From a sapling to the forest: the saga of the development of HRD in India

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This is an account of the growth and development of HRD function in India. What started in the mid-1970s as a conceptualization of an integrated HRD system to change the performance appraisal systems in a large engineering company, resulted in the establishment of HRD departments in many firms. Further dissemination and perseverance resulted in the establishment of a centre for HRD, and subsequently the birth of a professional body and, later, an academic institution. The authors describe the growth in eight stages and conclude the path for future is in moving towards national HR policies and other social sectors.

Keywords: HRD in India; HRD function; growth of HRD

The notion of integrated human resource development (HRD) systems in India is perhaps the oldest among all countries in terms of both conceptualization and implementation. At a time when the term HRD has not yet achieved its full meaning, in early 1970s the authors of this article conceptualized this as an integrated system to drive organizational change. It was first implemented successfully in one organization, and then spread to other organizations as a mission by the authors at the Indian Institute of Management, Ahmedabad (IIMA), with the support of other CEOs and several other academicians who joined them later. What started as a system designed for one company found its way to other companies, resulted in the creation of a chairperson, the establishment of a centre for HRD at an academic institution and subsequently the formation of a large professional body of the stature of the Society for Human Resources Management (SHRM) and American Society for Training and Development (ASTD) in the USA. This essay is a personal account of the saga of introducing a new HRD function in the mid 1970s, and its diffusion and institutionalization at the national level. Both singly and together, the authors have been contributing to the development of HRD in India. (Udai will be used for Udai Pareek and TV for T.V. Rao throughout this article.) The evolution and institutionalization of HRD in India is described in eight stages.


In 1973 after joining the Indian Institute of Management, Ahmedabad as the Faculty, Udai worked on the problems of reorganization in Larsen and Toubro (L&T), an
engineering company. While conducting role clarification and role negotiation exercises, Udai realized the need of working on the larger issues of development of people. With TV later joining the Faculty of IIM, Ahmedabad, Udai shared this concern, and both TV and Udai decided to work on designing a new way of developing people in an organization. They presented a proposal to the Chairman. Shri N.M. Desai, Chairman L&T, arranged the discussion with the top group, and accepted the proposal to try out the new system of developing people. Performance appraisal became a core system around which HRD systems were woven. Performance planning, analysis, review, coaching, development etc., became systems linked to role clarity, role efficacy, individual growth, integration, training, career development and OD activities. A number of subsystems were developed and grouped into HRD. Around this time in the USA, the new term HRD was being propagated, enlarging the scope of training.

The two main features of the proposed concept of HRD were that HRD dealt with all the human units of the organization (from individuals to the entire organization) and that it was value-based. The following 14 principles were shared with the organization as the guiding principles for designing the HR function. The HRD systems should:

1. Help the company to increase enabling capabilities.
2. Help individuals to recognize their potential and help them to contribute their best towards the various organizational roles they are expected to perform.
3. Help maximize individual autonomy through increased responsibility.
4. Facilitate decentralization through delegation and shared responsibility.
5. Facilitate participative decision-making.
6. Attempt to balance the current organizational culture with changing culture.
7. Balance between differentiation and integration.
8. Balance between specialization of the function with its diffusion into the others.
9. Ensure responsibility for the function.
10. Build upon feedback and reinforcement mechanisms.
11. Maintain a balance between quantification and qualitative decisions.
12. Balance between external and internal help.
13. Planned as an evolution of the function.
14. Promote continuous review and renewal of the function.

In summary, the integrated HRD systems approach designed by us had the following elements:

1. A separate and differentiated HRD department with full-time HRD staff.
2. Six HRD subsystems including performance appraisal, feedback and coaching; potential identification and development, career development, training and OD.
3. Linkages between the various subsystems.
4. Designed with 14 principles in mind.
5. Linked to other subsystems of human resource function.

The factors of its success

The implementation of the integrated HRD systems approach in L&T was one of the most successful change management experiences in the organization. Several factors contributed to the success of change, some of which are mentioned briefly below.
Committed top
The top management of L&T, including its chairman Mr N.M. Desai, and founder Mr Holk Larsen, showed deep interest in redesigning the personnel system. L&T was a very successful company, and there was no apparent reason for it to think of a new system.

Appointment of high-level implementation task force
A high-level task force headed by a general manager was appointed along with some of the top management team as members. The task force functioned for nearly three years in introducing and monitoring the implementation of the system.

Placement of the system at a high level in the organization
One of the conditions the authors stated for the success of the new function was its strategic placement. Generally, at that time the personnel function was given low priority and was placed at the lower level in organizations. This was the first company to assign a top-level position to HRD in those years.

The competent head of the function
While selecting a person to head the new function, it was strongly recommended that a very competent person should be given the responsibility. The CEO agreed to request a highly respected and competent engineer (Mr S.R. Subramaniam), to head the function. Mr Subramaniam ensured thoroughness and effective implementation of the various parts of the new system. Subsequently Mr Subramaniam became the CEO of the company. The success of the new function very much depended on the competent leadership provided within the organization. Since then L&T is a story of internal successions to lead the company. The current chairman Mr A.M. Naik was one of the input providers to the HRD system in the mid-1970s.

The strong internal resource
No change can succeed unless there is strong and competent internal resource to implement and monitor the change. Dr Pereira, the first to head the HRD, combined his insightful experience in the organization with his academic competence and drive to search for new ways of solving problems.

Involvement of all levels of the organization
The authors emphasized that the systems and processes being introduced must be discussed in various forums of employees, helping them to raise questions for any modification in the system as required. Workshops and seminars were held on the new systems and procedures. This facilitated the success of the system.

Developing internal competence
The company needed several people to help in implementing the new system. It was necessary that the system and process were adopted with the help of key line managers.
Therefore, an extensive training programme was organized to develop relevant competencies for implementing the systems. Over 100 internal managers were developed to communicate the system throughout the company. The term ‘L&T University’ was used informally by these managers to represent the new education and learning they were facilitating through the HRD system.

Stage 2: spread to other strategic organizations (1975–1978)
The State Bank of India (SBI) is the largest bank in India with around 0.2 million employees at that time. The new HRD system was also developed for the bank immediately after its reorganization by the Indian Institute of Management, Ahmedabad (IIMA) team. The Chairman of SBI took personal interest. The system was recommended for SBI and its associates, and their CEOs were so excited by the new concept that they suggested taking responsibility for introducing the system themselves! They promptly appointed HRD managers who were given the task of conducting organizational diagnosis studies and revamping the performance appraisals make them HRD oriented. The implementation of HRD systems in SBI is the second most significant step. The authors of this article, as IIMA professors, facilitated the training of the HRD managers to conduct OD interventions and revamp their performance appraisal systems.

Stage 3: action research in implementing HRD systems (1978–1979)
It is at this time that IIMA’s former director, Ravi Matthai on the board of a public sector company Bharat Earth Movers Ltd (BEML), suggested the company should think big and expand. The company was making rail coaches and earth-moving equipment with a turnover of 700 million rupees. Professor S.K. Bhattacharya, another professor from IIMA, worked with them and gave them a long-term plan that required developing human resources for making it happen. Udai gave them the conceptualization for the integrated HRD systems to move into the future. As BEML was debating about where to get the resource to head HRD, TV volunteered to join as general manager and implement the systems recommended. Though a Defense Ministry undertaking, the BEML chairman showed the boldness to appoint a young professor in his early thirties to be general manager and pay him the highest salaries.

This is a most significant period of experimentation in a highly structured and public organization. The experiences were both successful and frustrating. The systems lasted as long as TV was associated but declined a few years later when he returned to IIMA. The experiences became most enriching and laid the foundation for many insights into the implementation of HRD systems.

Stage 4: dissemination begins (1979–1982)
Capitalizing on this experience, both authors offered the first workshop on HRD systems at the IIMA in 1979. A draft of their proposed book on designing and managing HR systems was circulated in this workshop. Later, a course and a series of executive development programmes were started by the authors at IIMA to popularize and promote HRD. Crompton Greaves, the State Bank of India and its associates, and a few other organizations followed this initiative, and the authors worked as their consultants in introducing and implementing the HRD systems and creating new HRD departments separated from personnel. The spread of change to these strategic organizations has

At this time, Udai went on a long consulting assignment, as USAID OD adviser to the Health Department of the Government of Indonesia; TV continued the work of diffusing HRD-based change in India. Larsen and Toubro created a chair professorship in HRD at XLRI Institute Jamshedpur, which was taken up by TV in 1983. Included in the conditions of his appointment as the L&T chair professor, TV gained approval to start a centre for HRD at XLRI and to give an annual public seminar on his work. L&T hosted this four-day seminar in Mumbai, where more people could attend. About 40 persons participated in the seminar, which focused on recent experiences in HRD. TV presented the integrated HRD model developed at L&T. The HR head of L&T spoke about how it was being implemented. The seminar explored what was happening and not happening in HRD; how many organizations were not able to understand the right spirit of HRD; and the helplessness of HRD managers in convincing some CEOs etc. A number of success stories were shared and there was new enthusiasm in all the members. In response to a suggestion from TV who was leaving XLRI to return to IIMA, the members proposed the continuation of the initiative under a new banner. Several suggestions were given. The discussions were steered by TV towards setting up a professional body outside the institutional framework of management schools (IIMA or XLRI, etc.) to facilitate learning of practitioners on a continuing basis from each other, which lead to the conceptualization of the national HRD network. It was agreed that different cities should have such networks. A newsletter was initiated to disseminate the new knowledge about HRD, which would include one intellectual article by an academician; one essay profiling, in detail, the practices of a company; a few brief case studies of problems and issues that may be posed to the reader; some references and bibliography; and news items. In the initial years of the newsletter, the HRD centre coordinators Fr. E Abraham and TV Rao managed to get every number sponsored by a company that was committed to HRD and had performed some good work worthy of sharing. This sponsorship covered the cost of printing 2000 copies of the newsletter and postage to all HRD chiefs and CEOs in the country. L&T was the natural choice as every one was talking about L&T in relation to HRD. L&T readily agreed. The seminar proceedings were published as a book, *Recent experiences in HRD*, and the formation of the network was announced in 1985 through this book and the HRD newsletter.


The idea of forming the HRD network was announced in the first newsletter, edited by Fr. Abraham. The authors worked with the State Bank of Patiala, Indian Oil, Sundram Clayton, Hindustan Petroleum, MMTC, etc. to get the newsletters sponsored and distributed free to all potential members of the new body. While Fr. Abraham continued to coordinate the HRD newsletter from XLRI, TV helped in setting up the national HRD network (NHRDN) from IIMA. The South Indian chapter of NHRDN was launched at Madras with the help of the Madras Management Association, which launched the first meeting of the chapter. Subsequently, the national HRD network was registered as a not for profit society and a charitable trust in Ahmedabad.

The journey from then for the next five years has been that of hard work and perseverance. No one knew NHRDN and many did not see the reason for NHRDN when
ISTD was serving the same purpose. Only those who saw the distinction between HRD and training appreciated the need. The first national conference is a record of sorts. It had a full day devoted to CEO presentations.

While the preparations for the second conference began almost two years in advance, the preparations for the election for the next president had also begun. The director of personnel (Mr M.R.R. Nair) at the Steel Authority of India showed a lot of support to HRD activities. Mr Nair was requested to take charge as the next president. Heading the NHRDN as a practitioner and an influential person who is committed to the cause of HRD ensured the growth and stabilization of the NHRDN. The next conference at Delhi was managed by a team lead by Mr Nair and the focus was on HRD for workmen, a hitherto neglected theme. The theme attracted the attention of most academics and practitioners as well as union leaders. It became a landmark conference. Udai Pareek took over as president of NHRDN after Mr Nair and ensured both intellectual implementation and dissemination continuity.

Some initiatives in governance practices helped NHRD to evolve as a vibrant democratic organization. During the tenure of the authors as president of NHRD, two provisions were built into the constitution, one that each person would be a president for one term only and would not be re-elected. The other provision was to avoid election and search for the next president in a team appointed by the governing board. Elections introduce politics in the process, and therefore, it was thought important to have some other modes for searching for the president.

Subsequent presidents of the NHRDN were chosen carefully for their commitment and organizational support. Prior to their appointment, the support of their organizations was ensured. They came from large and well-respected organizations like RPG Group, Aditya Birla Group, etc. Mr Arvind Agarwal and Dr Santrupt Mishra, during their tenure as presidents, introduced another useful tradition that the search committee, after identifying the potential president, would interview the CEO of the company to negotiate release of time and energy for the candidate to be appointed as president. The provisions have made NHRD a democratic body.

Today, NHRDN has over 40 chapters and nearly 20 publications to its credit. It collaborates with the Confederation of Indian Industry (CII) to develop HRD models and assess HR professionals, and also collaborates with international bodies. By any means, it has done a great service to young HR professionals. It has given opportunities to many young managers to test out their leadership potential and has helped a number of young professionals to acquire HR knowledge and set their careers in the right direction.

Stage 7: strengthening the academic base – the academy of HRD (1990–1995)

Origins

The NHRDN in a Mission-Vision workshop held in 1990 conceived a centre for research and education in HRD to further the objectives of NHRDN. The office bearers of NHRDN decided to name it the Academy of Human Resources Development, India (AHRD).

Vision, scope and activities

AHRD was conceived as a place that facilitates scholarly work in HRD. A place where scholars from all over the country come for short periods of time for research, reflection, writing, experience sharing and dissemination of knowledge. A place where seminars,
workshops, round tables, doctoral and other professional development programmes are conducted covering contemporary issues. A place that should have a residential centre to accommodate about 40 participants at a time with faculties for families to stay. An institution that brings out HRD journals.

**Achievements**

In the last 15 years, there have been many accomplishments. Round tables, sponsored by one or a number of companies, were planned as mini-conferences around a theme of contemporary significance. It was intended to share issues and come up with implementable solutions and models for use by all participating companies. Participation was limited and by invitation, and sponsors were required to finance the publication and share experiences. Each round table (RTC) would result in recommendations, widely circulated all through the country for impact of the AHRD. The following RTCs were held:

1. Career planning and promotion policies.
2. Redesigning performance appraisal systems.
3. Role of HRD in restructuring organizations jointly with Delhi Management Association.
4. Role of unions and associations in HRD.
5. HRD for workers and empowering workers.

The recommendations of each of these were circulated widely and published.

**Research fellowships**

In its initial years, AHRD had research fellowships sponsored by organizations. Each organization would choose a research theme of interest to them and sponsor a study that should include the salaries for six months to a year for a research fellow to join AHRD and work with them. AHRD developed a list of research themes, research fellows then worked on a research theme and developed a monograph for dissemination.

**Diploma programmes**

A large number of HRD professionals were designated as HRD managers, but did not have adequate professional preparation in HRD. They needed to be developed, which was done through distance education programmes. NHRDN chapters facilitated mobilizing students and offered contact programmes.

AHRD also decided to extend this to other management schools like TA Pai Institute Manipal, SCM HRD Pune and IIPS Indore, and offered joint diplomas to promote specialization in HRD. The idea was to admit students wanting to specialize in HRD who could take a minimum of six specialization courses from the list supplied by AHRD. The plan was to offer technical collaboration, supply the curriculum, examine the students and certify them. One of the management schools, SCMHRD, subsequently began a one-year programme in HRD and continued, until 2001, to focus more on the full-time two-year programme.
Doctoral programme

There is a need for research in HRD. HRD managers, like other managers, are sitting on huge amounts of data. If they learn research methods and research writing, they may be able to do research and contribute to the field. In the process, they can also get a doctoral degree. An agreement was signed between AHRD and XLRI to start a doctoral level programme.

The arrangements were as follows:

1. AHRD conducted all the courses, provided all input and managed the programme both academically and financially.
2. XLRI played a role in admissions, standards, approval of proposals and thesis examination to ensure standards.
3. AHRD admitted students, organized the guides, conducted contact programmes (two programmes of six-weeks duration covering six courses each), organized thesis proposal presentations and guided students.
4. The fellowship was to be awarded jointly by AHRD and XLRI, and they were be called XLRI-AHRD Fellows.

In all, 75 candidates were admitted, and about 25 completed their hip programme by the time the arrangement with XLRI ended in 2006, when XLRI preferred to focus on its own programmes. Some of the graduated candidates are working as faculty staff at IIM Indore, XIM Bhubaneshwar, ASCI, etc. The professionals appreciated the quality of the candidates’ thesis work.

Work in social sector

AHRD decided to extend its work within the not-for-profit sector. The objective was to develop the non-governmental organizations’ (NGOs) capabilities through self-renewal methodologies. The objective was to develop an NGO network and develop self-renewal capabilities for the development agencies.

AHRD started a journal, Renewal, supported by EZE Germany. The first issue was brought out from Ahmedabad. The second was issued from Hyderabad but was subsequently dropped owing to a lack of committed editors.

Learning resources centre (knowledge management centre)

During the earlier years of AHRD, many associates donated their collection of books, material and data of practices. The applications received by NHRD for annual HRD awards used to be compiled and included in the best practices database of AHRD. Many instruments were collected and a data bank of HRD tools was instituted. A data bank of HRD practices of companies was also instituted. All theses from Indian universities dealing with HRD were collected. The library was built as a unique collection of all books and monographs in HRD. A number of students from various colleges and institutions of Hyderabad used the centre.

An individual and organizational assessment centre (IOAC), as a new concept of AHRD, was initiated. The concept was to provide an opportunity to HRD managers to renew their roles by focusing on development through assessment. The concept was
developed in Ahmedabad and Dr Sethumadhavan was recruited to take charge of this in 1995. He provided leadership and direction to this centre for three years.

IOAC was defined as a centre set up by an organization for continuous assessment of the competencies of individuals, dyads, teams, groups and organizations. The IOAC was designed to focus on organizational and team assessments besides the individual assessment done in the traditional assessment centres.

A conference taking stock of the experiences of organizations conducting assessment centres was organized in Mumbai in 1999. A book on assessment centres was planned and a manuscript was sent to Sage. Unfortunately, the book was never published due to internal coordination issues. A number of in-basket exercises were developed. Consultancy services in assessment centres were offered to various organizations.

AHRD contributed a great deal so far to human capital formation among HRD professionals in India. However, there was much more scope. AHRD could have been a globally recognized institution and considered as one of the main places for scholars across the world to visit. The great dream still remains a dream: the great dream was to have a campus, data bank and library, and furnished residential accommodation for scholars to visit, write, renew and disseminate their work. The relevance and need for such an institution still exists today. Its doctoral programme could have become a flagship programme and would have contributed a great deal to HRD knowledge.

Stage 8: the future: globalization and nationalization (2008–?)

In the last 20 years, NHRDN has grown vastly. The seeds for its growth were sown and the foundation was laid in the first three years. The agenda of learning from each other continues. The annual or biannual conferences and the chapter meetings for learning from each other and networking continued. The chapters have grown in number. The culture of publishing papers to be distributed during conference continues.

However, a few more things could be done by NHRD:

(1) Setting standards for HRD profession and creating curricula and accreditation methodologies.

(2) Creating assessment tools and rating methods in HRD for individuals and corporations.

(3) Building AHRD as a much stronger research institution, as there is no other institution in India devoted exclusively to HRD research.

(4) The future of the HRD movement in India is in realizing that we have not even touched the most important sectors like education, health, infrastructure, government etc., where HR interventions are most needed. We need to pay attention to these strategic sectors. The spirit of HRD lies in learning from each other: teachers, managers, doctors, nurses, in fact all citizens involved in the pursuit of change and development.

(5) The future focus also should be on globalization and learning from experiences from other countries. Participating in world events, and sharing and disseminating a lot of knowledge being generated in India, is the next natural step.

This account of the success story of the HRD movement in India indicates how a few committed individuals with sustained effort and perseverance can create a concept and turn it into a movement. The conceptualization of HRD as an enabling function and an
essential part of organizational growth and human development on the part of a few individuals lead to the establishment of HRD in India. However, the profession and the body have a long way to go. Those involved in the HRD movement in India need to step out to know how HRD is a national policy issue and how they have not touched even a small part of the humanity and that the HRD movement is so incomplete if it is confined to the corporate sector. It cannot ignore the billions of people who need to improve their longevity, skills base, income, health and quality of life. The authors continue to work on these issues but unless a body like the NHRDN takes up these issues, integrated HRD may remain beneficial only to industry and to the humanity at large.

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References

