THE APPRAISAL OF HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT

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Abstract

The purpose of this paper is to examine the evolving terms in human resource management (HRM) and human resource development (HRD). Based on a review of the literature. This paper draws the concept surrounding the terms in human resources management and development. The findings highlight that the terms HRM and HRD have evolved along with globalization and rapid technological advances. Due to these changes in the environment new terms are seen to be necessary to describe new ideas, Concepts and philosophies of HRM and HRD. Currently and in the near future, new terms will emerged to describe the philosophy of HRM and HRD. This Paper suggest a need for practitioners to understand the various terms of HRM and HRD before it is used in organization rather than to use new terms to described old ideas or function of HRM and HRD.

Human resources are an organization's greatest assets because without them, everyday business functions such as managing cash flow, making business transactions, communicating through all forms of media and dealing with customers could not be completed. Human resources and the potential they posses are drives for an organization's success. With globalization and technological advances, today's organizations are continuously changing. Thus, organizational change impacts not only the business but also with employees. In order to maximize organizational effectiveness, human potentials, individual's capabilities, time, and talents must be managed and developed (Harrison, 2000). Hence, the practice of human resource management (HRM) and human resources developed. (HRD) works to ensure that employees are able to meet the organization's goals.

However, confusion arises on the terms or labels for HRM and HRD and its position in management function. Term for HRM and HRD has been understood as the only word to represent and explain the management and development of human resources from the point of recruitment to compensation. Also examine the terms that evolved around the management and development to the point of retirement. Hence, it is resources in organization. It is important to examine the difference terms for HRM and HRD, the history or starting point for HRM and HRD, their relationship and the up-coming terms resource management and development.

Human Resources Management (HRM) and Human Resources Development (HRD)

Many definitions for HRM have been proposed by a scholars from a short and simple definition to the lengthy and comprehensive description. HRM is best understood as the " process of managing human talents to achieve organization's objective, the compensation and benefits, labour and industrial relation and also the management of employees safety and health in organizations (Harrison, 2000).

On the other hand, numerous definitions for HRD have been proposed by researchers and writers. These definitions varied from the perspective of an individual researcher or theorists to definition of HRD by country. In

addition, theorists have even tried to define HRD from a global and international perspective. Indeed many definition have suggest; even before the emergence of HRD in 1970s through today. A definition by Nadler (1970) described HRD as "a series of organized activities conducted within specified time and designed to produce behavioral change" through training activities. Desimone, Werner and Haris (2002) defined HRD as "a set of systematic and planned activities designed by an organization to provide its members with opportunities to learn necessary skills to meet current and future job demands". This systematic and planned activities are said to include training and development, carrier planning and development, performance appraisals and management and change management for organizational education and development. In the contest of professionals, this activity is termed as continuing professional education and development. To all intends and purpose, the continuing professional education and development activities are the same as in training and development but it is labeled differently directed to professionals " education and development."

HRM	HRD
Definition:	**Definition:**
HRM is a process of managing human talents to have organization's objects"	HRD is a series of organized activities conducted within a specified time and designed to produce behavioral change
Process:	**Process:**
i. Recruitment and selection	training and development
ii. compensation and benefits	performance Appraisals management
labor and industrial relations	career planning and development
safety & health management	change management

Source: Ivancevich (2007)

Academics and practitioners have been debating as to whether terms such as HRD and HRM describe new concepts or are merely new terms for existing concepts (Armstrong 2000 Legge, 2005). However, Sambrook (2001) claimed that neither the debates nor the phrases or terms are new. Hence, the notion of debating on these terms as old concepts for new terms is nothing new. Having seen the difference in the terms for HRM and HRD, it is also important to examine the history or emergence of HRM and HRD.

History and Emergence of HRM and HRD
Human Resources Management

The history of HRM started in England in the early 1800s during the craftsman and apprenticeship era and further developed with the arrival of the industrial revolution in the late 1800s. In 19th century Fredrick W Taylor suggested that a combination of scientific management and industrial psychology of workers be introduced. In that regard it was proposed that workers should be managed and not only from the job and its efficiencies but the physiology on the maximum welfare be of workers. Moreover, with a drastic change in technology the growth of organization, the rise of union and government concern and intervention resulted in the development of personal department in the 1920s. At this point. Personal administrators were called well fare secretary (Ivancevich, 2007).

Some scholars argue that HRM is said to have started from the term "personal management" (PM). The term PM from the world war in 1945 as an approach by personnel practitioners to separate and distinguish themselves from other managerial functions and making personnel function into a professional managerial function. Traditionally, the function of PM is claimed to "hire and fire" personnel in organization other than salary payment and training. Therefore the term HRM gradually

tended to replace the term PM (Loiyd and Rawlinson, 1992) . However, writers argue that HRM has no appreciable different from PM as they both are concern with function of obtaining, organizing and motivating human resources required by organization. At the same time writers are defending the terms HRM and PM in many different ways (Beer and Spector,1985).

The rebranding for the PM to HRM was argued as the evolvement and changes in the world of management and therefore a new term would seem appropriate to take new ideas, concepts and philosophies of human resources (Noon. 1992, Armstrong, 2000). Indeed, some authors pouring 'old wine into new bottle' with a different label (Legge, 2005). Whether HRM was considered to be different to personnel management- there is a continued debate on meaning and practice of HRM as opposed to that of PM (Marchington & Wikinson, 2002; Legg, 2005).

Human Resource Development

The origin of HRD was suggested to have started in the USA during the advent of the industrial Revolution in 1800s. Some writers argued that roots of HRD emerged in 1913 when Ford motor started training its workers to produce mass production in the assembly line. However, a significant historical event was suggested during the outbreak of World War 2 in the 1940s as it was during this period that workers were trained to produce warships, machinery, and other military equipment and armaments (Desimone, Werner and Harris, 2002). Unlike Desimone (2002) and Blake (1995) argued that HRD could have stated a century later, to the early 1930s and its roots emerged from the concept of organization development (OD). On the other hand, Stead and lee (1996) contested that the historical starting point of HRD was during the 1950s

and 1960s when theories on employees development process was popularized and published by organizational psychologist such as Argris (1957), Mcgregogr (1961) and Herzyberg (1959) . Stead and lee (1996) believed that the development of human resources in an organization for encompasses merely training but also motivation and development as suggested by organizational physiologist (Blake, 1995. This was supported by Desimone (2002) who affirmed that during 1960s and 1070s, professional trainers realized that their role extended far beyond classroom training and they were also began to be required to coach and counsel employees. Realizing, this extended role, Nadler, introduced the term HRD in 1970s and it was placed was placed under the big structure of human resources with the function of selection and development of employees under the term HRD (Blake, 1995). Subsequently, in early 1980s, the term HRD was approved by the American society for training and development competencies expanded to include interpersonal skills such as coaching group process facilitation and problem solving. And by then, organization realized that human resources are important assets and emphasis was placed in investing in training and education for performance improvement to increase productivity and business success (Desimone et.al 2000).

In the United Kingdom (UK) Harrison (2000) argued that the historical development of HRD is more fragmented compared to the US. The history of HRD in UK was suggested to have started during world war two in which "training" was the symbiotic term. Similarly to the USA., during this period training was the team because workers were in the production and manufacturing Sector as well as becoming soldiers. The emergence of HRD began in early 1980s when the manufacturing industries was hit by a recession and a strategy was required to overcome the crises especially in multinational companies. Companies began to realize that

human resource is an important asset and started developing their employees particularly to improve their performance and develop or enhance their skills to increase productivity. Since then, HRD is considered as an important business strategy and process (Harrison,2000). The viewpoint of HRD as a strategy for business success were argued by writers such as Gravan, Costine and Herety (1995).

In Malaysia, HRD could have started as early as 1980s, the historical development and emergence of HRD in Malaysia lacked evidence, the development of HRD during this period was not very clear and focused. HRD may have started when the commonwealth countries secretariat, began developing the human resources development group (HRDG) in 1983 with the intention to assists the ASEAN countries in developing its human resources (commonwealth report 1982:32; and commonwealth secretariat 1993). In 1984, the ASEAN countries, including Malaysia being part of the AEAN pacific Rim commenced their proposal in providing assistant in developing human resource particularly, in education, training and skill development for new technology (Hashim 2000). It may be argued that the emergence of HRD could have been started during the mid 1970s when the government began developing the Bumiputrus in business to improved economic disparities (Malaysia, Government, 1971). It may have started like the U.K during the economic recreation in 1985 as it was during this period that the government began its aggressive drive towards manufacturing and industrialization (Malaysia, Government 1991.). However, clear evidence was seen.
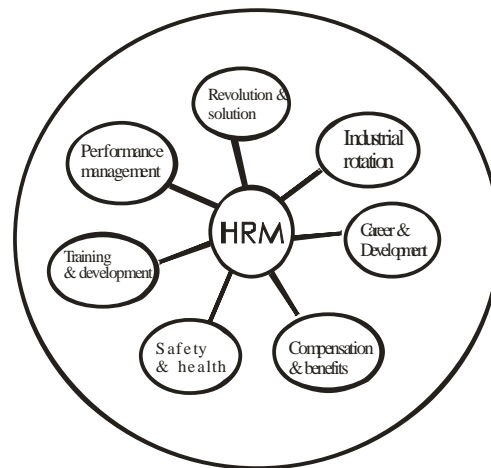
When the government of Malaysia began to include **HRD** strategies in the country's development plans and policies in 1991 in the second outline Perspective Plan

(OPP2) and the Sixth Malaysia Plan (6MP). One of the main thrusts of these Plans is to become a fully industrialized nation with skilled and knowledge-based workforce by year 2020 (Malayesia, Government, 1991). Nevertheless, it could be argued that HRD could have started even before Malayesia's independence, when workers migrated.

The Relationship between HRM and HRD

Traditionally, some writer suggested that HRD is a component of HRM in which HRD supports the HRM function in employees' training and development and the notion of training and development fitting in or integrated with HRD as in the HRM's wheel' (Guest, 1987). Figure 1 and 2 explained all the four component of HRD, and development, performance appraisal and management, career planning and development as well as change management components was advocated as positioned under the 'umbrella' or function of HRM along with other components such as recruitment and selection, compensation and benefits, employee and industrial relations as well as safety and health.

Figure 1: HRM's Wheel

Figure 2: Parallel of HRM and HRD (Development from McGGoldrick & Stewart, (1996)

Plans individual, career, and organization development, and performance Policy management
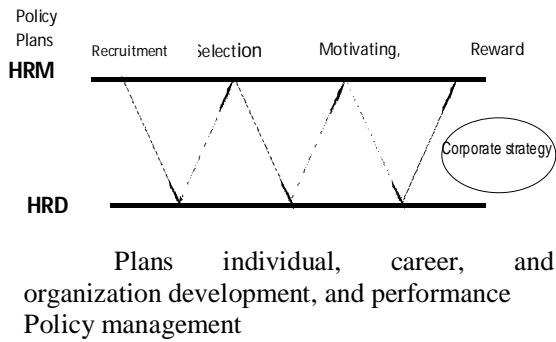
However, due to the role ambiguity and responsibilities of the HRM function, HRD has been repositioned to describe its function in supplementing HRM rather than supporting. Thus, a parallel pathway also known as the parallel nexus of HRM and HRD was introduced. McGoldrick & Stewart (1996) posited that HRM and HRD are parallel pathways of HRM and HRD because of their similarity and emphasis on the element of corporate strategy. The parallel pathway as suggested by McGoldrick and Stewart (1996) was illustrated in figure 2. HRM has the function of recruitment, selection, Motivating and rewarding, while, HRD's function is to provide learning, education and training to the human resources selected and recruited. It is clear that both the HRM and HRD pathways have their own sets of plans and policies, as well as functionally support in the corporate strategy.

Human Capital Management and Development

The present and current scenario sees the use of human capital Development (HCD) by scholars and practitioners alike. Human capital means people is not similar as human resources workers or employees in organization the phrase "people or human resources are our greatest asset" are often heard However, the term "human capital" was rarely used in organization and by professional practitioners to it is negative undertones and its association with economics, Nevertheless, the term :human capital" emerged again and used popularly to describe human resources in organization since 2003 (Schlolz 2007). Scholars suggested that the idea of human capital is people whose assets are value and can be enhance through investment. Indeed, there has been many Definitions given to describe the concepts of "human capital " but scholars argue that there is nothing new or different beyond the repertoire of knowledge, competency, attitude and behavior or embedded in an individual (Youndi et al, 2004" Rstogi 2000). Hence, human capital management can be defined as a process of acquiring, developing, deploying and the retention of the collective knowledge, skills and abilities of an organization's overall business goals. On the other hand Human capital development is the process of developing and retaining the existing knowledge, skills, abilities and competencies of employees.

There are, however, two key principle that are central to the human capital idea. First, people are assets whose value can be enhance through investment, as with any investment, the goals is to maximize value while managing risk. As the value of people increases, so does the performance capacity of the organization, and therefore is value to clients another stakeholder (Youndt , 2004). Secondly an organization's human capital policies must be aliened to support the organization's to support the organization's :shared vision" – that is, the mission, vision for the future, core values, goals and objective, and strategies by which the organization has defined its direction and its expectation for itself and its people. All human capital policies and practices should be designed,

implemented, and asserted by the standard of how well they help the organization pursue its shared vision (Rastogi, 2000, Youndi et al, 2004 and wan, 2007).

However, high performance in an organization as both the private and public sectors recognized that the value of the organization as dependent on the value of its people. The more an organization recognized the intrinsic value of each employees; the more it recognized that this value can be enhanced with nurturing and investment; the more it recognized that employees vary in their talent and motivations, and that a variety of incentive strategies and working arrangement can be created to enhance each employees contribution to organization performance, the more likely the organization appreciates the variety of employees needs and circumstances and to act in ways that will make sense in both business and human terms (lee, 2005; kulvisaechana, 2006).

Conclusion

The terms human resource management and development has indeed evolved through the centuries. Human resources management has evolved from personnel management in the early 1990s and through to the current use of the term: human capital management' popular used by many large firms. In this regard human resources management (HRM) and human resource development (HRD) are often used interchangeable which refers to the "totality of the energies, skill, knowledge and experience available in a country. It is the managerial scientific engineering, technical, craftsmen and other skills which are employed in creating, designing, developing, organization, managing and operating productive and service enterprises which involves the improvement and the transformation of a nation resources by better Medicare, nutrition, accommodation, environment, education and training for nation building.

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