

## **COURSE: RECRUITMENT, TRAINING AND DEVELOPMENT**

### **LECTURE 6: BENEFITS AND CHALLENGES OF HRD**

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#### **Lecture learning outcomes:**

**At the end of the lecture you will be able to:**

- i. Discuss the benefits of HRD**
- ii. Examine the challenges of HRD**

### **BENEFITS AND CHALLENGES OF HRD**

Human resource development is crucial for today's companies. Having an edge over the competition is vital in the marketplace, and HRD helps companies achieve this. Team coaches want to recruit players who already have a level of skill and ability. However, they will also try to strengthen those skills and abilities for many reasons:

- First, to make sure that the players remain skilled and able.
- Second, to try to improve their skills, and subsequently the whole team.
- Third, because all the other teams are training their players. Any coach that stops training the athletes will end up with an inferior team.

In the world of business, most companies take human resource development seriously. Companies that don't eventually lose out.

HRD is a field of study and practice that focuses on developing the skills, knowledge and abilities of employees in an organization. HRD is essential for any organization to achieve its goals and objectives. It involves various activities and initiatives that help employees improve performance, develop new skills and enhance career prospects.

#### **HRD objectives**

- 1) To develop the skills and knowledge of employees to enhance performance.
- 2) To improve the quality of work -life in the organization
- 3) To create a learning culture in the organization
- 4) To promote teamwork and collaboration among employees
- 5) To enhance employee motivation and engagement
- 6) To ensure the availability of a skilled workforce to meet future organizational needs

## **Significance of HRD activities**

The significance of HRD arises from the basic principle that, people constitute the active resources of every organization, indeed of every nation who really determine the efficiency of utilization of all other sources- physical and financial. Given the premises that the measure of growth of an organization depends upon the “thrust drag” ratio, the ratio of the force of the thrust that the organization makes in moving forward and the force of the drag that pulls the organization backwards-it is easy to establish that with all their capabilities and potentials, the human resources have a key role to play in shaping an organization and improving its thrust-drag ratio.

### **The HRD activities are also important because:**

- 1) It helps in the integrated growth of workers.
- 2) It helps workers to know their strength and weaknesses and enable them to improve their performance and that of organizations. There is pressure to produce quality products and provide quality services. With increased competition, there is a need to become cost effective and efficient. There is also a need to improve technologies both in manufacturing and services. Organizations therefore, have to upgrade their work methods, work norms, technical and managerial skills and workers motivation to face the challenges of globalization. This can be achieved by ‘training programme’ under HRD activities. HRD is basically a human process.
- 3) Every organization consists of man, material, machines or infrastructure and many of all these factors human beings are of special category not only because they have their own needs, ideas, feelings, hopes, aspirations, but also because they are the prime movers behind the other factors. ‘People are human resource and hence valuable to the organization’.
- 4) Unlike other resource, human resource requires human touch. They are important contributors to the achievement of organizational goals. People as assets have unlimited potential. It is only important to tap this potential and invest for increasing this resource to yield rich harvest. The whole process of HRD originates in the appreciation of the basic tenets by the top management and their commitment to the cause. However, the true test of organization lies in the bottom most layer of the organization or on the shopfloor. The core concept is concerned with the development of human beings who are not sitting in the board room, but toil down the assembly line contributing to the bottom line of the concern with the sweat of their brow. At the shopfloor level the focus of the organizations is to increase the productivity, commitment and consequential motivation level of the worker. The development of the organization is inexorably intertwined with the development of the workers.
- 5) HRD is pursuing excellence of people through enhancing knowledge, skill, attitudes and thereby seeking committed and motivated resources for their intense participation.
- 6) HRD activities, therefore, plays vital role in creating an atmosphere for sustained high quality. HRD activities are essential and significant for any growth oriented and dynamic organization which wants to succeed in a fast changing and competitive environment. It is the efforts and competency of human resources that make the organizations dynamic and

grow at a rapid rate. Personnel policies can keep the morale and motivation of worker in an organization high; but the HRD systems enable the worker to continuously acquire, sharpen and use their capabilities to create an organizational climate which ultimately steers the organization to success. Japanese management emphasizes the importance of human resources not because of a particularly strong humanistic orientation but rather because this has been the only possible way to make Japanese industries competitive in the world markets. The successful performance of Japanese management, production and other system depends on the effectiveness of its human resources and development of human resource.

- 7) HRD is needed to develop competencies. No organization can survive, let alone make a mark, if its workers are not competent in terms of knowledge, skills and attitudes.
- 8) Improved performance helps employees to develop new skills and knowledge which can enhance performance and productivity.
- 9) Enhanced employee satisfaction: HRD activities such as training, career development and mentoring can improve employee satisfaction and motivation
- 10) Reduced employee turnover: HRD activities can increase employee engagement and loyalty, reducing the turnover rate
- 11) Improved organizational culture: HRD activities can create a positive organizational culture that values learning and development.
- 12) Improved organizational performance: HRD activities can improve the overall performance of an organization by enhancing the skills and knowledge of its employees.
- 13) Increased employee engagement: HRD can increase employee engagement by providing employees with opportunities for professional development and career growth.
- 14) Enhanced organizational performance: HRD can enhance organizational performance by improving the skills and abilities of employees and aligning performance organizational goals
- 15) Improved productivity: HRD helps to improve the productivity of employees by providing them with necessary skills and knowledge to perform the job
- 16) Better employee engagement: HRD creates a positive work environment that encourages employee engagement, leading to increased job satisfaction and employee retention
- 17) Increased innovation: HRD helps to develop the creative and innovative potential of employees, leading to new ideas and improved process that can benefit the organization.
- 18) Improved customers satisfaction: HRD can lead to improved customer satisfaction as employees become more knowledgeable and skilled in serving customers.

## **HRD challenges**

HRD is a critical aspect of organizational success, but it is not without its challenges.

1. Rapid technological advancements. Technology is constantly changing, and organizations need to keep up with the latest advancements to remain competitive. However, this rapid pace of change can create challenges of HRD professionals who need to train employees on new technologies
2. Managing diversity: The workforce is becoming increasingly diverse, which can create unique challenges for HRD professionals. Organizations need to ensure that training programs are inclusive and address the needs of employees from different backgrounds

3. Changing demographics: The demographics of the workforce are changing with more employees working remotely or on a part-time basis. This can make it challenging for HRD professionals to provide consistent training to all employees.
4. Budget constraints: HRD initiatives require resources, including financial resources, which can create challenges for organizations with limited budgets. HRD professionals need to be creative in finding cost-effective training solutions.
5. Culture or attitude: Different countries have different cultures and as the world has become a global village, HRD professionals have to face the cultural challenges in different countries or with the employees belonging to the different countries.
6. Values of behaviour: The HRD professionals have to adjust themselves to the emerging new values as principle-centric leadership is becoming a trend in the corporate world. Values like trust, credibility, timeliness, and the simpler rules are becoming the cornerstones of many businesses.
7. Knowledge or information: Enhancement of knowledge is also a big challenge for HRD professionals as they have to understand the different philosophies demonstrated at different places in the world. For example, the philosophy related to leadership changes dramatically in organizations from different parts of the world.
8. Lifestyle or habits: The lifestyle of an employee is also important for HRD professionals because they have to understand the habits of the employees and then decide the training that needs to be imparted for bringing a change in the habits of the employees.
9. Knowledge of new practices: An HRD professional has to be aware of the new practices adopted by the organization around the globe. An HRD professional should know about the practices like dignity of individual, retention of employees, leadership by examples, clear conscience, relationship with employees, shareholders, vendors, suppliers, customers, and society at large.
10. Environment: An open environment is required for the success of an organization. The organizational environment should have meritocracy, fearlessness, justice, speed, imagination, and accountability. It is the job of the HRD professional to inspire the employee to perform better once this environment is created in the organization.

### **References**

Personnel and Human Resource Management. P. Subba, R., Himalaya Publishing House, 2016

A Handbook of Human Resource Management Practice. Armstrong Michael. A, London, England, 2006