CHAPTER- 1

INTRODUCTION TO HUMAN RESOURCE MANAGEMENT AND HUMAN RESOURCE DEVELOPMENT
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AND HUMAN RESOURCE DEVELOPMENT

1.1 WHAT IS MANAGEMENT?

Management is a universally necessary function. It has risen today as the central activity of our age and economy as a powerful and innovative force. It is found in homes, churches, government and economic undertakings of people.

Koontz and O’Donnell state that “management means getting things done through and with the people.

‘HAIMANN’ observes that “management is the function of getting things done through people and directing the efforts of individuals towards a common objective”

Further we can segregate management into four important parts which are as follows.

Chart -1.1

Management

Financial Management
Production Management
Marketing Management
Human Resource Management
1.2 INTRODUCTION OF HUMAN RESOURCE MANAGEMENT

Human resource management (HRM), or human resource development, entails planning, implementing, and managing recruitment, as well as selection, training, career, and organizational development initiatives within an organization. The goal of HRM is to maximize the productivity of an organization by optimizing the effectiveness of its employees while simultaneously improving the work life of employees and treating employees as valuable resources. Consequently, HRM encompasses efforts to promote personal development, employee satisfaction, and compliance with employment-related laws.

To achieve equilibrium between employer and employee goals and needs, HRM departments focus on these three general functions or activities: planning, implementation, and evaluation. The planning function refers to the development of human resource policies and regulations. Human resource managers attempt to determine future HRM activities and plan for the implementation of HRM procedures to help companies realize their goals.

Implementation of HRM plans involves four primary activities: acquisition, development, compensation, and maintenance. Acquisition entails the hiring of workers most likely to help a company attain its goals. The development function encompasses the training of workers to perform their tasks in accordance with company strategy. This activity also involves company efforts to control and change employee behavior via reviews, appraisals, incentives, and discipline. Compensation covers the payment of employees for their services. Maintenance requires structuring labor relations—the interaction between a company's management and its unionized employees—and ensuring compliance with federal and state employment laws. Finally, the evaluation function includes the assessment of a company's HRM policies to determine whether they are effective.
HISTORY

Key principles and practices associated with HRM, date back to the beginning of mankind. Mechanisms were developed for the selection of tribal leaders, for example, and knowledge was recorded and passed on to youth about safety, health, hunting, and gathering. More advanced HRM functions were developed as early as 1000 and 2000 B.C. Employee screening tests have been traced back to 1115 B.C. in China, for instance. And the earliest form of industrial education, the apprentice system, was started in ancient Greek and Babylonian civilizations before gaining prominence during medieval times.

Since the inception of modern management theory, the terminology used to describe the role and function of workers has evolved from "personnel" to "industrial relations" to "employee relations" to "human resources." While all of these terms remain in use, "human resources" most accurately represents the view of workers by contemporary management theory: as valuable resources managed in the same manner as other valuable resources, according to the authors of Human Resource Management.

HRM is relatively new and developed as a part of management. It is the task of dealing with human relationships, moulding and developing the human behaviour and attitude towards the job and organizational requirement. The term human resource can be thought of as “the total knowledge, skills, creative abilities, talents and aptitudes of an organization’s workforce as well as the value, attitudes and beliefs of the individuals involved.

The Human Resource are assuming increasing significance in the modern organization. It is a well known fact that majority of the problems in an organizational setting are human and social rather than physical, technical or economic. Modern technology can be imported, national efficiency can be improved but without human factor it cannot be possible to run both of them efficiently and effectively. It is the only human factor, which can change the work ways and constitutes vibrantly the organization. Therefore the need for
development of human resources becomes inevitable. The failure to recognize this fact causes immense loss to the individuals, enterprise and the nation as a whole. Human Resource Management is defined as “the art of getting things done through people”.

Thus HRM means to get the work done by the employees by managing them and by satisfying them.

Human Resource Management is defined as “the field of human behaviour in which managers plan, organize, staff, direct and control human, physical and financial resources in an organized effort, in order to achieve desired individual and group objectives with optimum efficiency and effectiveness”.

Human Resource Management is defined as “the field of management which has to do with planning, organizing, directing and controlling the functions of procuring, developing, maintaining and utilizing a labour force, such that the-
(a) Objectives for which the company is established are attained economically and effectively (b) objectives of all levels of personnel are served to the highest possible degree (c) objectives of society are duly considered and served.”

HUMAN RESOURCE MANAGEMENT
Human Resource Development, Organization Development and Industrial Relations are three important aspects of Human Resource Management in an organizations. Each has their own specialties. They are playing an active role in developing people and improving effectiveness. It encourages HRD staff to create a development culture and ensures that they have a reasonably satisfied and committed people. Today HRM is the crux of management. It is now globally recognized that managing human resources is the basic job of management. It is more recognized in recent time not only in developed countries but also in developing countries like India. Our country has second largest manpower in the world. Therefore, Indian management is now on the threshold of revolutionary change in the practice of management particularly with the country becoming a member of WTO. HRM is now everybody’s
concern. With the advent of liberalization, privatization and globalization of business, HRM has now emerged as the most spectacular aspect of management.

Different terms are used to denote human resource management. They are labour management, labour administration, labour management relations, employee – employer relations, industrial relations, personnel administration, personnel management, human capital management, human asset management, and the like.

Human resource management means employing people, developing their resources, utilizing, maintaining and compensating their services in tune with the job and organizational requirements. Human resources management is the central sub-system of an organisation and it permits all types of functional management, such as production management, marketing management and financial management. The human resource management consists of interrelated, interdependent and interacting physiological, sociological and ethical components.

1.3 THE ROLE, POSITION, AND STRUCTURE OF HRM DEPARTMENTS

In Personnel Management, Paul S. Greenlaw and John P. Kohl describe three distinct, interrelated fields of interest addressed by the HRM discipline: human relations, organization theory, and decision areas. Human relations encompass matters such as individual motivation, leadership, and group relationships. Organization theory refers to job design, managerial control, and work flow through the organization. Decision areas encompass interests related to the acquisition, development, compensation, and maintenance of human resources. Although the method and degree to which those areas of interest are handled

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vary among different HRM departments, a few general rules characterize the responsibilities, positioning, and structure of most HRM divisions.

HRM departments responsibilities, other than related legal and clerical duties, can be classified by individual, organizational, and career areas. Individual management entails helping employees identify their strengths and weaknesses, correct their shortcomings, and then make their best contribution to the enterprise. These duties are carried out through a variety of activities such as performance reviews, training, and testing. Organizational development focuses on fostering a successful system that maximizes human, and other, resources. This important duty also includes the creation and maintenance of a change program, which allows the organization to respond to evolving outside and internal influences. The third responsibility, career development, involves matching individuals with the most suitable jobs and career paths.

The positioning of HRM departments is ideally near the theoretic organizational center, with maximum access to all divisions and management levels. In larger organizations the HRM function might be headed by a vice president, while smaller entities will have a middle-level manager as head of HRM. In any case, because the HRM department is charged with managing the productivity and development of workers at all levels, the top HR manager ideally has access to, and the support of, key decision makers. In addition, the HRM department should be situated in such a way that it has horizontal access, or is able to communicate effectively with all divisions within the company. Horizontal access allows HRM to integrate, educate, and train the workforce, and to facilitate changes that affect one division and indirectly influence other segments of the company or institution.

The structure of HRM department differs according to the type and size of the organization that they serve. But many large organizations (including government, institutions, manufacturing companies, and service firms) organize HRM employee development functions around various clusters of workers—they conduct recruiting, administrative, and other duties in a central
location. Different employee development groups for each department are necessary to train and develop employees in specialized areas, such as sales, engineering, marketing, or executive education. In contrast, some HRM departments are completely independent and are organized purely by function. The same training department, for example, serves all divisions of the organization.

1.4 HRM IMPLEMENTATION ACTIVITIES

To fulfill their basic role and achieve their goals, HRM professionals and departments engage in a variety of activities in order to execute their human resource plans. HRM implementation activities fall into four functional groups, each of which includes related legal responsibilities: acquisition, development, compensation, and maintenance.

ACQUISITION

Acquisition duties consist of human resource planning for employees, which includes activities related to analyzing employment needs, determining the necessary skills for positions, identifying job and industry trends, and forecasting future employment levels and skill requirements. These tasks may be accomplished using such tools and techniques as questionnaires, interviews, statistical analysis, building skill inventories, and designing career path charts. Four specific goals of effective human resource planning are:

- Sustaining stable workforce levels during ups and downs in output, which can reduce unnecessary employment costs and liabilities and increase employee morale that would otherwise suffer in the event of lay-offs.
- Preventing a high turnover rate among younger recruits.
- Reducing problems associated with replacing key decision makers in the event of an unexpected absence.
- Making it possible for financial resource managers to efficiently plan departmental budgets.
The acquisition function also encompasses activities related to recruiting workers, such as designing evaluation tests and interview methods. Ideally, the chief goal is to hire the most-qualified candidates without encroaching on federal regulations or allowing decision makers to be influenced by unrelated stereotypes. HRM departments at some companies may choose to administer honesty or personality tests, or to test potential candidates for drug use. Recruitment responsibilities also include ensuring that the people in the organization are honest and adhere to strict government regulations pertaining to discrimination and privacy. To that end, human resource managers establish and document detailed recruiting and hiring procedures that protect applicants and diminish the risk of lawsuits.

DEVELOPMENT

The second major HRM function, human resource development, refers to performance appraisal and training activities. The basic goal of appraisal is to provide feedback to employees concerning their performance. This feedback allows them to evaluate the appropriateness of their behavior in the eyes of their coworkers and managers, correct weaknesses, and improve their contribution. HRM professionals must devise uniform appraisal standards, develop review techniques, train managers to administer the appraisals, and then evaluate and follow up on the effectiveness of performance reviews. They must also tie the appraisal process into compensation and incentive strategies, and work to ensure that federal regulations are observed.

Training and development activities include the determination, design, execution, and analysis of educational programs. Orientation programs, for example, are usually necessary to acclimate new hires to the company. The HRM training and education role may encompass a wide variety of tasks, depending on the type and extent of different programs. In any case, the HRM professional ideally is aware of the fundamentals of learning and motivation, and must carefully design effective training and development programs that benefit the overall organization as well as the individual. Training initiatives
may include apprenticeship, internship, job rotation, mentoring, and new skill programs.

**COMPENSATION**

Compensation, the third major HRM function, refers to HRM duties related to paying employees and providing incentives for them. HRM professionals are typically charged with developing wage and salary systems that accomplish specific organizational objectives, such as employee retention, quality, satisfaction, and motivation. Ultimately, their aim is to establish wage and salary levels that maximize the company's investment in relation to its goals. This is often successfully accomplished with performance-based incentives. In particular, HRM managers must learn how to create compensation equity within the organization that doesn't hamper morale and provide sufficient financial motivation. Besides financial compensation and fringe benefits, effective HR managers also design programs that reward employees by meeting their emotional needs, such as recognition for good work.

**MAINTENANCE**

The fourth principal HRM function, maintenance of human resources, encompasses HRM activities related to employee benefits, safety and health, and worker-management relations. Employee benefits are non-incentive-oriented compensation, such as health insurance and free parking, and are often used to transfer no-taxed compensation to employees. The three major categories of benefits managed by HRM managers are: employee services, such as purchasing plans, recreational activities, and legal services; vacations, holidays, and other allowed absences; and insurance, retirement, and health benefits. To successfully administer benefits program, HRM professionals need to understand tax incentives, retirement investment plans, and purchasing power derived from a large base of employees.

Human resource maintenance activities related to safety and health usually entail compliance with federal laws that protect employees from hazards in the
workplace. Regulations emanate from the federal Occupational Safety and Health Administration, for instance, and from state workers' compensation and federal Environmental Protection Agency laws. HRM managers must work to minimize the company's exposure to risk by implementing preventive safety and training programs. They are also typically charged with designing detailed procedures to document and handle injuries.

Maintenance tasks related to worker-management relations primarily entail: working with labor unions, handling grievances related to misconduct such as theft or sexual harassment, and devising systems to foster cooperation. Activities in this arena include contract negotiation, developing policies to accept and handle worker grievances, and administering programs to enhance communication and cooperation.

**EVALUATION OF HRM METHODS**

One of the most critical aspects of HRM is evaluating HRM methods and measuring their results. Even the most carefully planned and executed HRM programs are meaningless without some way to judge their effectiveness and confirm their credibility. The evaluation of HRM methods and programs should include both internal and external assessments. Internal evaluations focus on the costs versus the benefits of HRM methods, whereas external evaluations focus on the overall benefits of HRM methods in achieving company goals. Larger human resource departments often use detailed, advanced data gathering and statistical analysis techniques to test the success of their initiatives. The results can then be used to adjust HRM programs or even to make organizational changes.

The authors of Human Resources Management posit four factors, the "four Cs," that should be used to determine whether or not an HRM department or individual program is succeeding: commitment, competence, cost-effectiveness, and congruence. In testing commitment, the HRM manager asks to what extent do policies enhance the commitment of people to the
organization? Commitment is necessary to cultivate loyalty, improve performance, and optimize cooperation among individuals and groups.

Competence refers to the extent to which HRM policies attract, keep, and develop employees: Do HRM policies result in the right skills needed by the organization being available at the proper time and in the necessary quantity? Likewise, cost-effectiveness, the third factor, measures the fiscal proficiency of given policies in terms of wages, benefits, absenteeism, turnover, and labor/management disputes. Finally, analysis of congruence helps to determine how HRM policies create and maintain cooperation between different groups within and outside the organization, including different departments, employees and their families, and managers and subordinates.

In addition to advanced data gathering and analysis techniques, several simple observations can be made that provide insight into the general effectiveness of a company's human resources. For example, the ratio of managerial costs to worker costs indicates the efficiency of an organization's labor force. In general, lower managerial costs indicate a more empowered and effective workforce. Revenues and costs per employee, when compared to related industry norms, can provide insight into HRM effectiveness.

Furthermore, the average speed at which job vacancies are filled is an indicator of whether or not the organization has acquired the necessary talents and competencies. Other measures of HRM success include employee complaint and customer satisfaction statistics, health insurance and workers' compensation claims, and independent quality ratings. In addition, the number of significant innovations made each year, such as manufacturing or product breakthroughs, suggests HRM's success at fostering an environment that rewards new ideas and is amenable to change.

Besides evaluating these internal aspects of HRM programs, companies also must assess the effectiveness of HRM programs by their impact on overall business success. In other words, companies must link their evaluation of HRM
methods with company performance to determine whether these methods are helping their business by increasing quality, reducing costs, expanding market share, and so forth. Ultimately, companies must make sure that they have the right amount of properly skilled employees performing tasks necessary for the attainment of company goals and that greater revenues and profits result from HRM efforts to increase the workforce and improve worker training and motivation.

LEGAL INFLUENCES

The field of HRM is greatly influenced and shaped by the state and federal employment legislation, most of which is designed to protect workers from getting abused by their employers. Indeed, one of the most important responsibilities of HRM professionals lies in compliance with regulations aimed at HRM departments. The laws and court rulings can be categorized by their effect on the four primary HRM functional areas: acquisition, development, compensation, and maintenance.

The most important piece of HRM legislation, which affects all of the functional areas, is Title VII of the Civil Rights Act of 1964 and subsequent amendments, including the Civil Rights Act of 1991. These acts made illegal the discrimination against employees or potential recruits for reasons of race, color, religion, sex, and national origin. It forces employers to achieve and often document fairness related to hiring, training, pay, benefits, and virtually all other activities and responsibilities related to HRM. The 1964 act established the Equal Employment Opportunity Commission (EEOC) to enforce the act, and provides for civil penalties in the event of discrimination. Possible penalties include forcing an organization to implement an affirmative action program to actively recruit and promote minorities that are underrepresented in a company's workforce or management. The net result of the all encompassing civil right acts is that the HRM department must carefully design and document numerous procedures to ensure compliance, or face potentially significant penalties.
In addition to the civil rights acts, a law affecting acquisition, or resource planning and selection, is the Equal Pay Act of 1963. This act forbids wage or salary discrimination based on sex, and mandates equal pay for equal work with few exceptions. Subsequent court rulings augmented the act by promoting the concept of comparable worth, or equal pay for unequal jobs of equal value or worth. The important Age Discrimination in Employment Act of 1967, which was strengthened by amendments in the early 1990s, essentially protects workers 40 years of age and older from discrimination. The Fair Credit Reporting Act also affects acquisition activities, as employers who turn down applicants for credit reasons must provide the sources of the information that shaped their decision. Similarly, the Buckley Amendment of 1974 requires certain institutions to make records available to individuals and to receive permission before releasing those records to third parties.

The major laws affecting HRM development, or appraisal, training, and development, are the civil rights act, the equal pay act, and the age discrimination in employment act. All of those laws also affected the third HRM activity, rewards, or salary administration and incentive systems. In addition, however, HRM reward programs must comply with a plethora of detailed legislation. The Davis-Bacon Act of 1931, for instance, requires the payment of minimum wages to nonfederal employees. The Walsh Healy Public Contracts Act of 1936 ensures that employees working as contractors for the federal government will be compensated fairly. Importantly, the Fair Labor Standards Act of 1938 mandates employer compliance with restrictions related to minimum wages, overtime provisions, child labor, and workplace safety. Other major laws affecting rewards include: the Tax Reform Acts of 1969, 1976, and 1986; the Economic Recovery Tax Act of 1981; the Revenue Act of 1978; and the Tax Equity and Fiscal Responsibility Act of 1982.

Perhaps the most regulated realm of the HRM field is maintenance (or benefits), safety and health, and employee/management relations. Chief among regulations in this arena is the Occupational Safety and Health Act of 1970,
which established the Occupational Safety and Health Administration. That act was designed to force employers to provide safe and healthy work environments and to make organizations liable for workers' safety. The sweeping act has ballooned to include thousands of regulations backed by civil and criminal penalties, including jail time and fines for company executives. Also of import are state workers' compensation laws, which require employers to make provisions to pay for work-related injuries, and forces HRM managers to create and document safety procedures and programs that reduce a company's liability. The Wagner Act of 1935 is the main piece of legislation governing union/management relations, and is a chief source of regulation for HRM departments. Other important laws related to HRM maintenance include: the Norris-LaGuardia Act of 1932, the Social Security Act of 1935, the Taft-Hartley Act of 1947, and the Landrum-Griffin Act of 1959.

FORCES CHANGING HRM

In the 1990s several forces were shaping the broad field of HRM. The first key force, new technologies—particularly information technology—brought about the decentralization of communications and the shake-up of existing paradigms of human interaction and organizational theory. Satellite communications, computers and networking systems, fax machines, and other devices were facilitating rapid change. Moreover, since these technologies helped blur the lines between work time and personal time by enabling employees to work at home, HRM professionals began adopting "management by objective" approach to human resources instead of the traditional "management by sight" method.

The second important change affecting HRM was new organizational structures that began to emerge during the 1980s and continued through the 1990s. Because many companies began expanding their operations and diversifying their products and services, the central decision-making system failed to respond quickly enough to managers' needs and concerns. Therefore, companies started scrapping traditional, hierarchical organizational structures
in favor of flatter, decentralized management systems. Consequently, fewer managers were involved in the decision-making process and companies were adopting more of a team approach to management. HRM professionals, as the agents of change, were charged with reorganizing workers and increasing their efficiency. These efforts also resulted in the proliferation of part-time, or contract employees, which required human resource strategies that contrasted with those applicable to full time workers, to change accordingly.

The third change factor was accelerating market globalization, which was increasing competition and demanding greater performance out of workers, often at diminished levels of compensation. To compete abroad, companies were looking to their HRM professionals to augment initiatives related to quality, productivity, and innovation. Other factors changing HRM include: an accelerating rate of change and turbulence, resulting in higher employee turnover and the need for more responsive, open-minded workers; rapidly changing demo characteristics and increasing income disparity as the demand for highly educated workers increases at the expense of lower-wage employees.

### 1.5 Objectives of Human Resource Management

Every organization has objectives. Objectives of HRM can be derived from the basic objectives of an organization. Thus objectives of HRM can be summarized as follows.

- To help the organisation attain its goal by providing well trained and well motivated employees.
- To utilize resources effectively.
- To enhance job satisfaction and to realize his or her potentialities.
- To bring about maximum individual development of members of the organization.
- To develop and maintain quality of work life.
- To maintain high moral and good human relation within the organisation.
• To help maintain ethical policies and behaviour inside and outside the organisation.
• To recognize and satisfy individual needs and group goals by offering appropriate monetary and non monetary incentives.
• To attain economically and effectively the organizational goals and to serve the highest possible degree of individual goals.
• To preserve and promote the general welfare of the community.

1.6 FUNCTIONS OF HUMAN RESOURCE MANAGEMENT

Human Resource Management is the management of human resources in the organisation and is concerned with the creation of harmonious working relationships among its participants and bringing about their utmost individual development. Infect, HRM undertakes all those activities which are concerned with the human elements or relations as well as with material elements in an organization and the functions listed therein. The main objective of these functions are to bring together expertise in a scientific way and to create attitude that motivate a group to achieve its goals economically, effectively and speedily.

The functions of HRM in a given organizational framework can be classified mainly into two categories viz: (i) Managerial functions and (ii) Operative functions. Following Chart depicts the functions of HRM.
The functions of H.R.M can be broadly classified into two broad categories.

I. MANAGERIAL FUNCTIONS

II. OPERATIVE FUNCTIONS

Details of above functions are also shown in Chart 1.2

I. MANAGERIAL FUNCTIONS

A managerial function of HRM involves, planning, organizing, directing and controlling. All these functions influence the operative functions.

(a) PLANNING

H.R. administration should be able to predict trends in wages in labour market, in union demands, in other benefits, in personnel polices and programmes. The task of forecasting personnel needs in relation to changes in production or seasonal variations and the leveling out of differences in production is extremely important both for employees and for management. Therefore planning or decision making has to be undertaken much in advance of an action, so that contingent problems and events may be properly handled. This is also stressed by the saying “Good Managers make thing happen.”

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(b) ORGANIZING

Organising is essential to carry out the determined course of action. A complex relationship exists between the specialized departments and the general department as many top managers are seeking the advice of personnel manager. Thus, organization establishes relationships among the employees so that they can collectively contribute to the attainment of company goals.

(c) DIRECTING

Directing the subordinates at any level is a basic function of the managerial personnel. Directing is involved with getting persons together and asking them through either command or motivation to work willingly and effectively for the achievement of designated goals. Directing deals not only with the dissemination of orders, within an organisation units and department but also with the acceptance and execution of these orders by the employees. Thus, direction is an important managerial function in building sound industrial and human relations besides securing employee contributions.

(d) CONTROLLING

After planning, organizing and directing the various activities of the H.R.M, the performance is to be verified in order to know that the personnel functions are performed in conformity with the plans and directions. Controlling also involves checking, verifying and comparing of the actual with the plans, identifications of deviations, if any, and correcting of identified deviations. This action and operation are adjusted with pre-determined plans and standard through control.

II. OPERATIVE FUNCTIONS

The operative functions of HRM are related to specific activities of personnel management. All these functions are interacted by managerial functions. Further, these functions are performed in conjunctions with managerial functions.
(a) The procurement function is concerned with the obtaining of a proper kind and number of personnel necessary to accomplish our organisational goals. It deals with specifically with subjects such as the determination of manpower requirements, their recruitment, selection and placing, induction, follow-up, transfer, lay-offs, discharge and separation etc.

(b) The development function is concerned with the personal development of employees by increasing their skills through training so that job performance is properly achieved. Drafting and directing training programmes for all levels of employees providing vocational counselling, conference and appraising employees potential and performance are undertaken under this function.

(c) The compensation function is concerned with securing effectiveness related to wage surveys, establishment of job classification, job descriptions and job analysis, merit ratings, the establishments of wage and wage structure, wage plans and policies of wage systems, incentives and profit sharing plans and policies of wage systems.

(d) The integration function is a process of interaction among human beings. Human relations is an area of management in integrating people into work situation in a way that motivates them to work together productively, co-operatively and with economic, psychological and social satisfaction. This includes –

- Understanding and applying the models of perceptions, personality, learning intra and interpersonal relations, intra and inter group relations.
- Motivating the employees.
- Boosting employee morale.
• Developing communication skills.

• Developing the leadership skills.

• Redressing employee grievances properly in time by means of well formulated grievance procedures.

• Handling disciplinary cases by means of an established disciplinary procedure.

• Counseling the employees in solving their personal, family and work problems and releasing their stress, strain and tensions.

• Improving quality of work life of employees through participation and other means.

• The maintenance function deals with sustaining and improving the condition that have been established. Specific problems of maintaining the physical conditions of employees’ health and safety measures and employees’ service programmes are the responsibilities of the personnel department.
Chart- 1.3
FUNCTIONS OF HRM

Managerial Functions

Operative Functions

Planning   Organizing   Directing   Controlling   Procurement   Development   Compensation   Integration
1.7 IMPORTANCE OF HUMAN RESOURCE MANAGEMENT

No other factor is more important than efficient and committed manpower. The human is at the centre of all work and all development comes from the human mind. India has a vast potential to grow as a strong and modern nation. It has large natural resources, sizeable population and scientific and technical manpower. After five decades of intensive efforts, India has the facilities to produce a wide range of goods and services. It has also made considerable progress in the field of satellite technology and space research. Despite these spectacular developments, India has not made a significant impact on the rest of the world as an industrialized country. The basic reason lies in our failure to mobilize our human resources. This has not received sufficient attention resulting into the lack of motivation. Dr.V.Krishnamurthy³ presents his experiences and insights from SAIL, MUL, BHEL, TISCO and Japanese organizations to support importance of HRM:

At MUL some encouraging indications were:

- Commitment to work hard amongst employees. An example is the willingness of all employees to come 15 minutes before time to work and to accept change at short notice, if required.
- Pride in work, exemplified by a burning desire to achieve more than originally set targets.
- High level of productivity indicates by employee’s adherence to unwritten norms of 7½ hours of productive work in an 8 hours shift.
- Absenteeism level of around 5%, which is much lower than Indian standards.
- Readiness to accept discipline in the company’s interest.
- Product quality up to international standards.

The importance of HRM are as under:

I. SOCIAL SIGNIFICANCE
Sound HRM has a great significance for the society. It helps to enhance the dignity of labour in the following ways -

- Providing suitable and productive employment, which might bring them psychological satisfaction.
- Maintaining a balance between the job available and job seekers according to qualification and needs.
- By helping people make their own decisions that are in their interest.
- Eliminating waste of improper use of human resource, through conservation of their normal energy and health.

II. PROFESSIONAL SIGNIFICANCE
By providing healthy working environment it promotes team work in the employees. This is done by

- Maintaining dignity of the employees as ‘human beings’.
- Providing maximum opportunities for personal development.
- Improving the employee working skill and capacities.
- Correcting error of wrong posting and proper reallocation of work.

III. SIGNIFICANCE FOR INDIVIDUAL ENTERPRISE
It can help the organisation in accomplishing its goal by:

- Creating right attitude among the employees through effective motivation.
- Utilising effectively the available human resources.
- Securing willing co-operation of employees for achieving goals of the enterprise.

IV. NATIONAL SIGNIFICANCE
H.R. & their management plays a vital role in the development of a nation. The effective exploitation and utilisation of a nations natural, physical and financial
resource require an efficient and committed manpower. There are wide differences in development between countries with similar resources due to differences in the quality of their people. Countries are underdeveloped because their people are backward. The level of development in a country depend primarily on the skills, attitudes and values of its human resources. HRM has become very important because of the following factors in recent decades.

- Increase in the size and complexity of organisations e.g. a multinational organisation employing millions of persons
- Rapid technological development like automation, computerization etc
- Rise of professional and knowledge workers
- Increasing proportion of women in the workers
- Growth of powerful nation wide trade union
- Widening scope of legislation designed to protect the interest of the working class
- Revolution in information technology that might affect the work force
- Rapidly changing jobs and skills requiring long term manpower planning
- Growing expectation of society from employers.

PEOPLE – THE KEY RESOURCE

The commitment and dedication of the people have an overwhelming impact on the success of a company. People should be viewed as “long term fixed assets.” On several occasions, in spite of poor capital equipment and technology, a determined group of people has produced the very best. Similarly, in many cases the latest technology and best of equipment have yielded poor results because of lack of training and low motivation.
One can buy the best technology and implement good management systems and procedures, but it is not possible to buy dedicated and committed people. They have to be carefully nurtured and developed.

The success of any organization in the long run depends very much on the quality of its human resources. Human resources comprise of the aggregate of employee attributes including knowledge, skill experience and health, which are presently potentially available to an organization for the achievement of its goal.

In other words, human resources consist of the value of the productive capacity of the firms’ human assets. Of all the prime resources of an organization viz. men, material, money and machine, the human resource is recognized as the most vital and valuable. The importance of the human factor also stems from the fact that where all other resources depreciate in value with the passage of time and use, the human resources appreciates in value with the acquisition of greater knowledge through experience and efficiency and thus, reflects an inherent dynamism and development potential. It is also realized now that growth can only be ensured through appropriate collaboration and amalgamation of various personnel across organizational tasks.

It is, therefore, essential to create an appropriate work culture, environment and ethos, which would provide impetus for achievement and accountability. Dr. P.J. Patel\(^4\) rightly stated that a country underdeveloped or developed is largely determined by its human resource capacities.

Human resources Development is said to be the core of a large system known as Human Resource System, wherein HRD is mainly concerned with providing learning experiences to the people associated with an organization, through a behavioural approach adopting various processes. The individual is provided with learning experiences not in isolation but he shares others’ learning experiences also.

\(^4\) Patel P.J. Vice Chancellor of S.P.University, VVNagar, Addressing ABVB’S function at VVNagar on 23/4/2003.
In a broader sense HRD means those learning experiences, which are organized for a specific time and designed to bring about the possibility of behavioural change\textsuperscript{5}.

HRD, in the organizational context, refers\textsuperscript{6} to the process whereby the employees are continuously helped in a planned way to:

- acquire and sharpen capabilities required to perform various tasks and functions associated with their present and future expected roles.
- develop their general enabling capabilities as individuals so that they are able to discover and exploit their inner potential for their own and organizational development purpose and
- develop organizational culture where superior-subordinate relationship, team work and collaboration is strong and contributes to their well being, motivation and pride of employees.

1.8 HUMAN RESOURCE MANAGEMENT PROCESS

Dr. T.V.Rao\textsuperscript{7} has suggested the following processes for HRD

- Performance Appraisal
- Potential Appraisal and Development (PAD)
- Feedback and performance coaching
- Training
- Career planning
- Employees welfare, Quality of work life, Rewards, Organisational Development and System Development and Human Resource information.

\textsuperscript{5} Nadler L, Developing Human Resources, Houston Gulf Publishing Co., 1970,p.57
\textsuperscript{6} IPMIL, The Institute of Company Secretaries of India, 1982, p.79
\textsuperscript{7} Rao T.V. Human Resource Management in Indian Industry 1991 P.36
These mechanisms are used to initiate, facilitate and promote the process of HRD in a continuous way. All the process mechanisms are linked with corporate plans and human resource planning. Policies are general guidelines whereas procedures are specific applications. A procedure is a well thought out course of actions. It specified the manner, in which a piece of work is to be carried out. Procedures emphasize on chronological, step by step sequence of required action.

1.9 NEED FOR HRM POLICIES

Every organization should have HRM policies in order to accomplish the departmental and organizational goals. Every organizational needs a sound HRM policies in order to:

- provide broad guidelines to employees to make them aware of course of actions to follow.
- minimize favoritism and discrimination in treating the employees.
- create and develop a sense of enthusiasm and loyalty among workers.
- have a specific standard of performance.

Gary Dessler\(^8\) has described certain situations where HRM doesn’t want to make mistakes which are as follows:

- to hire the wrong person for the job.
- to experience high employee turnover
- to find your people not doing their best
- to waste time with useless interviews
- to have your company taken to court because of your discriminatory actions.

• to have your company cited for unsafe practices under existing laws.
• to have your employees to think that their rewards and working conditions are poor in the industry.

**HRM in any organization can be a reality, when:**

• the organization believes that development of employees is in its own interest.
• the organization will provide opportunities and conditions for the development and optimization of human resources.
• the management is willing to invest adequate time and resources for the development of the employees and personally participate in the development.
• managers have concern for growth of subordinates.

### 1.10 HUMAN RESOURCE DEVELOPMENT

**HISTORY**

The origin of HRD was suggested to have started in the USA during the advent of the Industrial Revolution in 1800s. But some writers argued that the roots of HRD emerged in 1913 when Ford Motor started training its workers to produce mass production in the assembly line. However, a significant historical event was suggested during the outbreak of World War Two in the 1940’s as it was during this period that workers were trained to produce warships, machinery, and other military equipment and armaments (Desimone, Werner and Harris, 2002). Unlike Desimoneetal (2002), Blake (1995) argued that HRD could have started a century later, in the early 1930s and its roots emerged from the concept of organization development (OD). On the other hand, Stead and Lee (1996) contested that the historical starting point of HRD was during the 1950s.

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and 1960s when theories on employees’ developmental process was popularised and published by organizational psychologists such as Argyris (1957), McGregor (1960), Likert (1961) and Herzberg (1959). Hence, Stead and Lee (1996) believed that the development of human resources in an organization encompasses not merely ‘training’ but also motivation and development as suggested by organisational psychologists (Blake, 1995). This was supported by other writers, for instance, Desimone et al (2002) said that during 1960s and 1970s, professional trainers realised that their role extended far beyond classroom training and they have also begun to be required for coaching and counseling employees. Realizing, this extended role, Nadler introduced the term HRD in 1970s and it was placed under the big structure of human resources with the function of selection and development of employees under the term HRD (Blake, 1995). Subsequently, in early 1980s, the term HRD was approved by the American Society for Training and Development (ASTD) because they believed that training and development competencies expanded to include interpersonal skills such as coaching, group process facilitation and problem solving. And by then, organizations realised that human resources are important assets and emphasis was placed in investing in training and education for performance improvement to increase productivity and business success (Desimone et al, 2000).

In the UK, Harrison (2000) argued that the historical development of HRD is more fragmented compared to the US. The history of HRD in UK was suggested to have started during World War Two in which ‘training’ was the symbiotic term. Similarly to the USA, during this period, training was the term because workers were trained in the production and manufacturing sector as well as becoming soldiers. The emergence of HRD began in early 1980s when the manufacturing industry was hit by a recession and a strategy was required to overcome the crises especially in multinational companies. Companies began to realise that human resource is an important asset and started developing their employees particularly to improve their performance and develop or enhance their skills to increase productivity. Since then, HRD is
considered as an important business strategy and processes (Harrison, 2000) but viewpoints of HRD as a strategy for business success were argued by writers such as Garavan, Costine and Heraty (1995).

In Malaysia, HRD could have started as early as in 1980s. The historical development and emergence of HRD in Malaysia lacked empirical evidence, the development of HRD during this period was not very clear and focused. HRD may have started when the Commonwealth Countries Secretariat began developing the Human Resources Development Group (HRDG) in 1983 with the intention to assist the ASEAN countries in developing its human resources (Commonwealth Report, 1982:32; Commonwealth Secretariat, 1993). And in 1984, the ASEAN countries, including Malaysia being part of the ASEAN Pacific Rim commenced their proposals in providing assistance in developing human resources particularly in, education, training and skills development for new technology (Hashim, 2000). It may be argued that the emergence of HRD could have started during the mid 1970s when the Government began developing the Bumiputras’ in businesses to improve economic disparities (Malaysia, Government, 1971), or it may have started like the UK, during the economic recession in 1985 as it was during this period that the Government began its aggressive drive towards manufacturing and industrialisation (Malaysia, Government, 1991). However, clear when the Government of Malaysia began to include HRD strategies in the country’s development plans and policies in 1991 in the Second Outline Perspective Plan (OPP2) and the Sixth Malaysia Plan, One of the main thrust of these plans is to become a fully industrialised nation with skilled and knowledge-based workforce by year 2020 (Malaysia, Government, 1991). Nevertheless, it could be argued that HRD could have started even before Malaysia’s independence, when workers migrated from India to work in the tin-ore mining fields and oil palm plantations.

The Human Resource Development concept was first introduced by Leonard Nadler at the American Society for training and development in USA in 1969.
Since two decades it has been gaining importance in India also. Professor Leonard Nadler has given very good environment and thought for the experts and eminent writers and leaders in the area of HRD.

At present the economy of India is undergoing several drastic changes. The ongoing reforms throw many challenges to organisations and their workforce to build up competitiveness, quality of work and product, productivity, efficiency and effectiveness and values and ethos of business etc. This in turn demands new skill among them so as to survive and make healthy partnership in the business world. This whole system leads to market and human resource orientation skill and situation. Any organisation or economy have to develop this universal aspect to survive long and to have an identity of a business for societal development and national development.

Improvement of the human resource aspects like skill, knowledge, creative abilities and talents and moulding of other aspects like values, beliefs, aptitude and attitude in accordance with the changing requirement of groups, organisation and society at large. This process is human resource development.

1.11 DEFINITION OF HRD

Indian author T.V. Venkateswara Rao defines HRD as “a process by which the employees of an organisation are helped in a continuous, planned way to:

- Acquire or sharpen capabilities required to perform various functions associated with their present or expected future roles.
- Develop their general capabilities as individuals and discover and exploit their own inner potentials for their own and or organisational development purposes.
- Development of organisational culture in which superior-subordinate relationship, team work and collaboration among subunits are strong and contribute to the professional well being, motivation and pride of employees.
Thus HRD from organizational point of view is a process in which the employees of an organisation are helped or motivated to acquire and develop technical, managerial and behavioural knowledge, skills and abilities and mould the values, beliefs, attitude necessary to perform present and future roles by realizing highest human potential with a view to contribute positively to the organisational, group, individual and social goals.

1.12 IMPORTANCE OF HUMAN RESOURCE DEVELOPMENT

Human Resource Development improves the utilisation value of an organisation. The efficiency of production processes and various areas of management depends to a greater extent on the level of human resources development.

Human Resource Development assumes significance in view of the fast changing organisational environment and need of the organisation to adopt new techniques in order to respond to the environmental changes.

It increases the competition within and outside the country. Trends toward marketing economy resulting in severe competition not only among the industries in the globe but also industries within the nation. The vitality of human resources to a nation and to industry depends upon the level of its development. Organizations, to be dynamic, growth-oriented and fast changing, should develop their human resources and should possess dynamic human resources.

Thus, the organisation can develop, change and excel only if it possesses developed human resource. Thus, HRD plays significant role in making the human resources vital, useful and purposeful.
1.13 FUNCTIONS OF HRD

I. SUPPORTING ROLE

• STRENGTHENING OPERATING AND INDUCTIVE LEVELS
The HRD should not become a rival to the operating functions generally done by personnel department but should help them to manage their functions in a better way. Likewise the industrial relation matters be handled by lineman who have to face the problems in everyday life.

• CONSOLIDATING EXISTING STRENGTHS
HRD attempts to final out the strengths existing in the organisation and consolidates and strengthens them. Every organisation may have easy accessibility which can be hidden strength. Such strength should not be lost while formalizing the organisations.

II. ROLE OF SYSTEMS DEVELOPMENT AND RESEARCH
HRD is responsible for developing various systems which deals with people, their problems, organizational dynamics and various related matters.

III. MANAGERIAL ROLE

• Planning for future manpower need, the organisation needs various land of skills and competency and it is necessary to develop a manpower planning system to ensure that proper personnel are procured for the organisation when they are required.

• Getting the best people available, this related to procurement of and selection of people in the organization.

• Utilizing people selected: If people selected are not properly utilized it amounts to wastage and such persons can create problems. This function related to placement policy.

• Retaining, motivating and integrating people: It is important that the good people who are selected remain in the organization for this they
are properly motivated to give their best and that their commitment to the organisation is high.

- Assessing people for their contribution: it is important to assess and identify merit, in order to reward it, to reinforce it and make people to respect it.
- Planning growth of the people: It is related to career growth and planning and promotion policies.
- Developing healthy industrial relations: A healthy work climate is essential.
- Job analysis and evaluation.

IV. ROLE OF DEVELOPMENT COMPETENCE

- A technical competence: People require necessary technical skills which contribute to their competence.
- Managerial competence: All people who join the organisation in due course are to take some managerial roles.

- Process competence: People have to face many conflicts, problems of commitments and co-operation. The competences to deal with such problems are called process competence.

- Helping competence: People at various levels are required to help their subordinates in their work if required.

- Coping competence: People face frustration when they feel that they cannot advance beyond a certain stage in the organisation. They should have competence to cope with such problems.
V. PROCESS ROLE

- A Creating the necessary culture and values in the organisation, culture of least openness, mutuality in the sense of establishing relationships, risk taking and goal setting process involving people at different levels are necessary. Enough attention should be paid to the process of humanizing in the organisation. Treating people with respect and steps for their growth and development.

- Diagnosis: To identify the process problems and to undertake studies to locate hidden problems. In some department motivation may be low while in others team work may be lacking.

- Intervention: To solve the process problems it may be necessary to introduce interventions in helping the organisations to choose from several available interventions to meet in particular situation.
Chart- 1.4

FUNCTIONS OF HRD

HR Analysis and Planning → Data Banks and HRPS → Counseling

HRD

Requirement Selection Planning Replacement → Cordial IR → Grievance Handling

Career Planning

Effective Communication → Employee Welfare → Training and Evaluation

Compensation Plan → Evaluation Appraisal → Succession Planning

Maintaining HRM environment & human resource
1.14 HRD MODELS

Human Resource Manager needs to practice the “hard” goals of productivity and competitiveness through the “software” of HRD simultaneously. Experts have developed a few integrated models in different context, which are of use to HRD professionals to influence their top management at first and later the entire organization.

Following are the HRD models:

(i) Corporate Development Model
(ii) Industrial Harmony Model
(iii) System Effectiveness Model
(iv) Institution Building Model

(i) CORPORATE DEVELOPMENT MODEL

This model (Chart 1.5) brings together a simultaneous thrust on:

(a) Strategic Management [Through a corporate planning system]
(b) Organization Development [Through structure, process and climate interventions]

Chart- 1.5

Corporate Development Model\(^{10}\)

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SM = Strategic Management
OD = Organization Development

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\(^{10}\) Athereya M.B. “Strategy, OD and Systems” paper presented at the ISTD, Bhopal, 1980.
(ii) INDUSTRIAL HARMONY MODEL

This model (Chart 1.6) emphasizes on simultaneous strengthening and balance among three sets of relations.

(a) Employee Relations: Between executives and their team of workmen, creating a community spirit.
(b) Union Relations: Between union and management, dealing not only with bargaining issues, but also joint planning to meet environmental demands of productivity and competitiveness, creating a sense of partnership.
(c) Member Relations: Between the recognized union and its members, to avoid dangerous vacuum and conflicts, with the goal of creating responsible industrial citizenship.

Chart- 1.6

Industrial Harmony Model

![Diagram of Industrial Harmony Model]

(iii) SYSTEM EFFECTIVENESS MODEL

This model (Chart 1.7) brings together a five-step framework to enhance the effectiveness of system for planning, quality, productivity etc. This is illustrated with respect to Quality System.

(a) Create collective clarity about the end object of Quality System to bring quality of life to the employees, customers and internal and external stakeholders.

(b) Top management commitment to philosophy of quality, ensuring following principles: Quality is profitable. Quality is a basic essential, not an optional extra. Quality is universal and invisible.

(c) Converting management beliefs on quality into an organizational climate for quality through communication, leadership, reorganization and reinforcement.

(d) Joint design, implementation, audit and update of quality system reaching towards international standards.

(e) Training and retraining the quality related technical and behavioural skills at all levels to enable intelligent use of quality systems.
(iv) **Institution Building Model**

This model (Chart 1.8) raises the issues of productivity and competitiveness to the level of trusteeship of the enterprise. The two key features of Business Institution are:

(a) A society valued, efficient and effective business enterprise.

(b) A community not of “employees” but “members” with a collective commitment to productivity & competitiveness to make contribution to society.

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1.15 THE ROLE OF HR MANAGER

There are many problems caused by constant changes that occur both within and outside the organization. These problems are the source of challenges for HR manager. They are:

- Changing mix of the work force
- Changing values of the workforce
- Changing demands of employers
- Changing demands of government

Under such circumstances HR Manager has the responsibility of initiating changes and acting as an expert and a facilitator. He should work as internal

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change agent and consultant. The HR manager should develop the expertise to
be “diagnosticians and developers of the whole organization.”

The HRD Manager has to actively involve himself in company’s strategy
formulation. To do this, he must have the ability to understand business and
also contribute to the formulation of strategies, long term planning, marketing,
finance and other areas of business apart from managing HRD functions alone.

One of the essential roles of the HRD manager is to keep communication lines
open between the HRD functions and individual and group, both within and
outside the organization. Effective communication is one of the critical and
crucial elements for the success of HRD Manager. He facilitates the
development of various organization teams and their working relationship with
each other as a team or as an individual. He attempts to see that members of
teams learn to function more effectively within the organization with their own
styles.

An HRD Manager should also develop the expertise to diagnose problems and
to determine appropriate solutions, particularly in HRM areas, as effectiveness
of human resource is the key to success for the organization. Time will call for
HRD Manager maintaining an active network and close working relations with
other key managers in the organization so as to achieve a high level of
congruence between HRD functions and goals of the organization. HRD
professionals today are confronted with major challenges, which are real,
present and virtually certain to extend in any version, in the near future.

With the ongoing reform process, changes in corporate sectors and the country
becoming a member of WTO to join international trade community, the things
at home are changing very fast. In this scenario, it is important that the role of
the HRD Manager be seen as an active facilitator in the process of imparting
dynamism to the organization.
1.16 PROFILE OF HRD MANAGER

Broadly speaking every staff member of the HRD department should be considered as HRD Manager. The HRD Manager is a man of mission. Therefore, he should have the qualities of a missionary. His mission is to create a learning environment in the organization. In the modern organizations, employees tend to get too much concerned about their personal power, needs, status, reward, promotions and work routine. They keep on doing things without learning and creating critical situations. All these factors affect the quality of life in organization. With the organizational growth, its future personnel policies also have a good degree of impact on the employee satisfaction and work motivation. A healthy climate characterized by trust, openness, mutual support, team spirit willingness to sacrifice, positive attitude etc. combined with desire and development of individuals can go a long way in building people and organization. The mission of the HRD Manager is to build such a climate in the organization and simultaneously bring changes in the thinking of individuals. Following qualities are essential and expected from today’s HRD Managers to be successful:

- Positive thinking with positive attitude towards people
- A high desire to learn
- Interested in people
- Helpful attitude
- Proactive or Initiative taking
- Practice and perseverance
- Communication skills
- Objectivity in approach
- Personal example and sense of discipline
Techniques of human resource development are also called HRD methods, HRD instruments or HRD mechanisms or HRD subsystems. They include:

- Performance Appraisal
- Potential Appraisal
- Career Planning
- Career Development
- Employee Training
- Executive Development
- Organizational Change
- Organisational Development
- Social and Cultural Programmes
- Workers Participation in Management
- Quality Circles
- Employee Counseling
- Team work
- Role Analysis
- Communication Policies and Practices
- Monetary Rewards
- Non monetary Rewards
- Employee Benefits
- Grievance Mechanism

The role of HRD professionals is changing from trainer to consultant. Their strategic role is to link HRD closely to business; their practical role is to provide learning opportunities for employees. The execution of HRD activities is a shared responsibility of HRD professionals, managers and employees.
Human Resource Development (HRD) professionals, who are involved in organizing, learning activities for the organisation. Their role changes from that of ‘trainer’ to ‘performance consultant’ or ‘learning specialist.’ Finally, this shift impacts upon employees who are now expected to take greater responsibility for their own learning.

1.18 VISION OF HRD

Most HRD functions seek to provide a strategic contribution to the organisation, by supporting the company in realising business objectives. For instance by ensuring that the workforce has the necessary competencies.

In trying to realise this strategic contribution, HRD functions not only provide training (mentioned explicitly by only a small group of companies, but probably an objective in all cases), but also seek to provide opportunities for (informal) employee learning in general (with knowledge sharing as an explicit form). In this respect, objectives such as creating a learning culture, creating a learning organisation and implementing knowledge management were mentioned, but are certainly not dominant.

Finally, in order to provide these learning opportunities and provide a strategic contribution, about two third of the case, organisations have formulated objectives with regard to changing HRD practices. The most important ones are related to integrating HRD stronger with the work organisation, for instance by sharing HRD tasks with line managers.

In the division of HRD tasks as envisioned by HRD professionals, managers and employees both fulfill an active role. HRD professionals themselves appear to fulfill both a strategic and a more practical role. Their strategic role can be seen as an effort to link HRD closely to the business. The responsibility of managers can be seen in the same light, by actively helping employees in analysing learning needs and agreeing upon learning activities.
The practical role of HRD professionals consists of providing practical support and resources (tools, learning materials) for managers to help them fulfill their HRD tasks, and thus provide learning opportunities for employees.

Though justified to conclude that the organisation of the HRD function is becoming more and more diffuse, and increasingly hard to identify and describe, as HRD is becoming ever more integrated within the business. This integration process appears to take place both with regard to policy-making (HRD policy linked more closely to, and eventually integrated in general strategy) and with regard to the execution of HRD activities (from being performed by HRD department, to a shared responsibility of HRD professionals, managers and employees). Many HRD functions have not yet reached that point.

1.19 STRATEGIES USED BY HRD

Strategies used by HRD functions in order to fulfill their envisioned role can be divided into four main categories. A first category consists of strategies aimed at securing that HRD activities support the business, either in general or with regard to a specific current strategic objective. For instance by adopting a very demand-driven approach to planning HRD activities and seeking close cooperation with management.

A second type of strategies are those seeking to support (informal) learning by: supporting (informal) learning from each other and knowledge sharing, fostering employee responsibility for learning and supporting team or even organisational learning. Important to realise is that HRD professionals appear to consciously use 'new' ways of supporting learning as a way to change current notions on 'learning'. For instance, they hope that management and employees will no longer equate learning to classroom training, but also consider opportunities for informal learning, and for learning from each other.
A substantial amount of the activities of HRD professionals of course remains providing training. But the results in this field were too general to permit any specific conclusions other than the observation that traditional training does have a place in the portfolio of strategies employed by the HRD professionals to realise their objectives.

Finally, an interesting category is comprised of strategies aimed at changing the organisation of the HRD function, by actively involving managers and employees. For example by decentralisation of HRD activities, supporting management in HRD tasks and increasing employee responsibility for learning.

All in all, it can be concluded that training is still an important strategy, but it is complemented by strategies to support other types of learning (such as coaching, using IC-T to promote knowledge sharing, etc.), and by activities meant to ensure a close link between training and organisational strategy. Important to note is that HRD professionals not only provide opportunities for learning, but also deliberately also try to change attitudes to learning.

1.20 INFLUENCING FACTORS TO HRD

When considering the factors that support the pursuit of HRD’s new role, it is worth mentioning that most form an exact mirror of the inhibiting factors. Thus the most important conducive factor is active involvement, particularly from managers (whereas a lack of motivation from this group was an important inhibiting factor). It seems that most HRD professionals find themselves dealing with both active and motivated managers and with those that are not motivated. Highly motivated employees were also mentioned as a conducive factor, but only by a small number of case organisations.

Clarity on HRD’s new role is also an important conducive factor. Other factors, such as a learning culture, new organisational structures that provide more learning opportunities and pragmatic factors such as enough HRD resources, were also found to help the process along. However, these aspects were
mentioned considerably less frequently as conducive factors, than they were pointed out as factors which hinder the role transition.

It might be that some of the conducive factors are necessary but insufficient conditions for organisations to become learning oriented. For example, despite increasing HRD resources and senior management commitment, until workload pressures and the organisation of work are addressed, and time is made for learning, employees will continue to see learning as extra to their daily work practices, perhaps even unnecessary and worthless. The need to meet targets and a task orientation impedes the development of a learning environment. Conversely, inhibiting factors might not necessarily preclude the achievement of becoming learning oriented.

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