HUMAN RESOURCE DEVELOPMENT (HRD) FOR SOCIETAL DEVELOPMENT (SD): AN OVERVIEW

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ABSTRACT

Throughout history, capitalism increasingly focused on human capital's productivity enhancement through human labor's misemployment, technological advancement, and the allocation of various resources, and rarely through workforce’s further development by providing training and learning opportunities (Kaurin, 2009). However, since the 21st century is characterized by on-going turbulence, there seems to be a consensus that a nation’s or an organization’s education and training system is increasingly becoming a key factor of competitive economic superiority (Ashton & Green, 1996). A nation’s workforce skills constitute hidden assets, critical elements for attaining the social, political, and economic goals of modern societies (Paprock, 2006). In that event, countries around the globe, both developed and developing, start to realize that economic growth and development is equated with societal development and their human capital’s skills formation; thus, nations are trying to enhance their labor force’s productivity and efficiency, while advancing their population’s living standards as well (Wilson, 2012: 178; Thurow, 1996).

KEYWORDS: Human Resource Development (HRD), National Human Resource Development (NHRD), Societal Development (SD)

INTRODUCTION

Human Resource Development (HRD) for Societal Development (SD)

HRD for SD can be clearly illustrated through Marshall and Tucker's (1992) statement, highlighting that: “the future now belongs to societies that organize themselves for learning. What we know and can do holds the key to economic progress just as command of natural resources once did. The prize will go to those countries that are organized as national learning systems, and where all institutions are organized to learn and to act on what they learn”.

Especially, within today’s evolving and turbulent business environments, governments tend to revise their national HRD policies in order to cope with uncertainty. Contrariwise to economic theory of competitive advantage (focus on sufficient natural and labor resources), today’s competitive advantage rests and derives from workforce’s skills, competencies and knowledge (Thurow, 1996). In that event, successful companies and nations will be those being able to create, organize, and capitalize their human capital’s brainpower.

A typical example is Turkey’s case, where the recent economic crisis led the government to implement a “Human Resources Development Operational Program (HRD-OP)” under three priority axes (Soykut Sarica, 2012). The HRD-OP supports the aims of “increasing employment” under its first priority axis by introducing measures which include the improvement of public employment services, encouraging female participation and employment, minimizing young unemployment and promoting registered employment (Soykut Sarica, 2012). Establishing a better linkage between education and labor market (as the second priority axis) aims at improving school enrolment rates, especially for girls, thus
enabling them to gain skills so being able to enter the job market. Finally, within the third axis of the program, income’s
distribution parity and social security system’s efficiency was targeted. Quite similarly, Toka’s (2005) research outlined
that one of the most effective tools in coping with economic turbulence is to educate and raise the awareness of the
under-educated and incompetent workforce. Correspondingly, beyond its effect on individuals and organizations,
HRD also carries with it the potential for economic development benefits at the societal level.

The most related theory to societal development is Human Capital theory. It is an economic theory that addresses
the macroeconomics of production and economic development. It acknowledges human capabilities (knowledge, skills,
health, efforts etc.) as integral parts of a country’s/organization’s capital, along with financial, natural, and other resources.
According to Tharenou et al. (2007: 253), HC can be viewed as a resource, capable of providing competitive advantage by
the time HRD activities promote employees’ development and skills enhancement in order to create value proposition.
The assumption of this theory is that investments associated with labor’s development (along with other services such as
providing them with nourishment and maintaining their health) would increase return on investment (ROI) and will pay
dividends, either to a country or to an organization, as part of their efforts to enhance their economic viability and to
increase outcomes per each unit of input (Hogendorn, 1996).

Eventually, HRD’s main focus (as an element of HC theory) has been in business and industry organizations or in
intra-organizational concerns, by most frequently addressing issues related to performance improvement, productivity,
organizational learning capacity, systems’ alignment within organizations, strategic management, and teamwork’s
effectiveness. In contrast, HRD for SD deals with a range of issues echoing the social reality of the complex systems
surrounding human lives, and amount for health and safety, equity and disparity, education, poverty, social justice, human
rights, and governance policies at global, national or communal levels (Lynham & Cunningham, 2006). While organizations mainly contribute to SD through their corporate social responsibility strategies, a National Human Resource Development (NHRD) approach refers to the development and implementation of a national action aiming at
improving citizens’ well-being, and it is normally appointed by governmental or non-government organizations (NGO) and
international agencies (Kim, 2012).

The primary objective of a NHRD program is the effective utilization of scarce or abundant talent both for the
benefit of specific national objectives or industrial goals. In its broadest sense, it is the development of plans of action to
forecast and meet future manpower requirements due to the changing conditions of the social, economic, and business
environments (Kumari, 2012). In that event, a successful NHRD program encompasses educational and training issues,
such as: basic education; industrial training; workforce’s productivity and efficiency; labor’s equal treatment; management
development, and lifelong learning (Zanko & Nguni, 2003: 13).

Hence, HRD benefits can be either internal (for the organization and its employees), or external
(national and community development) (Haslinda, 2009). To that end, as HRD continues to amplify its border lines by
focusing on community and national development, HRD professionals need to re-think and reposition themselves as
change agents, both by acquiring external support and by forming strategic partnerships, all important elements of
empowering their efforts to promote social and national progress (McLean & McLean, 2001). To this extent, Kim (2012)
argued that HRD for SD emerged by three major issues (community development, international development, organizational social responsiveness).
Society Development

Within this approach, HRD interventions try to address problems within a specific community which shares social, demographic, economic or other characteristics. Typical issues and problems associated with communities include health and safety, poverty, women’s unfair treatment, adult literacy, and the public educational system. Although it is surprising to find such a wide range of issues addressed by HRD, obviously, the well-being of a group or a society must be confronted in all life domains, and eventually, HRD becomes an effective instrument of equally serving public issues beyond work-related concerns (Kuchinke, 2010). To serve its purpose, HRD can adopt both a production-oriented and people-centered role. Within the former, HRD focuses on building and maintaining those skills required for social and economic development, while in its latter role, its main goal is to directly address the needs of the poor, by enhancing their potential for political and development participation, self-help and improvement (Bates, 2003). Hence, HRD for SD concentrates on expanding life-long learning opportunities for citizens, while building a knowledge base. Once more, collaboration and strategic partnerships among local and central government agencies is required.

Another popular intervention used for societal HRD is deriving from people’s / societies’ diversity. The importance of being sensitive to diversity is crucial in understanding ethnic, cultural, regional, and religious related issues, while executing organizational development efforts (McLean et al, 2012). In such efforts, characterized by large-scale approach to community development, stakeholders’ (governmental agencies, NGOs, educational institutions, industries etc) involvement is highly desired and welcomed (Wang, 2012). In that event, the success of any developmental project will depend on how all these agencies collaborate. Harmonious, effective, strategic partnerships, networking, and collaboration, all represent crucial elements for implementing complex change efforts at the societal level. Such efforts mainly focus on further promoting and advancing learning, while also enhancing education’s quality across the globe so to effectively increase fairness, justice, and equity within civil societies (Kim, 2012). Consequently, the role of HRD professionals is to hold the appropriate skills related to coalition building, while identifying power relations among individuals and groups, along with the continuous identification of both the organizational (internal) and external political contexts throughout the planning and designing process of their programs (Caffarella, 2002).

Universal Development

Besides HRD’s focus on society’s development, it can be effectively applied for international development as well. Similarly to community development issues, various universal development projects are set up for raising living standards concentrating on issues related to health and safety, social justice, and poverty, while also addressing global concerns that require international cooperation in order to resolve problems related to international crime, environmental threats, and human rights (Razvi & Roth, 2010). Core HRD interventions implemented within most international development activities include workforce’s training, coaching and mentoring, knowledge management, action learning, leadership development etc. However, the complexity characterizing these global concerns require from HRD interventions to be holistically addressed, while being pluralistic in nature, without assuming a one best remedy (Mace et al., 2012). Quite helpful, in such efforts, is the increasing presence of NGOs, notably international NGOs, which are continuously expand and gain power and influence over large-scale change initiatives at various levels (community, nation, or global), as a result of the “slow-turning wheels” of public bureaucracy, and the anticipated failing of state-led approaches (Metcalf & Rees, 2005). These organizations execute a wide variety of global projects aiming at improving people’s living conditions. Typical examples of such organizations are the World Health Organization, which contests for
global health issues; the International Labor Organization, which serves and protects human rights at work; and the United Nations Educational, Scientific, and Cultural Organization, which promotes literacy and skill development (Kim, 2012). Obviously, the challenges associated with societal concerns at an international level are basically analogous to those faced in community development, and related to cultural sensitivity and diversity, and the set of skills and knowledge required in order to deal with large scale practices.

**Firms’ Sociability**

HRD for SD is also applicable within organizational contexts. Many times, HRD is criticized for serving management interests rather than focusing on increasing employees’, and the wider community’s well-being; however, a recent HRD research clearly illustrated organizations’ ethical responsibility toward people, communities, and the environment within the increasingly global, changing world and marketplaces (Bierema & D’Abundo, 2004). Garavan and McGuire (2010) also argued for the importance of global HRD interventions in addressing issues related to human rights and organizations’ stance towards environmental concerns. They further outlined that following a global HRD approach can help organizations to establish a culture that addresses societal issues. In that event, promoting workplace wellbeing is something that many organizational development scholars have advocated for decades (Hackman & Oldham, 1980; Argyris, 1973).

In that event, corporate social responsiveness (CSR) aims at promoting good citizenship through benevolent work practices, to diminish their operations’ environmental impact, and eventually to improve community’s sustainability. Consequently, HRD through CSR becomes an intentional, systemic process of facilitating change in order to improve organizational well-being. CSR also creates high loyalty among stakeholders (Goldman Schuyler, 2004). Wang’s (2012) study on four developing countries highlighted “social entrepreneurship” as a typical example of organizations’ efforts to foster social progress and is highly appreciated by organizational stakeholders as a tool to further enhance firm’s market positioning, along with all benefits related to that. Further down, companies introducing a responsible behavior tend to attract and retain their staff easier than their competitors. CSR does not only affect business world, but also individuals who are willing to contribute the utmost for helping society and the environment. Therefore, many employees prefer to provide their skills and work to firms that are socially responsible. Consequently, they feel more satisfied with their job and they demonstrate high levels of morality every time they participate in community activities, charities, environmental projects etc.

On the other hand, from the company’s perspective, the benefits are multiple. Apart from the fact that it can increase its pool of candidates, it also enhances their employees’ productivity, efficiency, and commitment, all resulting in better performance. Moreover, firms can manage costs associated with recruiting and retraining new personnel, as this positive working environment makes them feel more loyal (Smprini & Ouzouni, 2009). However, the benefits deriving from corporate social responsibility, either for community or the organization itself, are controversial since the key challenge for HRD is to maintain a balance between societal goals and employees’ and organization’s performance objectives. Once more, it is important for HRD to become a strategic partner within the organization in addressing societal concerns. By taking advantage of such participation, HRD can be better positioned so to promote change in individuals, organizations, and society (Kim, 2012). However, it is also important to consider that differences between countries could lead to totally different HRD approaches for addressing societal development.
HRD across Countries

HRD policies and strategies differ across countries depending on the specific country context. HRD’s effectiveness is likely to be enhanced when countries adopt a holistic approach, which considers the dynamic impact of social, political, cultural, and economic systems on education and labor markets (Alagaraja & Wang, 2012). McLean (2001) and Bates (2003) both have argued that a HRD program must include not only organizational learning and economic development, but also to promote the political, social, cultural, and spiritual development of its people. Hence, a HRD approach encourages policies that serve the focus of promoting vocational training in order to ensure workforce’s development, especially during business turbulence, while to create “safety nets” for those under-educated and socially displaced (Marquardt & Berger, 2003). Nonetheless to further highlight those HRD initiatives that can result to effective business governance by diminishing organizational corruption, while creating the necessary conditions for macroeconomic stability, and eventually promoting business efficiency through continuous investments (Marquardt & Berger, 2003).

As national economies merge into a larger global one, HRD’s role in economic growth continues to expand as well. From an economic and ethical perspective, HRD interventions can assume greater responsibility against the fight to eliminate global concerns. That demands a close cooperation between all organizational and governmental channels in order to encourage the application of those measures focusing on helping people adversely affected by on-going change and economic uncertainty. Within the workplace, continuous changes in global markets, technological advancements, labor’s transition etc., all resulted in more complex job contexts, thereby increasing the need for enhanced interpersonal and other work-related skills.

McLean’s (2001) work on HRD to cope with globalization, concluded with that both un-skilled and semi-skilled work is increasingly becoming less needed; therefore, both organizations and countries emphasize in developing high-quality learning and educational activities so to respectively help employees and students to be better equipped and prepared to perform skilled jobs in the future. Especially for students’ advancement, educational systems gradually introduce new technologies within their agendas. However, one of the biggest problems faced by most educational systems is the absence of long-term planning, and the lack of consistence with market needs.

Based on a research conducted by Marquardt and Berger (2003), HRD programs, in both developed and developing countries can help vocational programs to enhance people’s competencies by ensuring access to vocational training regardless of age, gender, religion and social status. Furthermore, HRD policies need to strengthen a nation’s capacities, by assuming that organizations, people and governments are capable of facilitating technological advancements’ and new knowledge’s transfer to their job contexts. All that will eventually help them to create and promote a flexible workforce, ready to cope with economic uncertainty and dynamic change (Marquardt & Berger, 2003). Hence, every government’s vision and mission statement should highlight that by promoting and increasing public perception of effectiveness that will result to better cooperation and support among members during crisis events.

To foster such perceptions of crisis management systems, governments need to develop and deliver a comprehensive crisis management training program, which promotes a problem-solving crisis management mentality and partnership (Rusaw & Rusaw, 2008). All these notions are associated with the principles of agency theory, in which organizations can be successful by developing community relationships and promoting mutual trustworthiness (Hager et al, 1996). That is why when citizens, as potential employees of a company, perceive that governments and
organizations are fulfilling these expectations, consistently, they develop trust to them (Mishra, 1996). To that end, governments encounter crisis at many levels, one of which is to increase their human capital’s value through purposeful training programs; hence, they further invest in their public training and educational programs (Lee et al, 2003), while other governments provide organizations with investment and tax incentives for developing their employees (Zidan, 2001).

However, both governments and organizations need to carefully consider and various HRD challenges, such as: (a) weak link between employment policies and formal educational systems (e.g., higher education, vocational, and workforce development) with industrial demands, and (b) bureaucratic barriers, which hinder the establishment of alliances between the public and the private sector. Especially for developing countries which are highly interested in attracting private sector foreign investments, in order to foster their economic growth, it is essential for them to create a human capital force capable of meeting the increasing demands of those prospective multi-national investments.

In this regard, further collaboration is required among industries and the state so to accelerate integrated training programs in favor of meeting both national targets and organizational objectives (Shamsuddoha, 2009). The interrelation of all these agents (government, NGOs, international agencies, business organizations) will foster the development of exceptional SD/NHRD programs resulting in outcomes which will boost a nation’s prosperity and growth, by solving major of its societal problems, while enhancing organizations’ competitiveness by proving them with a high skilled and educated workforce.

Types of National Human Resource Development (NHRD) Programs

According to Cho and McLean (2004: 383-385), there are four major HRD classifications (plus one for small nations) explaining a nation’s HRD strategy, as summarized below. In brief, the first classification presents a centralized NHRD approach, which explains government’s critical role for economic growth and market-based reforms. Transitional NHRD highlights governments’ efforts to cooperate with several stakeholders (e.g. employers, labor unions) in implementing policy modifications. The government-initiated partnerships classification describes government’s consultative role, among the other stakeholders, aiming at strengthening their contribution to human capital’s development. Finally, the decentralized/free market NHRD approach outlines private sector’s organizations as the driving forces in developing national skills, education, and the training policies.
A centralized NHRD program is rooted within a strong collectivist culture, which clearly explains state’s active role in national economic development. Under this collectivist orientation, governments not only exercise political control over the implementation of economic policies, but also tightly control NHRD strategies (Cho & McLean, 2004). A typical example is the case of Greece, as the country demonstrates a strong, cohesive culture, which can heavily influence group dynamics, organizational values and managerial relations (Myloni et al, 2004). To that end, NHRD programs are state-led and authorized, as the government continuously develops national plans and policies related to education, health, and economic growth. Further down, transitional NHRD accentuates the involvement of different state actors (e.g. employers and labor unions) in NHRD programs’ design and implementation (Cho & McLean, 2004). Here, the role of the government is to provide mechanisms that encourage and facilitate employers’ and labor unions’ participation. While the actual implementation of those plans and policies is decentralized to third party actors, still the control and
coordination of a NHRD strategy is state initiated (Alagaraja & Wang, 2012). However, Lynham and Cunningham (2006) argued that NHRD programs can poorly be coordinated. Once more, a clear evidence of this assertion is the continuous divergence between trade unions and the Greek government throughout all these years. Instead of discussing and formulating a new educational and business agenda, making them able to set up new strategies in order to overcome the crisis, there is a continuous contradiction among them. Obviously, there is evidenced lack of cohesive strategy implementation plan between these parties, with the negative outcomes of this contradiction to highly impact upon the nation’s manpower. With a government-initiated partnership approach, the government adopts a stakeholder view. The government-initiated partnerships highlight the successful cooperation and interaction of private, public, and NGOs in HC’s development (Cho & McLean, 2004). In most of the countries around the globe, there are several government bodies (e.g. Ministry of Education, National Workforce Agency etc.) to support NHRD efforts; however, in many cases, their interaction with private sector’s initiatives is still under-developed.

A typical example can be found on the case of private educational institutions’ equalization with their state educational counterparts, which still employs the Greek educational agenda all these years. More precisely, Greece has been decried from the European Court many times regarding its national policy against those institutions, but nothing has changed so far. However, despite diverse interests, following this approach can create key initiatives for building private, public and non-government partnerships for education, training and skills building in all countries (Alagaraja & Wang, 2012). Therefore, it is up to national governments to understand the importance of this issue, and how this could help its workforce and its overall well-being. Finally, with a decentralized/free market NHRD program, the private sector is the primary driver for national economic growth and development. The continuously changing business environments and the competitive market forces dictate workforce’s skills and training needs. A decentralized/free market NHRD strategy is rooted in individuals’ willingness of taking charge of their own learning, growth and continuous improvement (Mankin, 2009).

In many countries, these days, the key drivers characterizing their approaches to development, still fall behind from creating a “Knowledge Society” (the one that creates and shares knowledge for its people’s well-being)- (Mokyr, 2003; 2002). Based on UNESCO’s society classification (2005), “knowledge societies”, which are also characterized as “technologically advanced”, can be identified through their diversity and their capacity of indicating a high unemployment rate for low educated workforce in relation to low unemployment rates for highly educated employees. Economies with low unemployment rates are those offering further educational and training opportunities to their low-skilled and educated workforce so to eventually promote them within the work marketplace. Many European countries (e.g. Greece, Spain, Portugal etc.) are not included in this category, since they present high levels of unemployment for people holding post-secondary (non-tertiary) education as well as among people with post-tertiary (PhD level) education. To that end, the concept of creating a “Knowledge Society” requires policies’ re-orientation, radical social changes and strong political will, all essential and realistic elements for helping nations not to lag behind, and coming up with facing several problems along with their negative consequences.

All in all, the important relationship between a NHRD program’s quality and a nation’s well-being has been repeatedly outlined. Harbison’s (1973) assertion clearly conceptualized this relationship by stating that: “Human resources constitute the ultimate basis for wealth of nations, capital and natural resources are passive factors of production; human beings are the active agents who accumulate capital, exploit natural resources, build social, economic
and political organizations, and carry forward national development. Clearly a country which is unable to develop the skills and knowledge of its people and to utilize them effectively in the national economy will be unable to develop anything else”. In that event, governments need to proactively revisit their educational systems, and to build interrelations with other agents in order to gear their labor force with the necessary skills to compete within a global economic landscape. Eventually, this workforce will represent a nation’s competitive factor and one of its critical inputs operating within its boundaries, which will also be beneficial for organizations functioning within national boundaries as well. In respect to the recent global financial crisis, Lee (1998) further argued that well-designed social policies can alleviate an economic crisis’ negative consequences, in the short run, by reinforcing human capital’s confidence. Therefore, HRD professionals accept the responsibility of enhancing employees’, organizations’ and national performance by successfully identifying educational needs and performance gaps, and accordingly designing and implementing the most appropriate HRD policies for addressing them (Rummler & Brache, 1995).

CONCLUSIONS

Obviously, HRD needs to be considered as an important contributor both at the macro-societal and micro-organizational levels. However, for this to happen, not only organizations, but governments as well must adopt a proactive approach towards promoting their citizens’ learning and further development through establishing effective educational systems. Along with close cooperation between the state, research (educational institutions) and industries, a NHRD program should aim at enhancing a nation’s workforce skills and competencies, which in turn will become critical inputs for all organizations operating with the national boundaries. To that end, nations must develop a robust NHRD program if they want to increase their competitiveness within the global business arena. Accordingly, organizations, and any other agents been involved in developmental activities, also need to consider and revisit their strategies in order to effectively address societal issues related to their activities. All in all, HRD for SD ineluctably asks for collaborative and strategic partnerships among various and diverse state and private networks so to better design, establish and deliver successful NHRD programs and initiatives. The current work clearly highlighted HRD’s focus in societal development, and further demonstrated the types of NHRD programs which nations can adopt in their efforts of addressing societal concerns.

REFERENCES


