

## **HUMAN RESOURCES DEVELOPMENT PRACTICES (HRD) IN INDIA-AN OVERVIEW**

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### **INTRODUCTION:**

Human resource is the most potential and versatile resource. Its effective utilization is a sine qua non of the rate of growth of any economy regardless of the structure and system of economy and the governance. No society and no nation can be proud of its human resource unless there is a systematic and sustainable development of capacities of its people and convert the human resource into human capital. Not only potential and versatile but also it is a strategic resource, which can be fully utilized to generate income and wealth of a national without the active involvement of this resource. It is pertinent to mention that human resources are primarily responsible for making use of physical and natural resources and for the transformation of traditional economies into modern and industrial economies. In fact, the differences in the levels of economic development of the countries are largely a reflection of the differences in the quality of their human resources and their involvement in national building.

Liberalization and globalization of economies, changing governmental policies, increasing demands for a more skilled and better-motivated workforce and intensifying domestic and foreign competition are some of the very important factors that have contributed to the growing importance of human resource development in modern organizations. With the setting up institution of Human Resource Development Ministry in the Union Government, politicians, academicians, government agencies and the general public have now started showing exclusive interest in the human resource function all over India. Human resources are responsible for productive use of national resources and for the transformation of traditional economies into the modern and industrial economies. The shift from manufacturing to service and the increasing pace of technological change are making human resources the crucial ingredient to the national well-being and growth.

People make organizations grow and in order to facilitate that organization should also make their people grow continuously. Although HRD systems had been in existence in some form in the country earlier, a professional outlook to HRD started only in early seventies. Perhaps the first company in India to implement an integrated HRD system in the early seventies is Larsen and Toubro Ltd., towards the end of seventies the professional spirit of HRD spread to

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few other organizations. In the public sector, organizations like SBI, B.E.M.L have taken the lead in implementing new HRD process. It is the process of improving, molding and changing the skills, knowledge, creative ability, aptitude, attitude, values and commitment etc. based on present and future job and organizational requirements.

The Government of India has recognized the importance of HRD and has created a separate ministry under the control of a full fledged cabinet minister. The need of HRD in India was identified by **Kalyana Sundaram and T.V. Rao** on the following grounds. India is a vast country with different types of people of diverse backgrounds. Any organization will have a combination of various parts of the country. The value system of people in India is rapidly changing due to rapid changes in the education system, technologies and marketing condition. Thus, there is a need to dehumanize the society in view of the high aspirations and ambitions of the people.

**Nadler** defined HRD as an organized learning experience, with in a period of time with an objective of producing the possibility of performance change. **Rao** defined HRD as “a process by which the employees of an organization are helped, in a continuous planned way to (a) acquire or sharpen capabilities required to perform various tasks and functions associated with their present or expected future roles; (b) develop their enabling capabilities as individuals so that they are able to discover and exploit their own inner potentials for their own and/or organizational development purposes; and (c) develop an organizational culture where superior-subordinate relationship, teamwork, and collaboration among different sub-units are strong and contribute to the organizational health, dynamism and pride of employees”.

HRD philosophy emphasizes that every employee is having unlimited potential and some weaknesses. It is necessarily desirable to help him identify, develop and utilize these potential and make him aware of his weaknesses and act so as to reduce or remove them, so that his full potential may flourish. Thus trust in the basic integrity of people, belief in their potential, and respect for their dignity-the underlying attitudes lead to the creation of a climate in companies where individuals experience a sense of involvement and belonging where people find fulfillment in work and seek newer horizons for them and the enterprise through self and subordinate development.

HRD is a system and process concerned with an organized series of learning activities within the specified time limes, designed to produce behavioural changes in the learner in such a

way that it acquires desired level of competence both for the present and future roles. HRD is a continuous process. In the organizational context, HRD is a process by which the employees are assisted in a continuous and planned way to:

- Acquire, sharpen capabilities required to perform various functions of their present and future roles.
- Develop their general capabilities as individuals and bring out inner potential for organizational development purposes.
- Develop an organizational culture which is conducive to motivation and pride of employees, and
- HRD process is facilitated by mechanisms like performance appraisals, job rotation, training and career development.

### **HUMAN RESOURCE DEVELOPMENT PRACTICES IN INDIA:**

The Indian economy has become an integral part of the global economy. Total quality management, latest technology, sophisticated equipment, most up to date know-how, high skills, cost consciousness, production with less cost, and customer's satisfaction have become the hallmarks for us to compete with others. In such a fiercely competitive environment, with the liberalization and globalization of the economy, the management of the organization will have to initiate radical changes within the organization to enable it to compete effectively in a dynamic market. The managers of these organizations will have to become the catalysts of change. The management of organizations has to continually enhance its efficiency and effectiveness for its survival and growth. For many organizations, accustomed to working in a sheltered market and in a monopoly, these changes have been indeed very painful. For some organizations, it has not been easy to adapt and adjust themselves to the economic and technological changes in the Indian environment. In many organizations, surplus workers have refused to accept voluntary retirement, even though very liberal schemes have been offered. In addition, poor performance has made operations in many organizations uneconomic.

The origin of HRD discipline has two important sources namely American and Indian. The development leading to the evolution of this discipline is almost simultaneous in both the countries. A number of issues arising out of the experiences of the two men contributed to the emergence of an idea, which they called HRD. They worked on rural as well as corporate projects, in the educational and managerial fields, before they outlined the new concept. Their bias for action, evident in the description of systems in meticulous detail in their seminal book *Designing and Managing Human Resource Systems* was resulted in a number

of companies in the private as well as public sectors adopting their systems model. In this regard, growth of HRD is significant. It basically aims at unchanging the abilities and motivation of people to positively contribute for superior performance at individual level, nurturing teamwork at group level and conducive climate for innovation value addition and performance orientation at organizational level. HRD is growing fast both as a professional discipline and as an important management function in the modern organizations.

Globalization has created such an environment wherein it has become imperative for every organization to value and assess the human resources at every point and every stage. What has become inevitable is to harness and develop the human resource or capital, which could contribute positively and constructively to the organization so that the organization could sustain its competitive advantage, which is sine-quo-non for survival of the organization.

The vitality of human resources to a nation and to industry depends upon the level of its development. Organizations to be dynamic, growth –oriented and fast changing should develop their human resources. It is needless to say that the organization possessing competent human resources grow faster and can be dynamic.

With the opening up of the Indian economy and globalization of its corporate sector, the HRD has perforce to reorient its priorities, and prepare for a new and effective role in utilizing human resources. The traditional or conventional role of statutory compliances has to give way to human resource development. Technological improvements, so vital for an organization, call for up-gradation of skills of workers. Voluntary retirement schemes should not be seen as loss of capable workers. The growing number of women employees and equal pay for equal opportunities pose a real challenge to the personnel function. Training has to cater to the needs of managers in the light of the new environment. Cross cultural training has become an important aspect of the modern day managers. In the new situation prevailing in the country, empowerment assumes greater importance. Mergers, acquisitions and takeovers bring with them a host of HRD problems. There are more problems after a takeover prior to it. Managing change after a merger or takeover is a massive, delicate and difficult task. The HRD will have to facilitate in the long range planning and key policy decision-making in the context of globalization of the Indian corporate sector.

Human resource development and corporate government are the two latest buzz words in business. In majority of the corporate sector, the HRD practices are undergoing far reaching changes and following the latest methods which are essential in the present day scenario.

HRD practices have been very well established in most of the industries where their importance has been realized with the advent of globalization, liberalization and privatization. In the engineering institutes some of the HRD practices are already in use even though separate HRD departments have not been established. Hence, benchmarking the institutional HRDC with that of the industry would make very significant contribution as far as the improvements in this direction are concerned. There have been quite a good number of studies of HRDC in industries but unfortunately very few in the engineering institutes.

Human Resource Development is a continuous process to ensure the development of employees dynamism, effectiveness, competencies and motivation in a systematic and planned manner. HRD aims to identify competency gaps of employees and train them to perform present roles effectively and create conditions to help employees bridge these gaps through development. HRD aims at constantly assessing the competency requirements of different individuals to effectively perform the assigned jobs, and provide opportunities for development of these competencies. HRD also aims at preparing people for performing roles, tasks or functions which they may be required to perform in the future in the future as they go up on the organizational hierarchy or as the organization takes up new tasks through diversification, expansion, and modernization. HRD tries to develop the potential of employees for likely future jobs or roles in the organization. It also promotes team building and collaborative climate. The nature of jobs in the country at the present juncture is constantly changing due to changes in the business environment, organizational goals, priorities, strategies, customer expectation, technology, new opportunities, new challenges and new knowledge base. Such change in the nature of jobs requires continuous development of employees' competencies to perform the jobs efficiently in the present competitive world. In this context, the HRD is considered seriously by most of the medium and large scale industrial organizations to develop core competencies and achieve competitive edge. In the wake of rapid technological changes and fierce competitive market forces in the liberalized era, employees are perceived as important "assets or resources". There is an increasing awareness that employees undergo value addition and that they have the promise of giving quality products. Hence, there is paradigm shift from purely a labour point of view to resource point of view. The current situation has provided the needed fillip for the widespread promotion of the Human Resource Development.

In the present period of economic transition the human resource development in the corporate sector has become primary concern because of the low productivity, overstaffing increasing

costs and inadequate skills. Large scale employment in public sector enterprises has over the years, led to a situation where some of the enterprises are saddled with over employment of excess manpower resulting in low level of productivity and inefficient functioning. The culture, the thinking, maturity level, attitudes and management – employee relationships are the issues to be addressed in the Indian context.

### **Conclusion:**

Human resource management is the process of managing the people of an organization with a humane approach. Human resources approach to manpower enables the manager to view his people as an important, if not the most important resources. It is benevolent approach to develop and effectively utilize the manpower not only for the benefit of the organization but for the growth, development and self-satisfaction of the concerned people. Thus, human resource management is a system that focuses on human resource development, on the one hand, and effective management of people for the realization of organizational goals on the others.

HRD is the process of increasing knowledge, skills, capabilities and positive work attitude and values of all people working at all levels in a business undertakings. The HRD concept, as it has emerged in Indian corporate level, stipulates that the company should have a clear mission and objective around which a corporate culture could be built, embodying values and ways of doing things, which would exert a shaping influence on the individual's effort towards excellences. The effective performance of an organization depends not just on the available resources, but its quality and competence as required by the organization from time to time. The difference between two nations largely depends on the level of quality of human resources. Similarly, the difference in the level of performance of two organizations also depends on utilization value of human resources. Moreover, the efficiency of production process and various areas of management depend to a greater extent on the level of human resource development.

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