the organization. The emerging developmental processes of the six "human units" are briefly discussed hereunder.

### 2.1.1 OBJECTIVES OF HRD

- To maximize the utilization of human resources for the achievement of individual and organizational goals

- To provide an opportunity and comprehensive framework for the development of human resources in an organization for full expression of their latent and manifest potentials

- To locate, ensure, recognize and develop the enabling capabilities of the employees in the organization in relation to their present and potential roles;

- To develop the constructive mind and an overall personality of the employees;

- To develop the sense of team spirit, team work and inter team collaborations;

- To develop the organizational health, culture and effectiveness;

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➢ To humanize the work in the organization;

➢ To develop dynamic human relationships; and

➢ To generate systematic information about human resources;

Uday Pareek and T.V.Rao have identified four basic agents or partners of development as follows:

(a) The employee or individual;

(b) The immediate boss of the employee

(c) The HRD department;

(d) The organization

HRD is an administrative function. HRD manager is a line manager and has an important place in the organization chart. Previously it was treated as a staff function. But the American Society for training and development suggested that “It (HRD) should be an entrepreneurial function to increase the importance of the HRD”. It observes that HRD manager should be a problem solver, risk taker, interdependent rather than remedial teacher, caution taker and dependent. He should create opportunities for the employees in place of minimizing of performance gaps.

HRD is concerned with the development of people working at all levels i.e., workers, training staff, employees and executives in an organization, while management development is mainly concerned with the development of executive and management in the organizations. HRD is interlinked, pro-active, useful and applicable in all functional areas of management. HRD is a science as well as an art. It is an art due to its philosophy and skills. But the degree of art is greater than the degree of science as it related with the skills, values, attitudes and perceptions of human beings.
Once the former Prime Minister, Mr. Rajiv Gandhi stated, "The real strength of the country lies in the development of the human mind and body". It was also rightly expressed by an eminent philosopher of China, Kuang Chung Trum during the 7th century B.C. "If you wish to plan for a year, sow seeds, if you wish to plan for ten years, plant trees, if you wish to plan a life time, development".

The subject of HRD is a new one and is of topical interest and of increasing importance. The Government of India has recognized the importance of HRD and has created a separate Ministry under the control of a full-fledged Cabinet Minister.

HRD is needed by organization that wants to be dynamic and growth oriented or to succeed in a fast changing environment. Organizations can become dynamic and grow only through the efforts and competencies of their human resources. Personnel policies can keep the morale and motivation of employees high, but these efforts are not enough to make the organization dynamic and take it in new directions. Even an organization that has reached its limit in terms of growth needs to adapt to the changing environment. No organization is immune to the need for processes that help to acquire and increase its capabilities for stability and renewal.

2.2 The individual employee

The individual employee is the key unit in an organization. HRD is primarily concerned with the development of persons working in the organization, so that they may be able to have their own fulfillment and contribute to the goals of the organization. There are three important processes relevant to the development of persons or individuals in organizations.

a) Self-Management: The person working in an organization should develop competencies to manage his/her work effectively. This would involve learning to set realistic goals. The goals must be achievable yet challenging. The individual should also learn to analyze the performance process in terms of the factors responsible for the success or failure in achieving the performance results. Some of these factors are related to the employee (self), while others may be concerned
with the external conditions (extraneous to self)\(^2\). Self-management would also involve using information and competency to improve one's performance in future. An appropriate performance management system in the organization can play a supportive role. In fact, many organizations design their performance management system with this approach.

b) **Competence Building:** The main contribution of HRD to the individual development is in terms of building competencies required for better performance on the job. The individual employee comes with his / her educational background and personal strengths and weaknesses. While working in the organization, he / she learns new skills that help him / her to work effectively to achieve the organisational goals.

c) **Advancement:** Every employee wants to advance his / her career in the organization. HRD should help in the process of such advancement. Advancement of employees involves a two-pronged approach: (i) Identifying their potential for use in higher responsibilities in the organization, and (ii) Helping them to develop further potential to take up new challenges progressively.

2.3 **The Role**

Although individual employees perform various complex roles in the organisation, it is necessary to pay attention to these roles independently. Role is neither synonymous with the job nor it is synonymous with status or position in the organisation. There are three main aspects of the development processes of roles.

a) **Optimum stress:** Each role must have enough stressors which may help the role occupant to stretch himself / herself to meet the challenges. In the role, where the scope is limited to routine work, the role occupants do not perceive any challenge. Such a situation is not likely to motivate the role occupants to do their best. They will feel under-worked. While every role has some routine elements, challenge can also be incorporated into every role. However, the challenge should not exceed an optimal limit, otherwise it may produce dysfunctional stress, resulting

in poor performance or damage to the health of the employees in the long run\(^3\). Metaphorically building optimum stress in the role is like setting the strings of a musical instrument at a level, where they are stretched enough to produce music but not too much to break.

b) **Linkages:** While roles in organisations are occupied by individual employees, it is necessary to build linkages among the roles, as well as linkages of different roles with challenging goals. If the roles get isolated and produce a feeling in the role occupants that their work is very narrow and not of much use to wider groups, it might have damaging effects on the individuals, as well as on the organisation.

c) **Autonomy:** If individuals who occupy various roles feel that they have enough scope to take initiatives or solve problems or do creative work, the role occupants and the organisation benefit a great deal. HRD must attempt to develop a sense of autonomy of this kind in every role, even at the lowest level in the organisation\(^4\).

### 2.4 Inter teams

The main emphasis of inter-teams is to develop cooperation among various groups in the organisation so that they are able to work effectively towards the common objectives. The main focus of HRD activity for such cooperation is to develop a corporate identity. When the teams are strong, but work to achieve their own narrow goals, there is a possibility of unhealthy inter-team competition, leading to a weak organisation. While teams should work on their own goals, their linkages with other teams, as well as the organisation should be achieved through various measures.

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2.4.1 The Organization

As far as the organisation is concerned, the following three processes deserve the attention of HRD:

a) Growth: Every organisation looks forward to growing. The growth of an organisation would involve increase in its size, activities and operations. Even when an organisation is not growing in size, it may be concerned with augmentation of service quality or maintaining a leadership position in its field of operations.

b) Impact: Each organisation would like to have some impact on outside organisations or customers. Impact may be in terms of developing new markets, developing services or products, introducing new technology that others can follow, and so on.

c) Self-Renewal: The organisation must examine its working from time-to-time and take steps to update its technology. It should also analyse the present and potential problems imminent in its growth, and take proactive steps to prepare itself to meet these challenges. Self-renewal competency is necessary for organisational effectiveness and survival.\(^5\)

2.5 HRD MECHANISMS

To achieve the objectives of HRD, systems may include the following mechanisms or sub-systems.

1. Evaluation of the training programmes.
2. Feedback on to what extent the training helped the individual.
3. Career planning.
4. Quality of work life and the employee welfare.
5. Opinion of the respondents on HRD.

2.6 HRD CLIMATE

HRD aims to provide the opportunities and resources to the individuals for fullest expression of their potential and focuses on the creation of values and culture which will conducive to the individual's growth in the organizational context. The success of any Organisation is mainly determined by the skills, knowledge, ability, competency, motivation and morale of the employees. HRD is more personnel oriented rather than technological-oriented and believes that participation and communication would bring out greater commitment, efficiency and growth of the individuals in the organization. The employees who possessed the qualities as cited supra are the greatest assets of any organization. Bestowing an adequate opportunities and providing the right type of the congenial atmosphere in the organization, individuals can be exhibit full contribution to their potentials so as to achieve the goals of the organization effectively and efficiently and thereby ensuring the optimum utilization of the human resources. In order to achieve this, a 'hale and hearty'. HRD climate is very much required. HRD climate helps the employees to acquire the required competencies which would enable them to execute their present and future expected roles and assists in developing their capabilities for better organizational performance.

A congenial HRD climate in turn influences the culture prevalent in the organization, since climate is an outcome of the culture. Thus HRD climate works for the creation of an enabling organization and seeks to develop and manage human resources towards greater sharing of personal, social and economic values. Thus the success of HRD in an organization depends to a larger extent on the existence of a favourable and optimum level of HRD climate.6

The HRD climate of an organization plays a very important role in ensuring the competency, motivation and development of its employees. The HRD systems and leadership styles of top management. The HRD climate is both a means to an end as

well as an end itself. In the recent past simple instruments have been developed to measure the HRD climate in the organization.

Perception about an organization's goals and about decision that a manager should take to achieve these goal, not only from formal control system but also through systems in the informal organization. In fact both the formal and informal structure combine to create what is called organizational climate.

The term 'climate' is used to designate the quality of the co-operation, the development which conducive in turn the quality of the individual, the extent of member's dedicated or commitmented to the organizational purpose and the efficiency with which that purposes becomes translated into results. Climate is an atmosphere in which the individual's help, judge, reward, constrain and find out about each other. It influences the morale and attitudes of the individual toward his work and working environment.

2.6.1 HRD Climate and Organisational Climate

HRD climate is an integral part of the organizational climate. It can be defined as perceptions that the employee can have on the developmental environment of an organization. This developmental climate will have the following characteristics (Rao and Abraham, 1986):

1. A tendency at all levels starting from the top management to the lowest level to treat the people as the most important resource.
2. Perception that developing the competencies in the employees is the job of every manager/supervisor.
3. Faith in the capability of the employees to change and acquire the new competencies at every stage of life.
4. A tendency to be open in communications and discussions rather than being secretive (fairly free expression of feeling)
5. Encouraging the risk-taking and experimentation.
6. Making efforts to help the employees to recognize their strengths and weakness through feedback.
7. A general climate of trust.
8. A tendency on the part of the employees to be generally helpful and collaborate with each other.
9. To build and maintain the Team Spirit.
10. Tendency to discourage the stereotypes and favouritism
11. Supportive personal policies.
12. Supportive HRD practices including performance appraisal, training, reward management, potential development, job rotation and career planning etc.

Organizations will differ in the extent to which they have about these tendencies. Some organizations may have some of these tendencies, some others may have only a few of these and some may have most of these. It is possible to work out the profile of an organization on the basis of these tendencies.

Ability, by and large, without any doubt, HRD climate contributes to the organization's overall health and self-renewing capabilities, which in turn increase the enabling capabilities of the individual, dyads, team and the entire organization.

2.6.1.1 Meaning and definition of HRD climate

HR means employees in the organization, who work to increase the profit for the organization. Development is acquisition of capabilities that are needed to do the present job or the future expected job. After analysing the Human Resource and Development, we can simply state that, HRD is the process of helping to acquire the competencies. Climate is an overall feeling that is conveyed by the physical layout, the way employees interact and the way members of the organization conduct themselves with outsiders. Ipso facto, Abraham aptly defined that “Organizational climate is a set of characteristics of an organization which are referred in the descriptions of the employees to make the policies, practices and conditions which exist in the working environment”. An organization then only became dynamic and growth oriented when their people are dynamic and pro-active. Through proper selection of people and by nurturing their dynamism and other competencies, an organization can make their people dynamic and pro-active. To survive, it is very essential for an organization to adopt the change in the environment and also
continuously prepare their employees to meet the challenges, which in turn will have a positive impact on the organization.

2.6.1.2 General characteristics of HRD Climate

The salient characteristic features of HRD climate are as cited beneath.

1. **Individual Initiative**: The degree of responsibility, freedom and independence that individuals have.
2. **Risk Tolerance**: The degree to which employees are encouraged to be aggressive, innovative and risk-seeking.
3. **Direction**: the degree to which the organization creates clear objectives and performance expectations.
4. **Integration**: The degree to which units within the organization are encouraged to operate in coordinated manner.
5. **Management support**: The degree to which managers provide clear communication, assistance and support to their subordinates.
6. **Control**: The number of rules and regulations and the amount of direct supervision that is used to oversee and control employee behaviour.
7. **Identity**: The degree to which members identify with the organization as a whole rather than with their particular work group or field of professional expertise.
8. **Reward System**: The degree to which reward allocations are based on employee performance.
9. **Conflict Tolerance**: The degree to which employees are encouraged to air conflicts and criticisms.
10. **Communication Patterns**: The degree to which organizational communications are restricted to the formal hierarchy of authority.

2.6.1.3 Need for HRD climate in the Organisation

**Top to Bottom effort**

Organization is considered to be complete organization after including top authority to bottom line of workers. And whenever we talk about development at organizational level, effort is needed from top level to bottom level. Top authority should not be think in their mind that their task is only to take decisions but they...
should also emphasized on proper implementation of decision by adopting various controlling techniques. Bottom level workers should have loyal mind-set towards their organization. Bottom level workers have to work with dedication. They should have realization that organization is their own organization.

**Motivator role of Manager and Supervisor**

In order to prepare Human Resource Development Climate, Manager and Supervisor’s responsibilities are more or we can say that they are the key players. Manager and Supervisors have to help the employees to develop the competencies in the employees. To help the employees at lower level, they need to update properly and they need to share their expertise and experience with employees.

**Faith in employees**

In the process of developing the HRD Climate, the employer should have faith its employee’s capabilities, which means whatever the amount is invested that should be based on development of the employees. Like-wise the Top management should also trust the employees. That should make earnest efforts to develop the employees, who in turn shall work for the well being of the organization and for human beings also.

**Free expression of feelings**

Whatever the Top management feels about the employees, they have to express their feeling to the employees and whatever the employees think about the top management, their views must be expressed. In other words we can say that there should not be anything to be hidden in the process of communication. That clear-cut communication process will certainly help to establish the HRD climate in the organization.

**Feedback**

Feedback should also be taken regularly to know the drawbacks in the system. This will help to gain the confidence in the employees mind. Employee will trust on the management and they can express their opinion freely which will conducive for HRD Climate. Feedback will help to remove the weakness prevailed both in the employer and employees.

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Helpful Nature of employees

Besides the above, the Nature of the employees should also be helpful for the management and for their colleagues. They should be always ready to help the consumers too.

Supportive Personnel Management

Personnel policies of the organization should motivate the employees to contribute more from their part. Top management’s philosophy should be clear towards the Human Resource and its well-being to encourage the employees.

Encouraging and risk taking experimentation

Employees should be motivated by giving them authority to take decision. Though this concept is risky but gradually it will bring expertise in the employees to handle similar situation in future. It will also help to develop confidence in the employees mind. Organisation can utilize and develop the employees more by assigning risky task.

Discouraging Stereotypes and favoritism

Management need to avoid those practices which lead to favouritism. Management and Managers need to give equal importance. Those people who are performing well, they need to be appreciated and those who are not performing good, they need to be guided. Any kind of partial behaviour should be avoided. There must be feeling of belongingness among the employees and also willingness to work as a team.

2.6.1.4 Components of HRD Climate

Organizational Structure

An organization’s structure is actually a ‘snapshot’ of a work process, frozen in time so that it can be viewed. The structure enables the people’s energy to be focused towards the process achievement and goal achievement. Employee must have a clear definition of not only the work structure but also the role used to organize the work. If the structure and the role is not clear, people will not know what the work process is, who is responsible for what, whom to go for help and decision and who can assist in solving the problems that may arise.
Organizational Culture

Organizational culture is the pattern of beliefs, knowledge, attitudes and customs that exists within the Organisation. Organizational culture may result in part from senior management beliefs or from the beliefs of employees. Organizational culture can be supportive or unsupportive, positive or negative. It can affect the ability or willingness of the employees to adopt or perform well within the Organisation. The most effective work culture is one that supports the organizations HR strategies by aligning behaviours, processes and methods with the desired results. It is not just achieving the results but the methods through which they are achieved that are critical to long-term success. Before any HR strategy is designed, there must be a clear understanding of the Organisation, its current values, structure, its people as well as its goals and vision for the future.

HR Processes

The HR system of an Organisation should be comprehensive enough to take care of the employees from the time they join till the time they leave HR. Their demands must not be ignored, but a feeling of belongingness be created. Process should be very clear and impartial, so that the employees feel faith in Organisation. From recruitment to retirement the whole process should be according to employee's expectation and ability of the employer.

Importance of looking at the organizational Climate

Looking at the organizational climate, which means taking a closer look at what is in and around in the HR scenario of the various organization. It is essential to work on because directly or indirectly this environment affects the organization and the employee. Essentials in this regard are (I) Environmental factors of HR are prime influencing elements of change in HR strategy. (II) It gives HR professionals time to anticipate opportunities in HR area and time to plan optional responses to these opportunities.

2.6.1.5 Measuring the HRD climate

Economic Condition

An organization's economic condition influences its culture in several ways. The more prosperous, the more Organisations can afford to spend on research and afford to risk and be adventurous.
Leadership Style

Organisation leadership style also plays an important role in determining the several aspects of its culture. An authoritarian style may make the organization's culture characterized by high position structure, low individual autonomy, low reward orientation, low warmth and support and so on, or it may be opposite, like goal directed leadership.

Managerial assumption about Human Nature

Every act on the part of management that involves human beings is predicated upon assumption, generalization and hypothesis relating to the human behaviour. There are two theories of behaviors i.e., Theory x and Theory y.

Managerial values and ethos

The feeling of managers about the norms and values is what is good and what is poor in management practice also plays a vital role in creating a healthy organizations climate. There are a few dimensions on which it can be checked. They are - self-awareness, risk-taking, participation, bureaucracy, equity, employee's security and growth.

Organizational Size

For small organizations there will be a few levels of management and they are generally more amenable to democratic and participative functioning than big organizations. More open communication system will prevail in small organizations. Hence these organizations have a different type of climate than what are in big organizations.

2.6.1.6 HRD Climate and Communication

The communication that arises not out of formal relations between people but out of informal or social relationship is called the grapevine or informal communication. The management has no absolute control over this type of communication as they neither created nor destroyed it. Communication need not flow through authority – responsibility relationship or channels of organization in informal communications. In informal communication there is no formal superior subordinate relationship.
The informal communication does both good and bad to the organization. The advantages of informal communication are:

1. It acts as driving force to untie the work force in cases of common matters.
2. It saves time and energy as the information flows at high speed.
3. It has immediate response from the receiver.
4. It provides the scope for creation of new idea.
5. It satisfies the communication needs of various employees.
6. It provides scope for immediate feedback.

Informal communication suffers from various drawbacks, they are:

(a) Informal communication sometimes spreads wrong information and rumours.
(b) It distorts information.
(c) Grape wine provides only inadequate information.
(d) Information provided through grape wine has no formal authority and
(e) It overlooks superiors.

The most effective communication results when managers utilize the informal organization to supplement the communication channels of the formal organization. It should be remembered that it is a part of the manager’s job to have a little control over this informal communication so that he can take the appropriate action to minimize the adverse effect of this channel. Organizational climate is very important in the context of communication. Organization climate is the summary perception which people have about an organization. It is thus a global expression of what the organization is:

Organizational climate refers to a system of shared meaning held by members that distinguishes the organization from other organizations.

2.7 **HRD CULTURE**

Human Resource Development deals with the competence building, culture building and commitment building. Competence and commitment can be built on a
continuous basis in a certain type of culture. If the milieu is good, a number of things can happen. Hence, creating a culture becomes important in any organisation.

The HRD culture should have the following characteristics:

1. It should be a learning culture.
2. It should facilitate the identification of new competencies of people.
3. It should facilitate bringing out the hidden potential and new talents of people.
4. It should help in developing the new competencies.
5. It should have built in motivational value. In other words, it should have a self-sustaining motivational quality.
6. It should enable the people to take initiative and experiment.
7. It should enhance creativity and problem solving capability of people.
8. It should create team spirit and morale.

The OCTAPACE culture is an acronym for Openness, Collaboration, Trust, Authenticity, Proactively, Autonomy, Confrontation and Experimentation.

2.7.1 Openness

Openness is where people feel free to express their ideas, views, opinions to each other, irrespective of their level, designation etc. There are no barriers to, such expression. People are encouraged to express and are heard when expressed. Their views are taken seriously.

2.7.2 Collaboration

Collaboration is the culture where people are eager to help each other. There is a spirit of sacrifice for each other’s and for the sake of larger goals. People are willing to go to any extent to help each other to make sure that larger organisational goals do not suffer. Organisational goals particularly govern decision-making and people do not have narrow departmental or team loyalties. Team spirit is high. Intra departmental loyalties don't come in the way of inter-departmental collaboration.
2.7.3 Trust and Trustworthiness

Trust and Trustworthiness deals with a culture of people believing each other and acting on the basis of verbal messages and instructions, without having to wait for written instructions or explanations. When people say that they will do something or promise to do something, it is simply relied upon. There is no need for extra monitoring and control. There are no overheads to check whether people are mean what they say. The work given by the individuals, dyads or teams is relied upon. In such a culture both trust and trustworthiness are of the highest order.

2.7.4 Authenticity

Authenticity is speaking the truth fearlessly and keeping promises once they are made. It is indicated by the extent to which people say what they mean and do what they say. In a way, it is the higher order than trust and trustworthiness. Individuals, dyads and teams can be counted upon not to make false promises. They never say, promise or commit things to please others. Whenever people speak they speak from their heart and are sincere in what they say. They also make full efforts to implement what they say and keep their promises. They do not need any follow-up and if they fail to do so, it is understood that it is because of extraordinary circumstances beyond their control.

2.7.5 Proactive

Culture is one that promotes initiative and explorations on the part of all individuals, dyads, teams and all employees. A pro-active culture encourages everyone to take initiative and make things happen. New activities and new ways of doing things are encouraged. Such pro-action may be in any area, including role making, role taking, work methodology, cost reduction, quality improvements, culture building, human resource management etc. A proactive culture encourages people to undertake new activities.
2.7.6 Autonomy

Autonomy is present if every role holder in the organisation, irrespective of the level has some scope in his or her job to use some discretion. The discretion may be in terms of the work methods, decision-making, communication any such area. Every employee should feel that he/she has the scope for some discretion in his job. Higher freedom to choose what one wants to do, or the way he/she wants to do things the higher the autonomy. This has been the highest in quite a few educational and research organisations.

2.7.7 Confrontation

Confrontation is the culture of facing issues squarely. Issues are talked about and discussed. There is very little or no fear of hunting one another. Even if one has to hurt for each other, the issue is faced up to and not brushed under the carpet. People can be relied upon to treat issues as issues and not to take them as a personal assault or get hurt. This culture enhances the problem-solving ability.

2.7.8 Experimentation

Experimentation is the orientation on the part of employees to try out new ways of doing things and experiment with new decisions. It characterises a risk-taking culture in the organisation. Without risks, there is no growth. Without experimentation, there is very little scope for renewal, rejuvenation and simplification of life. Openness and confrontation go together. Autonomy and collaboration go together. Trust and authenticity go together. Pro-action and experimentation go together. These four pairs are the four corner stone’s of the HRD culture.

2.8 CHANGING BOUNDARIES IN HRD

Over a time, there have been many changes in the HRD function. For instance, some new initiatives have been included in the HRD function, which are discussed hereunder:
• **Initialising and Managing Quality Initiatives**: These include quality circles, small group activities and ISO certification etc.

• **Conducting Surveys**: These include climate surveys, employee satisfaction surveys, and internal customer satisfaction surveys benchmarking with competitors and others globally.

• **Restructuring Salary and Reward Systems**: These are carried out through compensation surveys, introduction of stock options, performance-linked pay or pay-for-performance and compensation planning etc.

• **Enhanced emphasis on Recruitment or Placement**: With the recognition of the need for competent people, the new economy industries like the IT, Telecom, Financial services, Insurance, BPO organisations (call centres) have further increased their focus on recruitment and outsourcing of recruitment.

• **Introducing New Technologies of Training**: It includes e-Learning, on-line education, distance learning, off campus learning, web based learning and use of other technologies for learning.

• **Corporate Universities and In-house Training Institutions**: The establishment of these learning centres helps in competency building.

• **Introduction of 360 Degree Feedback**: It can be used for leadership development, evolving leadership models that fit into the company culture and take care of the unique needs of the company and exploring it as an individual as well as performance development tools, experimenting with 360 degree feedback by linking with reward systems.\(^8\)

• **Assessment or Development Centres**: These assessment or development centres help in identifying, developing and promoting talented individuals. Further, these centres help in identifying high potential employees thereby organisations can design strategies to retain the talented and meritorious employees.

• Increased emphasis on mentoring and coaching.

• Increased emphasis on training of all employees, particularly operators and workmen etc., through multi-skilling, etc.

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• Emphasis on leadership and leadership development at all levels.
• Participation in strategic thinking, business planning, mergers, acquisitions etc.
• Improving Quality of Work Life: It has been brought into focus by the IT industry where the environment becomes a critical factor in the effective functioning of knowledge workers.

2.9 SIGNIFICANCE OF HRD

The term "human resource" as stated earlier refers to the knowledge, skills, creative abilities, talents, aptitudes, values and beliefs of an organisation's workforce. The more important aspects of human resources are aptitudes, values, attitudes, and beliefs. In a given situation, if these vital aspects remain the same, the other aspects of human resources like knowledge, skills, creative abilities, and talents play an important role in deciding the effectiveness and efficiency of an organisation's workforce. However, enhancement of utilisation value of human resources depends on improvement of the human resource aspects like skills, knowledge, creative abilities, talents and moulding of other aspects like values, beliefs, aptitudes, and attitudes in accordance with the changing requirements of groups, organisations, and society at large. This process is the essence of human resource development. It is clear from this interpretation that human resource development improves the utilisation value to an organisation.

The effective performance of an organisation depends not just on the available resources, but its quality and competence as required by the organisation from time to time. The difference between two nations largely depends on the level of quality of human resources. Similarly, the difference in the level of performance of two organisations also depends on utilisation value of human resources. Moreover, the efficiency of production process and various areas of management depend to a greater extent on the level of human resources development.

With the increase in globalisation and economic liberalisation, organisations, the world over have started facing challenges to cope with the increased competition, demands and expectations. These changing demands that are being placed on
organisations and their consequent streamlining have created new challenges. As Peter F. Drucker points out, "For the first time in human history, it really does matter whether or not people learn". There is a greater need these days for devising more effective ways of delivering value to the organisations by developing people. The fact that human competency development is an essential pre-requisite for the growth and development of organisations is well recognised now. For real development to take place, organisations need to check whether they have the right people in the places with right competencies, knowledge, experience, and capabilities necessary for both current and future responsibilities. These call for well-planned human resource development strategies and policies. Various mechanisms can help the organisation in facilitating and managing their HRD functions. Training is one of the widely used mechanisms of HRD that helps the organisation to get the most from their HR by developing a result-oriented culture throughout the organisation.9

HRD assumes significance in view of the fast changing organisational environments and the need for the organisation to adopt itself in order to respond to environmental changes. The changing environmental factors include- unprecedented increase in competition within and outside the country consequent upon the announcement and implementation of economic liberalisation and also the changing trends towards human resources management and complexities involved in it. Trends towards the market economy are more prevalent in most of the countries including the erstwhile communist countries. These trends towards market economy resulted in severe competition not only among the industries in the globe but also among industries within the nation. This competition allows only those industries strong in all respects to continue in the market and the other industries are forced to withdraw from the market.

In view of the vitality of human resources, the term, 'Human Resource Development' has assumed significance. For instance, companies like - Reliance Industries, Godrej and BPL, believe that the increasing levels of productivity are a direct fall-out of increased hours spent on training and development of employees.

For instance, Motorola, the U.S. based company reduced the costs by $10 billions by training its workforce. The productivity measured by sales per employee increased by 139 per cent. Studies showed that in the plants, where senior managers and workers were trained in quality tools and process skills, the company was getting nearly $30 in three years for every dollar spent on training including the cost of wages paid, while people took time off for the training sessions. These companies realised that people create the intangible assets, which drive performance. The hallmark of these successful companies is the willingness of the top management to spend a lot of time hiring and nurturing the best available talent and they have been suitably rewarded by the capital market for their efforts. In fact, the Union Government has also instituted a separate ministry for the Human Resource Development function. Many organisations have either started Human Resource Development departments or have appointed Human Resource Development managers who have at least strengthened their personnel departments to look after the human resource development functions.

In spite of the human resources development boom, there seems to be a lot of misguided thinking about human resource development in several organisations. One such misconception is treating human resource development as equivalent to training and development. In fact, the main objectives of HRD are - to maximise the utilisation of human resources for the achievement of individual and organisational goals; to provide an opportunity and comprehensive framework for the development of human resources in an organisation to locate, ensure, recognise, and develop the constructive mind, and an overall personality of the employees; to develop a sense of team spirit and inter-team collaborations; to develop the organisational health, culture and effectiveness; to develop dynamic human relationships; and to generate systematic human resource information.

The contribution of human resources for the organisational effectiveness is more significant. Further, it is said that HRD plays a significant role in enhancing human resource contribution for congenial customer relations and maximising profitability in organisations. The vitality of human resources to a nation and to an

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industry depends upon the level of its development. Organisations to be dynamic, growth-oriented, and fast changing should develop their human resources. It is needless to say that organisations possessing competent human resources grow faster and they can be dynamic. Though, positive personnel policies and programmes motivate employees by their commitment and loyalty, these efforts cannot keep organisations dynamic and fast changing. Organisations to be dynamic should possess the dynamic human resources. Human resources to be dynamic should in turn acquire capabilities continuously in accordance with the changing requirements of the organisations. Similarly, when employees use their initiative, take risks, experiment, innovate, and make things happen, the competent human resources can be dynamic in an enabling culture. Thus, HRD helps in improving the human relations, developing congenial organisational climate and also in maximising employee's contributions, thereby organisational goals can be achieved economically. In short, HRD plays a significant role in making human resources vital and useful.

In the light of the above discussion, the following questions will emerge.

1) What are the various HRD aspects relating to the HRD climate which is implemented in the Selected Paper pulp unit under study?
2) What are the attitudes and responses of the different groups of the employees towards the HRD climate in the Selected Paper pulp unit under study?

2.10 TECHNIQUES OF HUMAN RESOURCE DEVELOPMENT:

Techniques of human resource development are also called HRD methods, HRD instruments or HRD mechanism or HRD subsystems. They include:

(i) Performance Appraisal
(ii) Potential Appraisal
(iii) Career Planning
(iv) Career Development
(v) Employee Training
(vi) Executive Development

(vii) Organizational Change

(viii) Organizational Development

(ix) Social and Cultural Program's

(x) Workers Participation in Management

(xi) Quality circles

(xii) Employee Counseling

(xiii) Team Work

(xiv) Role Analysis

(xv) Communication Policies and Practices

(xvi) Monetary Rewards

(xvii) Non-Monetary Rewards

(xviii) Employee Benefits

(xix) Grievance Mechanism

2.10.1 EVALUATION OF HRD

The study of human resources is vital from the point of view of economic welfare and is particularly significant because human beings are not only instruments of production but also ends in themselves. It is necessary to know in quantitative terms the number of people living in a country at a particular time, the rate at which they are growing and the composition and distribution of population. Human Resource Development (HRD) is a Multi dimensional concept which is still at the developing stage, although man management is as old as Human civilization. Human beings are getting more and more importance in fast changing dynamic industrialized
and liberalized world, further HRD is growing fast both as a professional discipline and as an important man agent function in the modern large sized organizations.

At the funding of organizations, the strategic choices include limiting the task environment, defining the boundary between environment and organization, and determining the strategy and structure and other elements in the organization design in a system perspective. Human Resource development is a system of developing in a continuous and planned way the competencies of individual employees, dyadic groups (superior and subordinate), teams and the total organization to achieve organizational goals. It maximizes the congruence between the individual and organizational goals of employees and develops an organizational Culture, in which Superior – Subordinate relationships, teamwork and collaboration among various units become strong and contribute to the professional well –being, motivation and pride of employees. Thus understood, HRD denotes the culmination of the growth of the well-known human relations school of management which began over seven decades ago on to a considerable extent on the fulfillment of an organization’s immediate and future goals depend to a considerable extent on the fulfillment of its people’s Goals.

2.11 NEED FOR HRD IN THE INDIAN CONTEXT

With liberalization of the Indian economy many changes are taken place in the corporate sector. Many public sector enterprises are being sold to private hands, there is increase in work load, and ban on new recruitment, retrenchment of labour, imposition of voluntary retirement schemes and so on, with related all those things there is a pressure on the Indian industry to perform, produce quality goods and provide quality services. With increased competition there is need to become cost effective an upgrade work methods, work norms, technical and managerial skills and employee motivation to face up to new challenges. For these organizations need to be dynamic and growth oriented to sustain in the competitive environment. This is possible only through the competence of the human resources. To cope with the fast changing environment, organizations need to review their HRD approaches continuously. HRD is neither a concept nor a tool but is an approach using different
Chapter II

Theoretical Framework on Human Resource Development

... personal systems, depending upon the needs and priorities of the organization. The basic assumption is the belief in Human potential and its development by providing a suitable and congenial environment.

According to Ishawar Dayal (1996) and others, Concern for development of people has become important for two compelling business reasons. Firstly, competition in the business has forced attention of organizations on the cost of operations, sensitivity to market demands. These aspects of business cannot be served without fall and sympathetic involvement of people at work. Secondly consideration arises from the impressive developments in science, engineering and technology. The new production technology, automation and application of electronic control systems have changed the ratio of skilled and unskilled jobs. New systems require upgradation of skills. Thus, development of people, decentralization of decision making, flatter and different management practices than those followed in the past have become necessary for survival of business. HRD initiatives meet the need of these business imperatives.

In the opinion of Nadler & Wiggs (1986), the ultimate purpose of HRD activities is to make a difference in the real word of costs, quality, quantity, accuracy, and timeliness. HRD activities, as such, do not reduce costs, improve quality or quantity, or benefit the enterprises in any way. It is the on the job applications of learning that ultimately can reduce costs, improve quality, and so forth. It has been rightly observed by Billimoria & Singh (1985) that “each human being is born as something new and that never existed before, with the capacity to win in life, and everyone has their own unique potentials, capabilities and limitations.”

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Prof. Iswar Dayal (1989),

14 opined that HRD is a approach founded on the belief that people are capable of growth – given an environment that facilitates individual growth. HRD is to make a person, a total person in terms of skill maturity, competences, self awareness, adjustment, to the environment and confidence. In this context Khan(1987) said HRD is the process of increasing Knowledge, skills, capabilities and positive work attitude and value of all people working at all levels in business undertakings.

According to Rao (1988) et al., HRD is a process by which people in various groups are helped to acquire new competence continuously so as to make them more self relevant and simultaneously developing a sense of pride in them.

HRD is an approach to the systematic expansion of peoples work related abilities, focused on the attainment of both organization and personal goals. Nadler observed, HRD as “an Organized learning experience, with in time frame, with an objective of producing the possibility of performance change.” According to Rao(1988), in the organizational context, HRD is processes in which the employees of an organization are continuously helped in a planned manner to acquire or sharpen their capabilities that requires performing various functions associated with their present or expected feature rules.

2.12 STRUCTURAL RELATIONSHIP OF HRD AND HRM

In order to examine the terms differentials for HRM and HRD, first, it is pertinent to examine and understand the definitions for HRM and HRD. Many

definitions for HRM have been proposed by scholars from a short and simple definition to a lengthy and comprehensive description. In short, HRM is best understood as the "process of managing human talents to achieve organization's objective." The process of managing human talents is said to include the process of recruitment and selection, compensation and benefits, labor and industrial relations and also the management of employees' safety and health human relations in organizations. On the other end, definitions for HRD have been proposed by researchers and writers. These definitions varied from the perspectives of an individual researcher or theorists to definitions of HRD by country. In addition, theorists have even tried to define HRD from a global and international perspective. Indeed, many definitions have been suggested; even before the emergence of HRD in 1970's through today. A definition in 1970's described HRD as "a series of organized activities conducted within a specified time and designed to produce behavioral change" through training activities. The latest definition for HRD was defined as "a set of systematic and planned activities designed by an organization to provide its members with the opportunities to learn necessary skills to meet current and future job demands". These systematic and planned activities are said to include training, career planning and development, performance appraisals and change management for organizational development. In the context of professionals, this activity is termed as continuing professional education and development. To all intents and purposes, the continuing professional education and development activities are the same as in training and development but it is labeled differently directed to professionals' education and development.

Some writers suggested that HRD is a component of HRM in which HRD supports the HRM function in employees. HRM and HRD are parallel pathways of HRM and HRD and in particular in their similarity and emphasis on the elements of corporate strategy. The parallel pathway was suggested by Mc Goldbrick and Stewart (1996) are usefully understood by the figure.

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2.12.1 HRD PHILOSOPHY

Perhaps the most fundamental part of an HRD plan is that which deals with HRD philosophy. It represents those basic beliefs, ideas, principles, and views which are held by the management with respect to the development and growth of its employees. A well established HRD Philosophy plays two important functions. First, it gives rise to what one may call 'style of management' a manager develops his practices on the basis of his philosophy. Second it makes organizational goals more explicit. Which mean to say that, in organizations that have unshakable belief in the development of human potential, through profit may still be the most important goal, investment in human resources also becomes a powerful sub goal? HRD has become a popular notion in India in the last decade and is now becoming a movement at the national and the enterprise level. The Personnel profession is undergoing a transformation as a result. Hence it is necessary for employees to firmly grasp the essence of HRD. The practices in the field of HRD are channeled through procedures, which are based on principles and philosophies. Usually, practices are emphasized and philosophy is neglected. This leads to distortions in practices. The philosophy of management showed a blurred picture in the public sector organizations.
2.13 CONCLUSION:

Thus in the present chapter the researcher try to find out that what is the impact of the human element on the establishment of Indian Paper Industries. Moreover it is also been tries to carried out that how does the HRD climate plays its role in the establishment and further working of any Indian paper industry. The research is carried out by way of questionnaire so that more enhanced and appropriate data can be collected and refined data can be extracted from it in order to maintain its purity as well as to carry out in-depth knowledge of the topic. It is also been considered that the more significant issues can be extracted from the research work as well as it help as a base for the research works to be carried out in future form of business.