

6. Human Resource Development and Career Management

OUTLINE

- Explore the significance of training and life-long learning for the Australian workforce
- Examine different types of training and development
- Explore the responsibility for training and development
- Explore the emergence of Human Resource Development
- Discuss career management as a critical element of HRD.

Developing People

- In order to compete globally organisations have to change their structures, work practices and cultures.
- Workforce must be : flexible , committed, well-trained and multi-skilled
- People development is strategically linked to organisations objectives and overall goal
- This ensures a positive relationship with share prices and profits as well as stimulates employees to continually work productively , as they have a goal and are aided in reaching it.

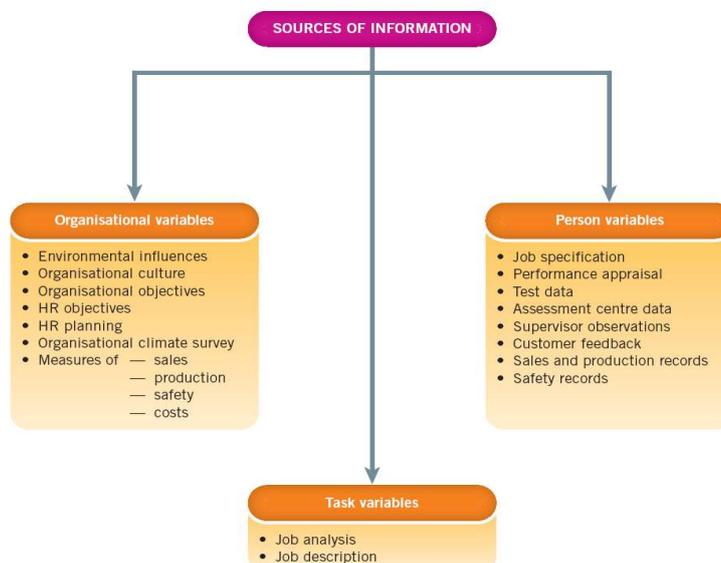
Training and Development

- **TRAINING** : A short term plan or systematic effort to enable employees to improve their skills , knowledge, attitudes and behaviours to enable them to better complete their jobs.
- **DEVELOPMENT**: Long term facilitation of improvement in employees via formal education, job experiences and assessments .
- **LEARNING ORGANISATION** : strategic approach OF HRD where training and development are used in conjunction
- T&D is an essential tool in the workforce :
 - o Implementing a new policy &/or strategy
 - o Promoting corporate culture & effecting organisational change
 - o Keeping pace with environmental changes: Technological, Legal, Social, Demographic
- **STRATEGIC IMPORTANCE**
 - o Increases employees' knowledge of foreign competitors & cultures
 - o Provides the skills required to work with new technology
 - o Helps employees understand how to work effectively in teams
 - o Ensures that the company's culture emphasises innovation, creativity and learning
 - o May improve employment security by providing new ways for employees to contribute to the company
 - o Prepares employees to accept each other and work more effectively together, particularly with a diverse workforce (e.g. diversity training)

- **RESPONSIBILITY FOR T&D**
 - Senior Manager : set strategy and policy
 - Line Manager / Human Resource Department : implementation and design
 - Management policies for T&D are closely linked with recruitment and selection policies
 - if a company needs skills, it may recruit from the external labour market; or
 - it may develop its own skills by training and developing existing staff
- **LACK OF T&D**
 - some employers do not want to invest in T&D of their employees
 - prefer to employ them already trained from the external labour market which lowers their costs
 - may not see the point in investing in training if the employee will subsequently leave the company
 - Expect ROI (return on investment)!
 - Australian companies have traditionally not invested in training, and have relied on programs funded by the government
 - In recent years, employers have increasingly shifted the responsibilities for training towards individuals and suppliers of contract staff, thus reducing their costs and liabilities
 - Employer Associations may provide generic courses on important industry topics for their members at a reduced price (cheaper than if each organisation created its own course)

Types of T&D Programs

- The form, structure and origins of training programs vary
 - **informal or formal coaching and counselling (on-the-job)**
 - **apprenticeships and traineeships (on-and-off- the-job)**
 - **formal courses, simulation (off-the-job)**
 - **induction program** : shows new employees the expectations and requirements
- Can be provided via the company or external sources (contract groups , government etc)



Human Resource Development

- Strategic role in how people are managed in a changing environment
- Contributes the efficiency in which goals are reached
- Refers to the operational strategies, policies, plans and practises
- Encompasses the broad areas of training , development and career management

Conceptual Bases of HRD

Human Capital Theory	<ul style="list-style-type: none"> - Explains links between training and performance in economic terms of capital and investment - Suggests that companies are more likely to invest in T&D where skills are not transferable. Individuals are expected to make their own investments in generic transferable skills.
Intellectual Capital Theory	<ul style="list-style-type: none"> - Includes an employee’s basic skills, advanced skills, understanding of the organisational context and self-motivated creativity - Suggests that training should be used to improve performance and organisational productivity – hence a focus on knowledge sharing
Social Capital Theory	<ul style="list-style-type: none"> - Aims to enhance intellectual capital - Refers to interpersonal contacts, relationships and networks
Resource-based view (RBV)	<ul style="list-style-type: none"> - Organisational Resource = core competencies - Human and intellectual capital and knowledge management viewed as essential elements of an organisation’s competitive advantage - Limitation to RBV: does not deal with how an organisation can develop and support the human resources it needs for competitive advantage

Strategic HRD

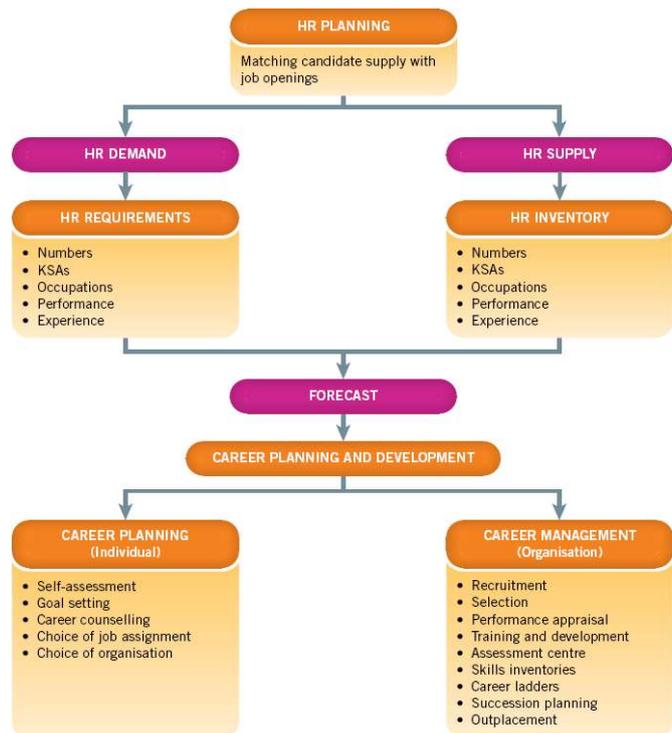
- Creation of a learning culture, within which a range of Training, Development & Learning strategies respond to corporate strategy and help to shape and influence it. It is about meeting existing needs and helping the organisation to change and develop
- Workplace = site of learning
- **CRITICAL ELEMENTS**
 - Development of HRD strategies, policies and plans
 - Participation in the determination of organisational mission, vision and goals
 - Evaluation of program cost-effectiveness and workforce planning
 - Creation of strategic partnerships with relevant stakeholders
 - Integration with business decision-making and change management

Measure	Indicators	How measured
• Reactions	<ul style="list-style-type: none"> • Satisfaction • Enjoyment 	<ul style="list-style-type: none"> • Questionnaire • Interviews • Focus groups
• Learning	<ul style="list-style-type: none"> • Knowledge (for example, OH&S regulations, EEO requirements) • Skill (for example, computer program or machine operation) 	<ul style="list-style-type: none"> • Pencil and paper test • Oral examination • Work sample • Observation of performance • Performance ratings
• Behaviour	<ul style="list-style-type: none"> • Changes in attitudes, behaviour, motivation 	<ul style="list-style-type: none"> • Observation of performance • Performance ratings • Third-party feedback (for example, customer feedback)
• Results	<ul style="list-style-type: none"> • Productivity • Sales • Quality • Absenteeism • Labour turnover • Accident frequency 	<ul style="list-style-type: none"> • Production statistics • Sales statistics • HR statistics • OH&S statistics

Figure 4 Measures of HRD Effectiveness

Career Management

- **CAREER** : A series of positions held by a person during the course of their working life which gives them exposure to particular job experiences and activities.
- **CAREER PLANNING AND DEVELOPMENT** : assistance provided to employees to assist them in developing realistic career goals and the opportunities to realise them.
- **EMPLOYABILITY** : measurable skills which attract employers and being proactive within your work



Career Path Analysis

- **VERTICAL** : Traditional career path where an employee enters the organisation at a junior level and progresses upward to more senior positions over a period of time.
- **LATERAL** : Career path where an employee undertakes a series of lateral moves (often in different functions) instead of moving upwards within the organisation

CRITIQUE

- Career analysis needs to consider:
 - Changes in work environments
 - Stages of career development versus a clear, uninterrupted path
 - Access and opportunity
 - **Personal constraints/barriers e.g.:**
 - Financial
 - Caring responsibilities
 - Health or Disability
 - **Organisational barriers e.g.:**
 - HR investment
 - Recognition
 - Promotional opportunities
 - **Performance** : The foundation to career success.
 - **Powerful supervisor** : Assignment to a powerful supervisor improves career outcomes.
 - **Exposure** : Employees must become known to senior management.
 - **Manners and behaviour** : Careers within an organisation can be quickly destroyed by thoughtless behaviour (inappropriate behaviour at the workplace)
 - **Qualifications** : Good qualifications improves job opportunities
 - **Employer reputation** : Some organisations have a 'star' reputation as breeding grounds for high-potential employees.