CHAPTER - III

PLANNING AND ORGANISING
THE HUMAN RESOURCE
DEVELOPMENT SYSTEM
PLANNING AND ORGANISING THE HUMAN RESOURCE DEVELOPMENT SYSTEM

- Planning the HRD System
- HRD Philosophy
- HRD Sub-Systems
- HRD Objectives
- HRD Policies
- HRD Action Plans
- Organising the HRD System
PLANNING AND ORGANISING
THE HUMAN RESOURCE
DEVELOPMENT SYSTEM

In the preceding chapter, the reader has been introduced to the concept and functions of human resource development. This chapter describes some aspects related to the planning and organizing of the HRD system.

PLANNING
THE HRD SYSTEM

Every organisation that hires people to carry out its work, whether it be a business, a school, a government or a hospital, needs a human resource development plan in which various phases of HRD work are tied together into an integrated programme.

The HRD plan must incorporate information on the following subjects:

(i) HRD philosophy,
(ii) HRD sub-systems,
(iii) HRD objectives,
HRD PHILOSOPHY

Perhaps the most fundamental part of an HRD plan is that which deals with HRD philosophy. It represents those basic beliefs, ideals, 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. For example, in organisations that have unshakable belief in the development of human potential, though profit may still be the most important goal, investment in human resource also becomes a powerful sub-goal.

Following beliefs are essential for the success of any HRD programme.

1. Human beings are the most important assets in the organisation.

2. Human beings can be developed to an unlimited extent.

3. Employees feel committed to their work and the organisation if the organisation develops a feeling of 'belonging' in them.
4. Employees are likely to have a feeling of 'belonging' in them if the organisation adequately cares for the satisfaction of their basic and high-order needs.

5. Employees' commitment to their work increases when they get opportunity to discover and use their full potential.

6. It is every manager's responsibility to ensure the development and utilization of the capabilities of his subordinates, to create a healthy and motivating work climate, and to set examples for subordinates to follow.

7. The higher the level of a manager the more attention he should pay to the HRD function in order to ensure its effectiveness.

8. A healthy and motivating climate is one which is characterized by open enthusiasm, trust, mutuality and collaboration.

Guided in its HRD programme by the philosophy and ideas of its founder Jamshedji Tata The Tata Iron and Steel Co. is one example of an idea HRD philosophy. It believes that it is effectively discharged its obligations towards its employees only:

(i) by a realistic and generous understanding and acceptance of their needs and rights enlightened awareness of the social responsibility of industry;

(ii) by providing adequate wages, good working conditions, job security, an effective machinery for speedy redresses of
grievances, and suitable opportunities for promotion self-development;

(iii) by promoting feeling of trust and loyalty through a human and purposeful awareness of their needs and aspirations; and

(iv) by creating a sense of belonging and team-spirit through their close association management at various levels.

---

**HRD SUB-SYSTEMS**

After laying down the HRD philosophy the plan must specify the various sub-systems mechanism which are to be used. We have see earlier that there are 12 sub-systems, which are generally used for purpose of HRD. Of these, training is considered to be the most of sub-system so much so that many organisations consider it as synonymous for HRD. This, however, is not correct because training alone is not enough to bring about the desired change in an organisation's culture. It needs to be inevitably backed by other sub-systems to produce the desired change.

---

**HRD OBJECTIVES**

Having described the HRD sub-systems, the next important step is to lay down the HRD objectives or goals. These are the ends towards which all HRD activity is planned. In defining these ends consideration should also be given to the objectives of other departments and of the these ends consideration should also be
given to the objectives of other departments and of the company as a whole and to social objectives. It is bad enough when goals do not support and interlock with each other. It is a tragic when they interfere with each other. What is needed is a 'matrix' of mutually supportive goals.

In general, the objectives of most companies are service, efficiency and profits. The objectives of employees are good wages and working conditions, economic security, opportunity for advancement and self-improvement. The objectives must be so described that they become 'verifiable' or 'operational'. If there is some way of determining whether and to what extent a goal is being realized by a particular sequence of activities then the 'verifiability' is to put objectives in quantitative terms. Even when the objective is highly qualitative and, therefore, cannot be quantified it can be made verifiable by spelling out those operational sub-objectives which have some plausible linkage to the basic objective. For example, if the objectives which have some plausible linkage to the basic objective. For example, if the objective "to maintain high morale and better human relations" has a low degree of verifiability or operationally a few operational sub-objectives may be laid down such as

(i) reducing the absenteeism and turnover rate of the organisation

(ii) requiring the various supervisory levels to stick to a time-bound procedure of settlement of grievances, and so on.
The objective of maintaining high morale and better human relations would then be measured in terms of these more tangible criteria.

**HRD POLICIES**

The next important part of an HRD plan is that which deals with policies. These are general statements, which guide thinking and action in decision-making. Being only guides to thinking and action in decision-making they have always room for discretion. Otherwise they would be rules.

Sound HRD policies are an essential base for sound HRD practice. They provide the base for management by principle as contrasted with management by expediency. In their absence decisions are taken on an ad hoc basis which results many times in improper emphasis being given to significant characteristics, criteria or circumstances of a problem.

HRD policies can be formulated to cover the following subjects:

(i) Selection,
(ii) Training,
(iii) Compensation,
(iv) Arrangement for work,
(v) Employee service, and
(vi) Industrial relations.
SELECTION

The selection policy of an organisation should provide clear guidelines on the following points:

- reservation of seats for scheduled castes and scheduled tribes,
- employment of local people or family relations or of people working in competing firms,
- promotions from within or outside the organisation,
- preference to be given to handicapped persons,
- the basis (length of service or efficiency) to be followed in discharging an employee,
- role, if any, to be given to the union in the recruitment and selection of workers. In some western countries some organisations have 'closed shop' clauses in their collective agreements with the unions. This means that the organisation agrees to hire only the members of the union and recruitment of non-members is ruled out.
- Preview of the job to be given to applicants. Some organisations give an unrealistic preview. This is not a correct policy. The applicants should be informed about both the positive and negative aspects of their jobs. For example, they may be hold that some aspects of their jobs will be boring, and so on. Research have shown that the disclosure of such
unfavorable information about the job to the applicants does not materially affect their job-acceptance rate.

- Expenditure to be incurred on selection. This may include advertisements, test, training and traveling expenditures.

**TRAINING**

With regards to training, the basic policy issues to be decided are:

- How are training needs to be decided?
- How should training curriculum be designed?
- How should follow-up and evaluation be done?
- How should post-training support be given?

**COMPENSATION**

On the question of compensation the major policy issues to be decided are:

- the relation of wages to the and to the industry rates, i.e., whether the employers are to be paid a higher or lower wage level than prevailing in the community or industry.

- The relation of wages paid to differences in individual performance.

**ARRANGEMENT FOR WORK**

Here the employer should formulate policies about hours of work, number and duration of rest pauses, vacations and working conditions.
EMPLOYEE SERVICE
Here the employer should formulate policies about organizing co-operative societies, festival celebrations, recreation centers and sports and family budgeting.

INDUSTRIAL RELATIONS
Here the employer should explicitly express the extent of his faith in collective bargaining and the right of workers to decide the union and the union leader they want. He may also lay down the organisation policies regarding third party (e.g., police) intervention in industrial disputes.

HRD ACTION PLANS
In the last stage an action plan must be prepared for every sub-system of HRD. It must give details about the way the sub-system is going to be implemented. It must also give information about the phases of the programme and the sources from which it is going to be founded.

ORGANISING THE HRD SYSTEM
HRD can be more productive and less costly if it has some kind of organisation structure, i.e., a formalized intentional relationship between various sub-systems and roles. As believed by some people, formalization does not always make a structure inflexible nor does it make the structure incapable for taking
advantage of creative talents. On the contrary, it makes the individual authority and bounds of discretion more clear and thus channelises all human efforts in the right direction. Organizing is then, a process by which the manager brings order out of chaos, removes conflicts between people over work or responsibility, and establishes an environment suitable for teamwork. Implicit also is recognition of human factor that jobs(or roles) must be designed or redesigned to fit people and that people must be motivated.

FORMS OF HRD ORGANISATION
The HRD function is an organisation structure in 4 different ways depending upon the size of the organisation, nature of its activities, the structure of the organisation and so on. These four ways are:

1. Performing the HRD function through the existing Personnel Department;

2. Performing the HRD function through a separate department;

3. Performing the HRD function through a committee or a task force; and

4. Performing the HRD function through the Chief Executive Officer.

If the existing personnel department of an organisation is already performing the HRD functions there is no need to create a separate HRD department. But for the purpose of role clarity it is worthwhile to separate those individuals who are performing HRD functions from those who are doing administrative personnel
functions. For this purpose the former group can be officially designed as the HRD group within the Personnel Department. But most of the time it may be found that although the existing personnel department has the mandate to perform HRD functions, it does not have the necessary competence, credibility and motivation. In such a case it should be remembered that although competence and motivation can be acquired or developed it is not easy to acquire credibility. Thus, it may become imperative for an organisation to start a new department with HRD title.

Where a separate HRD department is being created special consideration should be given to its size. It is always advisable to keep the department's size small with flat structure and low profile. All members of the department may be designed as HRD managers though they may be given different salary grades and responsibilities for carrying out specific tasks. This is necessary for keeping the HRD climate envy-free. The HRD department must have direct structural link with the chief executive to facilitate easy reporting and action and to keep the HRD function going on even when there is a change of headship. The department should also have strong linkages with all its sub-systems and other departments in the organisation.

In medium-sized and small organisations the HRD function may be assigned either to a committee or a task force or to the chief executive officer. In the former case the credibility of the members, who are generally line managers with HRD as their additional responsibility, is very important for the effectiveness of the team. Every member of the team should have positive attitude to the HRD function and should be trained sufficiently in HRD skills.
In organisation where CEO is assigned to perform the HRD function, there are two risks. Once, the HRD function may come to be viewed with considerable skepticism by the lower levels of the organisation. Two, the CEO's other activities may leave him with very little time for HRD work. In order to avoid this risk the CEO should appoint some senior person as a second man to look after the HRD activities. He should also prepare a checklist of HRD activities and keep reviewing this list to remind himself of his HRD duties.

**POINTS TO BE REMEMBERED IN DESIGNING A NEW HUMAN DEVELOPMENT SYSTEM**

The following points must be kept in mind at the time of designing a new HRD system:

1. The system's main aim should be the overall development of the total organisation. The system should focus on improving the organisation's diagnostic and problem-solving capabilities and on making the organisation more open so that maximum commitment of the employees may be obtained.

2. The system should take into account the various contextual factors and the existing culture of the organisation. Under contextual factors we may include the size and technology of the organisation, the skill level of its people, organisation's support to HRD and availability of outside help. A small organisation can combine several HRD functions into one whereas a large organisation may require each function to be dealt with separately as a specialized sub-system within the HRD system: Similarly, the type of work being done in the organisation and the technology followed in the organisation...
also influence the design of the HRD by emphasizing some components of HRD much than others. For example, administration of bonuses may need to be given special consideration as a sub-system in an individual organisation but not so in a university of government department.

In organisations where people's skills are low the HRD need to be introduced slowly. Organisation's support determines the amount of resources which are available for the introduction of HRD and through this the design of the system. Availability of expert help from outside ensures proper monitoring of the system.

If the HRD is being designed as an intervention to change the existing culture of the may be helpful to do force field analysis of the facilitating and inhibiting forces. After the force field analysis has been completed, forces, which are in favour of the change, may be strengthened while designing the system. For example, if the culture of an organisation favours informality, openness, objectivity, etc., the same can be strengthened by the proposed new system.

3. In designing a human resources development system enough attention should be paid to building linkages between the various sub-systems. These linkages provide feedback to the various sub-system. The Human Resource Development system in Larsen & Toubro perhaps best illustrates the linkages which need to be created between the various sub-system of HRD. For example, the Performance Appraisal sub-system of the organisation is linked with Data Storage, Potential Appraisal, Career Planning, and Training.
Mechanism commonly followed for establishing linkages and feedbacks are the setting up of standing committees for various purpose (with membership from various sub-systems and levels of the organisation), task groups, and ad hoc committee for specific time-bound tasks.

4. In designing a human resource development system mechanism for monitoring should also be provided for. A periodical review may be planned for this. Persons from other functions may also be taken in the review and assessment effort.

5. In designing a human resource development system, it is essential to see that its various sub-systems are introduced into the organisation in stages. Rushing the introduction of all sub-systems in one lot may limit the effectiveness of HRD. Each sub-system should be planned carefully, with sequenced phases built one over the other. This may include:

(i) Geographical phasing: introducing the system in a few parts of the organisation slowly spreading it to other parts.

(ii) Vertical phasing: introducing the system at one or a few levels in the organisation and expanding up or down gradually.

(iii) Functional phasing: introducing one function or sub-system, followed by other functions.
(iv) Sophistication planning: introducing simple forms of sub-systems, followed after some time by more sophisticated forms.

TASK OF HRD DEPARTMENT

1. The first and foremost task of HRD department is to come to grips with the existing philosophy and beliefs of the top management. If it finds that these beliefs are running counter to the HRD philosophy it should influence top management to change its beliefs.

2. It should supply necessary inputs to the Personnel Department or the top management for formulating the right type of personnel policies.

3. It should inspire line managers to constantly learn and develop.

4. It should continuously design and experiment with new methods to build the right type of HRD climate and achieve organizational goals. HRD should not be at the cost of these goals. Task orientation (in the form of increased productivity and profits) should come before human concern. It is because very few HRD managers put this emphasis that the creditorlity or their effort goes down.