Mikko Luoma - M.Sc. (Econ.) - University of Vaasa A Look behind the Programme Level: Factors that Drive HRD

A growing awareness of the importance of human resource management (HRM) in business has resulted in, among other things, more attention being paid to the activities that enhance learning in organizations. These human resource development (HRD) interventions get many different forms, varying for example in respect of the time needed for their implementation or of the level and degree of intervention.

The active use of developmental programmes brings up the question about the role HRD plays in business, and especially what the relationship between HRD and strategic management is. A simple solution would be to assume that more money spent on training or more sophisticated programmes as such would automatically correspond to the more strategic role HRD is put into. However, this article argues that the strategic role of HRD can not be assessed by studying the programme level only. To better understand HRD"s contribution to the business, one has to go behind the programme level / to HRD orientation that reflects the thinking that has led to the implementation of different programmes and further to the factors that are associated with the various forms of HRD orientation.

In the article, three strategic roles of HRD are identified and named as need-driven, opportunity-driven, and capability-driven roles. HRD orientation refers to the degree these roles are emphasized in the plans, decisions, and actions of an organization concerning the development of people. HRD orientation is suggested to be reflected in the main motive for the development activities, in the way these activities are integrated with other HR practices, and in the expected impact of the activities. Based on several studies on the factors influencing HR practices in general, the author forms a set of possible factors being associated with HRD orientation. The individual factors fall into the following categories: industry, organization, strategy, HRD function, and HRD person. The article reports an empirical study where the connections between the factors and HRD orientation is studied with the help of statistical analysis.

The data were collected from 81 companies representing the Finnish metals industry. The questionnaire included a section for HRD orientation and another section for the background factors. In the analysis, a numerical indicator for each of the HRD roles was calculated for each individual respondent. Then the values of the background factors were examined to determine if they differed in accordance with the magnitude of the role. Based on the analysis, several factors were found to be significantly associated with HRD orientation, thus acting as key drivers for HRD activities and outcomes. In the article, a variety of managerial implications and avenues for further research are presented.