COMPREHENSIVE REVIEW

Human resource management and human resource development: Evolution and contributions

Nicole Richman, MBA

George Fox University, doctoral student, nrichman12@georgefox.edu

Abstract. Research agrees that a high performance organization (HPO) cannot exist without an elevated value placed on human resource management (HRM) and human resource development (HRD). However, a complementary pairing of HRM and HRD has not always existed. The evolution of HRD from its roots in human knowledge transference to HRM and present day HRD activities reveals that environmental, social, and political influences have escalated the need for organizations to focus employee development in the areas of flexibility, innovation, and capability. The following review illustrates the importance of HRM and HRD to organizational leadership. Furthermore, the research examined builds a close association between the attributes of a HPO and the skills transferred through an effective collaboration of HRM and HRD activities.

Keywords: high performance organization (HPO), human resource management (HRM), human resource development (HRD)

Introduction

From financial transactions to operational decisions and beyond, the core of every business function relies on an organization’s greatest asset: its human resources. As such, human resources boast significant responsibility for the success or failure of an organization (de Waal, 2007; Haslinda, 2009). The value of human resources is not always widely apparent. In fact, present day perception frequently limits human resource management (HRM) and human resource development (HRD) to recruitment, compensation, and legalities of managing a workforce (Haslinda, 2009). This review identifies the emergent value of human resources, the transformation from education and training to HRD, and the relative importance of HRD to organizational leaders. Specifically, it outlines the reliance of high performance organizations (HPOs) on HRM and HRD, concluding with the present day critical issues facing HRM and HRD.

The acronyms HRM, HRD and HPO can be, and often are, confused (Haslinda, 2009). However, to examine their historical and future implications, the differentiation of the acronyms must first be understood. Researchers have adopted a multitude of definitions for the same acronyms. The definitions vary based on country of origin, global perspective, or individual theorist (Haslinda, 2009). The definitions listed below are selected as the foundational meanings for this paper because each one encompasses the overarching themes across literature.

Human Resource Management (HRM)

Haslinda (2009) cites HRM as the “process of managing human talents to achieve organization’s objective” (Haslinda, 2009, p. 180). Recruitment of talent, benefit management, labor relations, and other legalities such as employee safety and health are all
encompassed in the process of HRM (Haslinda, 2009). As discussed further, HRM as a process is a critical distinction from HRD.

**Human Resource Development (HRD)**

Converse to the process-based HRM, HRD is a series of activities that support behavioral change and learning opportunities for employees (Haslinda, 2009). HRD activities aim to develop employee skills and resilience to the current and future demands of the organization. The overall objective of HRD activities is to achieve high performance (Haslinda, 2009). Haslinda (2009) provides for specific examples of development activities to include training and development, feedback and appraisal, career planning and development, and change management.

**High Performance Organization (HPO)**

Literature varies widely in the definition of a HPO. Definitions tend to revolve around specific achievements, financial outcomes, customer satisfaction, or productivity (de Waal, 2007).

A High Performance Organization is an organization that achieves financial results that are better than those of its peer group over a longer period of time, by being able to adapt well to changes and react to these quickly, by managing for the longer term, by setting up an integrated and aligned management structure, by continuously improving its core capabilities, and by truly treating the employees as its main asset. (de Waal, 2007, p. 3)

Because capability, adaptation, and management are core human resource functions, this paper restates de Waal’s (2007) definition of an HPO as the sought result from effective HRM processes and HRD activities.

**History and Evolution**

Theorists such as Haslinda (2009) and Torraco, (2009), place the beginning of HRM in England during the 1800s. Research suggests, that formal HRD activities began to appear in the United States during the Industrial Revolution (Sleight, 1993). Overall literature dates human development to the earliest days of mankind when training and learning were processes of survival and subsistence (Haslinda, 2009; Sleight, 1993; Torraco, 2009). Throughout such literature, a path of labor necessity, revolutions, and evolution of thought can be drawn from the earliest transference of knowledge and skills to modern day HRD activities.

**Human Development**

This paper consolidates literature to define learning, or development, as a cyclical process which starts with a trigger or a problem. Russ-Eft, Watkins, Marsick, Jacobs, & McLean (2014) suggest that various perspectives aid in understanding and analyzing the problem or situation to develop alternative solutions. During and after implementation of one or more alternatives, the outcomes create new knowledge which is pooled for future decisions (Russ-Eft et al., 2014). Torraco (n.d) suggests the pattern of learning and development can be traced back to the earliest days of man. For example, in more primitive periods, the skills and knowledge transferred from one human to another consisted of those needed to provide tools, food, and shelter for survival (Torraco, 2009). However, the literature disagrees with the foundational forces which exposed labor division. Marx proposes the economic desire for private property and social class exposed natural skill differences and proficiencies (as cited in North, 1969). In contrast, Torraco (2009) argues as tools developed to more easily provide survival needs, the natural skills and abilities of human labor became exposed resulting in a natural division of skill crafts, such as carpentry and weaving. Regardless of the foundational
force that drove the division of labor, the separation of skills and crafts led to the cooperation of people for goods and services as well as transference of skills and craft (North, 1969; Torraco, 2009).

Communication, language, and professional skills became evident in some of the earliest Egyptian written records dating back to 3000 and 500 B.C.E. (Tokuhama-Espinosa, 2011). While historical evidence suggests the learning curve during mankind’s beginning was steep, it remained modest and primitive until the Greek and Roman eras (Tokuhama-Espinosa, 2011; Torraco, 2009). Specifically, the comprehensive history provided by Torraco (2009) concludes the more sophisticated development was the result of Greek and Roman political and social agendas to create learning institutions. The Greeks first recognized education as a necessity to human development, which resulted in the permanent imprint of Greek philosophy on education (Tokuhama-Espinosa, 2011; Torraco, 2009). According to the Greeks, the type of work training and education one received reflected social status. Torraco illustrates the Greek culture through Socrates’ stance on educational philosophy. In short, Socrates believed that manual labor destroyed the body and left no time for development of the mind and soul. Therefore, only the lower class Greek population received apprenticeship and trade training. Upper-class youths received the more distinguished arts and humanities scholarship (Tokuhama-Espinosa, 2011; Torraco, 2009).

Between late mid-400 B.C. to early 300 B.C., human development philosophy expanded significantly from trade and arts education. Greek philosophers Plato and Aristotle joined Socrates in contributing significant insight and educational thought to human development. Socrates based his Socratic Method on inquisition and the need to find the underlying truth to reason (Torraco, 2009). In The Republic, Plato introduced a society with an elaborate system of knowledge, politics, and educational theory (Dillon, 2004). Aristotle systemized knowledge through the development of scientific inquiry methodology. Organon, the series of treatises authored by Aristotle, outline the principle guides to analyze reason and logic scientifically (“Aristotle,” n.d.; Torraco, 2009). The Politics extended exemplification of Aristotle’s belief on the ways that education would enrich human development (Torraco, 2009).

By the middle ages, beginning early 300s to early 1300s, Christianity held the greatest influence in education and training. Specifically, the responsibility for institutional control rested with the Church. “In the wake of the decadent Romans and barbarous Goths and Vandals, there was a great need for the structure and moral discipline that Christianity offered” (Torraco, 2009, p. 6). Torraco (2009) argues that Christianity became instrumental in cultivating the curriculum for secondary and higher education, much of which extended beyond the medieval period. Christianity incorporated the spiritual value of labor, thus paradigmatically shifting the Greek value for mental growth to the Roman value for trades and labors (Torraco, 2009). In fact, the academic learning fell almost entirely to the Christian monasteries while manual labor and mechanical arts saw significant advancement. The shift from mental growth to laborious trades was not necessarily a solid split of values (Swanson & Holton, 2009). Rather, the Renaissance era, 1400 – 1800, introduced inventions, ideas, and art, which continue to underlie technological advancements today. Much of modern technology can be traced back to the culmination of trade practices and a deepening thirst for knowledge (Swanson & Holton, 2009).

Possibly the most interesting findings in human development came from the social movements of the past two centuries. The social movements, such as labor organization, civil rights, and religious freedom, proved relentlessly that training and development is not about the organization of an idea rather the cyclical process by which an idea is founded, analyzed, rationalized, implemented, and learned from (Callahan, 2013). In the more recent era, human development and education has centered on the individual goals and desire for achievement. The transition from external pressures to internal reflection altered the higher education program. Adult education programs aim at providing education directed at specific career
paths. Human development has thus transformed to a chosen path versus one directed by environmental need or spiritual leadership (Jacobs, 2014).

Research in human development appears to have gone full circle to the primitive era of learning through experiences and Greek style growth muffled by dictated values. Modern literature agrees that learning through work programs and engagement in growth activities, offers deep experiences and grounded cognition (Gold & Bratton, 2014). Specifically, Gold and Bratton (2014) contend the context of knowledge gain is derivative of a focused professional environment which ultimately best serves the organization. As a result, the transferece of knowledge to new behaviors or ideas is stifled by the purpose or direction of the organization (Gold & Bratton, 2014). Thus, HRM and HRD practice emerged in an effort to open the learning process through a convergence of practical needs and a thirst for knowledge.

**Human Resource Management**

Some theorists contend modern business management stems from five periods, which can be characterized by external forces, that ultimately altered the way management responded over the long term (Darmody, 2007; Liebhold, 1995; Nadworny, 1957). The five periods include the industrial growth, scientific management, human relations, systems, and organizational culture (Rodríguez-Ruiz, 2014). However, other theorists such as Sleight (2009), extend HRM earlier, directly connecting it to the trade period and human development. While an official HRM milestone may not be defined, the precluding events are clear. The craftsman and trade apprenticeship era extended into the early 1800s and fostered the introduction of the Industrial Revolution in the late 1800s. According to Darmody (2007) and Liebhold (1995) theorists such as Fredrick Taylor and Frank and Lillian Gilbreth emerged with a goal to increase productivity through process management of the organization’s human resources. Taylor and the Gilbreths introduced concepts of efficient workflow and optimal conditions (Darmody, 2007; Liebhold, 1995; Nadworny, 1957).

The new obsession with worker performance combined with the rise of large organizations and government intervention forced companies to develop formal personnel management departments. By 1945, during the World War, the official term personnel management (PM) had been coined (Haslinda, 2009). While Haslinda (2009) supports PM aligns with the development of HRM, there are differences between the functions of PM and HRM. PM originally functioned to hire and terminate employees and maintain the organization standards in accordance to the trade unions (Haslinda, 2009). Thus, PM was largely a reactive set of processes. To the contrary, Haslinda (2009) argues HRM proactively addresses organizational needs by obtaining, organizing, and managing human resources.

The transformation from PM to HRM stemmed from the evolvement of management practice and philosophies introduced by behavior theorists. For example, Maslow introduced the first concepts of human resource motivation in his *A Theory of Human Motivation* (Haslinda, 2009; Jelavic & Ogilvie, 2009; Maslow, 1943). By the 1980s, another transformation from a hard HRM approach to a softer HRM approach began to appear (Rodríguez-Ruiz, 2014). The hard approach focused on strategic fit and firm performance. Conversely, the soft approach primarily addressed the impact of human resources on internal and external stakeholders of the organization. The contrasting approaches shifted the perspective of HRM from calculated practices aimed at effective and efficient resource utilization to management decisions which valued both the employer and employee (Rodríguez-Ruiz, 2014).

**Human Resource Development**

The origins of HRD are widely contested among researchers and across geographic and cultural boundaries. However, in the United States, the Industrial Revolution is recognized once again as a driving force in the evolution of HRD (Haslinda, 2009; Sambrook, 2001).
Like Taylor, Henry Ford sought to improve the efficiency of his operations by mitigating the negative impact of human resources. Ford designed a production process that utilized the most efficient movements and maximized employee capabilities. The Ford assembly line is a notable contribution to flow design and lean management in today’s operations (Goldratt & Cox, 2012; Haslinda, 2009).

By the mid-1930s, the formal concept of organizational development (OD) emerged. The theories supporting OD drove ongoing employee training and development opportunities (Haslinda, 2009; Stewart & Sambrook, 2012). Similarly, World War II led to the increased need for employee training to produce warships and military equipment, which employees were not previously apt at doing. In the late 1950s, psychology introduced the human element to OD. Theories on effective employee development activities rose to the forefront of management concern. Psychologists, Argyris, McGregor, Likert, and Herzberg popularized the notion that employee development activities directly influence employee performance (Haslinda, 2009). As such, HRD added the psychological component to HRM, separating HRD from the processes supporting HRM (Haslinda, 2009).

**Purpose and Value**

HRM and HRD are not only broadly contested in purpose across academics, but also commonly confused or misinterpreted amongst managers and organizational leaders (Nickson, 2007). The deliberate development activities of HRD can be easily misaligned with learning and training programs seeking only to provide information or specific skills to employees. However, as this review illustrates, HRD constitutes purposeful actions that intervene with the natural learning process, driving employees to adopt behaviors and develop mental and physical attributes (Stewart & Sambrook, 2012). Through the lens of HPO, employee adaptability and flexibility are key drivers to organizational performance. Therefore, the purpose of HRD is fundamentally connected to training and development of personnel proactively to address change (de Waal, 2007; Stewart & Sambrook, 2012).

**Relevance of HRM and HRD to Organizational Leaders**

Critics argue that the purpose of HRD is to improve productivity and financial outcome with little to no regard for the psychological issues within an organization (Bunch, 2007). The contradictory needs of employers and employees separate HRD activities from the overall organizational values and goals. Such separation leads to power imbalance within an organization and shifts HRD from operational and humanistic to a strategic maneuver in a competitive struggle amongst organizations. Some theorists have even placed a portion of the 2008 financial crisis blame on HRD (MacKenzie, Garavan, & Carbery, 2012). Regardless, blame misplaced or not, HRD has gained notoriety in current organizational management and leadership. As such, ignoring HRD and its implications on organizational success would negate arguably the largest impact in history on organizational performance (de Waal, 2007; Haslinda, 2009; MacKenzie et al., 2012).

The implication of HRD for organizational leaders extends far beyond the walls of the company or the limitations of an individual. Specifically, there is a growing interest in the social effects of HRD. Researchers seek to understand the social meaning of HRD through its impact on the workplace, community, and environment (Baek & Kim, 2014; Bunch, 2007; Sambrook, 2001). By posing questions outside of the immediate organizational impact, research has broadened the applicable scope of HRD to a societal perspective. Such contextualization contradicts both critics and proponents of HRD while adding significant demand on organizational leaders for HRD. By examining organizational impact through the aforementioned wider scope, leaders can more clearly evaluate the organization’s impact on society. HRD thus focuses on a more comprehensive person development rather than the narrow employee development context (Baek & Kim, 2014; Sambrook, 2001).
Baek and Kim (2014) support four types of HRD: mainstream HRD, critical HRD, socially responsible HRD, and national HRD. Mainstream HRD activities seek to develop those skills and behaviors characteristic of a high performing organization, such as flexibility and innovation. Baek and Kim further define critical HRD activities as those that push the boundaries of the status quo. Specifically, critical HRD calls for the workplace to act as a center for social change. Under this HRD belief, HRD is not just for employees, but also employers, stakeholders, and the supporting community. Therefore, HRD should be incorporated in all organizations, nonprofit, government, and professional groups or associations. The socially responsible HRD belief extends the boundaries even further, to incorporate a holistic and systematic approach to change behavior and increase social awareness. Last, the broadest perspective, national HRD, extends performance contexts to include the families, organizations, and nations that are impacted by human behavior. Each of the perspectives identified contend with the social meaning of HRD beyond the boundaries of organizational performance (Baek & Kim, 2014). Such conceptualization furthers the relative importance of HRD to organizational leaders as a social impact as well.

Creating HPOs

To summarize, an HPO must be versatile, flexible, and adaptable to the multitude of constraints pressuring organizational existence. Adaptability and flexibility require an innovative and creative cultural environment. Specifically, Sheehan, Gravan, and Carbery (2014) state: “Innovation is widely recognized to be critical for sustaining the competitive advantage of firms and industries and at the regional and national levels” (p. 2). As mentioned previously, studies have identified the critical importance of human resources on organizational performance. Innovation, an essential ingredient of a HPO, relies on the dynamic capability of the human resources within a firm (de Waal, 2007; Haslinda, 2009; Sheehan et al., 2014). Sheehan et al., (2014) state that such capability encompasses the ability to sense, seize, and transform capacity. Knowledge exchanges and leadership are critical components of dynamic capability.

Research supports a culture of organizational learning as a positive influence on innovative employee behaviors (Gilley & Maycunich, 2000). However, Sheehan et al. (2014) conclude that work engagement also plays a vital role in innovative employee behaviors. Such findings support collaboration between the HRM processes and the HRD activities to support human resource behaviors and skills necessary in an HPO. The collaboration of HRM and HRD includes a range of development and change interventions. Innovation, subsequently, is not the sole byproduct of such collaboration. Attributes of resilience, adaptability, and persistence also emerge and contribute to HPO development (de Waal, 2007; Longenecker, Zink, & Florence, 2012; Sheehan et al., 2014).

HRD activities support the constrained resources and capacities facing organizations in financially turbulent and limited environments. Activities such as mentoring, coaching, and network learning simultaneously develop employees while accomplishing the work necessary to sustain the business. Additionally, the mentors, coaches, and instructors in such instances demonstrate a greater commitment to learning to the recipient employees (Sheehan et al., 2014). Such programs recognize employee learning and development as an investment in high performance rather than an employee-related expense.

According to de Waal (2007), the HPO framework, consisting of organization culture, structure, external environment, and leadership, influences the behavior of its employees. The structure includes the systems, processes, policies, technology, organization design, and strategy, which employees and leaders must reference and utilize to achieve favorable outcomes (de Waal, 2007).

Two factors have influenced the evolution of HRD toward the more active role in the formulation of business strategy: (a) the centrality of information technology to business success, and (b) the sustainable competitive advantage offered by workforce expertise.
These two factors work together in such a way that the competitive advantages they offer are nearly impossible to achieve without development and maintaining a highly competent workforce (Torraco & Swanson, 1995, p. 11).

Torraco and Swanson (1995) and de Waal place elevated value on HRD but from different perspectives. The determinant issues integral to business success, such as marketing, innovation, and technology, rely significantly on the capabilities of the organization’s workforce. Research agrees that the skills transferred through HRD are aligned with the characteristics of a HPO (de Waal, 2007). As such, HRD and HPO must be considered reciprocal; without one, the other could not exist.

**Issues Facing Human Resources**

Stewart and Sambrook (2012) argue that the present day nature of HRD is threatened. Leaning on singular activities, such as coaching or mentoring, organizations are overriding other necessary, but more complex HRD activities. Additionally, HRD has evolved from its modest United States roots in the mid-20th century to an international phenomenon. The varied cultural, psychological, and organizational influences on HRD activities force the paradigmatic shift in understanding human development, and thus HRD (Stewart & Sambrook, 2012).

The globalization of organizations and thus wider range of stakeholders contributes to the complexity and shifting priorities of HRM processes and HRD activities. Stewart and Sambrook (2012) argue that an emergence of contradictory priorities between employees and stakeholder perspective portends that the fundamental purpose of HRD will be lost. As a result, scholarly activity around HRD theories and practices has significantly increased worldwide. The additional research broadly criticizes the humanist assumptions and instrumental view of personhood established by HRD (Stewart & Sambrook, 2012). Current researchers argue HRD does not dedicate enough attention to emotional connectivity with humans and power (Stewart & Sambrook, 2012).

Academia is not a singular influence to the principle understanding of HRD. In fact, political and environmental interventions have produced change in the realm of HRM and HRD (Stewart & Sambrook, 2012). In August 2007, George W. Bush wrote, “We recognize, and must prepare for, the possibility of unforeseen events, natural disasters, and acts of terror. We must be prepared as a Nation, as a Federal Government, and as individual citizens to preserve, protect, and defend our way of life” (Homeland Security Council, 2007). Following the attacks on September 11, President Bush approved the National Continuity Policy Implementation Plan to provide guidance on identifying and carrying out the country’s most fundamental functions during a catastrophe, natural or human (“Federal Continuity Directive - 1,” 2012). Terrorism, natural disaster, and other environmental impediments have forced government action and destroyed the very existence of many organizations that were, by the definition above, previously considered HPOs. Under the pretense of human protection, government intervention poses new requirements, regulations, and financial burdens to organizations. Such actions force new processes into HRM and alter the underlying purpose of HRD activities (de Waal, 2007; Longenecker et al., 2012; Stewart & Sambrook, 2012).

There is well-established theory and supporting research on the positive effects of resilience in the field of psychology (Youssef & Luthans, 2007). Unfortunately, there remains a gap in connecting research between psychology and workforce application. Initial research indicates a positive impact of resilient behaviors on work-related outcomes (Youssef & Luthans, 2007). Overall, it is evident that HRD can no longer preclude resilience as a skill set necessary to achieve organizational high performance and individual development.

What remains contentious is the ability to implement improved resilient behaviors. Supposing that a connection, supported by empirical research, can be made between resilience and performance, it is not yet understood if such behaviors are instilled or merely realized. “Reviewing the literature raises legitimate questions as to whether resilience is
something that is even possible to teach and learn” (Longenecker et al., 2012, p. 123). Defining resilience as the ability to overcome hardship, Longenecker et al. (2012) support that resilience is a skill learned from life journeys and experienced hardships. Resilience is achieved from personal experience and through the observation of others’ personal experiences. Therefore, HRM and HRD must consider the reliance on interpersonal relationships to develop resilience as a critical skill necessary to all employees and to the development of an HPO (de Waal, 2007; Longenecker et al., 2012).

**Conclusion**

Researchers agree that HRD emerged in the United States largely as a result of the demands presented during the Industrial Revolution. However, human development is traced to the pressures and demands of a subsistence lifestyle. HRM likewise formed from recognition of human resources as an organizational asset and the regulatory pressures of government and union interactions during the Industrial Revolution. The evolutionary trend supports two fundamental principles: (1) that human resources are the biggest asset to an organization; and (2) social and human development is necessary to persist in a changing environment.

Research agrees there is a prevalence of external and internal pressures on organizational performance globally. Based on the above definitions, resilience to change and innovation are vital characteristics of a HPO. The influence of such pressures and the need for responsive and proactive skill sets altered the practice of HRM. Further, constraints and pressures contributed significantly to HRD activities.

Broader societal implications further complicate HRM and HRD. Social responsibility commands organizational leaders to incorporate sensitivity to societal concerns in organizations’ objectives and decision making processes. Such awareness has expanded the context of HRD to include employee behavior impact on the broader community and social environments outside of the organization’s constraints.

Despite efforts to formulate HRD as controllable, predictable, and systematic, the research included in this paper supports HRD as an evolutionary and variable set of activities to drive necessary behaviors internal and external to the workplace environment. Training and formatted programs which seek to solve a particular problem may, or may not, be a component of the broader group of HRD activities within the organization. However, HRD extends far beyond prescriptive solutions to organizational problems. Conversely, HRM is far more prescriptive, but no less proactive, to the demands of HPOs. HRM seeks to manage and maintain the organization’s human resources within the productivity needs of the organization and the legal, political, and social external constraints. Some researchers argue that HRD is a vital component to HRM. Conversely, other research contends the process versus activity level variance separates HRM and HRD entirely.

Regardless of the contextual placement of HRM and HRD definitions, the increased research in the field culminated with the increased pressures facing organizations places critical importance on human resources. The prominence of human resources extends to organizations, societies, and cultures. As such, in the pursuit of high performance, the development and management of the most vital resource cannot be ignore

**References**


