

COURSE: PRINCIPLES OF HUMAN RESOURCE MANAGEMENT

LECTURE 7: TRAINING AND DEVELOPMENT

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Lecture learning outcomes:

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

- 1. Explain and discuss the concept of training and development**
- 2. Understand the difference between training and development**
- 3. Examine the importance in the organization**

EMPLOYEE TRAINING

Customer service, productivity, safety, employee retention and growth, the downturn in the economy, coping with the retirement of skilled employees—these are some of the issues affecting companies in all industries and sizes and influencing training practices.

Training refers to a planned effort by a company to facilitate employees' learning of job-related competencies. These competencies include knowledge, skills, or behaviors that are critical for successful job performance. The goal of training is for employees to master the knowledge, skill, and behaviors emphasized in training programs and to apply them to their day-to-day activities. For a company to gain a competitive advantage, its training has to involve more than just basic skill development. That is, to use training to gain a competitive advantage, a company should view training broadly as a way to create intellectual capital. Intellectual capital includes basic skills (skills needed to perform one's job), advanced skills (such as how to use technology to share information with other employees), an understanding of the customer or manufacturing system, and self-motivated creativity.

Today, training is being evaluated not on the basis of the number of programs offered and training activity in the company but on how training addresses business needs related to learning, behavior change, and performance improvement. In fact, training is becoming more performance-focused. That is, training is used to improve employee performance, which leads to improved business results. Training is seen as one of several possible solutions to improve performance. Other solutions include actions such as changing the job or increasing employee motivation through pay and incentives.

Today there is a greater emphasis on:

- Providing educational opportunities for all employees. These educational opportunities may include training programs, but they also include support for taking courses offered outside the company, self-study, and learning through job rotation.
- Performance improvement as an ongoing process that is directly measurable rather than a one-time training event.
- Demonstrating to executives, managers, and trainees the benefits of training.

- Learning as a lifelong event in which senior management, trainer managers, and employees have ownership.
- Training being used to help attain strategic business objectives, which help companies gain a competitive advantage.

Training is about developing employees as an individual to make them capable and confident in their jobs, and consequently in their life. Thus it is an organized process for increasing the knowledge and skill of the employees. Consequently it is a process aimed at changing the behavior in such a way that the consequence would be useful for the upliftment of the organization.

According to Wayne F Cascio, training consists of planned programme designed to improve performance at the individual, group, and /or organizational levels. Improved performance, in turn, implies that there have been measurable changes in knowledge, skills attitude, and/or social behavior. Training is considered as a tool for HRD. Training has immense potential in transfer and utilization of latest technical know-how, leadership development, organization of people, formation of self-help-groups, mobilization of people as well as resources, empowerment of resource-poor rural mass, entrepreneurship development, etc., which are considered essential components of HRD.

According to C B Memoria, training is a process of learning a sequence of programmed behavior. It is application of knowledge and it attempts to improve the performance of employee on the current job and prepares them for the intended job. Training is a short term process utilizing a systematic and organized procedure by which non managerial personnel acquire technical knowledge and skills for a definite purpose. Training refers to instructions in technical and mechanical operations, like operation of some machine/equipment. Training is for a specific job related purpose.

Training is about developing people as an individual and helping them to become more confident and competent in their lives and in their jobs. The learning process is at the core of training and the ways of and opportunities for learning are numerous and varied.

Training is the acquisition of technology, which permits employees to perform their present job to standards. It improves human performance on the job the employee is presently doing or is being hired to do. Also, it is given when new technology is introduced into the workplace.

DIFFERENCE BETWEEN TRAINING AND DEVELOPMENT

As Michael Armstrong observes, employee development, often referred to as human resource development (HRD) is about the provision of learning, development and training opportunities in order to improve individual team and organizational performance. Efforts are made to develop employee so that they achieve their full potential for growth. Employee development programme include learning, education and training. Learning relates to a relatively enduring change in behavior taking place as a consequence of practice or experience. Education refers to development of the knowledge required for varied activities of life rather than for one particular activity. Training is planned and systematic change behavior through learning. Training enables employees to accomplish the level of knowledge, skills and competence to perform their job well.

Development is training people to acquire new horizons, technologies, or viewpoints. It enables leaders to guide their organizations onto new expectations by being proactive rather than reactive. It enables workers to create better products, faster services, and more competitive organizations. It is learning for growth of the individual, but not related to a specific present or future job. Unlike training and education, which can be completely evaluated, development cannot always be fully evaluated. This does not mean that we should abandon development programs, as helping people to grow and develop is what keeps an organization in the cutting edge of competitive environments. Development can be considered the forefront of what many now call the Learning Organization. Development involves changes in an organism that are systematic, organized, and successive and are thought to serve an adaptive function.

Development refers to those learning opportunities designed to help employees grow. Development is not primarily skills oriented. Instead, it provides general knowledge and attitudes, which will be helpful to employees in higher positions. Efforts towards development often depend on personal drive and ambition. Development activities, such as those supplied by management developmental programmes are generally voluntary.

TRAINING OBJECTIVES

According to Saiyadain, the objectives of training differ according to the employees belonging to different level of organizations. The basic objective of training, however, is to establish a match between man and his job. This training is designated to improve the knowledge, skills and attitude and thus, equip the individual to be more effective in his present job or prepare him for future assignment. However individual's growth should not be taken as an end. From this point of view of an organization, individual's growth is a means to organizational effectiveness. The principal objective of training and development division is to make sure the availability of a skilled and willing workforce to an organization.

In addition, there are four other objectives: Individual, Organizational, Functional, and Societal.

- **Individual Objectives** – They help employees in achieving their personal goals, which in turn, enhances the individual contribution to an organization. **Organizational Objectives** – They assist the organization with its primary objective by bringing individual effectiveness.
- **Functional Objectives** – They maintain the department's contribution at a level suitable to the organization's needs.
- **Societal Objectives** – They ensure that an organization is ethically and socially responsible to the needs and challenges of the society.

Summary of training objectives.

- To create constant awareness in the minds of all sections of employees of the mission of the industry, its objective and goals.
- To encourage self-development to achieve organization goals with a sense of belonging and commitment to organization and thereby ensuring development of a proper work ethos in the Industry and fostering of team spirit.

- To identify the training needs of the entire personnel in industry in keeping with the corporate plans and in consultation with the user departments.
- To impart knowledge and skills necessary for performing the job efficiently and effectively and to keep the employees to acquire necessary conceptual, technical, human and managerial skills in the areas of decision-making and problem-solving.
- To make available in adequate number sufficiently trained manpower to meet the diverse needs of a rapidly growing industry.
- To organize special training programmes to improve employment opportunities as well as career prospects of persons belonging to SC/ST, minorities, handicapped, ex-servicemen, etc.
- To organize training activities as aids to: Career Planning and growth of Succession planning.
- To educate and equip the employees to respond to the expectations of customers, and to accept responsibilities to attain a sense of achievement.
- To achieve effectiveness of training through tapping the in-house training facilities as well as sources available externally in a balanced manner so as to develop internal faculty support at all levels and disciplines.
- To promote research and development activities and to establish linkages with the operational front.

The aim of training is to help the organisation achieve its purpose by adding value to its key resource – the people it employs. The purpose of training is to:

- To increase productivity and quality
- To promote versatility and adaptability to new methods
- To reduce the number of accidents
- To reduce labour turnover
- To increase job satisfaction displaying itself in lower labour turn-over and less absenteeism
- To increase efficiency

Advantages of training

1. Leads to improved profitability and/or more positive attitudes toward profits orientation.
2. Improves the job knowledge and skills at all levels of the organization.
3. Improves the morale of the workforce.
4. Helps people identify with organizational goals.
5. Helps create a better corporate image.
6. Fasters authentically, openness and trust.
7. Improves the relationship between boss and subordinate.
8. Aids in organizational development.

9. Learning from the trainee.
10. Helps prepare guidelines for work.
11. Aids in understanding and carrying out organizational policies.
12. Provides information for future needs in all areas of the organization.
13. Organization gets more effective decision-making and problem solving.
14. Aids in development for promotion from within.
15. Aids in developing leadership skill, motivation, loyalty, better attitudes, and other aspects that successful workers and managers usually display.
16. Aids in increasing productivity and/or quality of work.
17. Helps keep costs down in many areas, e.g. production, personnel. Administration, etc.
18. Develops a sense of responsibility to the organization for being competent and knowledgeable.
19. Improves labor-management relations.
20. Reduces outside consulting costs by utilizing competent internal consulting.

Disadvantages of training

1. Can be a financial drain on resources; expensive development and testing, expensive to operate?
2. Often takes people away from their job for varying periods of time
3. Equips staff to leave for a better job
4. Bad habits passed on
5. Narrow experience

THE FORCES INFLUENCING WORKING AND LEARNING

1. **Economic cycles**- The poor economy means more companies are downsizing their work force, delaying plans for new operations and growth, and revisiting training and development and human resource budgets to cut unnecessary programs and costs. However, such economic times also provide an opportunity for companies to take a closer look at training and development to identify those activities that are critical for supporting the business strategy as well as those mandated by law (such as safety training or sexual harassment training). Despite the recession, talent retention is still an important concern. Some companies are creating discretionary bonus pools to reward employees who may be recruited by other companies. To keep employees engaged, Best Buy uses online surveys to get employees' opinions and suggestions regarding how to cut costs.
2. **Globalization**- Every business must be prepared to deal with the global economy. Global business expansion has been made easier by technology. The Internet allows data and information to be instantly accessible and sent around the world. The Internet, e-mail, and

video conferencing enable business deals to be completed between companies thousands of miles apart. Globalization is not limited to any particular sector of the economy, product market, or company size.¹⁹ Companies without international operations may buy or use goods that have been produced overseas, hire employees with diverse backgrounds, or compete with foreign-owned companies. Global companies are struggling both to find and retain talented employees, especially in emerging markets.

3. **Increased Value Placed on Intangible Assets and Human Capital-** Today more and more companies are interested in intangible assets and human capital as a way to gain an advantage over competitors. Training and development can help a company's competitiveness by directly increasing the company's value through contributing to intangible assets. A company's value includes three types of assets that are critical for the company to provide goods and services: financial assets (cash and securities), physical assets (property, plant, equipment), and intangible assets. Intangible assets include: Human capital refers to the sum of the attributes, life experiences, knowledge, inventiveness, energy, and enthusiasm that the company's employees invest in their work.³² Intellectual capital refers to the codified knowledge that exists in a company. Social capital refers to relationships in the company. Customer capital refers to the value of relationships with persons or other organizations outside the company for accomplishing the goals of the company (e.g., relationships with suppliers, customers, vendors, government agencies). Intangible assets are equally as valuable as financial and physical assets but they are not something that can be touched and they are nonmonetary. Intangible assets have been shown to be responsible for a company's competitive advantage. Intangible assets also contribute to a company's competitive advantage because they are difficult to duplicate or imitate.
4. **Focus on Knowledge Workers-** One way that a company can increase its intangible assets, specifically human capital, is by focusing on attracting, developing, and retaining knowledge workers. Knowledge workers are employees who contribute to the company not through manual labor but through what they know, perhaps about customers or a specialized body of knowledge. Employees cannot simply be ordered to perform tasks; they must share knowledge and collaborate on solutions. Knowledge workers contribute specialized knowledge that their managers may not have, such as information about customers, and managers depend on these knowledge workers to share that information. Knowledge workers have many job opportunities. If they choose, they can leave a company and take their knowledge to a competitor. Knowledge workers are in demand because of the growth of jobs requiring them.
5. **Employee Engagement** -To fully benefit from employees' knowledge requires a management style that focuses on engaging employees. Employee engagement refers to the degree to which employees are fully involved in their work and the strength of their commitment to their job and the company. Employees who are engaged in their work and committed to their companies give those companies a competitive advantage, including higher productivity, better customer service, and lower turnover. Training and development gives employees an opportunity for personal growth within the company and helps provide the company with the knowledge and skills it needs to gain a competitive

advantage. Using training delivery methods that provide employees with the flexibility to manage their personal learning while balancing other work and nonwork responsibilities, such as online learning, helps build employee commitment to the company.

6. **Change and Continuous Learning** -In addition to acquiring and retaining knowledge workers, companies need to be able to adapt to change. Change refers to the adoption of a new idea or behavior by a company. Technological advances, changes in the work force or government regulations, globalization, and new competitors are among the many factors that require companies to change. Change is inevitable in companies as products, companies, and entire industries experience shorter life cycles. A changing environment means that all employees must embrace a philosophy of learning. A learning organization embraces a culture of lifelong learning, enabling all employees to continually acquire and share knowledge. Improvements in product or service quality do not stop when formal training is completed. Employees need to have the financial, time, and content resources (courses, experiences, development opportunities) available to increase their knowledge. Managers take an active role in identifying training needs and helping to ensure that employees use training in their work. Also, employees should be actively encouraged to share knowledge with colleagues and other work groups across the company using e-mail and the Internet.
7. **Focus on Link to Business Strategy**- Given the important role that intangible assets and human capital play in a company's competitiveness, managers are beginning to see a more important role for training and development as a means to support a company's business strategy, that is, its plans for meeting broad goals such as profitability, market share, and quality. Managers expect training and development professionals to design and develop learning activities that will help the company successfully implement its strategy and reach business goals.
8. **Changing Demographics and Diversity of the Work Force** -Companies face several challenges as a result of increased demographics and diversity of the work force. Population is the single most important factor in determining the size and composition of the labor force, which is composed of people who are either working or looking for work
9. **Age workforce**- The aging population means that companies are likely to employ a growing share of older workers—many of them in their second or third career. Older people want to work, and many say they plan a working retirement. Despite myths to the contrary, worker performance and learning in most jobs is not adversely affected by aging.⁴⁹ Older employees are willing and able to learn new technology. An emerging trend is for qualified older employees to ask to work part-time or for only a few months at a time as a means to transition to retirement. Employees and companies are redefining what it means to be retired to include second careers as well as part-time and temporary work assignments. Another source of work force diversity is greater access to the workplace for people with disabilities. Because of this diversity, it is unlikely that all employees will hold similar work values. Research suggests that to maximize employees' motivation and commitment to company goals, employees should be given the opportunity to develop their skills, meet their interests, and balance work and nonwork activity effectively with each other. To successfully manage a diverse work force, managers and employees must be trained in a

new set of skills, including: Communicating effectively with employees from a wide variety of backgrounds. Coaching, training, and developing employees of different ages, educational backgrounds, ethnicities, physical abilities, and races. Providing performance feedback that is free of values and stereotypes based on gender, ethnicity, or physical handicap. Training managers to recognize and respond to generational differences.

Creating a work environment that allows employees of all backgrounds to be creative and innovative. Management of diversity contributes to a company's bottom line by its influence on creativity, problem solving, employee retention, and creation of new markets for a company's products and services. Companies that do not manage diversity will find that employees' talents are underutilized and their personal and professional needs are not being met. As a result, they will become dissatisfied and leave, resulting in a poorly performing, less competitive organization. Companies that are known for managing diversity also have an edge in attracting talented employees.

10. **Talent Management-** Talent management refers to attracting, retaining, developing, and motivating highly skilled employees and managers. Talent management is becoming increasingly more important because of changes in demand for certain occupations and jobs, skill requirements, the anticipated retirement of the baby boomer generation, and the need to develop managerial talent with leadership skills. Also, the results of surveys suggest that opportunities for career growth, learning, and development, and the performance of exciting and challenging work are some of the most important factors in determining employees' engagement and commitment to their current employer. It is important to identify employees who want to develop their skills and seek promotions and to keep them growing through new job experiences and training. Jobs involve new assignments that require employees to apply their skills in different ways or to learn new skills. Sales managers are encouraged to spend more time in operations where they can learn about product flow, delivery, and other technical processes. This helps sales managers become better qualified for general manager jobs.
11. **Retirement of Baby Boomers.** As the oldest baby boomers begin to retire in the next several years, the implications for the work force could be enormous. This could hinder prospects for economic growth and put a greater burden on those remaining in the work force, perhaps forcing them to work longer hours. Especially in occupations with functions less conducive to technology-driven productivity innovations—many jobs in health services and educational services, for example—service may suffer and needs could go unmet unless older workers can be retained or other sources of workers can be found. Even in occupations in which technological innovations have produced relatively large productivity gains—many of the more complex machining jobs in manufacturing, for example—the learning curves often are steep, meaning that new workers need to enter these occupations soon, so they can become proficient in the necessary skills by the time the baby boomers begin leaving the labor force.
12. **Skill Requirements.** As the occupational structure and economy is shifting, skill requirements have changed. The demand for specific skills is being replaced by a need for cognitive skills—mathematical and verbal reasoning ability—and interpersonal skills related to being able to work in teams or to interact with “customers” in a service economy

(e.g., patients, students, vendors, suppliers). Cognitive and interpersonal skills are important because in the service-oriented economy employees must take responsibility for the final product or service. Variety and customization require employees to be creative and good problem solvers. Continuous innovation requires the ability to learn. To offer novelty and entertainment value to customers, workers must be creative. Most companies relate these skills with educational attainment, so many firms use a college degree as a standard to screen prospective employees.

13. **Developing Leadership.** Companies report that the most important talent management challenges they face are identifying employees with managerial talent and training and developing them for managerial positions. This is attributed to the aging of the work force, globalization, and the need for managers to contribute to employee engagement. Executive, administrative, and managerial occupations will experience the greatest turnover due to death or retirement. Also, many companies do not have employees with the necessary competencies to manage in a global economy. To successfully manage in a global economy, managers need to be self-aware and be able to build international teams, create global management and marketing practices, and interact and manage employees from different cultural backgrounds. Managers contribute to employee engagement by performing basic management functions (planning, organizing, controlling, leading) but also through using good communication skills, helping employees develop, and working collaboratively with employees.
14. **Customer Service and Quality.** Emphasis Companies' customers judge quality and performance. As a result, customer excellence requires attention to product and service features as well as to interactions with customers. Customer-driven excellence includes understanding what the customer wants and anticipating future needs. Customer-driven excellence includes reducing defects and errors, meeting specifications, and reducing complaints. How the company recovers from defects and errors is also important for retaining and attracting customers. Due to increased availability of knowledge and competition, consumers are very knowledgeable and expect excellent service. This presents a challenge for employees who interact with customers. The way in which clerks, sales staff, front-desk personnel, and service providers interact with customers influences a company's reputation and financial performance. Employees need product knowledge and service skills, and they need to be clear about the types of decisions they can make when dealing with customers.
15. **New Technology.** Technology has reshaped the way we play (e.g., games on the Internet), communicate (e.g., cell phones, personal digital assistants), and plan our lives (e.g., electronic calendars that include Internet access) and where we work (e.g., small, powerful personal computers allow us to work at home, while we travel, and even while we lie on the beach!). The Internet has created a new business model—e-commerce, in which business transactions and relationships can be conducted electronically. The Internet is a global collection of computer networks that allows users to exchange data and information. Today more than 79 percent of adults go online spending an average of 11 hours a week on the Internet. Nearly 72 percent access the Internet most often from home, while 37 percent do so from work. Technology continues to have a large impact on all sectors of the

economy. Robotics, computer-assisted design, radio frequency identification, and nanotechnology are transforming manufacturing. Technology has also made equipment easier to operate, helping companies cope with skill shortages and allowing older workers to postpone retirement. For example, consider working a grader construction vehicle, which is used to smooth and level dirt on roadways and other construction projects. Older vehicle models required the operation of as many as 15 levers in addition to a steering wheel and several foot pedals. As a result, working the grader usually left operators with sore backs and shoulders at the end of the day. Caterpillar's latest version of the grader includes redesigned controls that use only two joysticks and eliminate the physical demands of pushing pedals and turning a steering wheel. Besides reducing the physical demands, the redesign of the grader without a steering wheel has resulted in operators having better visibility of the steel blade and the switches for lights, windshield wipers, and the parking brake are now grouped together in one place in the cab thus calling for new skills.

16. **High-Performance Models of Work Systems.** New technology causes changes in skill requirements and work roles and often results in redesigned work structures (e.g., using work teams).⁹⁷ For example, computer-integrated manufacturing uses robots and computers to automate the manufacturing process. The computer allows the production of different products simply by reprogramming the computer. As a result, laborer, material handler, operator/assembler, and maintenance jobs may be merged into one position. Computer-integrated manufacturing requires employees to monitor equipment and troubleshoot problems with sophisticated equipment, share information with other employees, and understand the relationships among all components of the manufacturing process.⁹⁸ Through technology, the information needed to improve customer service and product quality becomes more accessible to employees. This means that employees are expected to take more responsibility for satisfying the customer and determining how they perform their jobs. One of the most popular methods for increasing employee responsibility and control is work teams. Work teams involve employees with various skills who interact to assemble a product or provide a service. Work teams may assume many of the activities usually reserved for managers, including selecting new team members, scheduling work, and coordinating activities with customers and other units in the company. To give teams maximum flexibility, cross training of team members occurs. Cross training refers to training employees in a wide range of skills so they can fill any of the roles needed to be performed on the team.
17. **Flexibility in Where and When Work Is Performed.** Advances in technology, including more powerful computer chips and increased processing power of PDAs, have the potential for freeing workers from going to a specific location to work and from traditional work schedules. PDAs were originally used only to keep track of contacts, tasks, schedules, and e-mail.

Who Provides Training?

In most companies training and development activities are provided by trainers, managers, in-house consultants, and employee experts. However, as the snapshot of training practices suggests,

training and development activities are also outsourced. Outsourcing means that training and development activities are provided by individuals outside the company. Training providers outside the company include colleges and universities, community and junior colleges, technical and vocational institutions, product suppliers, consultants and consulting firms, unions, trade and professional organizations, and government organizations.

Who is in Charge of Training?

Training and development can be the responsibility of professionals in human resources, human resource development, or organizational development. Companies may also have entire functions or departments called human resources, human resource development, or organizational development that provide training and development.

ORGANIZATIONAL CHARACTERISTICS THAT INFLUENCE TRAINING

Roles of Employees and Managers The roles that employees and managers have in a company influence the focus of training, development, and learning activity. Traditionally, employees' roles were to perform their jobs according to the managers' directions. However, with the emphasis on the creation of intellectual capital and the movement toward high-performance work systems using teams, employees today are performing many roles once reserved for management (e.g., hiring; scheduling work; interacting with customers, vendors, and suppliers). If companies are using teams to manufacture goods and provide services, team members need training in interpersonal problem solving and team skills (e.g., how to resolve conflicts, give feedback). If employees are responsible for the quality of products and services, they need to be trained to use data to make decisions, which involves training in statistical process control techniques.

Top Management Support The CEO

The top manager in the company, plays a key role in determining the importance of training and learning in the company. The CEO is responsible for:

- A clear direction for learning (vision).
- Encouragement, resources, and commitment for strategic learning (sponsor).
- Taking an active role in governing learning, including reviewing goals and objectives and providing insight on how to measure training effectiveness (governor).
- Developing new learning programs for the company (subject-matter expert).
- Teaching programs or providing resources online (faculty).
- Serving as a role model for learning for the entire company and demonstrating a willingness to constantly learn (learner).
- Promoting the company's commitment to learning by advocating it in speeches, annual reports, interviews, and other public relations tools (marketing agent).

Integration of Business Units -The degree to which a company's units or businesses are integrated affects the kind of training that takes place. In a highly integrated business, employees

need to understand other units, services, and products in the company. Training likely includes rotating employees between jobs in different businesses so they can gain an understanding of the whole business.

Global Presence. The development of global product and service markets is an important challenge for U.S. companies. For companies with global operations, training is used to prepare employees for temporary or long-term overseas assignments.

Business Conditions When unemployment is low and/or businesses are growing at a high rate and need more employees, companies often find it difficult to attract new employees, find employees with necessary skills, and retain current employees. Companies may find themselves in the position of hiring employees who might not be qualified for the job. Also, in these types of business conditions, companies need to retain talented employees. In the knowledge-based economy (including companies in information technology and pharmaceuticals), product development is dependent on employees' specialized skills. Losing a key employee may cause a project to be delayed or hinder a company's taking on new projects. Training plays a key role in preparing employees to be productive as well as motivating and retaining current employees.

Staff Involvement in Training and Development

How often and how well a company's training program is used are affected by the degree to which managers, employees, and specialized development staff are involved in the process. If managers are not involved in the training process (e.g., determining training needs, being used as trainers), training may be unrelated to business needs. Managers may also not be committed to ensuring that training is effective (e.g., giving trainees feedback on the job). As a result, training's potential impact on helping the company reach its goals may be limited because managers may feel that training is a "necessary evil" forced on them by the training department rather than a means of helping them to accomplish business goals. If line managers are aware of what development activity can achieve, such as reducing the time it takes to fill open positions, they will be more willing to become involved in it. They will also become more involved in the training process if they are rewarded for participating.

MARKETING THE TRAINING FUNCTION

Despite the increased recognition of the importance of training and learning on achieving business goals, many managers and employees may not recognize the value of training. Internal marketing involves making employees and managers excited about training and learning. Internal marketing is especially important for trainers who act as internal consultants to business units.. Here are some successful internal marketing tactics.

- Involve the target audience in developing the training or learning effort.
- Demonstrate how a training and development program can be used to solve specific business needs.
- Showcase an example of how training has been used within the company to solve specific business needs.

- Identify a “champion” (e.g., top-level manager) who actively supports training.
- Listen and act on feedback received from clients, managers, and employees.
- Advertise on e-mail, on company Web sites, and in employee break areas.
- Designate someone in the training function as an account representative who will interact between the training designer or team and the business unit that is the customer.
- Determine what financial numbers—such as return on assets, cash flow from operations, or net profit or loss—top-level executives are concerned with and show how training and development will help improve those numbers.
- Speak in terms that employees and managers understand.

OUTSOURCING TRAINING

Outsourcing refers to the use of an outside company (an external services firm) that takes complete responsibility and control of some training or development activities or that takes over all or most of a company’s training including administration, design, delivery, and development. Business process outsourcing refers to the outsourcing of any business process, such as human resource management, production, or training.

HUMAN RESOURCE DEVELOPMENT

Human Resources Development is the process of improving, moulding and changing the skills, knowledge, creative ability, aptitude, attitude, values and commitment, based on present and future job and organisational requirements This function includes:

- (i) Performance Appraisal which is the systematic evaluation of individuals with respect to their performance on the job and their potential for development. It includes: Developing policies, procedures and techniques, helping the functional managers, reviewing of reports and consolidation of reports, evaluating the effectiveness of various programmes.
- (ii) Training is the process of imparting to the employees technical and operating skills and knowledge. It includes: Identification of training needs of the individuals and the company, developing suitable training programmes, helping and advising line management in the conduct of training programmes, imparting of requisite job skills and knowledge to employees, evaluating the effectiveness of training programmes.
- (iii) Management Development which is the process of designing and conducting suitable executive development programmes so as to develop the managerial and human relations skill of employees. It includes: Identification of the areas in which management development is needed, conducting development programmes, motivating the executives, designing special development programmes for promotions, using the services of specialists, and/or utilising of the institutional executive development programmes, evaluating the effectiveness of executive development programmes.

(iv) Career Planning and Development: It is the planning of one's career and implementation of career plans by means of education, training, job search and acquisition of work experiences.

(v) Internal Mobility: It includes vertical and horizontal movement of an employee within an organisation. It consists of transfer, promotion and demotion.

Hamlin observed development as training of future jobs.

According to Nadler: Development is concerned with providing learning experiences to employees so that they may be ready to move in new directions that organisational change may require. Development is the need to enhance competencies beyond those required by the immediate job.

HRD programmes create a team of well-trained, efficient and capable managers and subordinates. Such team constitutes an important asset of an enterprise. One organisation is different from another mainly because of the people (employees) working therein.

According to **Peter F. Druker**, "the prosperity, if not the survival of any business depends on the performance of its managers of tomorrow." The human resource should be nurtured and used for the benefit of the organisation.

Human Resource Development is said to be the care of a larger system known as human resource system and HRD is mainly concerned with providing learning experience for the people associated with an organization through a behavioral approach adopting various processes. The individual is provided with learning experiences not in isolation but shares others learning experiences also. Such learning experiences are provided with the main objective of developing human beings for their advantage and producing their powerful physical, mental and intellectual endowments and abilities for the growth of organization. In a broader scene, the term HRD means those learning experiences which are organized for a specific time and designed to bring about the possibility of behavioral change.

Human Resource Development in the organization context refers to the process whereby the workers are continuously helped in a planned way to:

a) Acquire or sharpen capabilities required to perform various tasks and functions associated with their present or future expected roles.

b) Develop general enabling capabilities as individuals so that they are able to discover and exploit their own inner potential for their own and/ or organizational development purposes.

c) Develop an organizational culture where 'superior/ subordinate' relationships, 'teamwork' and 'collaboration' among different sub-units, which are strong and contribute to the professional well-being, motivation and pride of work

HRD is developing people so that, they are competent managers and competent workers and committed to the organizational goals.

The workers training through HRD activities is not only the process of developing skills of workers; but it is the process of changing attitudes of the workers by involving them into improving

the activities they carry out. This encompasses timely and value-added management acts as a way of life. The focus of HRD through training is essentially on enabling workers to self-actualize through a systematic process of developing their existing potentialities and creating new ones; unfolding and tapping potentials, capabilities of workers both in the present and for the future.

HRD is the total knowledge, skill, creative abilities, talents and aptitudes of an industrial workforce as well as the values, attitudes of an individual involved. It is the sum total of inherent ability, acquired knowledge and skill represented by the talents and aptitudes of the employed persons.

HRD at organizational level includes, carrying out manpower research and planning to anticipate long term labour market needs, manpower development through training programmes, manpower distribution through an effective placement service and manpower utilization of assured utilization of the nation's human resources.

HRD at the organizational level is a process by which workers of an organization are helped in a systematic and continuous way. Thus, HRD is a continuous process and comprehensive system by itself. That is why every management has to develop its workforce in order to develop the organization. HRD in its turn, almost entirely depends upon workers training, management, and development.

Aristotle said, "It is as natural for the human being to develop and achieve his full potential as it is for and to grow into a majestic oak tree".

The focus of HRD essentially is enabling workers to self-actualize through a systematic process of developing their existing potentialities and creating new ones, upholding and tapping potential capabilities of workers both in the present and for the future. This is because organizations facing the challenges of the competitive environment of change need to develop systems by which the development of human resources can ensure to meet the changing organizational needs.

HRD has a wide-ranging scope as its objectives include:

- i) Providing a comprehensive framework for the development of human resource in the organization.
- ii) Developing climate for employees to discover, develop and use their full capabilities for the organization, the capability of an organization to attract, retain and motivate talented employees.

Human Resource Development is therefore a field of knowledge that deals with all those aspects of human beings as are concerned with creative abilities. The fundamental concern of any Human Resource Development effort is to get the best out of the workers in any given situation, in any given organization.

Human Resource Development is a continuous process and comprehensive system by itself. So every management has to develop its workers in order to develop the organization. HRD in its turn, not solely but almost entirely is dependent upon workers training. Every organization, big or small, productive or non-productive economic or social, old or new, should train all the workers

irrespective of their qualification, skill, knowledge suitability of job. Thus, no organization can choose whether or not to train workers of shopfloor level.

Workers training is distinct from management, development, while the former refers to training given to workers in the areas of operations, technical and allied areas and also behavioral skills, and latter refers to the areas of managerial skills and knowledge, HRD assumes that development of workers competencies is a continuous process and most of it should take place on the job in the work place.

The scope of HRD can be explained also as – any systematic or formal way of developing the competencies and motivation of individuals in an organization and building the organization's climate which can be called HRD method. As such there can be many HRD methods available for organizations. However, the most frequently used methods are as follows:

- 1) Man power planning
- 2) Performance appraisal and feedback
- 3) Training, education and development
- 4) Potential appraisal and promotion
- 5) Career development and career planning
- 6) Compensation and reward
- 7) Organization development techniques
- 8) Role analysis and role development
- 9) Quality of work life and workers welfare
- 10) Participative devices
- 11) Communication
- 12) Counseling
- 13) Grievance redressal
- 14) Data storage and research
- 15) Industrial relation.

Nature of human resources development

1. Inherent part of Management: Human Resource Management is inherent part of management because if the manager wants to draw best out of his people, he must do the basic responsibility of selecting people who will work under him along with he must train, motivate appraise them from time to time.

2. Pervasive function: It is a pervasive function which means that every person in the organization from top to lower level is required to perform this function at continuous basis.

3. People centered: It is concerned with all kind of personnel from top to bottom of the organization.

4. Personnel Function: It involves various functions concerned with managing people from man power planning recruitment, selection, placement, training, appraisal to compensation of employees.

5. Continuous Process: It is not a one step function rather it is a continuous process

Essential Factors for the success of HRD programmes

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. HRD activities will have to play a very crucial role if the following changes, which are sweeping through industry, are to prove successful.

1) Restructuring of organization and redefining of skill boundaries Many companies are restructuring their organization structure by training their management ranks and expanding their span of control. The traditional-functional departmentalization cast around development, manufacturing and marketing are giving place to departments focused on broad classes of products or services. These new department reduce hierarchy, stress better work, reward creativity and increase receptivity to the customer. The skill sets required of those heading these departments differ from the skills sets required of those heading the traditional functional skills. Unlike the specialist heads of functional departments these heads are required to be generalists who have working familiarly with engineering, manufacturing and marketing.

2) Companies now no longer need to preemptively secure licenses in diverse and related areas to outwit their competitors. There is now a perceptible shift in favor of developing core competency through mergers and de-mergers, companies want to professionalize their group.

3) Focus on quality. In the past, in a protected environment with, a lot of demand even for sub-standard products, customers and quality were never considered important and the entire focus was on quantity of output. Due to the success stories of Japanese Companies, there was a shift in management focus and craving for ISO-9000 accreditation started. Now, there is a wave in favour of Total Quality Management which calls for change in the mind-set of workers. In today's global environment; this can come only through massive Human Resource Development efforts at shopfloor level.

4) Technological Changes. With the advancement in tele-communications, employees can now work in their homes. 'Tele-work' as it called has freed employees from the trouble and inconvenience of travelling over long distances. The redundant workers everywhere need to be rehabilitated through training. The changes have to be brought about with a human face. At this point HRD manager has a critical role to play.

5) Workforce empowerment. In a country where the “benevolent autocrat” has been the overwhelmingly preferred style real empowerment of the workforce is going to pose as a big challenge for the HRD Manager. The manager must develop workers capabilities to participate meaningfully in the matters concerning them.

6) Greater employee retention and commitment. Employee retention has been at the forefront of human resource strategies in recent times. Worldwide, organizations seeking competitive advantage by leveraging human capital, have had to learn to hold on the best talents in the organization.

7) Team development and interterm collaboration . HRD has a critical role to play in building cohesive teams and creating linkages among them.

8) Building new organization culture. Organizations need to continuously renew and rejuvenate themselves to face global competition. This needs inculcation of certain values in all workers. These values known by the acronym OCTAPACE i.e. Openness, Confrontation, Trust, Authenticity, Productivity, Autonomy, Collaboration and Experimentation. Organizations can build OCTAPACE culture only through HRD activities.

Besides the above, the HRD activities in any organization can be realistic when :

1. The organization believes that development of employee is in its own interest.
2. The organizations will provide opportunities and conditions for the development and optimization of human resources.
3. The management is willing to invest adequate time and resources for the development of the workers and to personally participate in the development.
4. Managers have concern for growth of subordinates
5. Workers are willing to avail of given opportunities for growth and receive such help from the managers as may be necessary for the development and improving performance.
6. Training is one of the most important elements of HRD process.

HRD Approach to Quality of Work Life:

The industrial revolution has changed the whole concept of life new methods of mass production have been developed. To sustain industrial growth to meet growing demand for commodities and services, new management techniques have been evolved and the emphasis has shifted from industrial enterprise to organized sectors. A vibrant and forward looking organization strives for better results through proper manpower and material management. The concept of human resource development is not restricted to deployment of available manpower for immediate or short term results alone. The successful organization; may it be in the engineering or service sector, is engaged in developing a pool of dedicated and highly skilled managers and workers to meet the present as well as future requirements of the organization. The Human Resource Development is a comprehensive activity which takes care of manpower requirement of an organization on a continuing basis. The basic objective is to have a pool of dedicated competent managers, supervisors and workers. It is continuous process in which the top management is actively

involved. The task is performed both at the physical as well as the mental level. To inculcate a sense of dedication to the organization, a sense of belongingness has to be assiduously cultivated.

An employee is likely to develop this vital sense of belongingness; provided he has enough reason to believe that:

- i) The organization cares for him and his family's welfare
- ii) He is assured to continued job in the organization.
- iii) There are reasonable prospects for career advancement.
- iv) The organization has sound personnel policies where there is scope for fair competition.
- v) His work is considered important enough to enable him to put in his best efforts.
- vi) There is healthy discipline in the organization where genuine mistakes are treated with compassion while deliberate acts of indiscipline are curbed.
- vii) There is free flow of information.
- viii) There is a sound system for redressal of grievances and resolving disputes.
- ix) The organization encourages informal meetings and get-togethers to develop a more cordial atmosphere at work and after work.

Proper HRD programme with emphasis on both performance of the organization as well as the improvement in quality of work life of the staff and workers do have desired results. Neglecting any of these will have a detrimental effect. Therefore, like improvement in performance of the organization, the improvement in quality of work life should also be a nodal objective of the organization. The actual implementation may vary from organization to organization.

But the basic approach which are summarized below remains the same.

- i) The interest of the organization as also of the staff should be given equal importance.
- ii) The organization should plan and project reasonable career prospects for each category of employees.
- iii) Personnel policies should be well laid down and should be implemented without favour and bias.
- iv) The task of employee should be made simpler. The technology should be upgraded and updated from time to time and procedures simplified.
- iv) Facilities for sports and cultural activities should be provided.
- v) Informal get-togethers where family members of the workers can also participate should be encouraged.
- vi) HRD programmes should be reoriented in such a way that not only managerial and technical skills are upgraded, but there should also be quantitative attitudinal change.
- vii) Altruism team spirit and service with humility and loving care should be inculcated in the minds of the staff. This can be achieved by introducing suitable course on moral values. Meditation will also play a very important role in developing the

human resources especially in inculcating teamwork and building extreme dedication and commitment to the cause of service.

- viii) The emphasis should be on development of overall personality of the employees through various HRD programmes. Once this is achieved the quality of work life will also automatically improve. Due to growing technologies certain spheres of special activities of management practices such as information technologies, communication management, consumer finance activities and many other such activities have proliferated. These spheres of activities require professionalized operation. Application of such more sophisticated tools and techniques to manage organizations will also become essential for the very survival of organization too.

Given inflow of more qualified personnel having higher order needs to be satisfied; it becomes imperative for any organization to provide for such satisfaction to its work force. It is essential to ensure that the policies especially HR policies and structure of the organization do not come in the way of developing Human Resources. Any responsive organization will concentrate more on responding to the employees and their aspirations. It will enable them to be creative and innovative. After all, organizations are judged not only by its plans, policies and products, but also by its people.

The general definition of management has undergone a sea of change from control to development function. Hierarchy has faded and emphasis on them is felt everywhere. Autonomous work group have created miracles in many organizations. Quality Circles and other such small group activities have virtually transformed the role of grassroots employee' from the mere doers to problem solvers and decision makers. It is not enough to simply implementing HRD concepts for the sake of implementing or for the sake of creating bulky statistics. If any employer is interested in really achieving HRD objectives, then has to probe deeper into organizational systems and keep in mind that HRD strategies should fit in to them. Such a probing should be done on an ongoing basis, for the emerging scenario may change after some time and new set of HRD strategies may emerge.

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) 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.
- 17) 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 culture 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 trend in the corporate world. Values like trust credibility timeliness and the simpler rules are becoming the corner stone of many businesses.
7. **Knowledge or information:** Enhancement of knowledge is also a big challenge for HRD professional 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 life style 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 globe. An HRD professional should know about the practices like dignity of individual, retention of employees, leadership by examples, clear conscience relationship with employees shareholder, 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, fearless, justice, speed imagination and accountability. It is the job of the HRD professional to inspire the employee to perform better ones this environment is created in the organization.

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