



“OVERCOMING CRITICAL CHALLENGES FACING HUMAN RESOURCE DEVELOPMENT”

(With Special Reference to the United Arab Emirates)

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PREFACE

As the intensity and sophistication of business environment continues to multiply day by day, high level of continuous productivity along with superior performance is expected from organizations who long to remain competitive and satisfy the conflicting welfare of their stakeholders.

As a result, many businesses are becoming service oriented and thriving to excel by establishing exceptional relationships with their key customers, employees, vendors and other business partners. Adding to this, the never ending call to flexibility and the ability to adapt to change that accompanied globalization and digital revolution which altered the way business is being done to a great extent.

In the interim, the discipline of Human Resource Development (HRD) grows in significance and influence to eventually manifest itself as business savior if employed effectively. We can all sense that in the emergence of key concepts such as Learning Organization, Knowledge Management and Human Capital which are frequently being mentioned by corporate leaders who still struggle to formulate practical strategies to incorporate them in organizational settings.

Many medium and large size corporations tend to confine human resource development to training activities as if it's the perfect remedy for all managerial and operational problems facing business. The time has come to move beyond viewing training as the sole measure to sustainable competitive advantage and to focus instead on applying a wide range of human resource development initiatives, for instance, promote learning and development and utilize the available volume of information by managing organizational knowledge.

The fundamental purpose of this research project is to encourage learning in individuals and organizations because the future truly belongs to those who can learn quickly and creatively and demonstrate their willingness to transformation whenever it's required.

Other than that, the remaining objectives that this research seeks to fulfill are highlighting the role of learning, training & development in organizations followed by providing a detailed framework on the key challenges facing HRD initiatives and why they occur. This

will lead us to recommend pragmatic solutions to these common issues based on critical literature review as well as primary research findings.

I'd like also to assert that due to the broad scope of this topic, the applications, practices as well as challenges will differ depending on the country, industry and epoch, therefore, certain outcomes or assumptions stated in this research may not necessarily provide a true representation of all situations, locations or businesses.

Further more, I've included several cases pertaining to human resource development practices in the United Arab Emirates wherever applicable throughout this report. These cases under the title "*Focus of United Arab Emirates*"; will help the reader to learn the various HRD initiatives present in the UAE during the course of this research project.

Sources of Information:

As I begin to write this report, I intend to tackle the various aspects of this topic by employing the following sources of information:

1. The literature: I conducted an extensive literature review on human resource development, examining particularly what was written on the subject since 1970s.

2. Online Resources: I've referred to some online resource as well to get more useful materials such as online libraries *i.e. ZU and ERIC*. Tertiary sources like online Encyclopedias were used where there was a need for defining new terminology or familiarizing with new concepts *i.e. Wikipedia*.

3. Structured Interviews: I interviewed around 16 human resource development professionals about common issues facing HRD from their perspective and experience in the field. The interviews have also collected practical solutions to overcome those common HRD issues and challenges.

4. Group Discussions: Using professional networking websites *i.e. Linked-In*, I've discussed critical HRD related topics with field's experts and practitioners and the same will be reflected in different areas throughout this research report.

5. **Professional Bodies Websites:** I've also consulted expert websites such as *The American Society for Training & Development (ASTD)*, and *The Chartered Institute of Personnel and Development (CIPD)*, for latest developments in the field or accurate facts and figures that will add more value to this research project.

6. **Personal Knowledge & Experience:** As a growing learning & development practitioner in the UAE, I'll be enriching this research with my own knowledge and experiences. I'll also make use of the knowledge I've acquired while being an MBA student in Masters Education Institute.

My aim in using a variety of sources is to ensure that the subject is being dealt with comprehensively and in most up-to-date manner that comply with established best practices in the field of human resource development.

Structure of this Report:

This report comprises of six chapters that are organized as the following:

- **Chapter One** is an introduction that sets the stage. Consisting mainly of the conceptual foundation of human resource development to promote better understanding of the relationship between theory and practice. It starts by defining the terms HRM & HRD and how they complement each other moving on to delineating the key components of HRM and HRD each in great detail.
- **Chapter Two** will explain the role of learning, training & development in organizations. This commences by stating the differences between training, learning, development and educations followed by the diverse roles of human resource development practitioners'. This chapter will also introduce the Chief Learning Officer (CLO) and list his/her main duties in the organization.
- **Chapter Three** is devoted to discuss learning & competitive strategy of the business. The chapter opens up by explaining the essence of learning vision and how it affects business results. Further, the need to link human resource development to organizational strategy is articulated and followed by discussing the learning & growth

perspective as per The Balanced Scorecard (BSC) method. The chapter adjourns by emphasizing on organizational synergy facilitated by efficient knowledge management.

- **Chapter Four** addresses human resource development as change agent and prescribes effective ways to minimize resistance to change. The chapter also offers a comprehensive insight on the concept of “learning organizations” and their main features.

- **Chapter Five** will feature the most dynamic section of the entire research. This section will first provide an analytical view of the key issues facing human resource development based on actual data that has been collected through interviewing experts in the field of human resource development. The findings will be represented by employing both qualitative *i.e. charts* and quantitative *i.e. data categorization & narrative analysis* analyzing instruments. This in-depth data analysis & interpretation will enable the reader to see the connection between the theoretical substance that has been discussed in the preceding chapters and its manifestation in reality. I’ll also reflect on the overall experience towards the end of the chapter.

- **Chapter Six** takes up where chapter five leaves off. The chapter starts off by explaining how organizations’ can overcome the key challenges highlighted in the previous chapter by listing several pragmatic solutions. The recommended solutions will have a generic approach and based on that, need to be customized according to individuals and businesses dynamics. This chapter will also shed light on a number of “best practices” carried out by successful organizations in the field of HRD; as per interview respondents’ views.

In summary, this research study is an invitation to re-think the way we are looking at the Human Resource Development function by attempting to reframe the entire process of acquiring and cultivating human capital in a way that serve the best interest of the individuals and organizations for years to come. While these ideas and concepts are mainly useful for HRD professionals and practitioners; they also may be applied by other audiences such as business students, managers and even employees.

CHAPTER ONE

INTRODUCTION

Human Resource Management VS Human Resource Development

Many people are not clear as to what is the difference between Human Resource Management (HRM) & Human Resource Development (HRD) functions. There are different ways to solve this equation. Some field experts regard HRD to be a sub-section of the HRM while others denote that HRM & HRD are two interrelated branch of knowledge that collectively aim to maximize human talents and capabilities for organization's benefit.

Furthermore, you may view HRM as the employment of appropriate systems, analytics and processes to manage workforce so as to achieve organizational goals and objectives. When in fact, HRD will determine how such tools will be channeled to equip employees with the desired competencies *i.e. knowledge, skills and attitudes* and thus capitalize on the most prominent resource of the business to gain a competitive edge.

Some critics of this discipline pointed at how “insensitively” the principles of HRM & HRD were portrayed. They argued that people should not be treated as replacements parts that are used to fulfill the needs of the organization.¹ The contemporary response to this is the approach many organizations adopting in viewing their people as an integral asset and investing substantial efforts towards their continuous learning and growth.

Although compositions and theories about people management have not flourished until 1980's, this doesn't mean that it wasn't known and practiced before that. The activities of recruiting and selection, compensation and benefits and labor relations were there even before HRM was known as an independent discipline. As the field of HRM expanded and

¹ Human Resource Development: Learning and Training for Individuals and Organizations for Wilson, John P. (2nd ed. 2005).

became more specialized, additional functions emerged such as occupational health and safety, talent management and strategic human resource management.

This brings us to the definition of Human Resource Management. Well, Wikipedia puts it in simple terms as *“the management of organization’s employees”*², whereas; Neo, Hollenbeck, Gerhart & Wright prefer to explain it as *“the policies, practices and systems that influence employees’ behavior, attitude and performance”*.³



Exhibit 1.1 – Human Resource Management Functions

Exhibit 1.1⁴ demonstrates the key functions of HRM. All the seven functions of HRM are interconnected and should be executed to serve the bottom line of the business. Besides, the external environment elements i.e. *political-legal, social-cultural, economical,*

² Available at: http://en.wikipedia.org/wiki/Human_resource_management , last visited 15th September 2011.

³ Fundamentals of Human Resource Management for Neo, Raymond, et al. (3rd ed. 2008).

⁴ Human Resource Management for Mathis, Robert L. & Jackson, John H. (13th ed. 2010).

environmental, global, technological and geographical will all imply formulating HRM strategies to exploit opportunities and deflect threats then use them to the best interest of the organization.

It's essential to elaborate on each of the above HRM functions to further understand how they concurrently contribute to the attainment of the organizational goals.

1. Equal Employment Opportunity (EEO)

One of the main functions of HRM is to deploy human resource management strategies in line with the existing legislations and judiciary system. Compliance, diversity and affirmative actions are key activities under this section. That is true while keeping in mind that equal employment laws are not the same in all countries.

The term Equal Employment Opportunity originated back in 1965, when US president Lyndon Johnson signed executive order 11246. The primarily designated EEO groups include women, members of racial, ethnic and ethno-religious minority groups, people whose mother tongue is not English as well as people with disabilities. EEO law was established to *"ensure that work environments are free from unlawful discrimination and harassment and provide employees with equal chance for employment & job growth"*. In other words, opportunity is not just for some, but for all.

Later on, this constitution has undergone several amendments to cope with several emerging issues such as equal pay, civil rights and age discrimination in employment. The EEO Commission⁵ is also responsible for carrying out any necessary investigation and auditing businesses to ensure that their HRM practices are complying with EEO clauses. See **Exhibit 1.2**⁶.

There were many opponents to this system⁷; however, the scenario differs from country to country and from business to business. Many nations are witnessing a huge economical and

⁵ Established in July 2nd, 1965 whose headquarter is located in Washington D. C.

⁶ Available at: http://en.wikipedia.org/wiki/Equal_Employment_Opportunity_Commission

⁷ Including George Sher and Dr. Thomas Sowell in his book "Affirmative Action around the World: An Empirical Study" (2004). This is as published in Wikipedia: The Free Encyclopedia at: http://en.wikipedia.org/wiki/Affirmative_action

social alteration in their structure which has generally led to the diversity of the job markets. This implies a true collaboration between those concerned countries' governments and business leaders to look into labor relations' issues and preserve their rights. Many people will still argue that such legislations shouldn't be standardized due to the unique nature of each country and its political and geographical composition.



Exhibit 1.2 - EEOC Logo

In such cases, human resource professionals should always realize the limitations of the HR legal department within the country as well as the organization they are operating in. If for any reason some common issues have not been already legislated in the country's labor law; HR department should make all the efforts to address such matters *i.e. prejudices and biases* and draw the line between discrimination and making a smart decision for the organization.

Nevertheless, we cannot stress more on the sheer advantages of promoting dynamic human resource practices that will comply with the ethical code of conduct while maintaining the welfare of individuals wherever they are on this planet. In my opinion, governments should have the upper hand followed by human resource management authorities in regulating all forms of business activities that cause chaos and manipulate humans and thus prevent fostering human resource capabilities to its fullest.



Case 1.1

Focus on United Arab Emirates

EEO Initiatives In The UAE

- UAE made many efforts to integrate people with special needs in the job market to and utilize their stalled potentials. Such efforts include the opening and operation of Zayed Farm for rehabilitation of physically challenged people in Bani Yas, under the patronage of late H.H Sheikh Zayed Bin Sultan Al Nahyan. This farm is the first of its kind in the world and mainly aims to train people with disabilities in agricultural works so that they can achieve financial independence as well as participate towards the national economy.
- Another initiative in this field is the launch of the empowerment project that trains, supports, guides & protects the visually impaired people and helps them to enhance the quality of their lives.
- To secure the rights of old people in the job market, H.H Sheikh Mansour Bin Zayed Al Nahyan, Minister of Presidential Affairs and Deputy Prime Minister of Abu Dhabi has announced a national initiative of re-employment of retirees on February 2007.
- UAE has also signed several international agreements to maintain equal pay rights*, regulate women's night work** as well as prevent all forms of child labor***.

* <http://www.mol.gov.ae/newcontrolpanel/Attachments/05102008/agreement5-en.pdf>

** <http://www.mol.gov.ae/newcontrolpanel/Attachments/28092008/agreement4-en.pdf>

*** <http://www.mol.gov.ae/newcontrolpanel/Attachments/08102008/agreement8-en.pdf>

2. *Staffing*

Many people consider staffing is the key function of HRM. In other word, supplying the business with its need of highly skilled and qualified human capital who will help the organization to achieve its business objectives. The HR professionals in the organization

begins by conducting job analysis to decide on the kind of jobs needed based on organizational strategies and structure. Most organizations' will be designed according to one of the three common structures *i.e. bureaucratic, flat or boundryless* which will determine the job description⁸, job specification⁹ and job worth¹⁰ as shown in **Exhibit 1.3**¹¹.

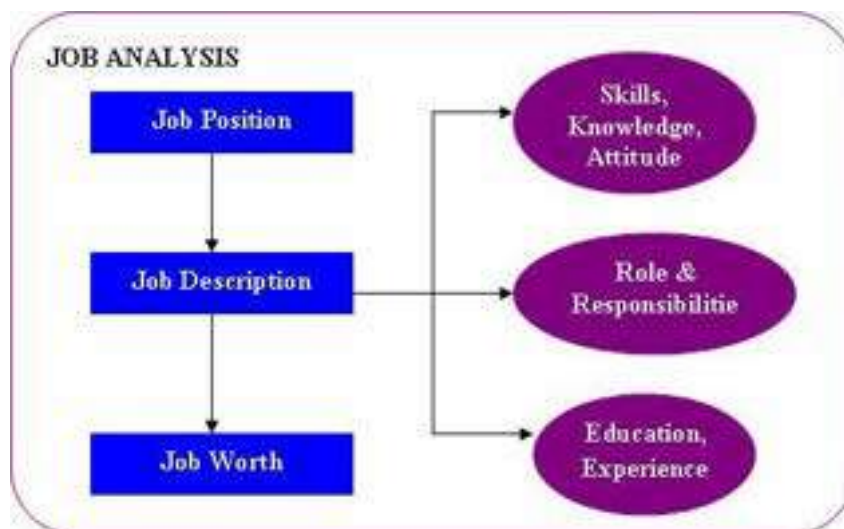


Exhibit 1.3 – Job Analysis

Once this is done, HR managers start using the knowledge gained in the job analysis to forecast the number and types of employees the organization needs to meet the expected level of future performance.

Moreover, the workforce planning process needs to consider the strategic plans of the business to avoid any staff shortages due to layoffs, downsizing and early retirements and incur additional financial costs as a consequence.

⁸ Defines and describes the job in terms of its duties, responsibilities, working conditions and reporting line.

⁹ A list of knowledge, skills, abilities and other characteristics that a person must have to perform the job.

¹⁰ Also called job evaluation which means how much the job contributes to the achievement of organizational objectives.

¹¹ Cited from: <http://payroll.naukrihub.com/compensation/job-analysis/>

Exhibit 1.4¹² displays the wide range of recruitment sources that are used to identify and attract potential candidates. It is always a wise practice to search in the internal talent pool during this process in order to save time, efforts and money as well as provide suitable progression and growth opportunities for existing employees.

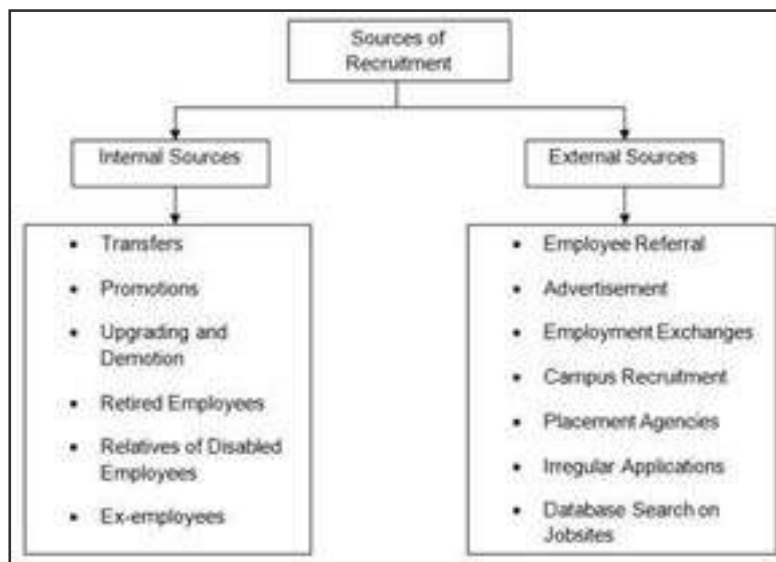


Exhibit 1.4 – Sources of Recruitment

Following the identification of potential candidates who have expressed their interest to fill the advertised position in the company, here comes the next process which is selection. During this stage, the concerned HR professionals perform several systematic steps to identify the most suitable candidate among all the job applicants. It is of the utmost importance that the selection process be both reliable¹³ and valid¹⁴ to give desired results.

Some of the tools that are employed during the selection process are letter of recommendation, personality tests, reference checks as well as background checks. The main purpose of using one or a combination of instruments during selection is to identify

¹² Cited from: <http://train-srv.manipalu.com/wpress/?p=143829>

¹³ Means the same decision will be made if the process was conducted by a different person or at a different time.

¹⁴ Means utilizing appropriate criteria, tools and information to make the selection.

the “best fit” for the organization however; this is not always possible in the first few meetings.

As discussed earlier, the quality and success of the organization is determined by its people and thus this show a deep relationship between the quality of selection process and the future performance of the business. The right selection decisions give an organization its values, beliefs, ideals and direction and contribute towards its effectiveness and efficiency.

3. Talent Management

This function of HRM will receive the most extensive focus of this study since it comprises the main activities that contribute towards human resource development. Since McKinsey & Company first coined the expression ‘the war for talent’, the term talent management has become increasingly common in the world of HR. Talent management is also called human capital management.

According to The Chartered Institute of Personnel and Development (CIPD); talent management is the “*systematic attraction, identification, development, engagement, retention and deployment of those individuals who are of particular value to an organization, either in view of their ‘high potential’ for the future or because they are fulfilling business/operation-critical roles*”¹⁵. It is also said the companies who engage in talent management strategies shift the responsibility of employees from the human resources department to all managers throughout the organization.¹⁶

Employee orientation and socialization, training & development initiatives, career development and performance management are key mechanisms that fall under the umbrella of talent management. A detailed explanation about training & development as well as career development will follow later in this report.

As far as orientation is concerned, it’s the process of informing new employees of what is expected of them and helping them cope with the stresses of transition. On the other hand,

¹⁵ Available at: <http://www.cipd.co.uk/hr-resources/factsheets/talent-management-overview.aspx>

¹⁶ As per Wikipedia: The Free Encyclopedia on an article about Talent Management. Available at: http://en.wikipedia.org/wiki/Talent_management

socialization is a larger process of employee adjustment with people, culture and organizational conventions while trying to mold him/her self within these settings.

Performance management is an integral managerial daily task that entails getting the best work out of employees and making them the most effective and efficient employees they can be. While this term often used interchangeably with performance appraisal, the two terms carry quite different meaning. Performance appraisal is a periodic structured meeting between an employee and his line manager that aims to evaluate employees past performance by appreciating achievements, identifying areas for development and determining training opportunities.

Companies conduct performance appraisal not only to provide feedback that is necessary for employees' development, but also to distribute rewards such as bonuses, annual pay raises, and promotions. Some companies even use appraisals to document termination of employees. It has been observed that most effective appraisals are those that are tied to a reward or termination system.

In a nutshell, measuring and managing talent is a challenging enterprise and one of the keys to gaining competitive advantage in today's world. Talent management requires strong executive support along with systems and processes all directed towards having the right talent doing the right work at the right time. That's when talent truly drives higher business performance.

And as a report published by The Chartered Institute of Personnel and Development (CIPD) mentions:

".... Talent management is not a nice-to-have, it's essential to our organization".¹⁷



Case 1.2

Focus on United Arab Emirates

¹⁷ Titled: Reflections on Talent Management. (2006). Available at: <https://www.eoeleadership.nhs.uk/>

Talent Remains Vital To Success In UAE

"Recent market swings have taught business the importance of top performers in management in helping to ensure continued success", Simon Blandford comments. To support the ambitious, but still attainable, long-term plans put in place by the UAE, organizations today have to capitalize on the past and plan for the future. Talented people are the key to its success and the recent market swings have taught us that it is not just a volume of people issue, but also one of concentrating on the crème de la crème in the region.

Progressive companies in the UAE have transformed their talent management policies to adapt to the changes. But given the instability over the past 18 months, and the light that is now appearing on the horizon, which companies will remember these lessons and who will thrive when the upturn begins? Twelve months ago companies were struggling to find the "talent" they needed to sustain the plans for growth in the UAE, and the GCC generally. Poaching key staff, inflationary pay spirals and high turnover to new, more attractive, jobs were commonplace.

The drivers for these changes in the employment landscape were many, although the most significant certainly included: rising oil prices leading to industry diversification and infrastructure development in the region, increasing nationalization standards, expectations and aspirations and a global boom that created global "talent" opportunities and competition in many business critical roles. In the resulting war for talent, the UAE initially used cash as the main attraction policy. But along with this, it has invested in developing more sophisticated people management policies and procedures.

The need to attract and retain key skills to deliver planned business diversification and growth placed human capital management directly on board agendas. With this came a new focus on talent management, utilization and development. The big question now is whether companies will capitalize on the evolution that has taken place, or, as a result of the global downturn, whether they will take a step back?



Meetings with senior human resources (HR) professionals and recent Snapshot Survey confirm that talent management is still a high priority across the GCC. Much discussion has occurred, both locally and internationally, on the different ways that Abu Dhabi and Dubai have fared over the past 12 months and their plans for the future. On a more fundamental level, all UAE companies fall broadly into one of three categories.

Survivors: Companies that now have low cash liquidity and have been quite badly burnt by events. **Stable player:** Companies that are "maintaining" their position, albeit with reduced liquidity options. **Investors:** Companies that can still afford to diversify grow and take risks as they have the cash resources to do so. All three types are very different from the outside. But there

Source: The National Newspaper

Read full article at: <http://www.thenational.ae/business/talent-remains-vital-to-success-in-uae?pageCount=0>

4. Total Rewards

Another function of HRM is managing rewards. This includes compensation, incentives and benefits. Compensation is a systematic approach to providing monetary value to

employees in exchange for work performed. It's a good motivational tool that is used to hire capable employees as well as retain those who show exceptional performance.

As Raymond (2008) explains¹⁸, an employee's compensation has three components; the first largest element is base compensation *i.e. salary*. The second component of total compensation is incentive pay *i.e. bonus and profit sharing*. And the third component is benefits or indirect compensation *i.e. insurance, vacation and perks*.

Exhibit 1.5¹⁹ demonstrates one of the living examples of a well-designed compensation program. This by British Petroleum that managed to integrate key aspects of base salary (compensation), variable salary (incentives) along with other benefits to provide competitive package for their employees.



Exhibit 1.5 – Competitive Compensation Package at BP

The main purpose of any compensation program should not be limited only to rewarding employees but should extend to providing them with value that will increase their general happiness. Moreover, it should enable the organization to achieve its strategic objectives by aligning it with firm's unique characteristics and environment.

¹⁸ In his book "Fundamentals of Human Resource Management". (2008).

¹⁹ From an article titled "Competitive Compensation and Benefits". Available at: <http://www.bp.com/sectiongenericarticle.do?categoryId=9001194&contentId=7002187>

Strictly speaking, compensation is much more than actual salary that is paid to an employee. In many cases, the level of compensation offered to the employee will determine employees self worth as well as his level of commitment to the organization. It'll also communicate his/her value as a member of the organization.

5. Risk Management & Workplace Protection

Wikipedia defines occupational safety & health as *"a cross-disciplinary area concerned with protecting the safety, health and welfare of people engaged in work or employment"*²⁰. The goal of all occupational health and safety initiatives is to promote hazards and accident free work environment.

Employees' health, safety, security along with disaster and recovery planning are all branches of risk management and workplace protection that aim to increase productivity, enhance quality and reduce the risk of injuries and fatalities at work environment.

Workplace hazards can be classified to four main categories:

- **Physical** i.e. machines and electricity related.
- **Behavioral** i.e. common wrong work practices such as manual handling.
- **Personal** i.e. related to personal hygiene or mental health.
- **Chemical** i.e. caused by poisonous substances like fumes and gases.

The above are all examples of potential workplace risk elements that could be managed through prevention, early recognition and change. HR executives should enforce and develop standards and policies that will help maintain employees' health & safety in order to create a better work environment.

One of the most effective techniques used by many corporations today to promote occupational health & safety is Control Banding²¹ regardless its limitations.

²⁰ From an article about "Occupational Safety & Health". Available at :
http://en.wikipedia.org/wiki/Occupational_safety_and_health

²¹ A qualitative or semi-quantitative risk assessment and management approach that is used to minimize worker's exposure to hazardous chemicals and other risk factors in the workplace. For more details, visit:
<http://www.cdc.gov/niosh/topics/ctrlbanding/>

In spite of the fact that work safety is a universal right of every employee; usually it's overlooked until a problem arises. While it is the responsibility of both the employee and the employer to maintain a safe and productive workplace, HR should make every effort to ensure employee safety.

6. Employee & Labor Relations

This function of HRM covers subjects like employees' rights and privacy, HR policies as well as labor relations.

Although managing employee relations is the responsibility of all managers, effective employee relations requires collaboration efforts between managers and employee relations specialists in the HR department. The role of these employee relation specialists is to act as internal consultants to the business by ensuring that company policies and procedures are designed in compliance with the EEO or labor law and they are being followed to resolve employees' problems before they become serious.

Other roles of employee relation specialists include screening job applications to determine the most suitable applicant for open positions in the organization as well as maintaining up-to-date employee records.

Some time employee relation specialists may be required to develop new policies that will help maintain fairness and efficiency in the workplace such as drafting new policy on smoking in the workplace or hiring of employees spouses.

To ensure that the organization has a high quality employee relation services, an effective communication system should be developed to ensure transparency and connects all relevant parties. Such initiatives would include employee feedback, assistance and recognition programs.

In addition to that, this section deals with employees' rights and responsibilities. This includes all forms of disciplinary and grievance procedures to ensure that everybody is treated in the same way in similar circumstances and issues are handled in fair and reasonable manner.

Managing labor unions is also another affair under this division. While this remains one of the most challenging tasks for HR specialists, it still needs to be handled in an intelligent way. As Raymond (2008) commented that in many occasions, while some employee issues might not necessarily be purely HR related; more than likely it was the HR department that had to address the situation.

7. Strategic Human Resource Management

In light of the various roles and activities of the HRM function, it's highly unlikely that all those roles and activities will be performed perfectly. This is due to resource constraints in terms of time, money, and head count which will require that HR executives make strategic choices about where and how to allocate these resources for maximum value to the firm.

In this context, an insight on how have the role of HRM function changed over time to cater to external and internal requirements and how these changes has affected HRM and the way it's being viewed is becoming a critical subject of concern for many field experts.

In fact, according to a comprehensive study conducted by Csoka and Hackett²², 64 percent of hr executives said that their HRM function is transforming on large scales. This is due to globalization that resulted in rapid technological advancement and workplace diversity and competitiveness which implied the increased emphasis on human capital for the perceived value that they can create for business.



Case 1.3

Focus on United Arab Emirates

²² S. Csoka and B. Hackett, *Transforming the HR Function for Global Business Success*, Report 1209-19RR, New York: The Conference Board, 1998.

UAE Labour Law

The Federal Law No. (8) Of 1980, or the UAE Labour Law, is a comprehensive law that regulates all aspects of labour relations between employers and employees. It is an advanced and balanced law that clarifies the rights and duties of all parties concerned and brings numerous benefits to employees and workers.

The Labour Law was developed in 1980 and was amended by Federal Law No. (24) of 1981, Federal Law No. (15) of 1985 and Federal Law No. (12) of 1986. In its 193 articles, the law outlines everything from employee entitlements (working hours, holidays, leaves, end of service gratuity, workers' compensation, etc.) to employment contracts, labour dispute settlement, disciplinary rules, safety and protection and labour inspection, among others.

Dubai has around 250,000 labourers mainly South Asian, who are working in real estate development projects such as the Dubai Marina. Previously, the country had no legislation that allows setting up of trade unions. In year 2006, the government has authorised the Labour Minister to issue rules that aim to organize labour affairs and current conditions.

Source: Abu Dhabi E-Government Portal. Copyright © 2011.

http://www.abudhabi.ae/egovPoolPortal_WAR/appmanager/ADeGP/Citizen?_nfpb=true&_pageLabel=p201

In other words, the HRM is required to shift from focusing solely on transactional activities to increasing involvement in strategic activities. Specific measures should be developed to assess the HRM performance from all stakeholders perspectives *i.e. customers survey,*

employee opinion survey, etc. Similarly, we will look at human resource development competitive strategy in chapter three and analyze it from a strategic perspective.

So, to sum up; these constitute the main roles and activities of human resource management that are unique and fundamental to the success of the HRD initiatives especially talent management and strategic human management activities. This leads us to our main topic, which is HRD.

If we delve into the roots of Human Resource Development, we find that it was introduced to the 1969 Miami Conference of the American Society of Training and Development (ASTD) by Leonard Nadler and he provided a definition for the same soon afterwards in 1970.

After reading through several definitions of HRD, I found that the most comprehensive are the following two:

The first one is by (Gilley & Maycunich, 2000) that goes:

*“..... HRD is the process of facilitating organizational learning, performance & change through organized interventions and initiatives and management actions for the purpose of enhancing an organization’s performance, capacity, capabilities, competitive readiness and renewal”.*²³

The other explanation that has been put together concretely is by (Sims, 2006) who says that: *“HRD is strategically driven i.e. systematic and planned activities designed to improve current & future organizational learning, performance & change”.*²⁴

HRD magnitude continues to expand to cater to the changing requirements and contexts of this demanding globe.

This leads to a debate on whether to focus on performance or learning to make this field worthwhile. The performance proponents claim that the main purpose of HRD is to

²³ Organizational Learning, Performance and Change: An Introduction to Strategic Human Resource Development by Gilley & Maycunich (2000).

²⁴ Human Resource Development: Today And Tomorrow by Sims, Ronald R. (2006).

improve organizational performance,²⁵ while the supporters of the learning view advocate that HRD should focus on individual developments that will furthermost lead to organizational success.

In spite of the fact that training is an important element of HRD, a research among the delegates of an international conference revealed a strong insistence that HRD is not equal to training.²⁶ In chapter two, we will see how training, learning, education and development contribute to HRD.

As stated above, HRD or talent management activities as displayed in **Exhibit 1.1** is part of a larger HRM department in majority of contemporary organizations that aim to work around three prime levels to allow organizations to manage learning, performance and change effectively as preceded earlier in both definitions.

Key Components of Human Resource Development

Precisely, human resource development rests on three main pillars; individual development (*personal*), career development (*professional*), and organizational development. The cohesion of these elements will vary from organization to another depending on the nature of culture and operations as well as the value that is placed on human capital development. It's agreed though, that all these three elements aim to enhancing individual and organizational performance.

I. Individual Development

²⁵ "The Purpose of Human Resource Development Is to Improve Organizational Performance". Education Resources Information Center. (1996).

²⁶ "International Perspectives on Development and Learning". Jones and Mann (1992).

This basically refers to the development of new knowledge, skills or abilities to improve job performance. Another way of looking at it is uncovering individual's potential talents and capabilities and further investing and directing them towards achieving personal and organizational milestones.

Individual development can be accomplished through a variety of methods programs, tools and techniques that will support human development at the individual level in organizations.

Employees can develop their skills and knowledge by attending appropriate training sessions after undergoing a need assessment and identifying gaps. Other than training, job related assignments or projects can complement skill or performance deficiencies.

II. Career Development

This focuses on assuring on alignment of individual career planning and organizational career management processes to achieve an optimal match of individual and organizational needs.²⁷

The unforeseen changes that affect today's organizations such as downsizing, restructuring, outsourcing, etc entail that employees should take the ownership of their professional destiny.

Continuous learning is essential to keep up with the rapid growth of knowledge and rate of change in the workplace environment. Individuals should go through several rational steps to plan their careers. **Exhibit 1.6**²⁸ illustrates the career development cycle. Self assessment, skills assessment and setting career development plans are all examples of individual career development activities.

²⁷ As Rothwell, William J., John Lindholm, and William G. Wallick defined it in their book "What CEOs Expect from Corporate Training: Building Workplace Learning and Performance Initiatives That Advance Organizational Goals. (2002/2003).

²⁸ Available at: <http://www.career-development-help.com/planning-your-career-development-process.html>

According to the Academy of Human Resource Development Conference²⁹ that was held in Minneapolis, February 1996; career development is considered to be the least important function in the sight of HRD directors which in turn, transfers all the responsibility of career development on individuals.

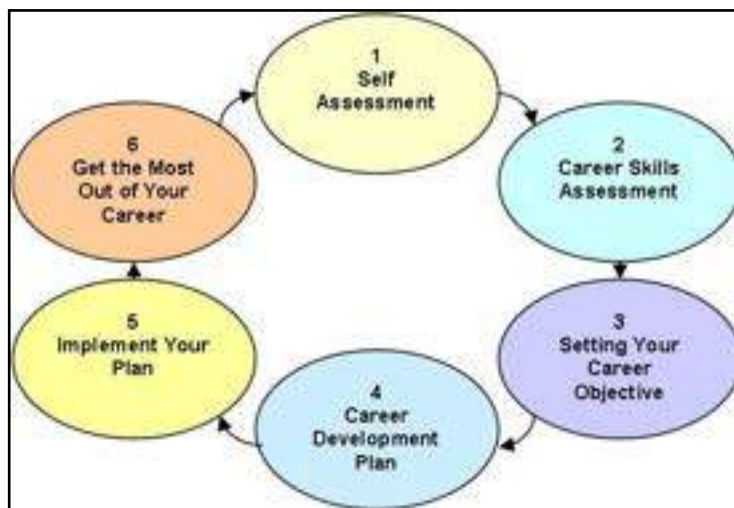


Exhibit 1.6 – Career Development Cycle

Nevertheless, proactive companies are those who anticipate the future requirements and develop career advancement programs and systems for its employees to gain a competitive advantage. Organizational career development activities include initiating an effective job posting and mentoring systems, managing performance appraisal and career pathing programs along with developing and maintaining a well-equipped career resource center³⁰.

III. Organizational Development

²⁹ As per the research published at: <http://alumnus.caltech.edu/~rouda/AHRD.html>

³⁰ Provides employees with self-directed and self-paced learning without creating dependence on the organization. These resources will be effective only when employees accept responsibility for their own careers.

Organizational development is relatively new term that has emerged to assist businesses to lead an easy transition process through pre-planned efforts. And as Smith (1998) explains, *“... OD is neither anything done to better an organization nor is it the training function of the organization; it is a particular kind of change process designed to bring about a particular kind of end result”*.³¹

In other words, this concept has evolved as a response to change and in order to establish congruence between the new technologies, market challenges and organizational existing systems, structure and strategies.

According to Gillet and Egglund (2002), that the ultimate goal of OD is to develop the organization's self-renewing capacity.³² In other words, the organization will be able to analyze its internal strengths and weaknesses comparative to external opportunities and threats and allocate resources for optimum performance in collaboration with concerned HRD specialist who will do so by employing appropriate tools and systems.

Exhibit 1.7³³ shows the organizational change acceleration process that is once understood and implemented, it can be applied repeatedly whenever the organization encounters new and challenging situations and this will enable it to take charge of its destiny.

All the above components reveals the concrete relationship between a well-established human resource management function, that's activities are aligned with organizational strategies, and successful human resource development initiatives that are executed to promote mutual benefit for the individual and organization.

³¹ In his book “Training and Development in Australia”. (2nd ed. 1998).

³² In their book “Principles of Human Resource Development”. (2nd ed. 2002).

³³ Available at: <http://www.heroldconsulting.com/organization-development.html>

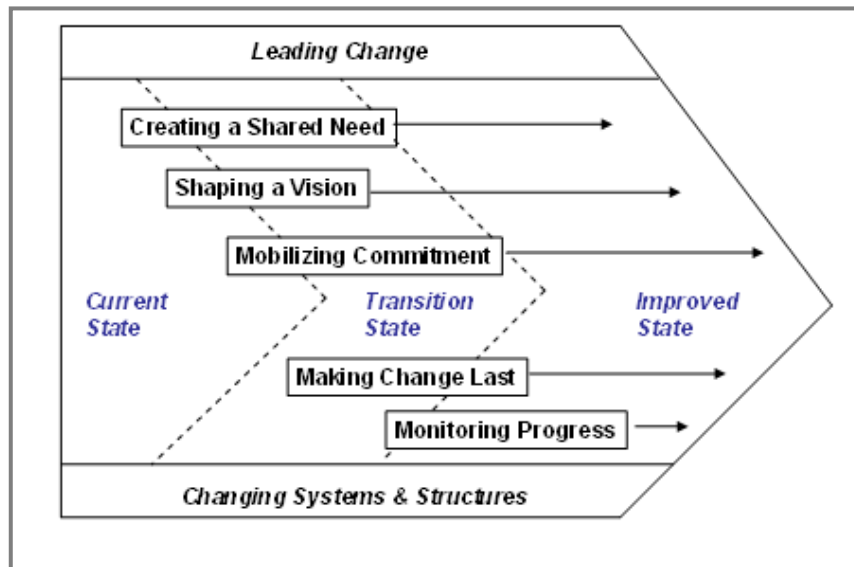


Exhibit 1.7 – Organizational Change Acceleration Process

It's almost certain that a quick contemplation on the individual words that make up *human, resource, management* or *development* sets the golden rule. People in organizations are resources that must be managed to optimize their value.

In today's organization; the only constant thing is change. Products change, processes change and sales change, but people will dictate whether the organization will be successful in the long term. The future belongs to those businesses who have apprehended this reality and as a result, working consistently to unlock and maximize HRM & HRD potentials to attract, recruit and retain talents that will add value to the organization's bottom line by collaborating with their employees and developing a greater capacity for future change.



Case 1.4

Focus on United Arab Emirates



Human Resource Development 'Key To Progress'

"Any country that aims to stay on the path of prosperity needs to involve its people in every aspect" – Habiba Al Shamsi

Abu Dhabi: Habiba Saif Al Shamsi, a lawyer and university professor, said that successful human development is essential to national progress and prosperity, pointing out that human development "is the key factor to improve the community and effect economic progress in various fields".

In her candidacy program, Habiba said: "My strategy for human development is to set high standards for the people and for the community, and to establish high expectations for social and government endeavors. In fact, the goal of developing human resources is to turn out mature and responsible people who respond creatively to economic and educational opportunities and to their obligations as citizens of the UAE".

Habiba noted that successful human development requires the commitment of the entire community, pointing out that the citizens of the UAE must work hard to develop the country's human resources. As far as emiratization is concerned, job seekers should be equipped with sufficient knowledge. She said UAE nationals must be equipped with essential knowledge to adapt quicker to the work environment.

Habiba also called on Emiratis to volunteer to improve their skills, calling on the youth to get involved and help meet the manpower requirements of the country as part of the development plan. As part of its commitments to improve the living conditions of the less-privileged in society, she said the government should provide them with better support in education, social welfare and health, and to involve them in the community and work environment.

Source: Gulf News. All Rights Reserved © 2011. Article available at:
<http://gulfnews.com/news/gulf/uae/government/human-resource-development-key-to-progress-1.868547>

CHAPTER TWO

THE ROLE OF LEARNING, TRAINING & DEVELOPMENT IN ORGANIZATIONS

Defining Terms: Training, Learning, Development & Education

In many occasions, terms like training, learning, development and education are used interchangeably. The purpose of this section is to draw a line between these terms by explaining each separately and then show how they are complementary to each other.

Training

Training is considered to be one of the HRD key functions that contribute to the bottom line of the business. I can define training as *“the process of acquiring or cultivating a specific skill, knowledge, attitude or a combination of all by engaging in various forms of vocational or practical activities”*.

In organizational context, training initiatives are designed to help individuals impart desired competencies to enhance their productivity and performance and ultimately contribute to business success. These initiatives can take different forms depending on the job requirements and individual needs. This is being done by carrying out organizational, task as well as person analysis to identify gaps between current and expected performance and further deciding whether training will be the best solution to fill those gaps.

According to Goad (2010), nearly all businesses rely upon information and knowledge to drive their operations and formulate their strategic plans, and training is the only way

through which information and knowledge can be transferred.³⁴ Therefore, it's deemed that successful organizations today, are those who implement the training function to its fullest.

Employees in organizations can undertake training on-the-job or off-the-job or using a blend of both. On-the-job training³⁵ is acquiring key competencies³⁶ in normal work settings by using actual tools, machines or documents to perform job tasks contrary to off-the-job training³⁷ where the person learn the job away from the work environment. Many organizations nowadays use a combination of both to fulfill their staff training requirements.

Training is no more a choice, it's becoming a requirement for thriving enterprises due to many compelling reasons like: technology that continue to virtually upgrade itself, emergence of learning organizations, the increasing complexity of workplaces, multicultural and multigenerational workplaces, government intervention in the workplace and downsizing.

Learning

Psychology has developed learning theories since this discipline was established; however, the linkage between learning and business performance has only been recognized in the past decade or so. Following that, many literature has appeared in the on the field of learning organizations particularly in year 1993.³⁸ Learning is becoming an important characteristic of today's organizations. The term learning is frequently used to talk about training, but in reality, both look at the same thing from different perspective.

³⁴ From his book "The First Time Trainer". (2nd ed. 2010).

³⁵ Includes demonstrations, instructions, coaching, job rotations and projects.

³⁶ Competencies are a set of knowledge, skills, attitudes and other attributes that make the person fit for a specific job or position.

³⁷ Includes distance learning, self study, computer based training, sandwich courses, and sponsored courses in higher education.

³⁸ Dynamics of Organizational Change & Learning. Boonstra, Jaap. (1st ed. 2004).

Training describes the cycle from the trainer's point of view whereas Learning identifies the same process from the trainee's or learners view. We can also say that the trainer push the information while the learner pull and digest it. In other words, learning is the desirable outcome behind any training activity. Therefore, learning facilitation should be one of the prime pre-requisites to have an effective training function.

Furjanic and Trotman (2000) assert that the three core questions in any training situation are: What's in it for me? Will it stick? Will I be rewarded for what I've learned in the training program? The only right answer to the first question involves a concept called learning, which means *"being able to do something new or to do something differently or better than you've ever done it before"*. And if it doesn't stick, it isn't learning.³⁹

There are many ways to learn. Training is one way. Indeed, the ongoing technological advancement along with globalization have introduced new forms of learning other than the traditional classroom training such as e-learning, mobile learning, not to forget social and experiential learning.

Of course, there have been many theories and models that addressed how people learn; however, we are not going to delve into that as this research will be focused more on learning from organizational perspective.

In order for learning to take place, adult learning principles should be applied coherently. The scientific name for it is *andragogy*⁴⁰ and was introduced by Malcolm S. Knowles in the early 1960s. After comparing *andragogy* with *pedagogy*⁴¹, it was concluded that adults prefer learning that is more life, task and problem oriented. That is to say, the more organizational training initiatives are molded in alignment with adult learning principles, the more it's going to capture learners attention and interest and consequently create safe

³⁹ In their book "Turning Training Into Learning". (2000).

⁴⁰ The art & science of how adult learn.

⁴¹ The art & science of how children learn.

environment for effective learning. **Exhibit 2.1** summarizes the sixteen adult learning principles.⁴²

As observed above, learning is an integral element of all the HRD components because unless individuals are capable of un-learning, learning and re-learning; they won't be able to develop themselves, careers or organizations and such people will face difficulties to meet the current frame of strategic human resource development requirements. It's almost certain that knowing how to learn is one among most critical skills employers want in their employees these days.⁴³

1. Adults learn by doing.
2. Use realistic examples.
3. Adults relate their learning to what they already know.
4. Conduct the training in an informal environment.
5. Variety is the spice of life.
6. Remove the fear factor.
7. Serve as the facilitator of the learning process.
8. Inform learners of the learning objectives.
9. Practice makes perfect.
10. Guide and prompt; do not tell.
11. Give feedback.
12. Apply transfer of learning.
13. Relate all activities to the learning objectives.
14. Make a good first impression.
15. Show enthusiasm.
16. Use repetition.

Exhibit 2.1 – Sixteen Adult Learning Principles

Development

Opposed to training, which focuses on equipping employees with specific knowledge and skills needed for their present jobs, development initiatives go beyond today's job. These

⁴² The First Time Trainer for Goad, Tom W. (2nd ed. 2010) P.53

⁴³ According to a study done by the U.S. Department of Labor and the American Society of Training and Development (ASTD) of "Skills Employers want" that revealed 16 critical skills include knowing how to learn, reading, writing, mathematics, listening, oral communication, problem solving, creative thinking, self-confidence, motivational goal setting, personal and career development, interpersonal skills, negotiation, teamwork, organizational effectiveness and leadership.

are efforts to provide employees with abilities that the organization will need to grow compete, prosper and adjust to environmental changes in the future. Development initiatives often less skill oriented but revolve around acquiring knowledge about business environment, management principles and techniques, human relations, specific industry analysis and such that could help managing the company in a better way.

We can conclude that the goal of training is improvement in performance while the goal of development is creation, enrichment and nurturing of more capable workers. As the workplace becomes more dynamic and uncertain, the employees become inflexible in their attitudes and obsolete in their knowledge. Providing the proper development opportunities can help them be more alert prepared and equipped in the future workplace.

Education

When it comes to education, we mainly refer to learning theoretical concepts and developing a sense of reasoning and judgment subsequently. Within an educational program, learning usually extends over longer periods with general aim to enrich student's knowledge and support his/her personal development.

Education has a larger scope than training however, as a matter of fact; all corporate training and development programs contain some sort of educational elements.

We can however, distinguish between training and education in several aspects. **Exhibit 2.2** demonstrates the key differences between training and education.

Training	Education
Application	Theoretical Orientation
Job Experience	Classroom Learning
Specific Tasks	General Concepts
Narrow Perspective	Broad Perspective

Exhibit 2.2 – Differences Between Training and Education

Overall, appropriate training, learning, development and education opportunities are essential to organizational effectiveness and employee satisfaction. In fact, many employees choose to work for a specific company due to the high quality of training and development programs provided there. The right learning opportunities can become the reason for employee retention and motivation as well as a tremendous source of corporate competitive advantage.

The Various Roles of Human Resource Development Practitioners

As disclosed earlier, investing in human capital and talent management has been the main emphasis for many organizations in the recent years.

This makes us appreciate the important role that trainers & HRD practitioners are playing towards national workforce development. Since many cutting edge issues such as learning organizations, intellectual capital as well as knowledge management strike the industry; many field experts are debating on the kind of competencies HRD professionals should possess to be effective in today's organizations.

One of the latest paradigm shifts that would define and describe the competencies, roles and outcomes that should be practiced by HRD professionals in the organization is called "*Workplace Learning & Performance*" (WLP)⁴⁴ as introduced by The American Society for Training & development (ASTD).

⁴⁴ WLP is the integrated use of learning and other interventions for the purpose of improving human performance, and addressing individual and organizational needs. It uses a systematic process of analyzing and responding to individual, group, and organizational performance issues. WLP creates positive, progressive change within organizations by balancing human, ethical, technological, and operational considerations.

Likewise, ASTD has also identified the multiple positions WLP professionals will hold to meet the specific expectations of their job. **Exhibit 2.3**⁴⁵ demonstrates the various roles expected from WLP or HRD professionals and what each role entails.

Role	Duties & Responsibilities	Examples
Manager	Plans, organizes, schedules, monitors, and leads the work of individuals and groups to attain desired results; facilitates the strategic plan; ensures that WLP is aligned with organizational needs and plans; and ensures accomplishment of the administrative requirements of the function.	• WLP plans for the organization or unit. • Strategies that align WLP efforts with organizational and individual needs. • Work plans for WLP efforts. • Plans to secure human talent to carry out WLP efforts.
Analyst	Troubleshoots to isolate the causes of human performance gaps or identifies areas for improving human performance.	• Analytical methods that uncover the root causes of performance gaps. • Results of assessment. • Reports to key stakeholders of individual, group or organizational change efforts about directions of such efforts. • Reports to executives that highlight the relationship between human performance and financial performance.
Intervention Selector	Chooses appropriate interventions to address root causes of human performance gaps.	• Recommendations to others about selecting interventions to address or avert problems or seize opportunities.

⁴⁵ SOURCE: William J. Rothwell, Ethan S. Sanders, and Jeffrey G. Soper. *ASTD Models for Workplace Learning and Performance: Roles, Competencies, and Outputs* (Alexandria, Va.: The American Society for Training and Development, 1999), p. 9.

		• Assessments of the expected impact of interventions. • Objectives for interventions that are aligned with desired business results.
Intervention Designer and Developer	Creates learning and other interventions that help to address the specific root causes of human performance gaps. Some examples of the work of the intervention designer and developer include serving as instructional designer, media specialist, materials developer, process engineer, ergonomics engineer, instructional writer, and compensation analyst.	• Intervention designs. • Action plans for interventions. • Lists of stakeholders and participants for interventions. • Links intervention design to business objectives.
Intervention Implementer	Ensures the appropriate and effective implementation of desired interventions that address the specific root causes of human performance gaps. Some examples of the work of the intervention implementer include serving as administrator, instructor, organization development practitioner, career development specialist, process re-design consultant, workspace designer, compensation specialist, and facilitator.	• Plans and schedules for implementing interventions. • Facilitation methods that will deliver the intervention appropriately. • Consulting services. • Contributions to business goals and objectives. • Measurable return on investment.
Change Leader	Inspires the workforce to embrace the change, creates a direction for the change effort, helps the organization's workforce to adapt to the change, and ensures that interventions are continuously monitored and guided in ways consistent with stakeholders' desired results.	• Revised implementation plans that reflect changes in the original intervention strategy. • Periodic reports to key stakeholders about the progress of interventions. • Written illustrations of successful implementation cases.
Evaluator	Assesses the impact of interventions and provides participants and stakeholders with information about the effectiveness of the	• Reports that show the evaluation results. • Recommendations for future WLP

	intervention implementation.	interventions. • Reports that determine if intervention results caused a positive impact on business objectives.
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Exhibit 2.3 – Sample Output Associated with the Seven WLP Roles

As can be deduced from the above table; WLP or HRD practitioners play a significant role in conciliating business destiny by performing in various capacities to achieve desired individual and organizational performance out of planned workplace learning interventions. During this process, but naturally; they will be faced with a set of challenges that they are expected to overcome in order to capitalize on organization's unique competence and overcome weaknesses.

Considering the endless requirements of contemporary enterprises, an increasing number of CEO's have begun to depend heavily on WLP professionals to handle the six prominent business headaches⁴⁶ that agitate every executive. In other words, WLP specialists should understand and further take necessary steps to cure the following business challenges:

- 1. Financial Challenges:** that could be conquered by maintaining a thorough understanding of the company's products and business issues followed by facilitating a business model changes.
- 2. Recruiting Challenges:** WLP specialists can help solving such matters through increased workplace learning to attract new people to the organization. In addition, active participation in job fairs to educate the community about the organization.

⁴⁶ According to Rothwell, William J., John Lindholm, and William G. Wallick defined it in their book "What CEOs Expect from Corporate Training: Building Workplace Learning and Performance Initiatives That Advance Organizational Goals. (2002/2003).

3. **Technology and Internet Challenges:** technological trends should be evaluated and used to help the business during transition periods. Such trends should also be communicated to all stakeholders.
4. **Globalization Challenges:** in order to cope with globalization, it's crucial to understand the company's culture which will determine how it will harmonize with prescribed changes. Cultural diversity training programs often prove beneficial in such cases and impact the bottom line by allowing different approaches to business issues based on culture.
5. **Customer Challenges:** WLP professionals are also responsible to consult with customers and identify their concerns. Further, ensure that all learning initiatives are customer oriented.
6. **Corporate Knowledge Challenges:** company wide transitions should be managed properly by creating a continual learning environment and providing mentoring where applicable.

Often, such WLP activities are supervised by a higher level executive who operates from the corporate office and is referred to as "*Chief Learning Officer*".

Who is the "Chief Learning Officer"?

The position of the Chief Learning Officer (CLO) is commonly known in many learning oriented organizations. However, there is no defined scope to the roles and responsibilities the should be carried out by the CLO due to the changing and expanding requirements of a talent driven learning in today's business environment.

The CLO is the highest ranking corporate officer who should oversee both operational and strategic demands pertaining to learning and talent management. He performs multiple duties to promote learning and learning initiatives within an organization as follows:

I. Builds True Learning in the Organization

The CLO should direct his focus towards a wider scope of activities that will aid in improving the overall performance in a learning organization. Such activities include but not limited to talent development, the usage of technology-based learning, workplace learning, development feedback, and coaching and mentoring. In addition, the CLOs can promote both self-directed and informal learning, as well as building a trusted learning culture”.

CLO should proclaim if learning initiatives/processes are intrinsic to other departments or individuals like IT, HR or business leadership to provide equal opportunities of learning & growth to everyone.

II. Creates Cost Effective and Efficient Learning

Is one of the key objectives for any organization. According to the American Society for Training & Development (ASTD), businesses spend on education what is equivalent to 4.16 percent of payroll. Training cost usually reaches fictitious numbers because it’s spread over multiple categories such as training needs analysis, learning design & development, delivery, travel, meals, evaluation and other invisible training expenses.

Learning initiatives of any given organization, can be said to be effective if they enable the business to attain its goals like attracting, developing and retaining talent, building human capital capabilities, increasing sales force productivity or developing new information systems and business processes briskly. So what counts ultimately is driving learning initiatives that are both efficient & effective.

III. Aligns Learning Strategies to the Overall Business Needs and Objectives

The nature of the enterprise will imply the execution of learning activities and the operation of training function. It’s an excellent practice to establish an organization wide learning governance to ensure the alignment of learning efforts with the business vision, especially in large enterprises where decentralized learning functions do exist and may operate separately without collaboration.

The CLO will facilitate joint efforts between the discrete organizational learning units to develop a shared learning vision and strategy, prioritize learning initiatives, work on common projects, use resources effectively as well as avoid redundant efforts.

IV. **Implements Blended Learning Successfully**

When the term e-learning was introduced initially; it used to refer to all sorts of online activities i.e. training or education that leads to change in behavior. After that the definition extended to include all forms of internet solutions that would have a positive impact on business performance i.e. knowledge management, online learning management, etc.

V. **Handles Resistance to Change**

The CLO needs to involve all stakeholders while formulating Learning vision & strategies. Key parties include business leadership, HR & Learning leadership, the IT function and most crucial, the employees who are the end customers.

Many organizations make their way through this stage successfully, but face serious challenges when they actually start implementing the formulated strategies. By its nature, learning initiatives require considerable investment of resources, skills and efforts as well as take long time to show results. This is especially true in large enterprises that embrace diverse cultures, languages age groups and other factors that may raise new adversities and create additional tasks that will distract from focusing on the main task, hence prolong the time span in which results should be manifested.

Unless learning initiatives show quick results, leadership support may be decayed which will lead to undesirable effects even on future learning related activities. On the other hand, implementing learning strategies will most frequently affect many stakeholders' roles and responsibilities and this may result in resistance to change from all affected parties. To exemplify; a decision to outsource the Learning function, or automate learning processes or introduce blended learning, would all evoke fundamental changes in the way organization actuates and looks at learning and concurrently go about handling situations arising as a result to people refusing to comply and drive new learning initiatives.

However, it's wise to note that if the majority of stakeholders are against implementing the learning vision & strategies; this will represent a critical obstacle and make implementation process very difficult. The CLO team needs to address this issue by working closer to people and spreading awareness through out the organization. This could be achieved by educating people about the importance and benefits of implementing such strategies for the organization and themselves and thus developing an organizational climate conducive to change.

VI. Creates Value Through Learning

All businesses are striving towards creating maximum value for stakeholders. Value could have financial and operational measures like increasing revenue or service satisfaction levels. A couple of studies have been conducted to examine the role of human capital in creating value for stakeholders. A popular contribution to this field is Watson's Wyatt 2002 study which suggests that companies with exceptional HR practices have a higher value for stakeholders.

Van Dam, (2005) quotes Jac Fitz-enz, the "father of human capital strategy and analysis," saying that

"...the key to sustaining profitability is the productivity of human capital, and that the driving force for this is knowledgeable people. Furthermore, he mentions that the stock market has awarded market value for service and technology companies that leverage knowledge".⁴⁷

Seemingly, many businesses nowadays consider non-financial data as more prominent than financial data. For instant, one research report mentions, that institutional investors who manage large stock portfolios base their portfolio decisions for 35 percent to 40 percent on non-financial information. (Van Dam, 2005).

To sum up, the chief learning officer will have to pass over many obstacles while building and sustaining the learning organization of the 21st century. With a carefully crafted learning vision configured with the latest learning technology that will enable the organization to boost its workforce performance and perceived value created through

⁴⁷ Cited from Van Dam's article titled "Overcoming Challenges in Learning & Development". Available at <http://www.cedma-europe.org> , published September 2005.

learning. Once this is achieved, stakeholders' expectations will be exceeded and the core purpose of CLO role will be attained in its true meaning.



Case 2.1

Focus on United Arab Emirates

Abu Dhabi Water & Electricity Authority (ADWEA)

Customized Training Solutions for Maximum ROI

ADWEA and its Group of Companies provide an essential service of carrying out the job of providing water and electricity to homes, schools and businesses they touch every part of the Emirate of Abu Dhabi. UKS* has developed several MAXIMO** conventional training courses into an interactive, self-paced, and easy to use eLearning format.

MAXIMO is based on a flexible business process configuration model and designed to ensure maximum return on assets by reducing costs, and increasing asset uptime.

UKS appointed professional instructional designers, graphic designers, multi-media developers, eLearning programmers and voice-over narrators to create custom courseware of MAXIMO that will meet ADWEA's unique training and development needs.

Some of the key benefits of this system to ADWEA include:

- Better utilization of MAXIMO technology as a tool to enhance and support organizational learning and the assessment process within ADWEA.
- Making available the best learning technology to ADWEA End Users, thereby giving them a flexible and instantly accessible learning experience.
- Encouraging a culture of self-development and self-learning which will move ADWEA closer to being a true "Learning Organization".

Source: Universal Knowledge Solutions'Website.

More information available at: http://www.uks.ae/ADWEA_Case%20Study.pdf

* Middle East's leading learning solutions enabler, with years of experience in the fields of education and training.

** Strategic assets and service management software.

CHAPTER THREE

LEARNING & COMPETITIVE STRATEGY

Learning Vision & Impact on Business Results

Adding to what we were discussing in previous chapters about the importance of human resource development and the essential tasks WLP professionals are performing to assist organizations with strategic focus to deploy planned initiatives that will lead to continuous learning and enhanced performance in the long term.

According to a recent research by Accenture⁴⁸, learning is an integral component of high performing organizations. Beside market focus and distinctive competencies, learning is one of the factors that contributes to exceptional performance. In other words, creating an outstanding performance mandate developing people who will, in turn accomplish incredible performance through increased employee productivity. This way, high performing businesses will produce what Vanthournout (2008)⁴⁹ is calling “*talent multiplier*” which is; achieving superior business results versus their peers per dollar of investment in their workforces.

In order to promote a learning based culture in any organization, learning specialists need first to estimate the size, composition and skill level of the workforce. Once this is done, a set of HRD policies, practices, and initiatives can be planned and executed in collaboration with senior management to ensure that the workforce has the knowledge, skills, and abilities to perform and cope with implied rapid changes.

⁴⁸ Accenture PLC is a global management consulting, technology consulting and technology outsourcing company headquartered in Dublin, Republic of Ireland. It's the largest consulting firm in the world and one of the Fortune Global 500 companies.

⁴⁹ In his book “Return on Learning : Training for High Performance at Accenture”. (1st ed. 2008).

In this context, learning and development strategies should always be future focused and continuous to generate desirable outcomes for both individuals and organization. It is also widely accepted that all training & learning initiatives at the organizational level must be aligned with the vision of the organization and the changes occurring within the organization's external environment.

Learning programs shall be linked to the gap analysis and the same shall be linked with the overall organizational vision & mission through objectives to achieve optimum cognitive *i.e. steps in decision making process*, psychomotor *i.e. communicating and coaching skills*, affective *i.e. willingness to apply learned material and change* outcomes as well as witness obvious results *i.e. more satisfied customers, lower employee turnover and higher return on investment*.

In many organizations, the lack or absence of planned learning opportunities can create a big challenge in terms of amending performance gaps and thus inhibit business to prosper, however, when such initiatives are blessed with senior management approval and support; it becomes easier for HRD professionals to instill and drive planned training & learning efforts that will cultivate employees capabilities to deliver business results.

To succeed in doing so, learning should always be anchored to organizational vision and corporate values as well as internal leadership model in order to be in synchrony with the established reality of the organization and stimulate senior management to support and monitor learning activates closely to ensure that related tools and programs are employed and contribute effectively to company's success and high performance.

Moving down on the hierarchy to line managers who have an immense role in play in terms of cascading the learning vision to their employees and implementing learning strategies in coordination with HRD unit. Further, they should create a work environment that is supportive to learning. The issue here is that employees do attend training programs and try to learn in different methods, but if line managers or supervisors don't encourage learned material transfer and application into the actual workplace then they could impede

the actual purpose of learning altogether. For that reason, line managers has to be accountable for regularly auditing the application of learning in their departments.

One of the very pleasant ways to facilitate the transfer of learned material is to arrange regular departmental meetings where team members can brainstorm key learned information then figure out how to "operationalize" the new methods, ideas, and practices in their work environment.

Line managers should also conduct periodic person and task analysis in their respective departments to determine practical solutions for skills deficiencies or obsolete departmental processes resulting from the change in company's policies or technological advancement or any other reason then prescribe the most appropriate remedy, be it learning or other preventive or corrective actions.

In spite of the above perceived benefits of training & learning; measuring and proving their strategic value and impact on the business is still quite challenging as any learning and development director would assert. The fact of the matter is, many training learning specialists use the traditional feedback or evaluation forms post every learning activity as a tools to measure whether learning objectives were met; yet, such forms doesn't provide any evidence about the learning was applied or it impacted business performance positively.

A study⁵⁰ published by ESI International indicates that although learning is a critical business process which is employed by majority of commercial and government organizations; more than half of survey respondents admitted that they don't measure business impact of learning. Later on, 35.5% of them said that they require a better understanding of methodologies to be able to measure business impact. This means that the measurement methodologies are to be well defined and more consistent. **Exhibit 3.1** lists the requirements that would help in measuring learning impact on business according to sample respondents.

⁵⁰ Titled: "The Measurement Dilemma: Tying Learning to Business Impact and Financial Outcomes". ESI International. 2010. Available at: http://www.esi-intl.com/~media/Global-Web-Site/Files/US/PDF/Research-Reports/ESI_US_The-Measurement-Dilemma-Research-Report.aspx

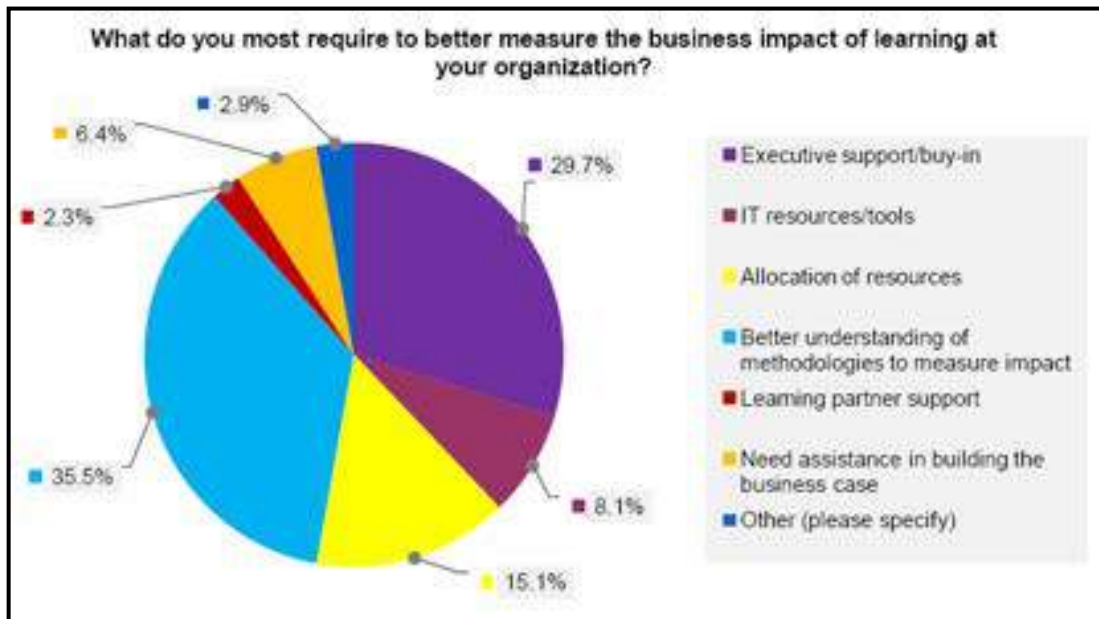


Exhibit 3.1 – Requirements For Better Measurement of Learning Impact on Business

The study has also examined the main outcome participating companies are seeking out of their organizational training and learning efforts. As **Exhibit 3.2** illustrates, the majority of them were concerned with qualitative results such as employee or customer satisfaction, while around 31.3% anticipated a higher return on investment and increase revenue.

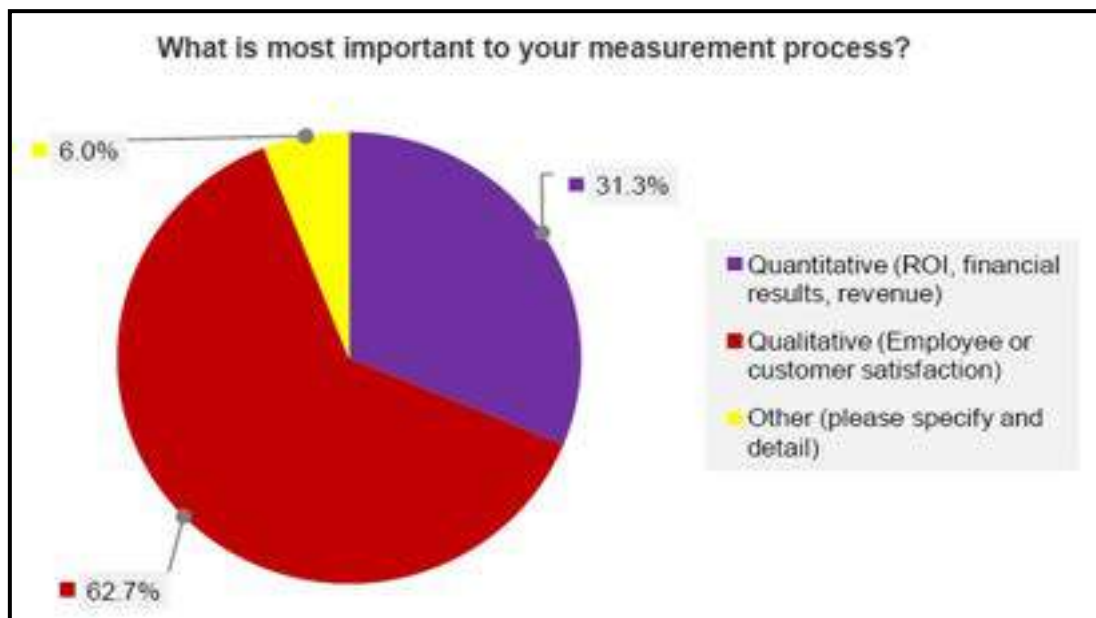


Exhibit 3.2 – The Most Important Learning Outcome For Business

Once all such elements have been seriously addressed and tackled; all above organizational learning efforts will gradually be molded to transform the firm into a *“learning organization”*. A management concept which has evolved throughout the 1990s but is still facing challenges in terms of comprehension and application in the majority of enterprises. Chapter four will discuss learning organizations in detail.

It’s a great accomplishment to see the business’s management and individuals working towards a shared vision of continuous development and revitalizing a learning culture that is planned and tied to individual aspirations as well as organizational objectives.

Such organizations should introduce a sort of Learning Evaluation Framework to precisely measure the impact of learning on the business and thus re-frame the relationship between the learning function and business resources that both should ultimately be focused and exploited towards maximizing business results and providing value for its key stakeholders.

Strategy & Human Resource Development

There is no doubt that successful organizations are those that are able to match organizational needs with individual needs, thus achieving organizational growth along with individual development, commitment, creativity, etc.⁵¹

Thereafter, the alignment between strategy and HRD is commonly considered as a good business practice. This notion is prevailing in spite of the fact that many business executives deny any links between HRD and business strategy.

An organization’s strategy is all about its future orientation. Johnson and Scholes (2002) in their authoritative and comprehensive text *Exploring Corporate Strategy*, define strategy as: “the direction and scope of an organization over the long term: which achieves advantage for the organization through its configuration of resources within a changing environment, to meet the needs of markets and to fulfill stakeholder expectations”.

⁵¹ As per Edgar Schein in his book "Organizational Culture & Leadership". (1985).

According to Huselid (1995)⁵², the way a firm manages its people affects the profitability and stock price of the organization. This argument reveals the secret of corporate giants like Google and General Electric where business success revolves around people.

In such organizations; healthy people oriented practices exist and continue to be amended to fulfill individual aspirations which will ultimately reflect positively on the performance of the business. These activities aim to improve and uplifting company's human capital through continuous learning and development and usually consider this a key strategic priority.

The trouble is that, HRD or learning is not a very visible process. It's internal to people and generally takes time to show results. In a world characterized by rapid changes and uncertainty; most CEO and top level executives would definitely appreciate obvious, immediate and concrete solutions to their corporate issues, concurrently, learning potential for business gets underestimated.

Organizations who have a strategic approach to HRD or learning will usually ponder to identify direct connections between business needs & learning activity. They then pragmatically support and incorporate learning methods that meet specific needs. They will also be flexible and responsive to the diverse needs of the various parts of the organization.⁵³

HRD or learning should be viewed as a mean to reach higher levels of excellence and not an end in itself. It's a lifelong activity rather than the front end acquisition of qualification. Strategic learning means involving everyone in some sort of rewarding learning. The essence of strategic learning is to aid in creating the learning organization, constantly review its mistakes and successes and modify its activities accordingly.

Additionally, HRD specialists should be involved adequately at strategic levels of decision making due to the dynamic nature of organization where strategy is always on the move. Unfortunately, learning and development is referred to as an operational activity that is

⁵² In "The Impact of Human Resource Management Practices Turnover, Productivity and Corporate Financial Performance". Huselid, Mark A. (Vol. 38 – 1995).

⁵³ "The Wisdom of Strategic Learning: The Self Managed Learning Solutions" by Cunningham, Ian. (2 Sub Ed. 1999).

merely linked to any of the strategic activities in the organization, while in other cases it's prescribed as a "quick fix solutions" to an urgent corporate issue or introduced as a current fad.

In fact, contemporary schemes that relate to learning within organization and competitive advantage; are considered to be the most viable in these turbulent times when traditional long term strategies might prove non-reliant.

The best strategy that many organizations would perhaps want to adopt is internal alertness in terms of assessing and capitalizing workforce competencies and their ability to sustain throughout transition period. Actually, the traditional ways of formulating strategies might even distract one from emerging opportunities.

Having said that, organizations that are more active in anticipating external changes and cope with them, tend to be more successful in the 21st century. In other words, promoting organizational learning as a response to environmental constant flux requires a complete transformation in the mind set of all the members of organization.

As Belasen (2000) comments:

"When an organization operates in a dynamic environment with shifting interdependencies, learning becomes the context for re-aligning the organization with its environment through reinvention of the organizational settings. New missions are formulated, new plans and goals are set, structures are re-designed, processes are reengineered and improved, strategic beliefs are modified and operational casual map is altered. A true culture transformation is taking shape".⁵⁴

So as I understand it, in order to achieve an effective organization/environment alignment, learning and cultural transformation must evolve and be enacted in a proactive, adaptive mode by the management of small as well as large organizations. As Jack Welsh has often put it: "change before you have to".

⁵⁴ From "Leading the learning organization" by Belasen, Alan. T. (2000).

HRD or learning shouldn't be treated as a one off project, though initially the effort may be introduced as a six month pilot program with specific deadline and certain people; the learning activities should ideally continue beyond the end date of the project *i.e. mentoring activity*.

HRD initiatives should also be linked to strategic direction and cultural change at all levels. This means that the learning process should be in congruence with business priorities. customer satisfaction for instance.

A well-developed and motivated workforce is the most worthwhile asset for any business that would like to actualize the value creation process. This conforms with what Peter Drucker affirmed when he said: *"The most valuable asset of a 20th century company was its production equipment, while the most valuable asset of the 21st century institution will be its knowledge workers and their productivity"*.

In other words, the human resource capital along with other intangible assets *i.e. information technology and organizational capital* are the base of all activities ranging from the management of internal processes and operations, funding, budgets and customer service.

Furthermore, Bartlett⁵⁵ believes that whenever business experience trouble, it's often not a business problem at all, but a people behavior problem. Any company that would like to grow and develop, must give great focus on people because "people are the business". Bartlett has also introduced what he calls "The Champions Formula" to help organizations address both the strategic and tactical/operational elements and actions that develop and build a high performance organization – not just for today or tomorrow, but for a longer term. "The Champion Formula" blueprint for high performance has guided many corporate giants to gain remarkable business results including Honda, Pro Films Limited as well as New Zealand Red Cross. **Exhibit 3.3**⁵⁶ demonstrates The Champion Formula steps.

⁵⁵ Ben Bartlett is a strategy consultant and coach who helps businesses achieve high performance.

⁵⁶ Cited from: <http://strategichighperformance.com/services/strategic-human-resource-development/>



Exhibit 3.3 – The Champions Formula

To conclude, Wilson (2005) suggest that the emergent and chaotic nature of strategy is the reason behind the inability to synchronize HRD with business's strategic plans. He further advises HRD specialists to maintain a thorough understanding about the organization's strategic framework, vision, mission, goals, critical success factors as well as performance measures, as this will give them the opportunity to participate in the strategy process.

I feel this is not sufficient though; HRD or learning initiatives should be a priority not only for HRD specialists, but more stressfully on business leaders, in fact, for all members of the organization alike. Unless "continuous learning & development" is a key item on the strategic agenda and a guiding principle that everyone embraces and acts towards; then the base of "just on paper" strategies are worthless and unreliable which may shake with the first sign of any unpredictable threat.

I also urge HRD professional to move away from the traditional "training and development" cycle and adopt a more flexible approach to be able to incorporate HRD as a strategic partner and a prominent transition agent that would help the business to maintain its competitiveness.

The Balanced Scorecard: Learning Perspective

With respect to the previous section, we will introduce and examine here one of the ever increasing strategic management tools that is widely used in assisting organizations to achieve strategic HRD. First of all, let's start with a brief background. The balanced Scorecard (BSC) is a distinguished management control system that enables companies to clarify their strategies, translate them into action and provide quantitative feedback as to whether the strategy is creating value, leveraging core competencies, satisfying the company's customers and generating a financial reward to its shareholders.⁵⁷

This system was originated by Drs. Robert Kaplan and David Norton pertaining to (Harvard Business School) recognizing some of the weaknesses and vagueness of traditional company performance measures that focused purely on the financial aspects to assess the overall business health. Thus, the balance scorecard emerges to achieve balance and proposes that that organizations should develop objectives and performance measures in a range of areas which reflect the full scope of the business rather than just the financial element.⁵⁸

⁵⁷ As defined by Pearce, John A. & Richard B. Robinson in their book "Strategic Management: Formulation, Implementation and Control. (2009).

⁵⁸ This methodology is covered in great detail in a number of books and articles by R. S. Kaplan and D. P. Norton. It is also the subject of frequent special publications by the *Harvard Business Review* that provide updated treatment of uses and improvements in the balanced scorecard methodology. Some useful books include *Balanced Scorecard: Translating Strategies into Action* (Boston: Harvard Business School Press. 1996); *The Strategy-Focused Organization* (Boston: Harvard Business School Press. 2001); HBR offers "Using the Balanced Scorecard as a Strategic Management System", Harvard Business Review January February 1996. Numerous useful Web sites also exist such as www.bscoll.com.

The balanced scorecard methodology adopts the Total Quality Management (TQM) ideas of customer-defined quality, continuous improvement, employee empowerment and measurement based management, feedback into an expanded methodology that also includes traditional financial data and results.

In plain English, the balance scorecard combine all these aspects to "balance" shareholders' goals with customer goals and operational performance goals, **Exhibit 3.4**⁵⁹ shows how they are interconnected.

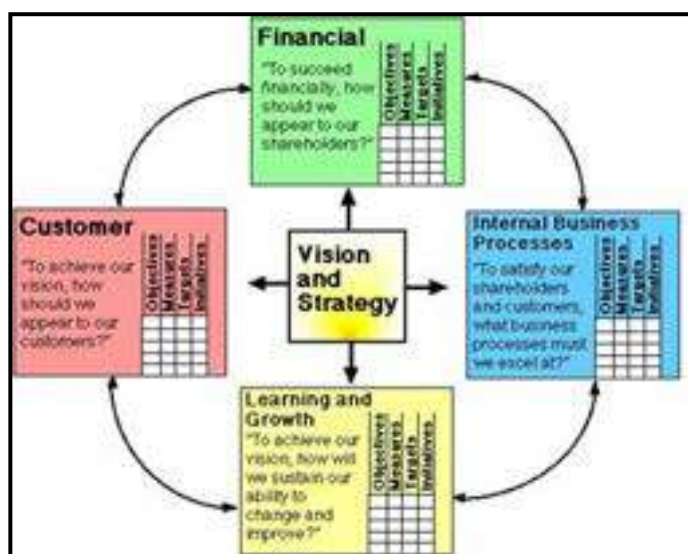


Exhibit 3.4 – The Balanced Scorecard Four Perspectives

So as **Exhibit 3.4** suggests, the balance scorecard views the organization from four perspectives as follows:

1. **The Business Process Perspective:** This perspective refers to the internal business processes and their effective execution as measured by productivity, quality measures, downtime and various other cost measures.

⁵⁹ Cited from:

<http://www.balancedscorecard.org/BSCResources/AbouttheBalancedScorecard/tabid/55/Default.aspx>

- 2. The Customer Perspective:** This perspective tackle the levels of customer satisfaction in the business. Among the related measures here are customer satisfaction index, on-time delivery, warranty support and product development in addition to new customer acquisition.
- 3. The Financial Perspective:** This is typically associated with quantifiable aspects of the business that are of most interest to the shareholders. Such aspects include cash flow, return on equity, profit growth and market share.
- 4. The Learning and Growth Perspective:** This scorecard represents the main essence of our discussion in this section. It contains elements such as innovation and organizational learning to gauge performance on this dimension. In other words, learning and growth will be utterly involved with the intangible assets of the business, in particular the human resource capital and how they develop and contribute to the business strategy by interacting and further adjusting with their internal and external environments.

As learned previously, learning and continuous growth constitute the core foundation for success of any knowledge based organization. Kaplan and Norton pinpoint that "learning" is more than training; it also includes things like mentors and tutors within the organization as well as that ease of communication among workers that allows them to readily get help on a problem when it's needed. It also includes technological tools or what Baldrige⁶⁰ calls: "high performance work systems".

As the name suggests, each of the four aspects in the balanced scorecard is equally important and contributes to the success of the business. In the same context, learning & growth perspective offers an infrastructure that enables the business to achieve ambitious goals in the other three perspectives.

Agreeably, learning could take long periods to manifest and show actual results. While this may sound discouraging for many top managers, the reality is something totally opposite. It

⁶⁰ Baldrige program is a public private partnership initiative established to to improve the competitiveness and performance of U.S. organizations. For more information visit: <http://www.nist.gov/baldrige/>

has been observed that when organizational performance was measured solely on short term financial objectives, investing sufficient amounts to enhance people performance, organizational process & systems becomes challenging.

However, neglecting this prominent part would ultimately lead the organization to lose track and face considerable issues in terms of sustaining performance and keeping up to the competition. This means, any company that would like to implement the learning & growth strategy should accept the fact that this approach will require some time but will definitely yield substantial benefits to the business in the long term. Desirable results could be accomplished by collaborated efforts of several entities and good bulk of perseverance and determination.

The learning & growth perspective emphasizes the intangible assets that the company owns. These assets are symbolized by the employees internal skills & capabilities that should be cultivated to support the value-creating internal process. We can identify three primary elements within the learning & growth perspective as appear in **Exhibit 3.5**⁶¹, these are:

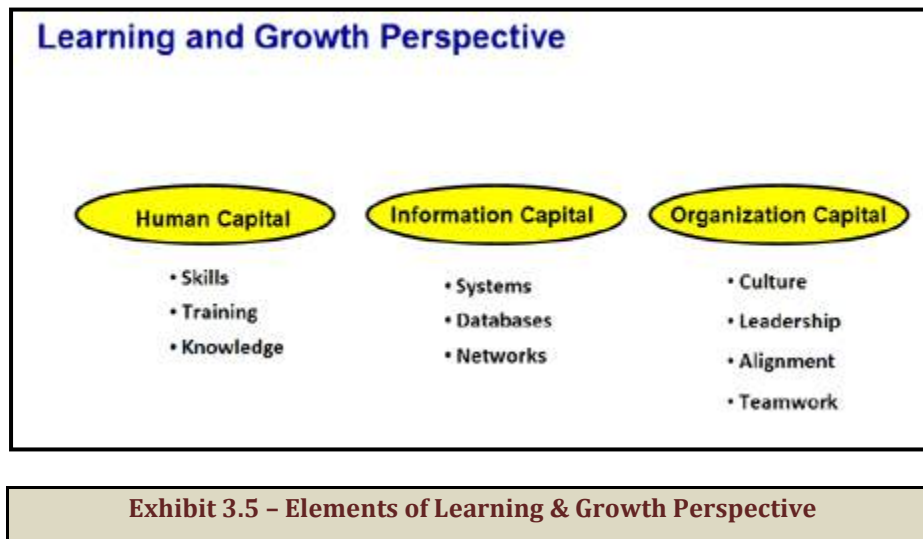
- **Human Capital** – jobs & people issues.
- **Information Capital** – systems & technology issues.
- **Organization Capital** – organization climate & quality of work-life.

That is to say, the learning & growth objectives for any business proclaim how people, technology and organizational climate are being integrated to implement strategy. It will also communicate the degree of encouragement and appreciation that the organization extends to the diverse ideas and exceptional performance that come from its committed employees.

An innovative idea or core competency skill level does not have a race, color, creed, or specific ethnicity. It simply reflects someone with this level of competency or skill.

⁶¹ Cited from: http://www.theclci.com/products_PMMS-BSC04.htm

Depending on the organization's ability to manage diversity and to create an environment where people can do their absolute personal best work, employees will either stay or leave. The degree to which the organization is willing to invest in all employees through its training, career planning, mentoring, and succession planning efforts to build core capabilities and the like will heavily influence the employee's perception of the workplace and the organization's ability to meet its competitive challenges.⁶²



To sum up, the survival and success of organizations will increasingly depend on their ability to ensure that they are “smart” at all levels rather than only at the top. The challenge of creating and sustaining “smart” organizations with “smart” people at all levels is probably greater now than it has ever been. Intense global competition requires that organizations continually upgrade their workforces' knowledge and capabilities by fostering a learning supportive environment which will eventually lead to business growth and delighted stakeholders.

⁶² By Dr. Edward E. Hubbard in his book “The Diversity Scorecard: Evaluating The Impact of Diversity on Organizational Performance”. (1st ed. 2004).

Knowledge Management

I understand that the discipline of knowledge management has evolved over time with all its associated dimensions like the people, the system and the organization. Though, I have decided to include it only as a subsection in my report because I'd like to annotate on how organizations can establish healthy HRD practices and alter traditional mindsets to survive in this knowledge based economy and consequently achieve the goal of its existence and compete at the leading edge of business.

To begin with, I'd like to define knowledge and distinguish its four levels through the knowledge hierarchy.

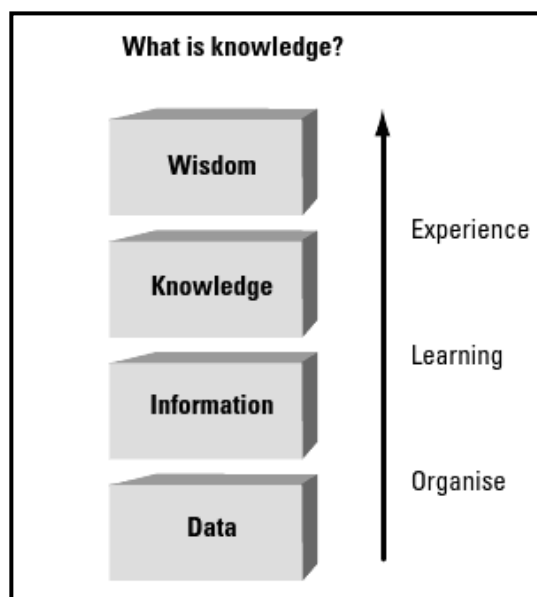


Exhibit 3.6 – Knowledge Hierarchy

Knowledge as defined by Wikipedia is *“a familiarity with someone or something, which can include information, facts, descriptions, and/or skills acquired through experience or education”*.⁶³ Individuals and organizations acquire knowledge through theoretical *i.e. education* or practical *i.e. experience* means.

⁶³ Available at: <http://en.wikipedia.org/wiki/Knowledge>

Exhibit 3.6⁶⁴ shows the relationship between knowledge, information, data and wisdom and how individuals and organizations escalate passing these various levels during the span of their lives. In most cases, data represents a stream of raw facts has no context. When it is put into context it becomes information. When the links between different pieces of information are formed and the patterns apprehended it becomes knowledge, and ultimately when the underlying principles behind those patterns are understood it becomes wisdom.

This leads us to clarify the distinction between “Managing Knowledge” and “Knowledge Management” because, unfortunately, many individuals and organizations think that they are synonymous.

By “Managing Knowledge” we refer to exploiting and realizing knowledge in the workforce, fostering a culture where knowledge sharing can thrive and how an organization develops its people and their knowledge as individuals, as teams and at an organizational level.

Knowledge relies not on technology but on people, who have knowledge, develop it and act on the basis of it. Knowledge has been playing a big part in corporate culture since the beginning of this century. To quote the head of knowledge management at Unilever, David Smith, *“Knowledge management is the only long-term, sustainable source of competitive advantage”*.⁶⁵

On the other hand, “Knowledge Management” means the acquisition and use of resources to create an environment in which information is accessible to individuals and in which individuals acquire, share and use that information to develop their own knowledge and are encouraged and enabled to apply their knowledge for the benefit of the organization.⁶⁶

⁶⁴ Taken from “Practical Guide to Knowledge Management” by Brelade, Sue & Harman, Christopher. (2003).

⁶⁵ From “Introduction to Knowledge Management” by Emerald Insight Staff (1st ed. 2005).

⁶⁶ Taken from “Practical Guide to Knowledge Management” by Brelade, Sue & Harman, Christopher. (2003).

In spite of quoting the above definition for knowledge management, It's absolutely irrefutable that this definition changes from company to company and even from initiative to initiative. This will make it pressing to develop a company wide consensus about the meaning and importance of knowledge management and how it contributes to the overall business objectives.

It has been argued that the most vital resource of today's enterprise is the collective knowledge residing in the minds of an organization's employees, customers, and vendors. Learning how to manage organizational knowledge therefore may produce many benefits, including leveraging core business competencies, accelerating innovation, improving cycle times and decision-making, strengthening organizational commitment, and building sustainable competitive advantage.

The drivers of knowledge based management are the same drivers that resulted in the continuously changing business environment all over the world. To name a few; globalization, technological and information revolution, greater access to R&D, the need for differentiation as well as the increasing number of organizations whose products and services are intellectually based. This means, most of the services that determine companies success or failure are carried out by it's people whose knowledge must be invested and developed to maintain the company's position in such turbulent time.

We keep hearing about the concept of process automation for the sake of minimizing cost. The majority of such business who implement process automation do it through integrating several software applications and restructuring human resource. Thought it's one of the means that will aid the company is accomplishing its long term financial goals; I'm afraid the same won't be viable in the long run due to the above mentioned reasons.

Businesses are required to adopt a longer term vision to stay competitive through bridging the gap between "what their employees know" and "what their employees do". In the knowledge economy, it is what employees do with their knowledge that leads to competitive advantage rather than the investment in information systems, intranets, and

electronic communications. Effective knowledge management is not possible in an environment where people are disappointed, de-motivated and demoralized.

The knowledge based organization should pay close attention to its existing policies and procedures, culture, structure as well as its perception of the human resource management function. It's most likely that the "old ways" of doing things won't be compatible with the new philosophy of viewing people as source of power and privilege to the organization.

One of the important aspects in this regard is how the company is managing its reward function. The new term "reward management" is a broader concept than just managing the employee's pay system. If the individual is the priority of the company; the reward system will have to be designed with care to stimulate employees to acquire and share knowledge organization wide. This will also require the company to reinforce good knowledge management practices among employees and link them to reward and career progression elements.

In addition to rewards management, the other employees related functions should be viewed and implemented differently. What I mean here is that recruitment, retention and succession planning are not simply personnel issues but strategic issues incorporating decisions on the shape and form of the future organization and the use of technology.

Proactivity should be one of the characteristics of the knowledge oriented organization in sense they won't wait for key positions to become vacant then start recruiting, but a contingency planning would have been done in advance to speculate future labor needs in terms of quality and quantity as per the company's growth and sustainability strategies. As one of the experienced directors commented *"it is more important to recruit good people you come across than to wait for vacancies to arise"*.

As far as retention is concerned, the new way of looking at it is retaining employees as well as their valuable knowledge that will benefit the business in the long run. Such knowledge could be retained by maintain databases and archive in a systematic and accessible mode. Similarly when we talk about succession planning, should be a joint task between HR and IT departments as comprehensive planning should be done in advance to replace obsolete

technology besides retiring people and the same should be linked to organization's strategic objectives.

Further more, in a knowledge based organization, we can also observe the transformation in the role of manager because the knowledge workers are those who have the power in the organization and as a result, the traditional way of management won't be applicable in such settings. In fact, the manager's most important objective here is to support and encourage his/her team that is made up of knowledge workers whoms' knowledge the entire business operations will be based on. As Brelade & Harman (2003) describe this gradual paradigm shift of managers from 'controllers' to coordinators and facilitators and ultimately to "team servants".⁶⁷

Training & learning will have the major role among all of other aspects. Regardless who handles this responsibility in the organization *i.e. senior leaders or L&D specialists* which differs from a company to another; creating an environment which is conducive to new knowledge acquisition and sharing will, to a very big extent, unify the purpose of the company members and instill the spirit of team commitment. Once enough experience is going to be gained on this process, new means and techniques may emerge to accelerate organizational value added learning, sharing and applying.

In the same context, knowledge based organizations should coherently define their core competencies or distinct competences that they would like to capitalize on and retain then dedicate all their human, technological and organizational resources to serve this purpose. In fact, since the "people" are those who formulate strategies, design policies and run business operations, then I feel a better way of saying this is that people should employ technological capabilities within organizational settings to survive in a competitive market that changes at such a rapid pace.

Realistically, all above initiatives may sound "too idealistic" considering the practical way we have been witnessing business is being carried out. However, the same reality also contends that we are living in different times which require business leaders to adopt

⁶⁷ In their book "Practical Guide to Knowledge Management". (2003).

different tools, approach and mindset in order to grow up and sustain their businesses. And as the famous saying keeps on reminding us *“If you don’t change with the times, you’re left behind...”*.

Knowledge management changes the way organizations and individuals function. In fact, many field experts reckon that there is no better way to manage or avoid business risks than maintaining effective knowledge management practices than can exclusively be obtained from “people” and in turn, directed towards the welfare of “people”.



Case 3.1

Focus on United Arab Emirates

Knowledge Management in Dubai's Public Sector Organizations

Since the late 1980s, the United Arab Emirates and other Gulf countries in general have embarked on an unprecedented wave of market liberalization, constructing modern states, building state-of-the-art infrastructures and attracting foreign financial institutions to have branches in these countries. Yet, since GCC countries lacked sufficient local human capital with the necessary skills to run these institutions, they have heavily relied on the expertise and knowledge of foreign consultants, experts and advisors. However, with this heavy reliance on expatriate expertise comes the potential for losing valuable experience and knowledge once these individuals exit the country upon the end of their employment. Thus, local economies lose significant knowledge and experience that could have been transferred, stored, and redeployed in local organizations. Knowledge and talent management have therefore become vitally important for these countries, especially after the advent of the global financial crisis and the subsequent departure of significant numbers of skilled employees.

The way public sector is being managed has changed incredibly during the past two decades. This change represents in moving away from the traditional model of public administration to a flexible, market-based form of public management. The New Public Management model brought a wave of new ideas and practices, including flexibility in organization and in staffing, as well as administrative decentralization.

While these changes have improved performance and enhanced efficiency, they have also created new challenges and risks. Organizational memory and intellectual capital are endangered when employees move from one organization or sector to another without properly documenting and transferring their experiences and knowledge.



Recent financial conditions have added new pressure on government entities to hire more part-time employees in order to cut costs. A survey we conducted by Dubai Business School* within government entities in Dubai (June 2011) reveals that 24% and 37% of respondents pointed out, respectively, that they systematically or occasionally employed staff with temporary positions. About 50% indicated that they systematically offer internships to new graduates, but only 27% said that they systematically have secondees from other organizations working for them. In fact, organizations with more temporary staff face more risks of losing knowledge, as their employees have fewer incentives to share or transfer knowledge and less commitment to the organization. These are some of the main factors that motivate employees to play a major role in the success of KM programs.

One of the effects of the recent global financial crisis is the increase in turnover. In the same survey, 47% of the government entities indicated that their organization lost senior staff. Approximately 21% lost consultants, while 87% lost officers. Some of these employees probably left to other institutions in Dubai or other Emirates, while others left the country in search of other opportunities. In this employment climate, KM strategies and programs can address the risks associated with the departure of knowledge resources, and can help motivate employees to share knowledge and thus ensure sustainable performance.

KM as a priority: Given these high levels of turnover and dwindling financial resources to develop or attract new talent, Dubai's public sector should implement strategies to safeguard the knowledge and experience of employees in a systematic and accessible way. One of the first steps toward addressing the challenge of KM is to establish knowledge management as a top priority of the organization. However, the survey finds that less than half of the Dubai Government organizations consider KM as one of their top five priorities. About 52% indicate that it is not at the moment, but could be in the future, either in the short or long term. Only 44% of those organizations that placed KM as one of top five priorities have developed written policies for knowledge management.

One of the most common problems in understanding and implementing KM—narrowly defining it technical terms, with organizations limiting its application to the use of information systems and automation. Research shows that any definition and implementation of KM should take into



account the influences of organizational culture and structure, as well as the fact that knowledge is dynamic and social, and embedded in individuals, social experiences and interactions.

However, interviews conducted for this research indicated an emerging awareness among major government entities in Dubai that KM is about people, with HR policies and management practices geared toward finding the means to incentivize and encourage staff to share their knowledge and facilitate the KM process. The focus of KM programs in Dubai has gradually shifted from IT to HR.

To evaluate the outcomes of KM programs in Dubai's public sector, it is necessary to highlight the stated goals behind its establishment from the outset. In this study, 19 government entities were surveyed and the goals of implementing KM were compared with the level of success they achieved.

Results from the survey demonstrate that efficiency, enhanced productivity and service delivery through more systematic knowledge sharing were the main goals of establishing KM programs within Dubai's public sector. Approximately 73% of respondents indicated that the improving work efficiency and productivity was considered a "very important" goal of the KM programs within their organizations. Other "very important" reasons were included protecting the organization from loss of knowledge due to departure of staff, and identifying and protecting the strategic knowledge currently present in the organization (both at 66%). The third "very important" reason was to improve policy making within the organization and to make more informed decisions. However, only 37% of respondents pointed out that capturing and sharing tacit knowledge was a "very important" reason for establishing their organization's KM program.

At the end, some of the key recommendations of the survey included the need to make knowledge management a top priority for Dubai government organizations and develop a more holistic and integrative approach to knowledge management as well as develop clear written policies and strategies for knowledge management.

Source: Dubai School of Government Policy Brief No. 27

Full policy brief available at: <http://www.dsg.ae/LinkClick.aspx?fileticket=pNPuVLdOFvo=>

* The Dubai School of Government (DSG) is a research and teaching institution focusing on public policy in the Arab world. Established in 2005 under the patronage of HH Sheikh Mohammed Bin Rashid Al Maktoum, Vice President and Prime Minister of the United Arab Emirates and Ruler of Dubai, in cooperation with the Harvard Kennedy School, DSG aims to promote good governance through enhancing the region's capacity for effective public policy.

CHAPTER FOUR

MANAGING CHANGE THROUGH HUMAN RESOURCE DEVELOPMENT

You might think for a while that what does “change” have to do with human resource development? But if you contemplate in to the subject, you will be able to establish a relationship between both variables. Change is a constant fact of our lives and humans will resist it in various forms unless they can see how change would affect them favorably.

Nevertheless, we will discuss the role that HRD initiatives play during the transition process for companies and how such initiatives could represent one of the valuable competencies in today’s business world that will aid the business achieve competitive advantage. We will also look at the steps that organizations should implement to minimize resistance to change and finally focus on “learning organizations” and the various reasons that make them more prepared to go through change than their other counterparts.

How Does Human Resource Development Facilitate Change?

As a matter of fact, the business environment in our current time is becoming less predictable, more turbulent and more active. Duly, the external and internal world of management and organization seem to be less structured, more dynamic and more ambiguous.

So, what should enterprises’ do to get through such conditions and sustain? And how HRD can assist organizations to administer and transact appropriate framework to be able to cope with these never ending changes?

The answer is simple. Human resource development can play a key role in identifying and implementing processes for change and in preparing employees for change. In its simplest forms, HRD can contribute to the entire change process by helping the individuals understand the importance and value of learning and design. Once the link between learning and change has been established; it'd be easy to use it to gain maximum benefits for business.

Learning leads to change and change feeds back into learning. If a person learns something, he/she will change. If the same person makes changes, he/she will learn; it's a continuous cycle as you can see. Learning and change are inseparable. Learning leads to change when put into action. Learning is not something that is only done off the job: in this fast changing world, it must be an integral part of the job. Learning is collective, ongoing and cognitive activity of all participants in change and is fuelled by experimentation in and reflection on practices and methodologies.

For this reason and more, organizations need to increase their application of HRD initiatives and rate of learning in particular to survive in these times of exceptional change. Learning is change; as Karl Weick and Francis Westley have expressed it, *"Learning is to disorganize and increase variety."* By promoting learning and creating a culture where individuals and business can improve and grow together, the organization actually, is preparing itself to escalate to the next level and widening its options so as it can pursue those change initiatives that are compatible with business nature and established strategies and objectives.

The core aim for organizational change is to establish effective relations with its environment and contribute to the quality of work life. Change should not be treated as a detached event, but as process with phases and logical flows. Change practices rely on knowledge about individuals and their relationships in organizations, the division and coordination of labor and organizational strategies. Though, there is no guaranteed workable set of principles related to organizational change and learning; distinct theories exist in literature and each discusses a certain aspect. All these theories provide methodologies that are applicable in specific contexts and of no use in other contexts. They

may even in times, be contradicting each other; I yet believe that their initiators have strived to present us with views of the essence of reality, how we can understand this reality and how we can build knowledge to change unfavorable realities.

Additionally, organizational change must be viewed as a continuum which the business needs to progress through repeatedly whenever required rather than considered a one off project or event. The HRD role comes here in developing and designing training programs that will educate individuals about the necessity of change, help them understand what happens during the change process as well as equip them with the necessary tools that they would need to pass through change.

But, is training always the answer? Yes, partly, sometimes, except certainly not always as there are other answers too. The solution may lie with organization development, career development, or a combination of these or other strategies. As we explained in chapter one, HRD is also composed of career development and organizational development besides individual development that include training & learning as part of it. Every HRD section will have its own contribution in the time of change. For instance, the key role of organizational development (OD) during change period is to integrate the interests and needs of individuals with the aggregated interest of the organization.

Employees are motivated by challenging jobs and are willing to change when they see advantages for themselves. HRD professionals can truly help employees to become creative and worthy resources for the organization especially in times of change. The sophistication in the work nature requires them to act as mentors for employees, consultants for managers and change agents for the business as whole. They now have more amplified and enriched roles than ever before.

The main point here is that organisational change involves individual change – person by person – and that process begins with the change agent, who is in many cases an HRD executive or a senior manager. Regardless who perform the role; the change agent must possess certain characteristics in order to drive a successful change intervention in the organization. The most important of these characteristics are organizing skills which symbolize in strong belief in human potential, participation in the workplace and

interpersonal relationships based on trust and openness. The change agent must also involve employees in the change process; learn through feedback and reflect continuously on what have been achieved with the other change actors.

In the end, HRD initiatives with respect to organizational change are only possible with the collaboration of the people who are engaged in the process. To change, people need first to learn. The willingness of people to change is a function of their awareness of what is happening and why, both in their organization and in other aspects of their lives. In turn, this is a function of what we call their “learning power”. An individual’s learning power is a complex mix of dispositions, lived experiences, social relations, values, and beliefs that blend to shape an individual’s engagement with any particular learning opportunity.⁶⁸

Minimizing Resistance to Change

When it comes to change, one thing is for sure: humans will resist. Resistance is a common and destructive part of any change equation. Despite this irrefutable fact, it cannot be considered as solely undesirable; as it’s the natural reaction of individual and social system due to the need for a relatively stable situation.

Likewise, resisting change in organizational context is quite possible and manifests itself in different ways *i.e. grievances, turnover, low efficiency, restriction of output and aggression against management*.

Boonstra (2004) lists four most common reasons for resisting change as follows:

- People focus on their own interest and do not on those of the organization as a whole.
- Misunderstanding of the change and its implications.
- Belief that the change does not make sense for the organization.
- Low tolerance for change.

Wainwright, (2008) contends that in order to minimize the effects of resistance on planned change activities; people need to be handled carefully through change. It’s evident that

⁶⁸ Derived from Bristol University Web site. Available at:
<http://www.bristol.ac.uk/education/students/masters/sll/whystudy.html>

people don't let go of the familiar so easily and they often appear to react unreasonably in the face of change. The rationale for that is, any change requires a change of habit, a move away from the familiar and that may prove to be a painful process. To protect against the possibility of such pain, often the first reaction is to resist.⁶⁹

Although such resistance accompanies every change initiative, we can also see that certain change initiatives enjoy incredible success. What makes them different?

To answer this question, let me first clarify that people don't just resist change for its sake. Since fundamental change usually means doing things differently and better with same people, I don't see why people would resist such changes unless they were not involved in the first place or their interest were not catered for while planning the change intervention. In my view, resistance normally occurs when the company excludes relevant stakeholders while planning and executing a change program.

Learning oriented organisations do employ a rich bouquet of change initiatives, in which, no one type of change is particularly dominant. The external environmental conditions along with business priorities will dictate the kind and direction of change.

Further more, the "Chief Learning Officer" can have an enormous impact during the transition period. Along with his/her team of HRD practitioners who might be working in separate business units and executing HRD initiatives within different operational conditions; they can spread awareness of the benefits of change, initiate strategies to overcome resistance to change and design learning activities that would help all concerned parties to better understand what's going on as well as to contribute to the current change initiatives, which in turn may add more value to the whole process. Kotter & Schlesinger (1979) recommend six strategies for dealing with resistance to change. **Exhibit 4.1**⁷⁰ demonstrates the same.

⁶⁹ In her article titled "The Training Manager As Change Agent". Published in the Training Journal, (December 2008).

⁷⁰ Cited from "Choosing Strategies For Change" by Kotter, J.P. and Schlesinger L. A. (1979).

Approach	Commonly Used in Situations	Advantages	Drawbacks
Education and Communication	Where there is a lack of information or inaccurate information & analysis	Once persuaded, people will often help with the implementation of the change	Can be very time consuming if lots of people are involved or changes occur frequently
Participation and Involvement	Where the initiators do not have all the information they need to design the change and where others have considerable power to resist	People who participate will be committed to implementing change and any relevant information they have will be integrated into the change plan	Can be very time consuming if participators design an inappropriate change
Facilitation and Support	Where people are resisting because of adjustment problems	No other approach works with adjustment problems as well	Can be time consuming, expensive and still fail
Negotiation and Agreement	Where someone or some group will clearly lose out in a change and where that group has considerable power to resist	Sometimes it's a relatively easy way to avoid major resistance	Can be too expensive in many cases if it alters others to negotiate for compliance
Manipulation and co-operation	Where other tactics will not work or are too expensive	It can be a relatively quick and inexpensive solution to resistance problems	Can lead to future problems if people feel manipulated

Explicit and Implicit Coercion	Where speed is essential and the change initiators posses considerable power	It is speedy and can overcome any kind of resistance	Can be risky if it leaves people mad at the initiators
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Exhibit 4.1 – Strategies For Dealing With Resistance To Change

People have to be able to honestly raise issues and concerns as change intervention start to be implemented. Their ideas have to be heard so that the appropriate steps can be taken to tailor the changes to specific cultural dimensions and unique needs. Everybody regardless their background, education, or expertise should be able to speak and be heard.

Leading and managing change requires an endless belief that change is possible and the determination to see it through. Additionally, involving all stakeholders and getting them to work together will help in preventing resistance because interest groups are not treated as adversaries but as partners in change. Thus, change processes need to be designed in such a way that stakeholders work together instead of against each other.

Driving The Learning Organization

The concept of the learning organization is basically a shift in mindset. This is the basic meaning of a “learning organization”; an organization that is continually expanding its capacity to create its future. Drew and Smith (1995)⁷¹ suggest that we can look at the “learning organization” as a social system’ whose members have learned conscious shared processes:

1. For continually generating, retaining and leveraging individual and collective learning to improve performance of the organizational system in ways important to all stakeholders.

⁷¹ In their review titled “The learning organization: change proofing and strategy”. (Vol. 2 – 1995).

2. By monitoring and improving performance.

Since this research has its main focus on HRD and organizational learning, I want to draw attention to a relevant point. There are various levels at which we can pay attention to learning. These can be delineated, as shown in **Exhibit 4.2**⁷²

Learning issues impact most of us – irrespective to our roles – as individuals; as members of groups, organizations and communities; as citizens of our countries and of the world. If the emphasis on learning in organizations doesn't take other levels into account, then this is an inequitable focus. If, on the contrary, learning to make organizations better places subsequently enable us to focus on other contexts as well, then here we can accept that the purpose of learning has been understood and fulfilled in its true meaning.



Exhibit 4.2 – Learning In Various Contexts

Organizations can be changed or transformed only when employees have acquired the knowledge and skills they need to take command of their careers and to see how their own work contributes to the larger work of their companies. As Boonstra (2004) observes:

“An organization’s capacity to change is the capacity of people to deconstruct and reconstruct meanings together and to re-order relationships and activities to take account of

⁷² Cited from “Wisdom of Strategic Learning : The Self Managed Learning Solution” by Cunningham, Ian. (1998).

the external variety. 'Competence' here means competence in context. This means that people, in addition to their individual competence are also capable of linking these individual competences and converting them into action in a particular context: collective competence or collective learning".⁷³

In the same context, it's wise to articulate that individual learning is not the same as organizational learning. Peter Kline (1998) differentiates how individuals learn versus how organizations learn:

"The most obvious difference between the way organization and individuals learn is that individuals have memories, which are essential to learning, while organizations don't...The main difference between a learning individual and a Learning Organization is in the information storage process. Individuals store their learning primarily in their memories, augmented by libraries, notes and other aids to memory. Organizations store it primarily in their cultures, with a secondary backup in documentation that is useful only if the culture is committed to making use of it...In simple terms, individuals learn through the activation and updating of their memories while organizations learn through change in the culture".⁷⁴

But the question is: how do we conclude whether the organization is a "learning organization" or not? A thorough review to the existing literature, shows identical features in all "learning organizations". Belasen (2000) identifies the following characteristics of a learning organization:

- o Learning collaboratively, openly and cross boundaries.
- o Valuing how it learns as well as what it learns.
- o Investing in staying ahead of the learning curve in its industry.
- o Gaining a competitive edge by learning faster and smarter than competitors.
- o Turning data into useful knowledge quickly and at the right time and place.

⁷³ In his book "Dynamics of Organizational Change & Learning". (1st ed. 2004).

⁷⁴ In his book "Ten Steps To A Learning Organization". (1998).

- o Enabling every employee to feel that every experience provides him or her with a chance to learn something potentially useful, even if only for leveraging future learning.
- o Exhibiting little fear and defensiveness, rewarding and learning from what goes wrong (failure learning) and right (success learning).
- o Taking risks while simultaneously avoiding jeopardizing the basic security of the organization.
- o Investing in experimental and seemingly tangential learning.
- o Supporting people and teams who want to pursue action learning projects.
- o Depoliticizing learning by not penalizing individuals or groups for sharing information and conclusions.

The main motivator for wanting to become a learning organisation is the desire to become more client centred by continuous improvement and innovation. However, more people-oriented reasons such as improving the quality of working life seem to play a role as well.

The new focus on employee learning changes the role of the Human Resource Development (HRD) function. The role of HRD within “learning organisations” is becoming clearer, but many uncertainties remain for HRD professionals, especially with regard to the question of how to bring their new roles into practice. There are only a few instruments to help HRD officers in this regard. Yet, many interesting initiatives are being undertaken by HRD practitioners worldwide to support strategic learning processes of the organisation as a whole.

According to Kirkwood and Pangarkar (2003), the significance of aligning strategic objectives to learning goals cannot be overlooked. They assert:

“To build a lasting learning environment, organization must begin early by clearly defining what it means to be a learning organization...A learning organization is capable of aligning its strategic objectives and vision with the capabilities, competencies and ideas of its employees. Managers within a learning organization seek to create an environment where their employees realize their maximum potential...As this learning culture is supported and

fostered by management, employees seek out and solve problems, become more entrepreneurial, and more willing to take risks”.

Organizations need a learning plan to encourage and guide learning, with the understanding that learning is likely to occur regardless of any planned course of action. The most effective form of learning plans are aligned with the institution’s strategic plan. The strategic plan lays out what you seek to accomplish; the learning plan describes what you hope to learn in the process of achieving that goal.

Although HRD professionals, consider that this is still their main responsibility; in a learning organization, managers and employees are important active partners in supporting learning, and are expected to become more so in the future. Their role is predominantly one of identifying learning needs, stimulating and supporting informal learning, ensuring the continuous learning of themselves and others. HRD professionals will continue to provide support like organizing training and supporting informal learning efforts.

Learning organizations also recognize the super fast pace in which the external environment is changing and realize that by the time they start internal changes in response to cope with external requirements, those changes will already become obsolete. Hence they adapt a proactive approach and not a reactive one and that entails anticipating the external changes before they occur and be ready either to optimize the available opportunities that this change brings about or at minimum, to deflect the accompanying threats of this change. This has been concisely expressed by Jack Welch when he said:

“The rate of organizational change must exceed the rate of environmental change”.

In summary, trying to achieve learning organization status takes a lot of hard work on the parts of managers and employees and is not for those seeking instant gratification. People have to fundamentally change the way they think and interact with others in the organization. Successful learning is also a function of the systems, structures and processes within the organization. In order to accomplish harmony between learning requirements and organizational settings; everything that reinforces old behaviors and patterns of thinking got to be utterly changed.

CHAPTER FIVE

KEY CHALLENGES FACING HUMAN RESOURCE DEVELOPMENT

We have been talking about the various branches and concepts associated with HRD, learning, training and development, and how they grow in importance for businesses in our recent time. On the other hand, it is evident that the significance of training & learning is not being felt in different organizations because of the limitations facing this division.

In this chapter, we are going to identify those key challenges and limitations that hinder human resources development initiatives by interviewing real experts who are in this field from quite a good time. These experts are going to enrich us with their knowledge and expertise and provide a practical perspective to the theoretical particles that we have been tackling up till this point in the report.

Data Collection Method

As contended earlier, I've interviewed 16 HRD practitioners to find out the current challenges facing them in their field and how they think those challenges could be overcome. The interviews were of a structured nature, wherein, every participant has been asked exactly the same number of questions which included both open and close questions.

The basic purpose of conducting these interviews is to get more insights into the subject in terms of information that is fresh, more thorough as well as addresses the current issues adjacent to the period this research project is being conducted.

I've started by planning the size and type of questions I wanted to include in my interview that will ultimately help me to achieve my research outcomes. This was followed by drafting my questions, trying to assess their relevance and appropriateness and eventually finalizing the seven questions that every participants had answered.

I've then made a list of all the HRD professionals whom I know either personally or professionally and the total number of contacts reached about 40. Once this is done, I've designed an invitation email⁷⁵ and contacted each one of the 40 HRD specialists to invite them to participate in the interview. I've send an initial invitation followed by 2 follow up emails on regular intervals.

Followed my email invitations, I started receiving responses and queries about the same and explained the purpose of the interview and how it contributes to my research as a whole. I kept on sending the Interview form⁷⁶ that contained the structured questions to the people who agreed to participate who in turn, completed it and returned it back to me within the specified time frame. In fact, I'm so delighted that I got some high quality answers and ideas from a number of them especially those who are senior in the field.

On the other hand, a handful number of participants didn't provide much information and it seemed that the form was filled in a hurry. This is also true that although I have contacted 40 specialists, I barely got responses from 16 only⁷⁷ which are not even 50% of the total number. However, I still feel that the number of responses that I've got is adequate to enable me forming my research arguments and reaching my conclusions.

The interview is made up of seven questions that are spread into two sections. In section A, respondents are asked to rank several HRD frequent challenges and then to provide reasons for the top three challenges that were ranked by the respondent. Further, it they are encouraged to mention any specific challenge that is critical but was not listed in the first question. Section B is more to collect views about who should formulate & implement

⁷⁵ Please refer to the appendices section to get a copy of the Email Interview Invitation.

⁷⁶ Please refer to the appendices section to get a copy of the Structured Interview Form.

⁷⁷ One was excluded purposely from the analysis due to the low quality of answers that were provided.

HRD strategies and finally request the respondents to propose solutions for the top three challenges they've ranked earlier in section A. We are going to emphasize on section A in this chapter whereas section B solutions will be discussed in chapter 6.

My sample respondents, as indicated earlier, are HRD experts who were selected and further willing to participate in the interview. Some of them are HRD or L&D specialists in their mid or senior career and employed by reputed organizations while others are self employed trainers, coaches and management training consultants.

Let me also point out that my interviewees belong to distinct industries *i.e. airlines, hospitality, training & coaching, government, etc* and live in various geographical locations *i.e. UAE, KSA, India, Australia, UK, etc* and hence their aggregated responses will provide us with a generic sense of the type of challenges they all face in common irrespective of their industry or location. I'm also aware that this is quite a tiny sample and may not be a true representation of the reality but still; I've strived to unfold the hidden and reveal what could be beneficial for this research and its readers by the help of Allah and then my generous samples.

In the next section, we are going to examine the collected data and agree on the most prominent challenges facing human resource development and why they occur.

Data Analysis & Interpretation of Findings

We will handle the collected information as per the sequence of the interview questions, which means, giving an overview about the generic trends that have been noticed, followed by in-depth data analysis of the key components of the interview process and rational interpretation of outcomes.

Exhibit 5.1 demonstrates respondents' selection of the **top three** critical challenges each perceive facing human resource development. Similar challenges have been shaded in identical colors to enable us to notice the frequency rate of every challenge.

No.	Name	Challenge # 1	Challenge # 2	Challenge # 3
1	Abdulla Mirza	Alignment of HRD Initiatives with Organizational Needs & Objectives	Ineffective Learning Delivery	Lack of Support from Senior Managers
2	Alan Stevens	Budget Constraints	Alignment of HRD Initiatives with Organizational Needs & Objectives	Lack of Support from Senior Managers
3	Anahita Barjori	Alignment of HRD Initiatives with Organizational Needs & Objectives	Rate of Learning Transfer and Behavior Change	Employees Unwillingness to Learn and Develop
4	Fritz Bangert	Alignment of HRD Initiatives with Organizational Needs & Objectives	Lack of Support from Senior Managers	Ineffective Learning Delivery
5	Humaid Al Zaabi	Alignment of HRD Initiatives with Organizational Needs & Objectives	Ineffective Learning Delivery	Rate of Learning Transfer and Behavior Change
6	Imran Ahmad	Alignment of HRD Initiatives with Organizational Needs & Objectives	Lack of Support from Senior Managers	Budget Constraints
7	Lara Carlos	Lack of Support from Senior Managers	Under Resourced Learning & Development Function in the Organization	Rate of Learning Transfer and Behavior Change
8	Malek Moubasher	Lack of Support from Senior Managers	Budget Constraints	Alignment of HRD Initiatives with Organizational Needs & Objectives
9	Manoj Mathew	Budget Constraints	Lack of Support from	Under Resourced

			Senior Managers	Learning & Development Function in the Organization
10	Nabil Senyonga	Alignment of HRD Initiatives with Organizational Needs & Objectives	Under Resourced Learning & Development Function in the Organization	Employees Unwillingness to Learn and Develop
11	Oswin Kakumanu	Budget Constraints	Inadequate Implementation of E-Learning Initiatives	Ineffective Learning Delivery
12	Quaid Miskeen	Employees Unwillingness to Learn and Develop	Rate of Learning Transfer and Behavior Change	Alignment of HRD Initiatives with Organizational Needs & Objectives
13	Santhosh K.V.	Rate of Learning Transfer and Behavior Change	Alignment of HRD Initiatives with Organizational Needs & Objectives	Employees Unwillingness to Learn and Develop
14	Tommy Weir	Alignment of HRD Initiatives with Organizational Needs & Objectives	Content Localization & Translation	Rate of Learning Transfer and Behavior Change
15	Yawar Ali Kazmi	Alignment of HRD Initiatives with Organizational Needs & Objectives	Lack of Support from Senior Managers	Budget Constraints

Exhibit 5.1 – Top Three Challenges Facing HRD According To Each Respondent

According to the above exhibit, 50% of respondents agreed that “alignment of HRD initiatives with organizational needs and objectives” is the key challenge facing HRD. By this we can infer that a good number of companies are still falling behind when it comes to this aspect.

20% has also said that “budget constraints” was the main challenge impeding the pursuit of effective HRD practices. As one of my respondents remarked: *“This is a common one, whether genuine or not, the use of this excuse is a widespread exercise”*.

Around 15% of respondents have indicated that “lack of support from senior managers” constituted the key challenge for them throughout the span of their careers. Many of them were also annoyed about the fact that these managers were not being interrogated about what they are doing for the employees as part of their duties as managers. **Exhibit 5.2** illustrates the break down of these responses.

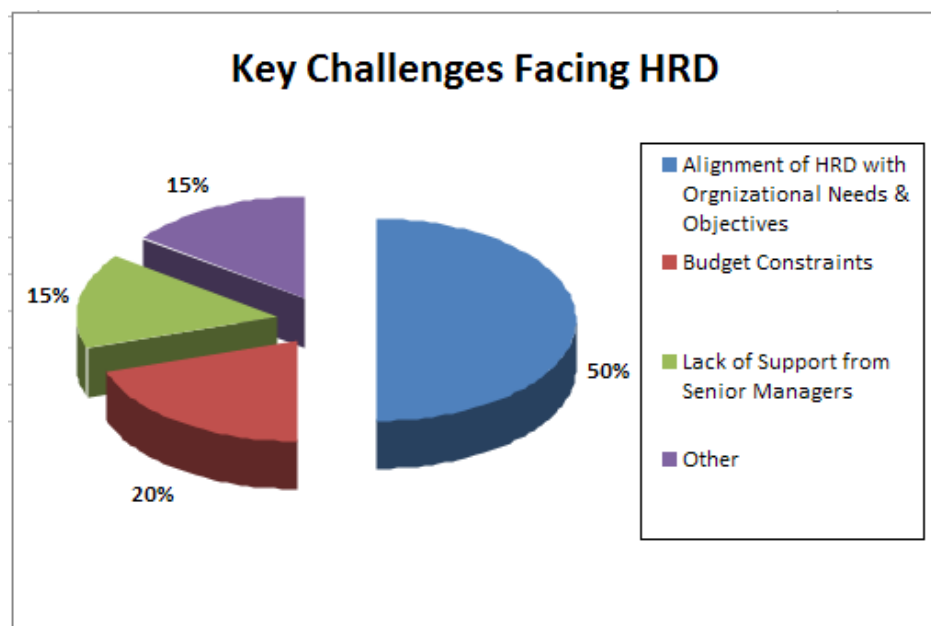


Exhibit 5.2 – Breakdown of Top Issues Facing HRD According to Responses

Other repeated answers among the **top three** were “rate of learning transfer and behavior change”, “ineffective learning delivery”, “employees’ unwillingness to learn and develop” as well as “under resourced learning & development function in the organization” that we shall discuss on full scale next.

Following, are the key challenges that were said to hinder HRD efforts listed respectively and elaborated to help the reader understand the hidden causes of these propositions.

1. Alignment of HRD Initiatives with Organizational Needs & Objectives

12 out of 15 respondents marked this among the **top three** challenges facing HRD today. One of reasons that were stated for incongruency between HRD initiatives and organizational needs and objectives contends that the quality of people who work for the organization and their orientation often determines the kind of strategies and priorities that are set for the business. Most managers or executives are short sighted on what are the real needs of the organization - both short term and long term - at a given time.

This becomes even harder if you get a manager who adopts a single mode in dealing with situations of different natures i.e. following internal processes utterly at all times without exceptions. Organization members and especially leaders should maintain a more flexible attitude. For this reason, an effective team should have the right mixture of skills i.e. cost cutting during a down turn; which means the organizational outlook and direction could be shaped by implementing good recruitment and selection systems. In other words, people create organizational culture and set its priorities accordingly so focus on getting the right people and other things will follow suit.

Another explanation for this scenario is that the relationship between historical organizational developments and strategy were not established and emphasized properly, thus, the learning material could not be transferred to the job and perceived business benefits out of learning have not been realized.

Furthermore, HR is not seen as being strategic by many business leaders and hence this big gap exists and results in making wrong decisions such as unplanned allocation of resources and distribution of manpower which ultimately affects other business elements and cause organizational chaos.

As stated in previous chapters, one of the critical mistakes that many business operators make is unwillingness to appreciate the role of people as an asset to the organization in this knowledge based economy. Therefore, belittling the way HRD is positioned in their organizations.

Mr. AlZaabi, who works at Emirates Nuclear Energy Cooperation (ENEC) as Learning Systems Lead, thinks that most of the organizations are taking this matter as a top priority when putting together the coming year plan. But what's noticed that once these initiatives are written on paper, no proper follow up is taken by department heads or by the senior management. Then by the time the year is about to fold; it's realized that 50%-80% of these initiatives have not been executed and yet other activities that have not been planned for were carried out.

Moreover, most junior to mid career level employees do not know how to do the budgeting nor understand the concept. As a result, such initiatives mostly incur major costs that the organization cannot afford for the present year, or the current resources might be insufficient to turn these plans into realities. This problem can occur within any organization and so creates a big gap. Such challenge if fixed and done properly; would be a good indicator for whether a company is well organized or not.

A lot of time, HRD professionals have a very superficial idea about the organizational needs and objectives. Also HR is not given enough resources and information to understand the real business needs neither HRD specialists are involved in the strategy formulation and implementation process. This leads to separating HRD from the overall strategic framework of the organization and subsequently operating as a secondary unit.

One respondent has even indicated that the HRD approach is still widely misunderstood and confused with Training department – the ancient traditional approach. In most cases, HRD is taken for a new name for Training, hence majority of individuals world-wide in HRD positions even today lack the ability to align HRD initiatives with organizational needs & objectives.

In my view, as long as HRD or L&D is considered ancillary to all other activities and a mere seasonal practice; achieving organizational harmony will remain a challenge. Unless HRD becomes part of staff and organization growth, it won't be catered for during the initial setting of objectives and assessment of needs. If the foundation is strong, then you can build and rebuild on it.

In order to establish a strong foundation, the organizational goal, vision, mission should be clearly composed and communicated to every member of the company. These in turn, are going to drive HRD/L&D policies from the top. The challenge here is to balance those initiatives for short term and long term falling short of the farsightedness.

2. Lack of Support from Senior Managers

8 out of 15 participants ranked this among the **top three** facing HRD. According to Mr. Mirza, a seasonal Learning & Development professional, ego, fear of loss of power and desire to be ahead of new comers are all reasons that justify the unfavorable attitude of senior managers against learning and employee development schemes. He adds “...*such managers are not competent and need to be replaced if they don't change*”.

Another way of analyzing situation is accepting that managers face a lot of pressures and are always required to produce work that deliver immediate results and these endeavors to administer daily basis operations tend to distract them away from longer term development benefits. In other words, most of today's executives are too focused on short term and operational issues and has no stake in long term sustainability of the firm.

Except a limited few, most senior managers don't give the HR function the value it deserves yet. Hence, they don't get completely involved in the HR related initiatives. This in turn, leads to a failure in understanding the true business needs by the HR. A lack of understanding about the importance and benefits of training and having a learning culture can be noticed among many organizations, especially those who adopt the old bureaucratic management style.

In addition, HRD is seen as a support function rather than a business partner by plenty of executives, in fact, most senior managers don't see how human capital can enhance their organization effectiveness and business results, and few HRD experts can play a role in that.

Also one of my interviewees' feels that due to not having supporting policies and procedures and proper corporate guidance. Focus falls mainly on areas that are obvious “revenue generators”.

Mr. Kazmi, a Management Training Consultant at Quality Role sees that it's very unfortunate, but it is true that most senior managers despise, and/or lack consideration for, developing staff. They view it as waste of budgets and they fear spending on the human element due to the fact that loyalty towards the organization is questionable.

So, after examining what my candidates have to say, I believe that there is much HRD professionals can do to change the way managers perceive the HRD and its contribution to the business's bottom line. They may begin from wherever they see appropriate, but it's good to keep in mind that managers are also "people" who has certain needs and aspirations. If you, as an HRD professional succeed to make them contemplate on this reality, then it means that you are on your way to increase the number of managers who truly understand that supporting HRD initiatives is not an option but a responsibility of every successful manager these days.

3. Budget Constraints

This issue was rated by 6 out of 16 respondents among the **top three** challenges in HRD. One of the respondents, who is a managing director of a consultancy company said that many of his clients are using the current economic situation to stall development in case of any downsizing that may be required suddenly. This attitude mixed with uncertainty would create a real challenge for a business as individuals and organizations are going to use this as an easy excuse to be exempted from taking any step towards continuous development & improvement which actually going to prevent them from becoming obsolete and worthless. Likewise, every future endeavor and growth plan for the business will be put a side awaiting the financial recession to depart; which is of course not a wise strategy.

You can also see a direct link between improper alignments of HRD & organizational objectives plus poor support of senior managers that would eventually results in the HR budget constraints.

It is also the perception that many business decision makers have to date when they see spending on developing and retaining human capital as a waste and not as a future

investment. Part of it might be not possessing quantifiable measures to track ROI systematically can be the reason of unjustifiable HRD costs and thus budget restrictions by management.

This is one reason why HRD is not given due credit. When you deal with human related concerns, it's not possible to compute and produce figures all the time. When you deal with people, it's more about establishing mutual care & understanding which then develop into trust and commitment. Strictly speaking it's all about intangible, unquantifiable feelings and other complications that a traditional business mind executive doesn't want to delve into.

In other cases, whenever there is a budget constraint for whatever reason *i.e. insufficient management of funds or an implied expense that hasn't been planned for initially*, the decision makers' attention jump towards non-revenue generating functions like HRM & HRD followed by instructions on freezing hires, delaying bonuses or ceasing learning and development activities till further notice. Such actions convey the wrong messages to the employees in terms of how much the company respects them and values their needs which then manifests as decreasing production levels and lower employee morale. As a result, service quality will sink and impact customer satisfaction and retention in a negative way. If we examine this scenario from the balanced scorecard perspective, we can see that the company has compromised 3 aspects⁷⁸ to maintain only 1 and this, as you can see, is not a balanced equation.

In my opinion, the existence of this issue is attached to the improper alignment and lack of strategic approach. In other words, if HRD is treated as a top priority and a function that aids the organization to sustain its competitive position, then all HRD activities will be planned, and budgeted for accordingly. It seems that, many companies are pursuing HRD initiatives either because they are forced to do so to survive or everyone else in the market

⁷⁸ In this case, the company has compromised employees' learning & development activities (Learning & Growth Perspective), service quality (Internal Processes Perspective) and customer satisfaction and retention (Customer Perspective) to probably reduce operating costs or gain high returns on shareholders equity (Financial Perspective).

is doing it, however, the best way to look at it is as strategic partner and a powerful tool to supersede your competitors.

4. Rate of Learning Transfer & Behaviour Change

This is again, considered by 6 out of 16 HRD specialists to be a matter of concern and thus ranked among the **top three** challenges facing them, in particular, at their jobs. Mr. Weir, a renowned speaker, advisor, and author on innovative leadership suggests an interesting reason that for low rate of learning transfer and behavior change is that the learning material content is usually not applicable for the workplace. In other words, it is largely theoretical and difficult to be applied in the real work environment.

Here comes the role L&D specialists where they should maintain a broad picture of the business operations and performance measures by working cooperatively with line managers. This will enable them to identify whether training is needed to improve employees' performance and in that case design and develop learning interventions that are linked to business objectives as well as more pragmatic and relevant to the work context.

However, the best training program ever designed cannot guarantee results without constant monitoring and appropriate follow up procedure. As mentioned earlier, the transfer of learning is not measured by the L & D department or line managers, the reason why time, efforts and resources are deemed as a waste due to unavailability of systematic method of measuring such efforts.

Most of the organizations are sending their employees to external training courses, but the same employees are not examined or tested after they come back from training. The supervisors are not following up on effectiveness of the training course that has been attended; neither the employee shares any of what he/she has learned on that course. Organizations are not aware of outcome of the investment they have made in developing the resources they have. In other words, this region⁷⁹ lacks effective tools when it comes to

⁷⁹ Referred to MENA region; (Middle East and North Africa).

measuring the impact of learning on business. The causes of this issue are to be investigated and based on that, business leaders and HRD professionals should combine efforts to solve this problem.

Managers, without doubt, have an integral role to play to support employees in every step of their career. Normally, a very low percentage of employees implement and change their behavior after learning new skills. In fact, some undesirable attitudes of employees can never be fixed or changed, no matter what training you put them in because the cause may stem from stress in their work or personal lives or chronic disease, etc. For example, if an employee is always thinking he is underpaid and demanding a raise in salary but it seems impossible, he/she will definitely lose interest in work and produce less than before, regardless of the manager's continuous efforts to bring desirable changes in employee's behavior.

Behavior change is not a one-way traffic; if the employer never changes his behavior with the staff, the employees' behavior can never be fixed and that drawback further becomes visible in the front line when it comes to the customer service and customer satisfaction. That's why it's always said that managers who lack leadership skills can be a shame to themselves, a nightmare to their subordinates and destruction to the business.

Another feasible root of this issue is failing to link learning and training to core competencies. If this is the case, then it's highly possible to drift away from the main purpose why training interventions and training programs were planned and introduced in the first place. Tying learning and training to competencies leads to greater clarity and consistency around organization's learning and development objectives, effective assessment of individuals' performance and precisely measurable learning outcomes that can be sensed and amended to suit changing circumstances.

All in all, the potential of any training program or learning activity lies in the collaborative efforts and degree of follow-up that an organization maintains to optimize the transfer and application of learned material in order to attain anticipated returns out of such interventions. As Jack Welch, the former CEO of General Electric, rightly said: *"An organization's ability to learn and translate that learning into action rapidly, is the ultimate competitive advantage!"*

5. Ineffective Learning Delivery

4 out of 15 HRD practitioners said that ineffective learning delivery could represent a potential concern to the company because L&D budgets and costs could be increasing for ever without any obvious benefit to the business!

In many organizations, the delivery of content is mostly modelled on school systems that are unsuitable for workplace learning. As we discussed in chapter two; adult learning differs from that of children and likewise learning motives and delivery methods should.

A contemporary approach to organizational learning heads from balancing tight work schedules with pressing learning needs. That's why, one of the benchmarks in the field of learning and development is the successful implementation of e-learning initiatives which provides an excellent self paced learning platform for workers.

When e-learning is implemented; it's essential to incorporate adequate technological interventions alongside appropriate pedagogy and back them up with organizational commitment in order to support the learning process. With organisational commitment but without adequate technology and appropriate pedagogy, it will lead to ineffective delivery system and compromised learning outcomes. On the other hand, heavy reliance on technology without well-defined pedagogy and strong organizational support will result in ineffective learning process.

As far as learning specialists and trainers are concerned, a close look at their credentials, experience and results that has been produced so far from previous training programs should be put as criteria in the selection process. Unqualified or inexperienced trainers could abolish the entire learning arrangement by de-motivating learners and cascading the wrong image about the whole concept of learning. No tutor or trainer should be permitted to conduct a learning activity until he/she acquires the necessary certifications and undergoes predetermined trainer preparation sessions *i.e. Train the Trainer*.

Mr. Al Zaabi commentates: *"This is another challenge that many organizations are not taking seriously. A fortune is spent on developing the human resources but the outcome is null. It's a common practice in this region that L&D proponents' are sending employees to training*

outside the company for the sake of giving them Training only. This is in spite of the fact that senior management knows very well that 90% of such training courses are not useful for the organization”.

We can also conclude that budget constraints and inadequate implementation of e-learning initiatives contribute towards the ineffective learning delivery in organizations.

6. Employee Unwillingness to Learn & Develop

Employee unwillingness to learn and develop is another point which was raised by 4 out of 15 field experts who asserted that this factor can affect the bottom line of the business.

With a diverse workforce in terms of culture, gender, age, etc; you have 22 - 60 years age group workers in the organization. Willingness to learn can be facilitated but not forced upon. Making matured and experienced employees to learn while at work is what needs to be done. How shall L&D practitioners do that? It's a challenge until the organization has instilled the continuous learning and improvement principle in all its members.

Ms. Anahita Barjori, Learning & Development Manager at Emirates Group believes that in the Middle East, employee motivation is questionable due to a large number of expatriate employees and poor HR practices. Mr. Senyonga, an Assistant Director of Learning & Development at Emaar Hospitality Group LLC agrees with her and adds: *“Employees in the UAE care more about the salary not growth and development”.*

A good response to that is in Middle East and UAE specifically, most employees here from the unskilled and skilled labor group who merely get their every day's necessities which are the lower order needs according to Maslow's hierarchy of needs⁸⁰ which always gets the priority. In addition, as the percentage of educated knowledge workers increases in the country and region on general, the drive for learning and growth is going to become higher.

⁸⁰ Maslow's hierarchy of needs is a theory in psychology, proposed by Abraham Maslow in his 1943 paper *“A Theory of Human Motivation”*. This hierarchy of needs is often portrayed in a form of pyramid and contains five levels where the most fundamental needs *i.e. physiological needs like food and water* are situated at the bottom of the pyramid and the need for *self actualization* at the top. Read more at: http://en.wikipedia.org/wiki/Maslow's_hierarchy_of_needs

Part of it is unique to the situation of a particular nation; however, other elements such as poor HR practices could be found almost everywhere which again a fruit of less strategic approach of business leaders and no counting HR as one of the business priorities as discussed earlier.

Other reasons that contribute to this issue have been expressed by one of the respondents as follows:

- **Shortage of time:** most employers' prefer that their employees learn off the duty time. In return, employees are not willing to spend additional time away from home and family especially if they don't see how learning contributes to their professional development and thus rather not to do it at all.
- **Breach of contract:** some employers don't want to invest in their employees if they think that they will leave soon. In such cases the employers ask employees to sign a commitment to pay back the training investment if the employee breaches the contract. Signing such bounding papers is always a concern for the employee.
- **Extra responsibilities without compensation:** another factor is that employees hesitate to learn new skills when they don't expect any financial reward as those additional skills will usually bring about extra job responsibilities but without any compensation.

7. Under Resourced L&D Function in the organization

Under resourced L&D function in the organization is one of the undeniable realities in contemporary businesses. Up to 3 out of 16 interviewed HRD professionals admit that they are unable to attain their L&D objectives due to scarcity of resources.

The ongoing tension of not approving L&D budget has been the case ever since. Furthermore, it's the first cost to be slashed during crisis. All these are consequences of the previous discussed issues like failing to understand how L&D contributes to the overall business goals and non supportive managers who don't have the foresight to develop team, and decrease turnover.

All these points lead to dearth of well-qualified learning and training professionals' and funds that could be used to carry out learning initiatives.

Resources also include all sorts of systems, tools, as well as learning material that will help the department to function and operate effectively.

Recognizing the benefits of training and the importance of having a learning culture will definitely yield substantial benefits to the organization. In order to that, L&D must be among the top business priorities.

Other HRD specialists have also perceived other factors to impede the HRD facilitation such as inadequate implementation of e-Learning initiatives and content localization & translation especially when it comes to varying requirements of the business and unsuitability of standardized learning initiatives. This is because the learning activity for instance, needs to be designed and developed to bridge the existing performance gaps in any given business. Moreover, elements like geographical location, industry norms as well as organizational culture should be kept in mind while planning HRD initiatives. Besides, the company cannot introduce an intervention just because it's a huge hit in other markets or has shown great results with specific companies; the key principal is interventions are usually carried out to help companies either fix a deficiency or achieve a goal.

Who Should Formulate & Implement HRD Strategies?

In a subsequent section of the interview, participants were also asked about who do they think should formulate and implement HRD strategies for business, **Exhibit 5.3** reveals what they had to say.

According to 44% of the respondents, HRD strategies should be owned and executed by senior management. This is because senior managers are the best people who understand the business and therefore the assurance to generate appropriate HRD initiatives. Also it's more likely that strategies that were formulated by managers to gain strong support and be closely supervised during implementation phase.

On the contrary, 38% agreed that HRD strategies are about every member in the organization and hence everyone should be involved in the process of formulating and implementing HRD strategies. These collaborative efforts from everyone will guarantee commitment of all members whether they are employees, managers or HRD specialists.

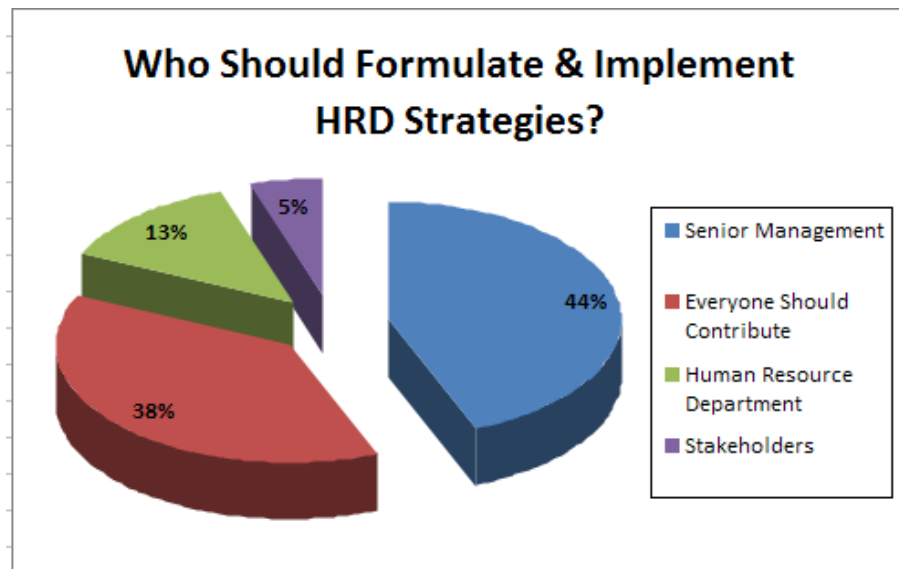


Exhibit 5.3 – Who Should Formulate & Implement HRD Strategies?

13% of the responses were for human resource department formulating and implementing HRD strategies while only 5% said that all business stakeholders should carry out this task.

In my opinion, I'm more with the group which indicated that everyone should contribute to the HRD strategy formulation and implementation process. Involvement is a strong strategy in itself. It arouses the sense of ownership and responsibility towards the organization, this then translates into total commitment and loyalty to the company and its members.

The interview participants have also shared their own views regarding HRD which I'm listing as follows:

- HRD initiatives should be of greater quality; in many cases, HRD is not as good as other aspects of the business when it comes to quality standards.
- HRD should be pro-employee and not pro-management. Empathizing and taking action to make employees happy what is required and not sympathizing and opening the exit door to the employees.

- Improve strategic thinking skills of HRD professionals in both business and organizational sense.
- Appoint considerate and talented management who would support & value HRD initiatives.
- Promote shared best practices and creativity among HRD professionals.

Reflection on The Overall Experience

I have to admit that my overall primary research experience was rewarding and beneficial. In spite of the fact that many things could have been done in a better way, I'm quiet satisfied with the current amount of preparation, response rate and quality of answers I got.

I also wanted to comment on the type and quality of responses that I've received and analyzed in this section, while all participants have done extremely a good job in providing me with a set of valuable information; I'd like to specially thank Mr. Fritz Bangert, Mr. Humaid Al Zaabi, Dr. Tommy Weir and Mr. Yawar Ali Kazmi⁸¹ for their in-depth answers and ideas that I feel contributed the most to this section of the report.

I'd also like to highlight few points worthwhile mentioning about these interviews. I can summarize them as follow:

- Several respondents were not serious or cooperative or responsive.
- Low response rate (16/40)
- Time constraints
- The overall sample doesn't represent the actual scene due to the small size and thus the outcome cannot be generalized.
- The answers varied depending on the industry and geographical location of the respondent.

⁸¹ Please refer to the appendices section to view the profile of each participant.



Case 5.1

Focus on United Arab Emirates

Getex Dubai's HRD and Training Forum

Discussed Critical Issues In Middle East's HR Agenda

Getex Dubai 2010, the Middle East and Asia's leading education, training and professional development event, has revealed that issues concerning Emiratisation will be one of the biggest challenges of HR professionals at the start of the new decade as the UAE Government intensifies its efforts to integrate the increasing number of local graduates into the UAE workforce, particularly in the private sector.

Up to 80% of UAE nationals work in the public sector primarily because of more attractive salaries, more conducive working hours and job security, while Getex Dubai also noted that unemployment among Emiratis currently stands at around 12% according to figures from the International Council on Security and Development.

Getex Dubai has pointed out the need for HR professionals to be fully aware of the issues, challenges and opportunities linked to the ongoing drive for nationalisation in the UAE, as part of the changing focus of HR departments from pure administrative and risk functions to a more strategic outlook.

Anselm Godinho, Managing Director, International Conferences & Exhibitions (IC&E), organizer of the event, said:

"As new challenges continue to emerge, business organizations now aggressively optimize performance and productivity across all levels of the corporate hierarchy. HR departments, in particular, are now given greater responsibility to develop strategic HR programs and solutions that deliver concrete business value. Moreover, in light of the government's growing focus on Emiratisation, HR has now become a crucial link in the process of integrating a growing number of UAE nationals into the job market, particularly in the private sector."

Source: AME Info. The full article available at: <http://www.ameinfo.com/225404.html>

CHAPTER SIX

HUMAN RESOURCE DEVELOPMENT: FOCUSING ON THE FUTURE

As mentioned earlier, HRD is now becoming a strategic issue for many organizations; therefore, a new approach to measure its impact and contribution to business is required because the traditional quantitative measures are no longer sufficient. This new approach promotes the concept of “return on expectations” rather than “return on investment”.

To elaborate on this more; I prefer calling it return on expectations because HRD activities are designed and executed in partnership with the people who will determine its value. Moreover, it's a more reasonable measure to determine say what kind of behavior change that can be expected from people after attending a learning activity or how organizational performance is going to improve as a result of driving appropriate learning initiatives. This, in most instances, is a much easier way to measure the success of HRD initiatives.

Thus, many contemporary HRD practitioners advocate moving away from the idea that “training & developing people is an investment”. They believe that all sorts of human development solutions *i.e. training, learning, career development and organizational development*, primarily exist to assist in improving business performance on a daily basis, but these activities must be focused on what is needed rather than what is the fad.

In this concluding chapter, I'll strive to discuss a wide range of solutions as answers to the previous chapter's challenges. We still need to analyze the various methods that were recommended by our field experts and deduce a set of conclusions for this research project. Further more, we will shed light on what kind of best HRD practices can be acquired and mastered to be among the leading organizations in this field, again as per interview respondents' opinion.

Towards A More Rewarding HRD Approach

Having concretely established HRD policies and practices in the organization means providing a rewarding experience to all people attached to the organization. In other words, when a company provides a meaningful employment experience for its employees in terms of helping them to fulfill their aspirations by constantly polishing their skills, upgrading their knowledge and contributing to the success of the company, employees will have a sense of gratitude and commitment towards the company and hence will provide exceptional customer service that will result in delighted and loyal customers. If the customer is happy, the business will grow and yield substantial benefits for the shareholders who in turn will be content.

As it clearly appears, this cycle is quite definite and requires a strong base in order for the rewards to manifest for all parties. Since we have agreed on this, let's next offer some rational solutions to the top seven challenges that we have covered in the preceding chapter. We will do this in the same style and present diverse strategies that companies can apply to get most of their HRD initiatives.

1. Alignment of HRD Initiatives with Organizational Needs & Objectives

As per our previous analysis; this issue was the major one that contributes somehow to the emergent of the remaining six issues. Interviewed field experts made several suggestions to resolve this issue.

At first, the company should improve the systematic thinking of senior executives and L&D specialists by heavy involvement in intensive discussions and board level meetings in attempt to collectively resolve the current challenges facing the business and further brainstorming alternatives to identify available options. Then, criteria should be set for selecting the best option considering business limitations in terms of time and resources. In the process, organization's vision, mission and values should run in all participating parties as a second nature so that it reflects in their saying, actions as well as their long term goals and aspirations for the business.

In addition, follow up should be done by the HRD specialists in the organization and by saying follow up it means to have a clear audit process for doing this task. At the end of the year, senior management (Headed by the CEO) should review the outcome and make sure that these initiatives have been accomplished and comment on any initiative that has not been met. Reasons should be justified by the organizations heads and this will be followed by taking necessary measures to ensure that things will go according to planned in the future.

One fundamental aspect decrees that a management with a clear vision and set of long term goals should spend more time with HRD specialists in the organization in order to formulate proper strategies and commit to implement them. Everyone should also contribute towards evaluation and controlling the outcomes on regular basis to ensure that HRD initiatives are tallied to the overall business intents and priorities. In other words, HRD needs to play strategic role in achieving the organizational goal by understanding the deliverables and the reason why the deliverables are expected.

Another wise plan of action entails HRD employees to be rotated in the core function of the business for at least 4 months to get a full sense of each function and comprehend it in a better way. This will then rule all the aspects of planning to designing & developing to facilitating to evaluating HRD interventions. In addition, The HR team should be genuinely HR qualified and trained and tested before they take charge of HRD.

For lasting success, organizations need to offer long-term, blended training programs that are tied to overall corporate and talent strategy. This can be challenging as it requires the management team, at all levels, to have a clear understanding of the company's short and long term needs, goals and benefits. It's critical that those responsible for creating training and development programs align the programs to meet the needs of corporate strategy, in addition to that of the employee, and ensure that they're rooted at the core of the process.

From this discussion, we can infer that the alignment of HRD initiatives with organizational needs and objectives is the core foundation for formulating healthy HRD strategies and achieving business objectives by upgrading and uplifting organization's human asset.

Organizational alignment could be seen as both an outcome *i.e. HRD resources allocation decision making and evaluation* and a process *i.e. the management of the ongoing interaction between the HRD function and other organizational stakeholders*. To put an effective alignment mechanism in place, a high level of transparency and interactions with both executive managers as well as HRD practitioners in the organization must be facilitated; this will ensure information sharing, formalization and strategic HRD decision-making as part of a “strategic partnership” between HRD and other stakeholders.

2. Lack of Support from Senior Managers

Many managers and, in fact, employees don’t understand the essence of having a strong HRD practices and its future capabilities for business provided they are employed wisely to support the bottom line of the business. This was another challenge that several respondents showed concern for and simultaneously gave suggestions to make it disappear.

First of all, train all managers. A well organized and good behavioral manager is the key to change the behavior of his staff. Balance the job responsibilities, discourage internal politics, implement equal opportunities policies, respect employees, don’t break promises and invest on their development and provide maximum benefits. The result will be a great impact on the behavior which will alternatively inject to the customer service and business development.

The senior managers should also realize the vitality of talent management and human development; molding and educating leaders about leadership and the value of human resource would be crucial to gain their support at later stages. This would be followed by establishing proper support systems for suitable talent management of seniors and juniors. This should be accompanied with reasonable incentives and recognition.

Senior manager should be the owners of development of human capital. They should literally be involved in formulating the HRD initiatives for their functions at a greater degree. In addition, they should contribute towards providing continuous feedback on the degree of execution (no involvement – no commitment). HRD specialists should create a

buy in on all the major decisions so that the HRD initiatives taken are applied by the functions.

Senior management should have a background or receive sufficient training to be able to execute and monitor HRD related tasks and assignments. This training could be on the job or off the job. In fact, team development and performance should be one of the criteria that every manager should be evaluated against during his/her performance appraisal process. Besides, management incentives and bonus to be linked to key responsibility areas including Human resources development.

If organizational policies are designed based on the aligned HRD and business needs and objectives, then it's more likely to be acted upon by all members of the organization and be regarded as an important company procedure and rather ritual that all the members should take charge of their continuous learning and development and managers will be held accountable for their people development skills.

The role of HRD specialists in the organization actualize here in designing learning initiatives that would instill leadership competencies and further define top management commitment and operational managers' support for their direct reports as critical success elements. HRD specialists must also perform their duties of coaching and counseling as a development process to these managers which will ultimately lead to achieving the desired results.

3. Budget Constraints

Although insufficient budget could be viewed as a direct result of improper alignment and lack of managerial support; yet there are steps that can help minimizing the undesirable effects of this issue.

The organization need to identify a way to quantify as many learning outcomes as possible, though it may be difficult for some variables, in order to be able to produce more measurable information regarding the payoff of HRD to the business performance and thus convince the management of the need for better budgets to maximize those payoffs or else,

a reasonable amount of money needs to be set aside for emergencies depending on the needs and size of the organization.

The HRD practitioners need to plan short term and long term financial expenses carefully and abstain from spending on activities that would have rootless outcomes or won't contribute towards enhancing neither employees' performance nor the business's bottom line. This effective management of departmental budget will lead to limiting expenditure only to crucial, high-end activities and help in avoiding sudden budget shortages.

Managers' should stop giving excuses of economic recession and use this time as an opportunity to strengthen their company's situation by developing their internal talent pool and capitalizing on their peoples' skills and capabilities so as to make them prepared to face all sorts of challenges that may occur as a result to external or internal change process. In fact, it's more relevant to spend on training and educating people in these quiet times rather than investing money on other activities that won't yield much in return. In plain English, when business decision makers see their people as a prime contributor to their business growth, they will invest more in them. Once the importance of human resource is realized, the budget for human resource development won't be an issue.

After all, this challenge won't exist at all if conventional review sessions take place on regular basis and include key HRD practitioners along with senior management to evaluate and revise financial requirements against emerging trends in the business.

4. Rate of Learning Transfer & Behaviour Change

This is an issue that leads to wasted time, efforts and resources if learning activities were irrelevant to workplace context and reality. I divide the responsibilities on line managers, HRD specialists and the employee to help in overcoming this particular issue.

Most importantly, learning and training should be linked to core competencies to be able to appraise and reward improved skill/behavior at work. This will encourage employees more to improve and apply learned skills or knowledge in the actual work environment. Also in line to what we have discussed earlier about treating learning as a strategic partner;

building stronger cases for development in terms of delivering strategy and ensuring that content is driven by this need rather than generic training with no clear reason will facilitate the transfer of skills to the workplace.

Line managers or supervisors can contribute on a large scale to activate this process by providing an environment that is conducive to learning and change. They should also plan L&D initiatives in a way that will lead to back up departmental key performance indicators.

Further more, a clear process and procedure should exist for anyone going for training course where he/she should present what was learnt, and the managers should make sure that what was learnt in the training course will be implemented in practice. This is possible when a supervisor assigns certain job related tasks after the learning activity to facilitate the transfer of learned skills and knowledge. This is followed by regular follow-up and periodic auditing to make sure that all tasks are tracked and completed successfully. In addition to the auditing, managers should also do regular coaching and counselling with employees to find out whether there are other reasons that impede the application of what was learned in the actual workplace.

As far as learning specialists are concerned, I believe that they should incorporate a variety of learning methodologies. Any successful learning solution should not include lecturing for more than 30% of the total time as most people learn best by doing and getting involved. A variety of modes should be the secret to success and experiential learning should be promoted to ensure that everyone is getting the opportunity to learn by application.

Another good idea entails that learning specialists should attempt to include the latest research, models and trends in the learning activity to make it more beneficial and relevant to employees and their work. In fact, every single activity that is part of the learning solution should be assessed by asking: “how this will be implemented?” and then anything that has no or vague answer should be cut out.

I also feel that every learning program shouldn't be designed without a follow up plan in the first place *i.e. simple assignments, tests, or ask learners to prepare a presentation to their colleagues to transfer learning*. The results that will be accomplished due to incorporating

follow up plans as part of the total learning program will make them crucial not complimentary components for any learning activity.

Learners can take the initiative and request for to be coached on how they might apply their learning. The learning specialist can guide them to come up with their own improvement project or task and again support and follow up until closure. Line manager should also be involved for maximum impact.

Overall, we can assert that there is no short cut to achieve marvelous results straightaway. Every employee has to take ownership of his/her development. The message need to be clear and every manager has to own the responsibility of developing his team. Improved performance and continuous personal development should be linked to his/her progression in the organization. This could then, be one of the most effective ways to get desired results for both employee and organization concurrently.

5. Ineffective Learning Delivery

In the previous chapter, we've also tackled the ineffective delivery methods embodied in theoretical nature of the learning contents as well as non-qualified learning instructors.

At the outset, there is a need to change the view that learning is just a classroom, teacher-based activity. This new approach will result in moving away from didactic training towards a multiplicity of development tools including guided apprenticeships, coaching and effective information management. In fact, the blended learning mechanism could be implemented to cater to the needs of adult learners in terms of varying learning styles and learning topics. For instance, visual learners will benefit more from learning activities that will stimulate their visual sense *i.e. mind maps and training videos*, whereas an auditory learner will prefer instructor led session where their hearing will be evoked *i.e. group discussions and questions and answers*. This can be looked at from another perspective in which the topic dictates the learning methodology. This mean, when a skill is taught *i.e. operating a machine or application of presentation skills*, kinaesthetic or learning by doing is more applicable to ensure 100% skill possession while when learning is sought to improve attitude and character then counselling and coaching are the best approaches to adopt.

Additionally, instead of investing only in classroom training, the HRD and senior management might want to look into the option of developing e-learning modules, because they are effective and efficient in terms of learning and cost. Moreover, e-learning could also accommodate learners at any time whenever they are prepared to receive learning at their own pace and learn in communities so another advantage will be encouraging collective and shared learning which will contribute towards creating a learning organization.

Another key element to ensure effective learning delivery is to define criteria through which proper selection of learning professionals or consultants can be guaranteed as per organization's need and further maintain a database of the same for future reference. The fact of the matter is that, most of corporate learning and development programs tend to be somehow identical and standardized which defeat the whole purpose of their existence. There is a huge need to understand that every company has a unique set of demands and issues that needs to be addressed in different manner and using different tools and arrangements. The HRD units may need to rethink the reason behind their existence and develop learning models that would be more appropriate to the nature of their business and industry rather than offering parallel courses to everyone.

One of the participants has actually explained his employer's situation with this regard, he contends: *"In my experience, ENEC is a great example of the new mentality in this region. ENEC has designed and developed their own customized courses and brought up their own instructors to teach these courses based on company's needs. All in-house training courses are tailored or designed based on the current situation that ENEC is going through. Such courses are always updated according to the changes that occur within the organization. A dedicated Corporate Training Team is following up on each training course given, and employees' feedback are always taken under consideration for further improvement. Moreover, those employees who wish to attend external courses will be required to justify the reason (with supervisor's justification as well) which further will be audited by the training team to make sure that such training is effective".*

Also to contribute towards resolving ineffective learning delivery issue, HRD or L&D specialists should design and deliver learning activities by consulting with operational managers and figuring out how they can help them bridge their departmental performance gaps pertaining to employees. Often, L&D department gets in the way because they are not rigorous enough in analyzing the root cause of operational issues and not clear in what the solution is that they need to design and deliver. Thus, with the providers not understanding what is really required, they deliver something that is typically sub-optimal.

Finally we can also infer that under resourced L&D department and scarce budgets manifest in the quality learning delivery. That's why, we keep emphasizing on the necessity of treating HRD as a strategic partner rather than mere another administrative function of the business to assure adequate support and resources distribution to aid HRD to serve its main purpose in a more comprehensive manner.

6. Employee Unwillingness to Learn & Develop

There is a saying which goes: *"you can lead the horse to the water but you cannot make it drink"*; the same principle applies to learning and development. It's difficult to develop an interest in something unless there is a drive. There must be something in it for the employee hence; any learning activity should clarify *"what is in it for me"* for the employee in frame of what is best for business as well.

The learning specialist must make this clear in the beginning of every learning activity; in fact, to start from the root, the employee should not be sent to any training program if he/she is not motivated to do so. Here, the awareness of adult learning principles⁸² when designing, delivering or even evaluating the outcome of a learning activity decides its success or failure. It's without doubt, the most successful learning experiences are those when employees believe that by learning they will acquire skills that can increase their values on personal and professional levels.

⁸² Illustrated in Exhibit 2.1

Essentially, organizations must view employees as business partners who help in achieving organizational goals. They pay employees in exchange to the value they provide to the company and to the extent they help the company to attain its objectives. Employees do so by turning the set of knowledge, skills and experiences they possess to a work or product that will solve business problem. However, many of these skills will become obsolete if not upgraded and polished on continuous basis.

Line managers also should educate themselves to set a good example for their subordinates and understand that if they invest a bit of employees' time for the employee development; it will yield positive returns on the long run for the business and increase employees' commitment and dedication to the company. Conversely, managers shouldn't force employees to learn at home or off duty timing and let them feel they are being taken care of.

The organization must also adopt good HRD practices that would in turn encourage employees to learn and develop. Such practices include effective performance management processes that involve appraising employees' good performances and identifying development needs. Identifying learning needs, planning career development as well as assigning project groups could be some of the possible outcomes of any performance management process.

Linking continuous improvement to a reward that is valued by the employee could also evoke the sense of continuous learning and development in an employee to achieve higher level of performance and thus maximizing his/her chances of obtaining material and non-material rewards. Besides, the company could introduce assignment based learning as most on the job learning methods are relatively easy to be applied in a way or another, however, off the job learning *i.e. certification program or professional conferences and seminars* need to be linked with work based project in order to ensure that employees are constantly acquiring and applying up to date skills and knowledge that benefit them and their company simultaneously.

A last advice from one of the respondents to all employers: *"Trust your employees, respect them, promise and don't break your promises. Build a good work environment where the*

employees will have opportunities to advance in terms of power and financial aspects; the result will be long term jobs where no employee will think to breach the contract and find another employer. When you have already prepared such work settings; feel free to invest in your employees training and development without risk and enjoy the long term benefits".

7. Under Resourced L&D Function in the organization

Apparently, this is one of the challenges that is said to hinder HRD endeavors from being viewed as strategic partner for the business. As discussed earlier, other factors like inefficient alignment and insufficient support of senior managers can constitute the main causes for the emergence of this issue.

The emphasis that L&D budget should be aligned with the organization growth, objectives and needs and the notion that if L&D budget is to be cut, then it means compromising on the quality of the entire learning process and accepting poor outcomes. Also if continuous learning and development is among business's top priorities as well as employees' individual development plan and is coherently tied to bonuses and incentives then I believe adequate amount of resources will be allocated by top management to serve L&D activities.

In case improper budgeting has created resource shortage and challenges to run the L&D operations smoothly, the idea of having a contingency plan works just fine temporary. For example, the company can lease or rent some of the equipments as another option. Additionally, it can form strategic alliances with similar businesses or training institutions who won't mind providing their services *i.e. venue, learning equipment and facilities* for a reasonable fee.

The company can also increase funding towards Training & Learning by using multiple sources such as government subsidies and grants, chamber of commerce or business loans as a last resort. Then those funds should be directed towards research and development, acquisition of appropriate and up-to-date equipment, tools, general maintenance and management of Training & Learning function.

Nevertheless, if the company is really learning oriented then there is no doubts that it will seek keeping itself to new trends in L&D such as technology and investing in e-learning for instance. Meanwhile, the company would also establish reporting systems that will enable them track the benefits investing in learning resources and systems.

To sum up, the above suggested solutions and ideas looks very attractive and convincing on paper; but once the time comes for real implementation; it seems not reasonable for a reason or another *i.e. lack of resources, being so engrossed in daily issues, no proper planning, unwillingness to think strategically, etc.* This responsibility definitely lies on the shoulders of business leaders to own a corporate philosophy and vision that will value people and facilitate their continuous development for business betterment. It's their responsibility also to appoint the right person in the right place to transform this philosophy and vision into a reality that will further articulate the success story of the business.

What is desperately needed, not only by the HRD practitioners, but business in general, is a new and radically different paradigm for human resource development and particularly learning, that is always present in every manager's agenda, enhances business effectiveness and is in line with the changing needs and interests of employees and employers.

Learning From The Corporate Leaders

It's always a wise idea to try not to re-invent the wheel and instead, extend the learning process to the generic benchmarking of world class organizations. Benchmarking allows the organization to learn from the best in the field, establish entrepreneurial networks and accelerate success rate.

Part of the structured interviews that have been conducted to discuss the critical challenges facing HRD, were to ask the respondents to comment on: *what steps they think successful organizations were taking to maximize the value of their Human Resource Development function.* The answers were very diverse and innovative and I decided to summarize them under this section to add more value to this report.

One participant claims that today all over the world organizations are working on a model called: *"Fill it, Shut it and Forget about it"*. The essence of this model is creating a sustainable SYSTEM which is based on fair treatment of as many requirements of the employee as possible without losing the sight of profits. Further, continuous amendments are required for this system to improve and complete it. This varies from one organization to another and usually created by senior management team with collaboration of HRD specialists.

Another response to this question contends that there are many examples of excellent integrated talent management systems in place where thorough TNA and development analysis is being mapped to the HR and wider business strategy. Building on this integrated talent management approach is an effective engagement strategy and a source of competitive advantage to HRD and the business alike.

A third respondent emphasizes on treat people as human beings, not as a resource only. This is by ensuring that employee's needs are met so they can concentrate on improving the performance of the organisation. One of the ways through which the organization can achieve that is by designing innovative reward and payment models as well as managing the continuous development of the internal talent pool.

A different respondent asserts that private companies are always taking profit as an indicator. There, the question that comes in mind, is it worth sending out this employee for training? Will he/she give return my money back by doing a better job? Will the employee be loyal to the company? What if the employee leaves the company? What are the other alternatives? Etc...

A lot of questions being raised by such private companies and most of these companies are linked to the money value and return on investment. But not to forget that money measurement is also linked to the level of the employee satisfaction. Does the employee feel that he/she is getting the required training? Is the company giving him/her the chance to develop his/her skills and knowledge?

Both points are to be taken under consideration when measuring the value of human resource development.

But what about government and non-profit organizations, what are their measures? Particularly in this region⁸³, very few companies have a vision and a clear strategy. But those few government entities are the ones links their high level achievement with their staff achievements. Let's take ENEC⁸⁴ for instance; the Nuclear Project milestones achievements are directly linked to the staff achievements and vice versa. Such achievements are linked directly with a performance structure that gives out bonuses. Bonuses are more valued in this region over a recognition certificate. We did not reach to the mentality where we would be happy with a photo with a CEO recognizing the achievement, but what counts here is a win-win situation which comes through mutual respect and benefit for all involved parties.

Someone else states that leading organizations involve HRD Function at a strategic level. They do so by developing a strategic plan for HRD that aligns with and supports the company's overall vision and mission. These organizations also implement human resource initiatives and approaches that are suitable to their business size, interests, and resources as well as collaborate with other business functions to create a value chain which ultimately results in saving money and efforts and manage more efficient business processes.

Another view on how successful businesses promote healthy HRD initiatives is that in those businesses, recruitment is based on attitude and not skills. At the same time employee satisfaction and development are key focuses while new trends are being studied and implemented. Further more company's culture and values are communicated and applied by all and there is an effective performance management system that is being executed and monitored on regular basis.

⁸³ Referred to MENA region; (Middle East and North Africa).

⁸⁴ Emirates Nuclear Energy Corporation which is located in Abu Dhabi - UAE

Additionally, leading organizations normally assess functions, roles and Jobs from competency perspective and there, human resource helps in recruiting, training and retaining people from competency model framework. The Senior Managers carry out more all sorts of HR roles i.e. recruiting, developing, performance management, etc each in his/her respective department as leading organizations always prepare the line managers to be effective at HRD.

Some other participant emphasize on the importance of recruiting right and providing employees with all necessary information to make them feel valued and know what is expected of them. Moreover, give them an idea of how their future can be with the company by employing related initiatives such as continuous learning and development, career planning and pathing and succession planning.

Finally, leading organizations are consistently learning and establishing organizational needs and extracting the individuals' training needs analysis. The senior managers there keep mentoring and training individuals in teams and facilitating operations through provision of, and access to the right resources. Upon accomplishing exceptional standards of performance; individuals are rewarded and assisted to improve and achieve further.

Any company can lead and create a model for success that can be followed by others only if it takes the time to strategically align and integrate its performance and learning management processes through: competency models, identification of skill gaps, learning programs tied to corporate strategy and talent management automation. Once all these things have been worked on, companies would be able to derive greater benefits from their workforce, reduce costs and provide outstanding bottom line business results.



Case 6.1

Focus on United Arab Emirates



EZW Assessed Top Performer in Human Resource Development Initiatives in The Region - JAFZA - Jebel Ali Free Zone

Global free zone operator Economic Zones World took home the top award at the GCC HR Excellence Awards 2011 held recently as part of the 6th Human Assets Expansion Middle East Summit, by securing the first place in the Best Training Strategy category.

The organization's diverse and innovative training programs as well its commitment to human resource development were amongst the several deciding factors that won over the panel at this year's awards.

Adel Bin Turkeya, SVP Human Resources, Economic Zones World, said: "We are honored to receive the GCC Excellence Award. Our efforts to cultivate a dynamic team of employees have enabled us to retain our competitive edge. EZW has always maintained that its people are valuable assets and important to the company's success and long-term business sustainability. Besides offering equitable and competitive compensation, EZW is committed to fostering overall development of its employees. This award is an incentive to step up our efforts and perform even better"

The free zone operator's ongoing initiatives include orientation programs, customized in-house training courses, the Corporate Development Program, which is accredited by KHDA and University of Dubai, the Mishwar Program, specially designed for freshly recruited UAE Nationals, and the Job Rotation Program implemented this year for employees to widen their knowledge in various functions within their department, among many others.

The company has also initiated various programs not directly related to employees jobs like 'Money Matters!' launched to instruct employees on money management and financial planning for the future – an initiative that is particularly relevant in the financial downturn; cultural awareness sessions for expatriate employees and basic safety induction awareness sessions.

Held under the theme 'Human Capital – Catalyst that makes your organization grow and succeed', the three-day 6th Human Assets Expansion Middle East Summit brought together CEOs, heads of human resources and development departments, recruitment managers and other HR&D professionals from leading Middle East companies.

Source: JAFZA Press Releases. Available at: <http://www.jafza.ae/en/press-releases/ezw-assessed-top-performer-in-human-resource-development-initiatives-in-the-region.html>

CONCLUSION

It has been a fascinating journey to explore/dig into various aspects of HRD and other associated topics. During this course of exploration, we've learned about the difference between HRM and HRD moving on to identifying the key components of HRD and having a closer look at each. Further, we have distinguished between training, learning, development and education and how they are interrelated then enumerated the various roles of HRD practitioners in today's business. That lead us to introduce the CLO and understand his duties and responsibilities.

We have also acquired comprehensive information about strategic HRD, knowledge management and learning organization and learned how can HRD facilitate change. The main discussion was revolving around the top seven challenges facing HRD in our contemporary time and recommendations on how to overcome them.

My personal gain out of this whole experience was very rewarding and worthwhile as I've really acquired knowledge that will benefit me a head in my field. I've incorporated various sources and distinct opinions and approached within this report hoping that these may, ultimately help in re-presenting HRD in a new and extensive dimension.

During this course of hard work and continuous enlightenment I reckoned that, luckily, many HRD elements can almost be generalized to some extent regardless the nature of the business, industry or geographical location. Globalization of markets, standardized business processes and practices as well as technological and information revolution has contributed to this on a large scale. This is especially true when we talk about issues concerning human aspect of the business because we all regardless our unique differences tend to share something in common; our "endless capabilities towards learning and improvement".

In this context, employers need to evoke these capabilities and provide that environment where people can work, learn, improve, perform and achieve. Here, and only under such

circumstances the business will flourish, the customer will cheer and the shareholders will rejoice and as result the community will be more prosperous.

Alignment, shared purpose and agility are all drivers of sustainable organization performance, and important issues for HRD and business leaders to focus attention on, whatever the economic climate. Nevertheless, it's also wise to assert that none of these can be nurtured if people are under valued and not involved or motivated.

Expressly, after referring to a variety of research resources *i.e. primary, secondary and tertiary* and methods *i.e. qualitative and quantitative* to complete this research project, I'd like to share few personal thoughts which I believe, can enhance the quality of human resource development initiatives in general.

1. Once organizations succeed aligning business objectives with HRD function that continuously works on delivering performance improvement, HRD will be taken more seriously. Once the mindset of referring to learning as an "investment" will vanish, learning could be employed –in all its forms– to drive successful organizations.
2. Managers fulfil a key role in changing HRD practices; however, sometimes it is difficult to get them to fulfil this active role, either because of their workload, lack of affinity with HRD tasks or a lack of skills in this field. Therefore in the short term, it is necessary to find strategies to involve managers in HRD, by changing their views on learning and increasing their motivation to support learning. In the long run, consideration should be given to incorporating HRD skills in all management training programmes
3. Companies should seek cooperation with higher institutions and universities for vocational education in order to assist in the creation of an infrastructure for lifelong learning. Additionally, administrations and governmental agencies should set the example in adopting a clear learning organisation approach and more sophisticated human resources development policies.
4. As soon as business leaders realize that the human talent is the number one differentiator between great and so-so businesses as per modern corporate

definition, they would focus necessary measures, tools, targets and initiatives to deploy this talent in preparation to anticipated changes in order to capitalize on organizational strengths and overcome its weaknesses.

Before I conclude, I'd like to quote few words said by Tony Bingham, *the President and CEO of American Society for Training & Development (ASTD)* on the death memorial of one of the great leaders in our contemporary world; Steven Jobs, *the CEO of Apple Inc.* Tony remarks: "Building a great company –like Apple Inc. – and making sure that it stays great doesn't happen overnight, but it is within the reach of all organizations. And we all know that it starts with people. Recruiting, developing, inspiring and engaging your talent are critical to the growth and success of all organizations".

With these words I'd like to wind up the theoretical aspect of my research. This however, leads me to a more exciting world where I will start applying the lessons learned and contribute towards transforming the mindset people look at businesses. In order to achieve exceptional performance and growth, the bottom line of any enterprise in the 21st century should be ***"It all starts with people and for people"!!***

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APPENDICES

- **Sample Email Interview Questions**
 - **Sample Email Interview Invitation**
 - **A Glance On Interview Participants**
 - **Suggested Reading:**
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