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### Resources of Organisation

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### Abstract

*Human Resource Development (HRD) is considered as a proactive function which does not merely cope with organisational needs but anticipates them and acts on them in advance in a planned and continuous manner. Its focus is on building the right organisational culture that can continuously identify, nurture and use human capabilities. It is wider in scope and aims at developing the organisation in totality. It relies on job enrichment, job challenge, informal organisation, autonomous work groups, and creativity for motivating people. It is regarded as the responsibility of all managers in the organisation. Against this background, the present paper tries to have a look on the dynamics of HRD in an organisation.*

**Key words:** *Conducive Climate, Functional Competencies, Human Resource Development, Managerial Competencies, Sound Planning.*

### Introduction

Human Resource Development (HRD) has in recent years become the focus of attention of planners, policy-makers and administrators. It may be defined as the process of increasing the knowledge, skills and capacities of people. It is important not only for an enterprise but for a nation to develop its human resources. A country can develop only when its human resources are developed through health, nutrition, education, training and research. At the enterprise level, employee training and executive development are main areas of human resource development.

HRD is a newly emerging field of study. Although development of human beings has been in existence in some form or other since the beginning of civilization. A planned and systematic approach to HRD in the corporate sector emerged in the later half of the 20th century. In the past, training was the only planned way of developing human resources. But, now HRD has emerged as an inter-disciplinary and integrated approach to the development of human resources.

organisational need for human resource with the individual need for career growth and development. It is a system and process involving organised series of learning activities designed to produce behavioural change in human beings in such a way that they acquire desired level of competence for present or future role. HRD is a process in which the employees of an organisation are continually helped in a planned way to:

- Acquire or sharpen capabilities required to perform various functions associated with their present or expected future roles.
- Develop their general capabilities so that they may be able to discover their own inner potentialities and exploit them to full for their own and organisational development purpose, and
- To develop an organisational culture where superior-subordinate relationships, teamwork and collaboration among different sub-units are strong and contribute to organisational wealth (or professional well-being) and motivation and pride of the employees.

The forces of liberalization, privatization and globalization have intensified the pressure to narrow down the scope of HRD. In this regard, **Michael, Marquardt and Nancy (2003)**, have identified seven areas in which HRD can positively affect the forces of globalization. They are:

1. Involvement of HRD professionals in the development of political systems, democracies, transparent administration and non-discriminatory legal systems;
2. Economic growth and poverty reduction by development of workforce skills and intellectual capital. Poverty is a critical HRD issue because it deprives people of choices and significantly reduces their level of well being, limits participation in political and developmental processes and is associated with unemployment, lowered productivity, poor health, nutrition, housing and security;
3. HRD and Organization/work place learning: HRD should play a much stronger role in workplace learning by working as a strategic partner with other functions such as OD, IT and HRM. In the global context, the challenge for HRD is to find and maintain that global - local balance, constantly assisting the organization in adapting to changing business, social, economic and political conditions;

the training of teachers, administrators, and policy-makers at local, state and national levels. Much of the world's potential workforce lacks basic skills necessary for the modern work place. HRD in both developed and developing nations could better assist vocational education programmes to develop competencies that fill these emerging gaps;

5. Developing global leadership: HRD should steer the entire organization towards developing a global mindset. This concept has been defined as openness to other cultures that facilitate international dealings and decisions. A global mindset is often characterized by tolerance, flexibility, curiosity and ability to deal with ambiguity;
6. HRD Technology and knowledge: HRD professionals in future could strengthen the role in helping individuals, organizations and nations to acquire, absorb and communicate knowledge through technology;
7. HRD and Environment: HRD professionals could enhance their value by encouraging all institutions of the society to work for protection of the environment.

### **Objectives, Mechanism and Assumptions of HRD**

The main goals of HRD systems are to develop:

- i. The capabilities of each employee as an individual.
- ii. The capabilities of each individual in relation to his/her present and expected future roles.
- iii. The dyadic relationship between each employee and his/her supervisor.
- iv. The team spirit and functioning in every unit of the organisation.
- v. Collaboration among different units of the organisation.
- vi. The overall health and self-renewing capabilities of the total organisation.

The Objectives of HRD include

1. To provide a comprehensive framework and methods for the development of human resources in an organisation.
2. To generate systematic information about human resources for purposes of manpower planning, placement, succession planning and the like.
3. To increase the capabilities of an organisation to recruit, retain and motivate talented employees.

his/her capabilities to a fuller extent, in order to further both individual and organisational goals.

In order to achieve these objectives, an HRD system may include the following mechanisms or sub systems:

- Performance appraisal,
- Potential appraisal and development,
- Feedback and performance counselling,
- Career planning,
- Organisation development-creating a shared mindset,
- Training,
- Rewards and employee welfare,
- Quality of work life etc.

All these mechanisms are based on the following assumptions:

- (i) Human resources are the most valuable assets in the organisation.
- (ii) Unlike other resources, human resources can be developed and increased to an unlimited extent.
- (iii) A healthy climate, characterised by openness, enthusiasm, trust, mutuality and collaboration is essential for developing human resources.
- (iv) HRD can be planned and monitored in ways that are beneficial both to the individual and to the organisation.
- (v) Employees feel committed to their work and the organisation if the organisation perpetuates a feeling of "belonging".
- (vi) Employees are likely to have this feeling if the organisation provides for their basic needs and for their higher needs through appropriate management styles and systems.
- (vii) Employee commitment is increased with the opportunity to discover and use one's capabilities and potential in one's work.
- (viii) It is every manager's responsibility to ensure the development and utilisation of the capabilities of subordinates, to create a healthy and motivating work climate, and to set examples for subordinates to follow.
- (ix) The higher the level of manager, the more attention should be paid to the HRD function in order to ensure its effectiveness.

resources are the responsibilities of every organisation.

### **Need and Significance of HRD**

Every organisation that wants to become dynamic and growth-oriented or to succeed in a fast changing environment, needs HRD. Organisations can become dynamic and grow only when employee capabilities are continuously acquired, sharpened and used. HRD plays a vital role in the success and growth of an organisation in the following ways:

- ☞ HRD improves the capabilities of people by making them better aware of the skills required for job performance and by improving clarity about performance standards. HRD strengthens executive skills.
- ☞ HRD improves communication system in the organisation. Every member better understands the expectations of other members from his role.
- ☞ HRD helps an organisation in procuring the right people at the right time and in making their effective use.
- ☞ HRD improves employee commitment to the organisation due to greater objectivity in the administration of rewards. Contributions of employees are valued and rewarded in a better way.
- ☞ HRD provides an opportunity of continuous and all round growth of employees through succession planning and career planning.
- ☞ HRD improves collaboration and teamwork. Employees become more open and trust each other.
- ☞ HRD Improves problem-solving and adaptation skills of employees. They become more innovative, proactive and risk taking. Resistance to change is reduced.
- ☞ HRD generates a lot of useful data which facilitate human resource planning and control.

HRD ultimately leads to higher productivity, lower costs and successful growth in the organisation. Organisations which make their people grow continuously, themselves grow and succeed better.

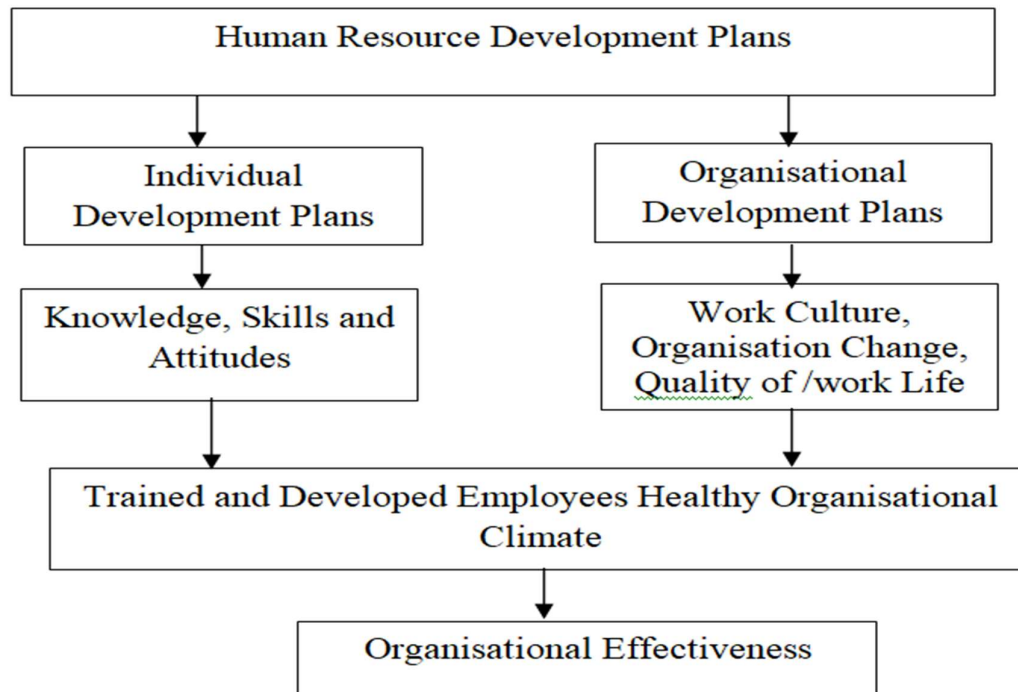
The importance of HRD cannot be overemphasised. Long back Chinese philosopher, Guanzi (51-479 BC) wrote:

"When planning for one year,  
there's nothing better than planting grain,

there's nothing better than planting trees,

When planning for a lifetime.

there's nothing better than planting men."



**Figure 1: A Simplified HRD Model**

### **HRD in Indian Industry**

HRD processes might have existed to some extent in India earlier, but a professional outlook to HRD began only in 1970s. Larsen and Toubro is perhaps the first company in India to design and implement an integrated HRD system in the 1970s. Later on, this professional outlook to HRD spread to other organisations. The first workshop of HRD was held in 1979. Since then, several workshops and seminars have been held. A centre for HRD was established in the Xavier Labour Relations Institute (XLRI), Jamshedpur. A National HRD Network has also been established in 1985. Now, several public and private sector organisations have HRD departments and HRD managers.

In 1982, T.V. Rao conducted a survey of HRD practices in Indian Industries. The survey indicated by and large a positive trend in the use of open appraisal system, improving the training function, taking up organisation development and using employee counselling. However, no major breakthroughs were reported in potential appraisal and development, reward administration and promotion decisions. Only 17 of 53 companies had formal policy

in many organisations.

Another survey was carried out to judge HRD climate in Indian organisations. The survey revealed that the general climate was not very conducive to HRD due to general indifference of employees to their own development. The top management in most organisations was not making sufficient efforts to improve the quality of work life.

At the macro level, increasing emphasis is being placed on the development of human resources. A separate Ministry of Human Resource Development has been created in the Central Government. Attempts are being made to develop appropriate linkages between education, public health, adult literacy, and other social programmes so as to ensure the overall development of people in the country.

Scientific and technological advancements are making it all the more important to develop human resources. Physical resources are wasteful if competent human resources are not available.

### **Qualities of an HRD Manager**

A successful HRD manager requires the under- mentioned skills:

#### *I. Essential Qualities*

- (i) Positive thinking and positive attitudes towards people.
- (ii) A high desire to learn.
- (iii) Interest in people.
- (iv) Helpful attitude.
- (v) Initiative taking or pro activity.
- (vi) Practice and perseverance.
- (vii) Communication skills.
- (viii) Objectivity in approach.
- (ix) Personal example and sense of discipline.

#### *II. Functional Competencies*

- (i) Knowledge of appraisal systems and their functioning in various organisations.
- (ii) Knowledge of potential appraisal, assessment centres, in basket exercises and such other potential development mechanisms.
- (iii) Knowledge of various tests, questionnaires and other measures of human and organisational processes.

supervisors and workers.

- (v) Professional knowledge of human resource management and basic understanding of the industrial relations.
- (vi) Knowledge of organisational culture and organisational diagnosis and development skills.
- (vii) Knowledge of career planning practices and skills to develop systems.
- (viii) Knowledge and skills of counselling.
- (ix) Knowledge and skills in behavioural science research.
- (x) Knowledge of role analysis methods, team building interventions, job rotation, etc.
- (xi) Knowledge of learning theories and personality development.

### III. *Managerial Competencies*

- (i) Organising ability-the ability to identify talent and organise work, maintenance and monitoring and feedback of information.
- (ii) System design and development skills.
- (iii) Implementation skills.
- (iv) Change gentry skills.
- (v) Leadership abilities.

### **Principles for Effective HRD**

In order to make HRD effective, the following principles must be followed:

1. **Corporate Policy on Human Resources:** The company must state its human resources policy explicitly. The policy should be communicated throughout the organisation and should be vigorously pursued. The survey conducted by the centre for HRD at XLRI in 1984 revealed that only 17 out of 53 organisations had a formally stated policy focusing on HRD.
2. **Commitment of Top Management:** Complete faith and support of top management is essential for the success of HRD. Managers at all levels will support HRD efforts only when the chief executive considers his people as the greatest asset. He must have respect for all individuals. Actions speak louder than words. The chief executive may take the following actions to promote HRD:
  - (a) Create an enabling culture where under individuals can grow up to their full potential.
  - (b) Chair the HRD task force himself.



- (d) Periodically review the progress of HRD.
  - (e) Commit time and resources to HRD.
  - (f) Focus on employee development throughout.
3. **Sound Planning:** The HRD needs differ from one organisation to another. Therefore, the HRD needs of the organisation should be properly examined and ascertained. Then a plan should be prepared for the proper utilisation of new skills. Otherwise, skilled employees may get frustrated and may resign to join some other organisation. After this, an action plan should be prepared to develop the necessary skills.
- The action plan should focus on developing the diagnostic and problem-solving capabilities of the total organisation. Due attention should be given to the internal and external environment of the organisation. Proper linkages should be created between the various sub-systems of HRD.
4. **Conducive Climate:** HRD efforts can be successful only when the climate in the organisation is positive and developmental.

The main features of such a climate are:

- (a) Openness or freedom to express one's ideas and opinions.
- (b) Trust and mutuality among people.
- (c) Team spirit or collaboration.
- (d) Reasonable freedom for experimentation and risk-taking.
- (e) A belief that developing the competencies in the employees is the job of every manager/supervisor.
- (f) Faith in the capability of employees to change and acquire new competencies at any stage of life.
- (g) Interest in confronting issues and solving rather than hiding problems.

The Centre for HRD at the Xavier Labour Relations Institute, Jamshedpur has prepared a questionnaire to find out the HRD climate of an organisation.

5. **Competent Functionaries:** Persons with proven reputations and skills should be appointed as the heads of the HRD departments. The head of the HRD department should directly report to the chief executive. This is necessary to ensure status and credibility of the HRD department. The HRD professional should strive for improving the conditions for the growth and development of employees.

should be introduced, therefore, in stages. Each subsystem of HRD should be sequentially phased and built one over the other. Such phasing may consist of:

- (a) Geographical Phasing. It means introducing the HRD system in one or two parts of the organisation and slowly spreading it to the other parts.
  - (b) Vertical Phasing. It implies introducing the HRD system at one or two levels in the organisation and expanding it gradually to the other levels.
  - (c) Functional Phasing. It involves introducing one function or sub-system of HRD and gradually extending all the functions.
  - (d) Sophistication Phasing. It refers to introducing simple forms of subsystems and then applying more sophisticated forms.
7. **Sharing Experiences:** HRD professionals should continuously exchange their experiences for professional development knowledge in behavioural sciences is growing continuously and, therefore, exchange of experiences would help all. The HRD Network set up in India publishes a newsletter. Every organisation can write about its HRD experiences in this publication. The Indian Society for Training and Development (ISTD), New Delhi and the Indian Society for Applied Behavioural Sciences are other professional bodies which can help HRD managers in developing their professional competencies
8. **Regular Monitoring:** Appropriate mechanisms should be created for continuous review of progress in the implementation of HRD. Necessary changes/ improvements should be carried out on the basis of such reviews.

### **Challenges to HRD**

**John, Marijke Kehrhahn and Darren (2003)** have identified the following challenges to the field of HRD. They are:

1. Responding to multiple stakeholders-employees, shareholders, customers, and society;
2. Measuring HRD's impact and utility: Evolve ways to measure the impact of utility of HRD:
3. Orienting towards the future: Instead of being obsessed with past and the present, visualize the future too. The capacity of HRD profession to be consistently ahead of the game will elevate the status of HRD as a key investment in the knowledge economy;
4. Focusing on problems and outcomes: HRD should be capable of understanding real problems and delivering solutions; and

guidelines.

### **Summing-up**

Globalization demands a more holistic and systematic approach that recognizes individuals as part of an interconnected human development chain. HRD professionals need to consider their beliefs about HRD's role in a global context, particularly if their individual focus has been more local or national. This could lead to a belief in enabling people everywhere to have access to educational opportunities and life long learning, be treated by all with respect in a socially equitable and dignified manner, have the ability to participate in governance decisions that affect their lives and the community in which they live and have the potential to earn sufficient income to supply themselves with ample nutrition, shelter and other material and aesthetic needs. HRD is a relatively young field and there are significant challenges to its future. Failing to acknowledge these challenges will increasingly marginalize HRD within organizations. The tasks seen as central to HRD profession will be taken on by others who work in professions more focused on delivery and measuring outcomes. Thinking and working systematically within a sounder theoretical base, with clear standards, ethical codes, with stronger professionals bodies and with competent practitioners is necessary, failing which the HRD profession will be side lined (**John, Marijke Kehrhahn and Darren, 2003**).

Finally, we may opine that HRD is influenced by trends in other disciplines, demographics, politics, technology and a number of other domains. Accordingly, while designing HRD system, there should be

- ✓ **Focus of the System on**
  - (a) Enabling capabilities.
  - (b) Balancing adaptation and change in the culture.
  - (c) Attention to contextual factors.
  - (d) Building linkages with other functions.
  - (e) Balancing specialisation and diffusion of the function.
- ✓ **Structure of the System**
  - (a) Establishing the identity of HRD.
  - (b) Ensuring respectability for the function.
  - (c) Balancing differentiation and integration.
  - (d) Establishing linkage mechanisms.
  - (e) Developing monitoring mechanisms.
- ✓ **Functioning of the System**

- (b) Balancing quantitative and qualitative decisions.
- (c) Balancing internal and external expertise.
- (d) Planning for the evolution of HRD.

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