HRD MODEL FOR ORGANIZATIONAL EFFECTIVENESS

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ABSTRACT

A survey by Industrial Team Service in 1969 indicated that the personnel function is no longer viable if it doesn't include or allow scope for employment, training, welfare measures, employee education, employee benefits, industrial relations and industrial insurance. Thus, the concept was subjected to serious criticism and this has ultimately paved the way for the emergence of Human Resources Development. Training plays a crucial role in HRD. Training is the most important activity that plays an important role in the development of human resources. In today's globalize world, putting right man at the right place has become essential. No organization has a choice on whether or not to develop employees. Training, therefore, has nowadays become an important and required factor for maintaining and improving interpersonal and intergroup skills. Before examining this role, it is essential to clarify HRD at both Micro and Macro Levels.

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Introduction

A HRD mechanism is the most important element in organizational effectiveness. Other resources like capital assets, technology can not ensure long-term survival and growth of the organization. It is possible only through the HRD mechanism. HRD in this context can contribute for organizational effectiveness. . Training plays a crucial role in HRD. Training is the most important activity that plays an important role in the development of human resources. In today's globalize world, putting right man at the right place has become essential. No organization has a choice on whether or not to develop employees. Training, therefore, has nowadays become an important and required factor for maintaining and improving interpersonal and intergroup skills. Before examining this role, it is essential to clarify HRD at both Micro and Macro Levels.

1. Optimizing the use of employees for the long-run growth of the organization.

2. Enabling employees to grow with the organization.

3. Helping in matching individual aspirations and organizational expectations.

4. Promoting collaboration and team spirit by establishing a climate of trust, openness and interdependence.

5. Maximizing managerial effectiveness by having an involved, committed and highly motivated team of managers.

6. Building the skills necessary to meet existing and long-term organizational needs.

7. Providing a favourable work environment and consciously fostering an open, largely participative management style based on trust and cooperation.

8. Achieving good employer-employee relations through regards for basic human values.

Organizational effectiveness results from trained and developed employees working in a healthy organization climate which results from both individual development interventions and organizational development plans.

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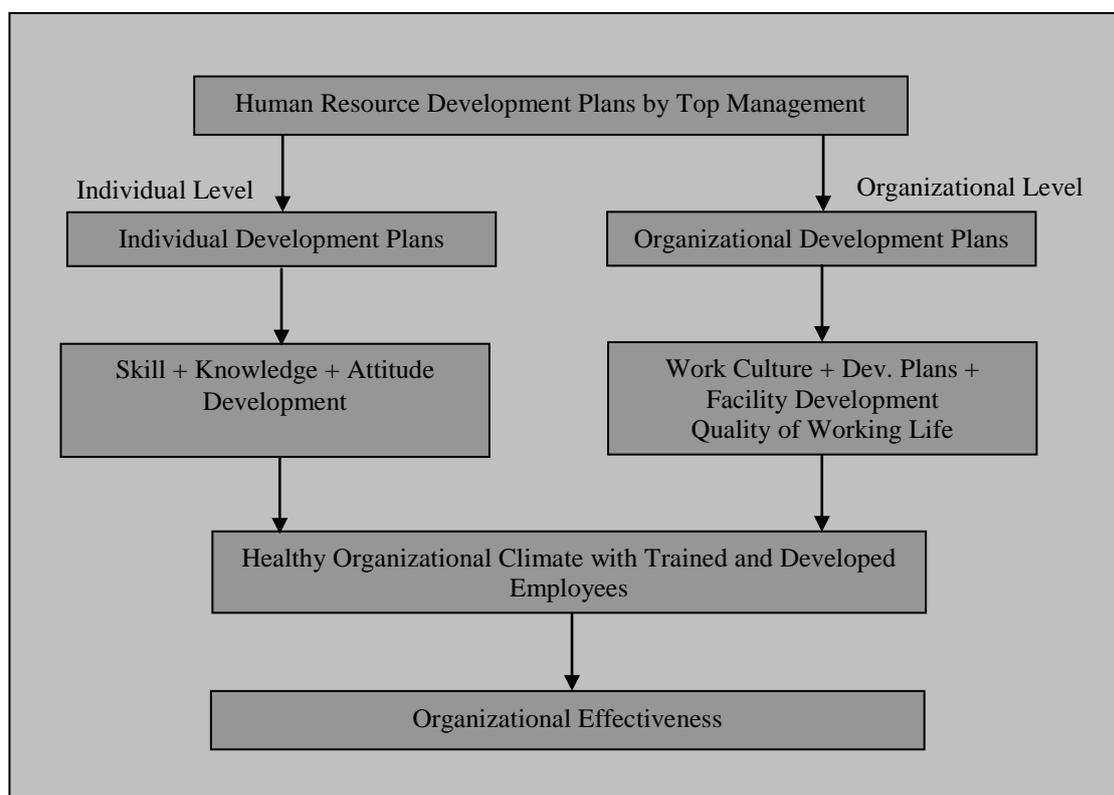Figure 1 shows the HRD model of organizational effectiveness.

Figure 1 Organizational Effectiveness

The role of top management is very important in implementation of HRD plans for developing committed human resources and the work-environment committed to human resources.

Essentials of Effective Human Resource Development

HRD is an effort to develop capabilities and competencies among employees as well as create organizational environment conducive to the employees' development. While introducing HRD in an organization, the following essentials have to be kept in view:

1. **Will to Improve:** An urge and desire on the part of the human resources to find better methods to improve quality and productivity.

2. Removing Hurdles: Removal of hurdles and irritants from the organization affecting productivity of the employees.

3. **Competent Members of HRD Team:** Requisite skills, attitudes and ability in the persons engaged in HRD.

4. **Proper Coordination:** Proper rapport between the HRD members and the key personnel in the organization. Involvement of the personnel of the organization to get a lot of unwritten information for understanding the dynamics of the organization for developing an HRD programme.

5. **Appropriate Methods:** The need for suggesting the introduction of only such indigenous methods which can be implemented by the HRD division without much cost and resistance.

6. **Effective HR Information System:** Strengthening of human resource information system to keep continuous track of every employee and use performance appraisal, training etc. to change in desired direction.

7. **Solution for Resistance:** The HRD department must be ready to face resistance to their ideas and dispel these with facts, patience and consideration. The aim should be to develop acceptance through co-operation.

8. **Emphasis on New Methods:** The HRD department must make all the employees in the organization understand the implications of new methods through seminars, lectures, role plays or any other method to thwart the potential fears amongst the employees of the proposed changes.

Role of Training in HRD

A survey by Industrial Team Service in 1969 indicated that the personnel function is no longer viable if it doesn't include or allow scope for employment, training, welfare measures, employee education, employee benefits, industrial relations and industrial insurance. Thus, the concept was subjected to serious criticism and this has ultimately paved the way for the emergence of Human Resources Development.

Training plays a crucial role in HRD. Training is the most important activity that plays an important role in the development of human resources. In today's globalize world, putting right man at the right place has become essential. No organization has a choice on whether or not to develop employees. Training, therefore, has nowadays become an important and

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required factor for maintaining and improving interpersonal and intergroup skills. Before examining this role, it is essential to clarify HRD at both Micro and Macro Levels.

HRD as stated earlier is mainly concerned with developing the competencies of people. When we call it as a people-oriented concept then several questions come to mind like should the people be developed in the larger and national context or in the smaller institutional context? Is it different at the macro level and micro level? As things stand now, HRD applies to both institutional (micro) as well as national (macro) issues. The main objective, however, is to develop the newer capabilities in people so as to enable them to tackle both present and future challenges while realizing organisational goals. However, it is useful both at macro and micro levels.

Macro Level: At the macro level HRD is concerned with the development of people for the nation's well being. It takes health, capabilities, skills, attitudes of people which are more useful to the development of the nation as a whole. While calculating the national income and economic growth, the prospective HRD concept examines the individuals' potentialities, their attitudes, aspirations, skills, knowledge, etc. and establishes a concrete base for economic planning. However, HRD's contribution at macro level has not gained popularity as yet.

Micro Level: HRD has concern for grass root development in the organizations. Small wonder, then, that HRD was well received by companies' managements as they realized its importance and foresaw its future contribution for the individual and organizational development. Generally, HRD at micro level talks of the organizations' manpower planning, selection, training, performance appraisal, development, potential appraisal, compensation, organizational development, etc. HRD's involvement in all these areas is mainly with an objective to develop certain new capabilities in people concerned to equip them to meet the present job challenges and to accept future job requirements.

Top management for HRD, both at micro and macro levels requires training for its employees as it is only through well-trained personnel, that an organization can achieve its goals.

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Methods of Training

The training of employee can be (i) on the job training and (ii) off the job training. In the first case, worker is trained under the guidance of a superior whereas off the job training is usually through lectures, conferences, case studies, audio visual etc.

The role of training in HRD is explained below in terms of need for manpower training:

1. **Updating Knowledge:** Technological advancement, business environmental changes and new management philosophies have now made it imperative for the organization to renew and update the knowledge and skills of the employees so that they do not become redundant for obvious functional incompetence. The first and foremost need for manpower human resource training therefore, is to renew and update knowledge and skills of employees to sustain their effective performance and so also to develop them for future managerial positions.

2. **Avoiding Obsolescence:** Recent economic liberalization programmes of Government of India are necessitating organizational restructuring, which inter alia, calls for training the employees, irrespective of their functional level, for their redeployment in restructured jobs. Therefore, the second important need for training in HRD is to avert functional obsolescence.

3. **Improving Performance:** Continuous training being required to renew and update knowledge and skills of employees, it makes them functionally effective. The third need is therefore, to make employees effective in their performance through continuous training.

4. **Developing Human Skills:** Apart from emphasizing on technical and conceptual skills, new training programmes also emphasize on developing human skills of employees. Such human skill is necessary for effective interpersonal relations and sustaining healtl1y work environment. This need for training therefore also cannot be altogether ignored.

5. **Imparting Trade-specific Skills:** In industrial employment, the convention is to recruit workers and employees through compulsory apprenticeship training.

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Such apprenticeship training enables an organization to impart industry and trade specific skills to workers. This also, therefore, is an important need for manpower training in HRD.

6. **Stabilizing the Workforce:** Throughout the world the importance of training is now increasingly felt for stabilizing the workforce to withstand the technological change and for making the organization dynamic in this changed process. Management theorists now unanimously agree that it is the responsibility of the organization to train and develop their manpower as a continuous process.

Classification of Training Programmes Required for HRD

Depending on the functional level and occupational categories of employees, an organization can classify training programmes as shown in Table 1.

Table 1: Classification of Training Programmes

Level	Nos.	Types of Training
1. Workers	(i)	Introduction
	(ii)	Job Training
	(iii)	Craft Training
	(iv)	Special Purpose Training
2. Supervisors	(i)	Induction
	(ii)	Foremanship/Shop floor Supervision
	(iii)	Manpower Management
3. Staff Members	(i)	Introduction
	(ii)	Professional
	(iii)	Technical
	(iv)	Human Relations
4. Managers and Executives	(i)	Induction
	(ii)	Executive Training
	(iii)	Training in Executive Development

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Apart from the above routine training programmes for different levels, training on total quality awareness and training encompassing all aspects of total quality management have now become almost compulsory for all functional levels.

Role of Training Needs in Different Strategies for HRD

Table 2 shows four business strategies and highlights the implication of each for training practices:

- Concentration
- Internal growth
- External growth
- Disinvestment

Focus of each strategy differs. Amount and type of training also differs. Key issues in each strategy also differ. The end result of training for HRD is always positive and inspiring.

1. **A concentration strategy** focuses on increasing market share, reducing costs, or creating and maintaining a market niche for products and services. Southwest Airlines has a concentration strategy. It focuses on providing short-haul, low-fare, and high-frequency air transportation. It utilizes one type of aircraft (the Boeing 737), has no reserved seating, and serves no meals. This concentration strategy has enabled southwest to keep costs low and revenues high.

2. **An internal growth strategy** focuses on new market and product development, innovation, and joint ventures. For example, the merger between two publishing companies, McGraw-Hill and Richard D. Irwin, created one company with strengths in the U.S. and the international college textbook markets.

3. **An external growth strategy** emphasizes acquiring vendors and suppliers or buying businesses that allow the company to expand into new markets. For example, General Electric, a manufacturer of lighting products and jet engines, acquired the National Broadcast Corporation (NBC), a television and communications company.

4. **A disinvestment strategy** emphasizes liquidation and divestiture of businesses. For example, General Mills sold its restaurant businesses.

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Preliminary research suggests a link between business strategy and amount and type of training. Table shows that training issues vary greatly from one strategy to another. **Divesting companies** need to train employees in job-search skills and to focus on cross-training remaining employees who may find themselves in jobs with expanding responsibilities. **Companies focusing on a market niche** (a concentration strategy need to emphasize skill currency and development of their existing work force. **New companies formed from a merger** or acquisition need to ensure that employees have the skills needed to help the company reach its new strategic goals. Also, for mergers and acquisitions to be successful, employees need to learn about the new, merged organization and its culture. The organization must provide training on systems such as how the phone, e-mail, and company intranet work. Managers need to be educated on how to make the new merger successful (e.g., dealing with resistance to change).

Table 2: Implications of Business strategy for Training

Strategy	Emphasis	How Achieved	Key Issues	Training Implications
Concentration	• Increased market share • Reduced operating costs • Market niche created or maintained	• Improve product quality • Improve productivity or innovate technical processes • Customize products or services	• Skill currency • Development of existing workforce	• Team building • Cross training • Specialized programs • Interpersonal skill training • On-the-job training
Internal Growth	• Market development • Product development • Innovation • Joint ventures	• Market existing products/add distribution channels • Expand global market	• Creation of new jobs and tasks • Innovation	• High-quality communication of product value • Cultural training • Development of organizational

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		• Modify existing products • Create new or different products • Expand through joint ownership		culture that values creative thinking and analysis • Technical competence in jobs • Manager training in feedback and communication • Conflict negotiation skills
External Growth (Acquisition)	• Horizontal integration • Vertical integration • Concentric diversification	• Acquire firms operating at same stage in product market chain (new market access) • Acquire business that can supply or buy products • Acquire firms that have nothing in common with acquiring firm	• Integration • Redundancy • Restructuring	• Determination of capabilities of employees in acquired firms • Integration of training systems • Methods and procedures of combined firms • Team building • Development of shared culture
Disinvestment	• Retrenchment • Turnaround • Divestiture • Liquidation	• Reduce costs • Reduce assets • Generate revenue • Redefine goals • Sell off all assets	• Efficiency	• Motivation, goal setting, time management, stress management, cross training • Leadership training • Interpersonal communications

				• Outplacement assistance • Job-search skills training

Source: Raymend A. Noe and Amitabh Deo Kodwani, Employee Training and Development, Fourth Edition, Tata McGraw Hill Education Pvt. Ltd., New Delhi, 2008, PP. 60-62

Conclusion

The discussion of the training need in HRD as given above boils down to the conclusion that the training gives the following inspiring and productive results:

1. Growth, expansion and modernization can not take place without trained manpower
2. It increases productivity and profitability, reduces cost and finally enhances skill and knowledge of the employee
3. Prevents obsolescence
4. Helps in developing a problem solving attitude
5. gives people awareness of rules and procedures
6. Training thus makes people more competent
7. Personnel become committed to their job resulting in pro activeness
8. People trust each other more

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