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Strategic human resource development

STRATEGIC HRD DEFINED

Strategic human resource management was defined by Hall (1984) as: 'The identification of needed skills and active management of learning for the long range future in relation to explicit corporate and business strategy.' A later definition was provided by Walton (1999) as follows:

> Strategic human resource development involves introducing, eliminating, modifying, directing and guiding processes in such a way that all individuals and teams are equipped with the skills, knowledge and competences they require to undertake current and future tasks required by the organization.

As described by Harrison (2000), strategic HRD is 'development that arises from a clear vision about people's abilities and potential and operates within the overall strategic framework of the business'. Strategic HRD takes a broad and long-term view about how HRD policies and practices can support the achievement of business strategies. It is business-led and the learning and development strategies that are established as part of the overall strategic HRD approach flow from business strategies and have a positive role in helping to ensure that the business attains its goals.

STRATEGIC HRD AIMS

The fundamental aim of strategic HRD is to enhance resource capability in accordance with the belief that the human capital of an organization is a major source of competitive advantage. It is therefore about ensuring that the right quality people are available to meet present and future needs. This is achieved by producing a coherent and comprehensive framework for developing people.

The specific objectives of strategic HRD are to develop intellectual capital and promote organizational, team and individual learning by creating a learning culture – an environment in which employees are encouraged to learn and develop and in which knowledge is managed systematically.

Although strategic HRD is business-led, its policies have to take into account individual aspirations and needs. The importance of increasing employability outside as well as within the organization is an important HRD policy consideration.
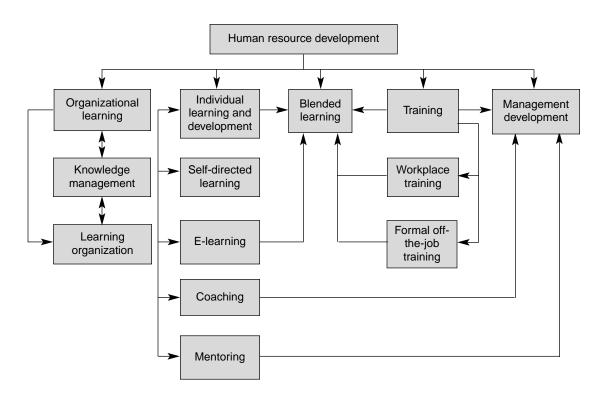
COMPONENTS OF HRD

Figure 35.1   Components of human resource development

HRD AND HRM

HRD policies are closely associated with that aspect of HRM that is concerned with investing in people and developing the organization's human capital. As Keep (1989) says:

> One of the primary objectives of HRM is the creation of conditions whereby the latent potential of employees will be realized and their commitment to the causes of the organization secured. This latent potential is taken to include, not merely the capacity to acquire and utilize new skills and knowledge, but also a hitherto untapped wealth of ideas about how the organization's operations might be better ordered.

THE PROCESS OF LEARNING AND DEVELOPMENT

Learning and development was defined by the CIPD (2001) as follows:

> The organizational process of developing people involves the integration of learning and development processes, operations and relationships. Its most powerful outcomes for the business are to do with enhanced organizational effectiveness and sustainability. For the individual they are to do with enhanced personal competence, adaptability and employability. It is therefore a critical business process in for-profit or not-for-profit organizations.

The elements of this process are:

- *Learning* – defined by Bass and Vaughan (1966) as 'a relatively permanent change in behaviour that occurs as a result of practice or experience'.
- *Education* – the development of the knowledge, values and understanding required in all aspects of life rather than the knowledge and skills relating to particular areas of activity.
- *Development* – the growth or realization of a person's ability and potential through the provision of learning and educational experiences.
- *Training* – the planned and systematic modification of behaviour through learning events, programmes and instruction, which enable individuals to achieve the levels of knowledge, skill and competence needed to carry out their work effectively.

STRATEGIES FOR HRD

Strategic priorities

The strategic priorities for human resource development as defined by Harrison (2005) are to:

- raise awareness of the need for a learning culture that leads to continuous improvement;
- develop the competence of managers to become actively involved in learning that leads to knowledge creation;
- expand learning capacity throughout the organization;
- focus on all the organization's knowledge workers, not just the key personnel;
- harness e-learning to knowledge sharing and knowledge creation.

Development steps

The steps required to develop a learning and development strategy as described by Harrison (2005) are:

1. Agree on the strategy-making team.
2. Clarify organizational mission.
3. Explore core values.
4. Identify the strategic issues facing the organization.
5. Agree on strategy and strategic plan.

Models for the delivery of the strategy

Carter *et al* (2002) suggest that the following models are available to deliver HRD strategy:

- centralized – all learning and development activities are conducted and controlled from the centre;
- key account holder – a small corporate centre is responsible for career management and management development processes; key account holders are responsible to the centre for delivering learning and training in business units;
- devolved – all learning and development activities are devolved to business units;
- business partner – key account holders report to business unit;

- shared service – business units share common learning and development services and specify what they want to the corporate centre;
- outsourced – training outsourced to providers by corporate centre or business units;
- stakeholder – small corporate centre engages in transformational learning activities, separate shared service facilities are used, learning and development practitioners act as business partners and specialized learning is outsourced.

HUMAN RESOURCE DEVELOPMENT PHILOSOPHY

A human resource development philosophy could be expressed in the following terms:

We believe that:

- Human resource development makes a major contribution to the successful attainment of the organization's objectives and that investment in it benefits all the stakeholders of the organization.
- Human resource development plans and programmes should be integrated with and support the achievement of business and human resource strategies.
- Human resource development should always be performance-related – designed to achieve specified improvements in corporate, functional, team and individual performance, and make a major contribution to bottom-line results.
- Everyone in the organization should be encouraged and given the opportunity to learn – to develop their skills and knowledge to the maximum of their capacity.
- Personal development processes provide the framework for individual learning.
- While we recognize the need to invest in learning and development and to provide appropriate learning opportunities and facilities, the prime responsibility for development rests with the individual, who will be given the guidance and support of his or her manager and, as necessary, members of the HR department.