Training as Strategic Instrument for Human Resource Development: A Case of Pakistan

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Abstract
Training and human resource development is a topic of great significance in public and private sector organizations in Pakistan. The relationship between training and human resource development is appeared to be positive, if it is designed with uncompromising objectivity. This study evaluates the role of training of human resource in the economic development of Pakistan. This study also focuses the role of gender contribution in household economic activities which is not yet considered as economic contribution. This study is based on secondary data published by the government and public and private sector organizations. For theoretical explanation published material on the theme are used. An attempt has been made to establish a co relation between Training and Development (T&D) with other business outputs. The study tends to integrate knowledge management and training and their combined impact on business strategy, business growth and change management. The study explores various dimensions of the concept of knowledge management and its utilization for change in culture, production and supply chain in organizations. This research also establishes a strong positive co-relation between training and national human development in Pakistan.

**Keywords:** Training; human resource development; knowledge management; national human development.

1. **Introduction**

Among various topics of human resource management, training and development (T&D) emerged as the most important function of human resource management. Its application with the passage of time in different part of the word and with the advancement of technology innovation has become so significant in business growth. T&D is a key strategy in national human indicator business for national economy and human resources development (*Srinivasan, 1994*).

In narrower sense T&D performs an instrumental role in business growth, in change management and in profit maximization within an organization. While in its broader sense T&D contributes in national agenda of human development through national vocational training in growth sectors. In 21st century globalization
will further intensify. Economists and globalists suggest that the recent global monetary crisis will not even reverse the process of globalization. Technology, production and consumer interdependency have become inevitable (Haq & Haq, 2002) it is just like a world wide web of dependent nations. If one fails to accommodate change the chances of growth will be slim, because the countries have to adopt the cost effective mass production techniques for competitive market for survival. T&D policies and strategies in Pakistan need to be reformulated to achieve short and long term goals in public and private organizations. Such policies will also ensure sustainable economic growth in the country.

Pakistan’s current economic situation, political instability and gruesome social problems has already been dragged Pakistan in deep quagmire. Pakistan with 170 million inhabitants stands sixth populous country of the world. The population, that can be a source of potential strength, seems liabilities as majority of them are non-productive economically (Pakistan Demographic Survey, 2005; 2007).

The human development planning largely remains shortsighted in Pakistan (Haq, 1995). Government failed to ascertain its significance in the economic development of the country. As reported in Pakistan Labour Force Survey, 2010-11, agriculture sector, manufacturing sector and services sector need continuous supply of human resource with up-to-date skills. At the time of independence T&D strategies were based on conventional means. Even the British government in India did not focus much on human development. In 1947 no institution was working or responsible for human development. Let us take an overview of human development efforts in Pakistan in sixty years of its history (Haq, 1995).

2. The state of human development in Pakistan

Skilled human resource accelerates economic growth of a country. Fast growing economies of the countries of East Asia, such as, Korea, Taiwan, Singapore and Malaysia offer amply evidences of strong correlation between skilled-human resource and fast growing economy (UNDP, 2006). Pakistan, despite its tremendous potential of working population, failed to get maximum benefit from it so far. Present state of skilled-human resources indicates that Pakistan has utterly failed in developing sufficient human resources (Haq & Haq, 2003). The country has been continuously failing in developing the national policy for human resource development according to various economic sectors’ requirement. For instance, the province of Khyber Pakhtoon Khawa is full of gem and precious stones, marble, tobacco, hydro energy, but Pakistan has failed in converting these natural sources into profitable industries. In consequences, economically active but unskilled human resources of the province could not transform into industry-specific skilled human resources. This failure eventually reflected in all human development indicators and in national economy of Pakistan.

There are two formidable obstacles that kept the economic growth rate slow: one is the underutilization of sources; and other is mismanagement. Pakistan has failed to design a comprehensive policy for human resource planning. And public policy issues largely remained unaddressed because of this failure. The methods of data collection on national human resource are inadequate and do not reflect the ground realities. At national and provincial levels in Pakistan, separate department of human resource accounting is not yet established. The ministry of labor, which is responsible for human resource mobilization, seems oblivious of new management thinking (Streenten, 1994).

The pace of economic reconstruction of Japan and Western Europe after the Second World War was the result of their sound labor planning through which they had converted their productive population into an efficient human capital. Human capital with financial and material resources forms vital combination for fast economic growth. The successive governments in Pakistan did not show consistency in economic and human development planning and did not learn lessons from success stories of emerging eastern economies (UNDP, 2006). In developing country population boom remains one of the major problems. However Pakistan is blessed in one aspect that growth rate is steadily going down and demographic data indicate that country’s economically active population forms the largest segment of the total population (Husain, 1999). But rising unemployment also indicates that there is gap between market demand and human resource supply in terms of quantity and skills.

Poor human resource development combines lack of HR planning played havoc to Pakistan’s economy that place Pakistan at 134th position among the nations on the scale of world human development indicators

(UNDP, 2006). In Pakistan’s development planning much emphasis is given to physical planning and human capital remained neglected. There are empirical evidences that indicate the lack of educated human resource and the poor quality of the workforce has prevented the economy from attaining its true potential.

3. Gender mainstreaming in Pakistan

Let us see the significance of women through the statement of the founding father of Pakistan Mohammad Ali Jinnah that highlights the importance of women in national growth.

“He said, ‘No nation achieves anything unless its women go side by side with men even to the battle field (Muslim Legislative Conference in Delhi, 1946).’”

On another occasion he reiterated great task of building the nation and maintaining its solidarity, women have a most valuable part to as the prime architects of the character of the youth that constitutes its backbone’ (Speech broadcast by Radio Pakistan, Dhaka, March 28, 1948)

In the light of above views of the founding father, Pakistan has utterly failed in women development in last sixty years. Manpower Planning remains restricted to men power. The state of women development indicators explains governments’ negligence in this sector. Despite several strategies women participation in national economy is still lagging behind. And their participation is not properly documented in national statistics. One oft-stated reason is the tradition and cultural barriers that hamper women participation in economic activities (Khawar & Farida, 1987). Our survey indicates that now this barrier is being diluted gradually. The situation is changing in the middle and lower strata of society where women are being pushed into the labor market out of dire economic necessity.

In Pakistan, vast majority of women work in response to economic need. These women undertake diverse range of economic activities to meet their subsistence needs. Due to lack of alternative opportunities they are kept under low salary scale in factories and services. This situation reflects the disadvantaged position of women in the labor market (Kanesalingam, 1989). In the middle class, working women enjoys better position. As they are the equal partner in monthly income they are gradually getting involve in house hold decision making (Sathar & Kazi, 1989). Women working in rural areas engaged in agricultural activities, rural activities like tilling and sowing, harvesting and threshing, feeding cattle, dairy and poultry farming, collecting wood, fetching water, growing, drying and storing vegetable, crops, fruits, making straw products, preparing pickles, weaving rugs and making other handicrafts including embroidery and tailoring. In addition to that they are contributing in different clusters located in rural areas. These economic activities are not documented and recorded in national statistics. In urban areas, women participation is significantly increasing (Aurat Foundation, 2012). Registration statistics in higher education in Pakistan specially in the disciplines of social sciences and biological sciences indicates increased gender participation. Women are contributing in industries, banking sectors, pharmaceutical industry and other organizations specially in growing services industries (Kazi & Bilquees, 1991).

However, in rural areas and small cities in Pakistan, the girls, registration at elementary and secondary education are quite low and it gets drastically lower at high school level. Social Action Program (SAP) 1993-98, placed special emphasis on girls’ education. The SAP initial plan target was to raise female primary school participation rate from 53.7 percent in 1992-93 to 81.6 percent by 1997-98 and to increase female literacy rate from 22.3 percent in 1992-93 to 33.5 percent by 1997-98. Pakistan agriculture and industry sector went through the change form labor intensive technology to capital intensive which constrained women participation in these sectors. However, empirical evidences indicate that women workforce has increased in temporary and contract work which led to low wages and exploitation of women by employers. Small and medium enterprises offer sizable space for their consumption (Azam, 1995).

Women constitute 51% of the total population of Pakistan and hence should not be underestimated in national economy and politics of Pakistan (Ministry of Women, Government of Pakistan, 2002). And Pakistan’s economically active segment is the largest in the total population of the country (Souza, 1980). What is needed is the exploration of new resources and develop required infrastructure for long term sustainable productivity. Simultaneously, government has to design an effective structure for training and development of human resources for long term demands in various economic sectors. Focus on both gender into the training program, so that, the house hold pressure may be distributed to more than one earning
head. Last but not least, structure and operation of public sector organizations have to like private sector organizations which ensure merit-based hiring, efficiency, high productivity and profit (Haq, 2000).

Let us move to the training side of human development which this study considers as instrument of human resource development.

4. Training and development as an instrument of growth

Training & Development has moved from peripheral position to central position in organizations. It now plays a pivotal role in connection to business strategies, growth, and profit and change management. Many organizations desire to be learning organization through training and development (Bowman & Singh, 2002). Training is a important source of competitive advantages (Porter, 1990). Technology transformation, market competition and consumer choice strengthen the view that training is the only strategy to cope up with change. Training integrates learning, performance and eventually profit. Training is now taken as investment instead of expenditure. In addition, continuous advancement in knowledge economy and technology has stimulated a growing interest in organizations about learning and knowledge management. Knowledge management involves training which means that managing knowledge does also require its application for which organizations have to have trained human resource. In brief T&D is centrally connected to four important areas of any business of public or private sector organizations.

4.1 Business strategies and T&D

Every business works on certain strategies to achieve certain goals. In today’s world business strategy formulation is complex process. Number of actors involved in it. Intelligent solutions are required for smooth sailing in competitive business environment. There is one wrong notion about strategy that it once set for certain period it is not supposed to change in the middle. In twenty-first century where business environment is volatile, strategies are wide open to change or amend any time depends on requirement. Change does not mean that reducing or increasing the size of workforce through hiring and firing policies. Of course organizations spend a lot on the workforce and with little more investment employees get abreast with new technologies. And here T&D bridges the gap between new technology and your workforce skills.

Business strategies are critically dependent on investment in T&D. Microsoft, Sony, Fuji and Agfa and Kodak are the best examples of how they invest on T&D for profit maximization and business growth. When we think about change than sky is the limit. There is cluster of opportunity archipelagos in blue oceans. What organizations are needed to develop is the vision to see far ahead to find new frontiers of opportunities. Businesses are the creation of human mind and can be flourished through innovative ideas. Change comes from innovation and demand skilled human resource to cope up. What we are trying to argue that training and development is not an isolated additional cosmetic department in an organization as it is considered in Pakistani organizations. It plays vital role in achieving the organizational goals through set of business strategies.

4.2 Business growth and T&D

Sustainable growth ensures business competitiveness and profit in national and global markets. Growth in business means increase in human resources. It means that as your business grows the need of T&D also increases. Growth should be manageable and is dependent of your financial potential. Before going for expansion market analysis, supply demand curve, break even analysis, raw material availability and environment for that particular product all should be favorable and certainly should not go beyond your financial limits. Once decides for growth recruitment is the next worry. Companies intend to induct skilled candidates in order to minimize the training expenses. Nonetheless the training requirement is essential even at least to make new employees acquainted with the organizational culture, organizational goals, business strategy and technology on which they will work. Organizations must have an internal setup for on job training that will save money. However, for fresh appointees off job formal trainings are essential. Fresh employees will have two dominant impacts from this training. First, off job training will make them understand that they are going to perform serious work; secondly, their chances of mistake would be minimized and at least they would not have any excuse for doing anything wrong. HR department is responsible for clearly describing skills companies desire to see in employees. On the basis of that information on job and off job training would be planned. HR manager has to make it sure that the training
results must be measurable and should speak in terms of performance. These are some preparation must be properly worked out before going for expansion.

4.3 Profit and T&D

The relationship between profit and T&D seems remote but not insignificant. Rather in one aspect both have strong links with each other. T&D produces skilled human resources which give performance that turns out in quality product which capture market and yield good profit.

Organizations’ skilled human resource can only ensure profit. An efficient workforce is now considered as human capital, that is, the potential source and revenue and profit. It produces quality product control.

4.4 Change management and T&D

Knowledge brings change and change redesigns organizations and eventually looks for employees that must know about the new change. T&D takes up this responsibility to acquaints employees with new change. We need to understand the contrast in the nature of change. The change that is episodic, discontinuous, and intermittent is different from change that is continuous, evolving and incremental.

The phrase ‘episodic change’ is used to group together organizational changes that tend to be infrequent, discontinuous, and intentional. The presumption is that episodic change occurs during periods of divergence when organizations are moving away from their equilibrium conditions. Episodic change tends to occur in distinct periods during which shifts are precipitated by external events such as technology change or internal events such as change in key personnel.

The phrase ‘continuous change’ is used to group together organizational changes that tend to be ongoing, evolving, and cumulative. A common presumption is that change is emergent, meaning that it is ‘the realization of a new pattern of organizing in the absence of explicit a priori intentions’. Change is described as situated and grounded in continuing updates of work process and social practices. Our debate is not on the change and its metaphor. We are trying to make an argument that change is inevitable and an organization has to accommodate change for competitiveness and even for survival. However, the concern the change brings, is that how to accommodate change. And we have the plain answer... adopt it. If workers are not ready to work with change organizations must train them for new technology and environment.

The obvious connection between accommodating change and T&D has become further evident and strengthened by the argument that training would enable your employee to work with change technology and environment. NIB Bank is the best example in Pakistan, where people are trying to cope up with change by the amalgamation of PICIC bank in Pakistan. NIB introduces new products in micro financing. It has to adopt new strategy to execute the operation and developing human resource for new product. It is therefore NIB puts greater emphasis in its strategy on training components. This discussion leads us to another important correlation between business successes and training that is knowledge acquirement and execution. This relationship can only be examined under a new paradigm which is based on intelligent solutions.

4.5 Knowledge management and T&D

In the Last decade of the twentieth century, organization has transformed profoundly not only in the mode of production but also in structure and workforce. Organizations are now considered as sentient being. Now twenty first century organizations think through their system; plan through their functionaries; perform through their resources (human and capital assets). These patterns of change in organizations have induced fundamental changes in the business world. We can list several themes that brought changes in culture, design and environment of contemporary organizations all over the world. These include: globalization, interdependence and free market economy. These trends forced countries and organizations to reshape their economic and business strategies. One factor, however that can rightly be counted as ‘the factor’ that alone altered the very nature of organizations that is the knowledge boom.

Knowledge boom signifies brain power as an instrument of change and highlights its effectiveness more than the machine power. Revolution in computer technology breaks all possible barriers to knowledge and information. This flood of knowledge has brought significant change in organizations in developed countries and gave new impetus for global competition and new challenges to the weaker countries of the
South. Pakistan is one of them. Pakistan’s economy indicates poor trends in last five years and still at downhill path.

Pakistan has primarily an agricultural base economy. Its society divides on several lines that include: provincial, sectarian, linguistic and economic classes. Territorial-based ethnic identities with strong taboos and less exposure to the world of knowledge create a big snag in transforming Pakistani society into an enlightened progressive society. The spread of knowledge weakens the role of feudal, tribal, clans and chieftains in the Pakistan’s decision-making process. After 9/11 Pakistan's is under menace of religious extremism that has shaken the very foundation of Pakistani society and state. These factors have kept Pakistan an underdeveloped country for last sixty-five year.

Such a heterogeneous society has less space for social and organizational change. We hardly find a 360 degree approach in our organizations. Mostly, organizations in Pakistan are structured in hierarchical pattern with top-bottom decision making process. The elite mindset works within and outside the organization that prevents changes in the system. They are not yet fully aware of the significance of human development and its value for their own businesses and conducive social environment in which businesses expands very fast. This is one of the reasons that Pakistani organizations do not allocate standard share of profit under corporate social responsibility (CSR).

The business managers in Pakistan are now convinced, when face the global competition, that new managerial skills are required to produce optimal results. Now, organizations need an exceptional degree of flexibility, self-managed work team, and efficient technology are essential to increase production that may effectively meet the demand for production and services or may radically restructure the organizations.

Knowledge economy sets off and entails vibrant modification not only at the broader level of technology, science, and education policies, but also at the micro level represent by firms. Firms now are increasingly becoming players in a ‘hyper-competitive’ game and engaging in extensive knowledge source from all sorts of knowledge producers whether they are suppliers, customers and clients, universities or employees controlling critical knowledge to support the knowledge-based strategies that are appropriate for the new competition (D’Aveni & Gunther, 1994).

Knowledge itself produces nothing unless it is transformed into actionable strategy. Organizations can acquire knowledge from knowledge producers but to get their employee acquaint of that knowledge, organizations need a sound training and capacity-building department. Acquiring and training of knowledge and transforming it into action are the ways through which organizations can sustain the global competition.

The data collecting agencies have not yet recorded the direct impact of knowledge economy on organizations and their strategies. Economic theories do not provide framework for assessing the correlation between the two in empirical order. We have though more than one perspective to establish a positive correlation between knowledge economy and organizational growth. But all perspective suggests the positive correlation between them and also suggests profound change in the contemporary management practice.

Since the decade of 1980s knowledge has become more performative. In Pakistan, universities which supposed to be the city of wisdom, role in the knowledge generation has been almost diminished. The liquidation of knowledge base in academia badly affected the high skilled human resources in the country. The basic requirements of knowledge for running the businesses are being produced in the corporate and multinational firms. These professional firms and businesses are now the key player in transforming the organizational culture and performance. Performative knowledge is distinguished by the ideal that knowledge should be actionable and commercially useful. Pakistan’s leadership has to realize that creating and seeking knowledge is an unending process. It leads to new innovation and make the previous one less useful if not obsolete. Economies that are stagnant and not go along with the pace of change will no longer exist (Taha, 2006).

Pakistan can learn lessons from the industrial growth in Western Europe, North America and East Asia where the knowledge economy successfully transformed conventional mode of production to most modern and innovative strategies of production (Noman, 1995). How to create a culture of knowledge based management and production is the key question in front of Pakistan’s policy makers. How to make
knowledge actionable? How to make knowledge performative? And, how to transform process of knowledge creation into knowledge application and management? These questions can be dealt with an efficient training system in organizations.

Training process must be based on a cyclical process among knowledge creation, knowledge conversion to performative actions, and its dissemination. Courses should be designed in accordance with the demand for specific skills.

Innovative thinking plays central role in designing the training programs especially for conversion of knowledge into actions and for dissemination of those actions to all concerns. Organizations may expect multiple outcomes. Through such trainings, organizations will go under redesigning and will adopt techniques and processes that create, protect and use known knowledge. Organization will create environments and activities to discover and release knowledge that is known. Organization will articulate purpose and nature of managing knowledge as a resource and embodying it in other initiatives and programs.

4.6 Organizational change through training process

Training is the direct method of bringing change in organizations. It deals with the wide range of business activities. The owners of firms or the board of governors must direct CEOs to generate organizational knowledge and make them actionable for expansion of business. Training bridges the gap between business performance and global competition.

In this regard, organization has to increase allocation of funds for training-for-trainers programs in organization and through annual capacity building plan keep their employees abreast with new technology. These training programs must connect with knowledge management system for quick and efficient use of it. Through the knowledge management system, organizations must think through their technological systems. Technology such as internets and advanced collaborative software are the best and proven techniques of knowledge Management. Information Technology has changed the structure of organizations from hierarchical to horizontal. Knowledge management system through training facilitates individual, team and group learning process that must become the true driver of organizational performance.

Conclusion

There are ample evidences that the sentient organizations develop three departments for achieving strategic advantages in competitive environment: first, knowledge Management department responsible for knowledge gathering and systematic storage; second, Networking department that maintains links with knowledge producers and its users; third is the Training and Development department. These three departments work in hybrid for ensuring competitive advantages in market.

Intelligent human resources management provides sufficient space for skill based capacity building for employees. To bring consistency, decision makers in an organization give extended role to training and development department. The learning should be designed in a way that it may lead to innovative thinking. Hierarchical control must be replaced by 360 degree strategy for decision making. Horizontal management is much better to understand the value of intangible assets over tangible assets which are the essence of knowledge management. Horizontal management encourages workers to cooperate across formal departments within organizations. Industrial and business leadership need to examine the human and intellectual capital in Pakistan, which is the potential sources of business growth (Pakistan Planning Commission, 2009).

The new management thinking also covers the public sector organizations. Profit generation, policy making and efficiencies criteria have already been adopted without political intervention in developed countries. In Pakistan, good governance and public services delivery can be made possible through what we have discussed in this study, that is, strong system of knowledge management and training and development. National human development index will also be improved by adopting such practices. Policy makers in Pakistan must not ignore the fact that Pakistan demography is perfectly ideal for converting useless youth into human capital. The largest segment of the population is comprised of economically active age group which can be used in bringing the economic revolution in the country.
Coupled with the introduction of new information and communication technologies, the traditional culture of public sector organizations, styles of work, workplace values, practices, and norms, as well as career expectations can be positively changed. Pay for performance criterion must replace pay-for-seniority rule which kills the drive for performance in public sector in Pakistan. National leadership should provide corporate culture to public sector organization so that hiring and promotion policies are strictly associated with merit and performance. In this way, a healthy competition will inject in public sector employment process and government may attract high skilled human capital from the society.

At present, HR practices at public sector do not reflect competition which is now inevitable for good governance and services delivery as reported in MDGs Report published in 2005. In addition to that such out-dated and traditional practices in fact cease the process of human development in the country.

HRM scholars have argued that human resources are particularly likely to be sources of sustained competitive advantage and that HRM practices should therefore be central to any strategy (Barney, 1995). In Pakistan, scant attention is being paid to new HRM practices that how they manage knowledge and its effective use. If we look at the entire training process in the public sector in Pakistan, it clearly seems out dated and does not match with the modern management practices which the developed countries have already adopted after the Second World War. National School of Public Policy and its components National Institute of Management in four cities of Pakistan offer mid-career training program which in actual strengthens the traditional culture and status quo in Pakistan’s public sector organizations’ bureaucracies. Less competitive organizations will become liability that can be seen in the examples of Pakistan International Airlines, Pakistan Steel, Pakistan Railways, etc.

The government department which is responsible for designing training courses is itself cumbersome and hierarchical. Former President Pervaiz Musharraf had taken a good initiative of reforming training department by forming National Institute of Public Policy. However, later on, its vision and mission has been blurred after the change of government and the department is directly controlled by cabinet division and under the strict supervision of the government.

For changing the culture of the public sector organizations, an independent and autonomous training department is needed without government intervention. As, once the former America’s president Ronald Reagan said in his first inaugural address in 1980, that ‘in the present crisis, government is not the solution to our problem rather it has become the part of the problem. Let the private sector come in for human development through vocational trainings and capacity building courses

Reference


