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Human Resource Development Climate. Culture and Mechanisms: The Case of United Bank Share Company

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Abstract

This study aimed to assess the state of Human Resource Development (HRD) Climate, HRD Culture, and HRD Mechanisms at United Bank S.C., using a quantitative research design. A descriptive survey method was employed to explore three primary research questions: (1) Is the overall HRD climate at United Bank S.C. conducive? (2) To what extent does a supportive HRD culture exist within the organization? and (3) To what extent are HRD mechanisms implemented effectively at United Bank S.C.? A random sample of 60 employees was selected from the total population of 194 managerial and non-managerial staff. Data were collected using a standardized questionnaire comprising 38 items categorized under General HRD Climate, HRD Culture, and HRD Mechanisms. The responses were analyzed using the Statistical Package for the Social Sciences (SPSS). The findings revealed that the overall HRD climate in the organization is below average. Among the three components examined, HRD Culture was found to be more prominent than HRD Climate and HRD Mechanisms. Additionally, the study suggests that the organization places more emphasis on other resources than on the development of its human capital. The results highlight the need for United Bank S.C. to undertake strategic

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interventions aimed at strengthening its HRD climate by fostering a more robust culture of development and implementing comprehensive HRD mechanisms. Such measures are essential for enhancing organizational effectiveness and ensuring sustainable human capital growth.

Keywords: HRD climate; HRD culture; HRD mechanisms; Human resources; Organizational development.

INTRODUCTION

Human Resource Development means building three C's—Capabilities, Commitment and Culture. Capability building requires developing the knowledge and skills of the person. Capability has to be supported by commitment which comes through desire to excel, positive attitude towards work, cooperation, involvement and common for one's own self and society. Another important factor of Human Resource Development is building culture. Culture is a way of life. It involves creating an awareness of what is ideal and desirable.

Human Resource Development comprises of developmental activities such as formal or informal training, career development, performance management and development, organizational development, coaching and mentoring.

Stating the major purpose of Human Resource Development Sampson (2005) stressed that it is to change behavior through training and other incentives. Hence, Human Resource Development climate is an instrument that helps the employees to acquire the required skills, knowledge and attitude which boost their productivity for an improved organizational performance.

This study is an investigation of the HRD climate at United Bank S.C. An investigation of the Human Resource Development Climate helps organizations to know the existing employees satisfaction and to take the necessary steps to modify or change certain practices if they feel there remains a gap between what the employee want and what is prevalent.

Purpose of the Study

Human Resource Development climate is the perception of the employees about the prevailing HRD culture in the organization which is mostly brought out through surveys covering the entire or a sample of employees. To this end, the over all aim of this study is

to describe the state of Human Resource Development Climate, HRD culture, and HRD mechanisms at United Bank S.C.

Research Questions

The research questions of the study are thus:

1. Is the overall Human Resource Development climate conducive at United Bank S. C.?
2. To what extent there is a suitable HRD culture at United Bank S. C.?
3. To what extent HRD mechanisms implemented at United Bank S. C.?

Delimitation and Limitation of the Study

To make the study manageable this study is delimited to the head office of United Bank S.C. Since the study is delimited to the head of United Bank S.C it does not show the whole picture of HRD climate at the institution under the study.

Literature Review

The Meaning of Human Resource Development

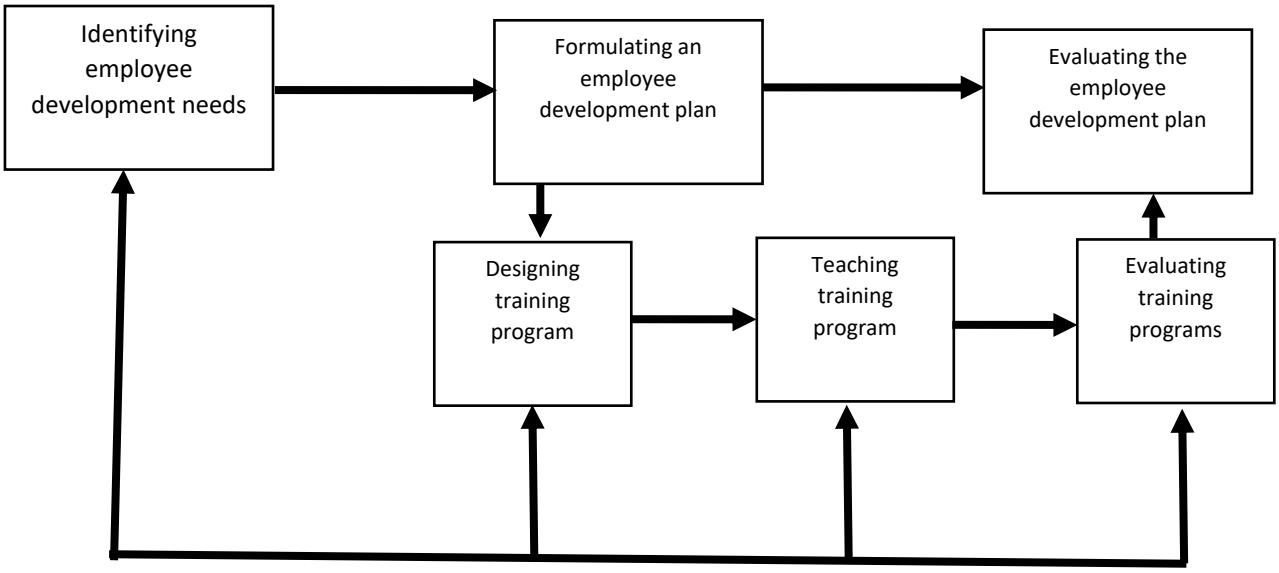
According to McLean and McLean (2001) Human Resource Development is any process or activity that either initially or over the long term, has the potential to develop work based knowledge, expertise, productivity and satisfaction.

Chalifsky (1992) states Human Resource Development is the study and practice of increasing the learning capacity of individuals, groups, collectives and organizations through the development and application of learning-based interventions for the purpose of optimizing human and organizational growth and effectiveness.

Walton (1999) cited in Armstrong (2009) defined human resource development as an activity that involves introducing, eliminating, modifying, directing and guiding processes in such a way that all individuals and teams are equipped with the skills, knowledge and competences they requiring to undertake current and future tasks required by the organization.

The Process of Human Resource Development

According to Heneman and et. al. (1998) human resource development is thought as a process consisting of several interrelated phases or steps.



Thus, the process begins with a series of on going analyses to determine he extent and nature of an organization's employee development needs. With these needs clarified, it is then possible to put together an employee development plan that shows overall objectives, program priorities and resource allocations and indicates who will be trained in what, by whom and when. Each potential trainee can then be matched with a training opportunity, which might occur in-house or out, on the job or off. The actual training takes place. Finally, there is evaluation.

Effective Human resource development programs have guiding principles. According to singh (2004) they include:

1. Training and development are continuous. There is no time limit for T & D. Scope of T & D exists throughout the career.
2. Setting objectives is essential for T & D. T & D must be properly planned and designed for each employee. This is possible only by setting up objectives of T & D in clear terms.
3. There exists a gap between 'Best performances' with 'potential performance.' There exists a gap between one's present performance and best performance. T & D can bring out the hidden potential talents; thereby improve his present performance which might be rated as the best.
4. Growth is a challenge which involves stresses and strains. Growth involves effort– physical or mental. Growth involves challenges. This causes anxiety.

5. Participation and feedback accelerates growth. In learning, active participation by learner is an important aspect to get the result faster. Similarly, feedback of learner's performance improves effectiveness of T & D program.

Ivancevitch (2004) squabbles the following learning principles are important in the design of both formal and informal training programs.

- The trainee must be motivated to learn. In order to learn, a person must want to learn. In the context of training, motivation influences a person's enthusiasms for training, keeps attention focused on the training activities and reinforces what is learned. Motivation is influenced by the belief and perceptions of the trainee. If the trainee is not motivated, little can be accomplished in a training program.
- The trainee must be able to learn. To learn complex things, a person must have certain aptitudes. The ability to learn plays a role in whether what is taught in a training program can be understood and applied back at work.
- The learning must be reinforced. Behavioral psychologists have demonstrated that people learn best with fairly immediate reinforcement of appropriate behavior. The learner must be rewarded for new behavior in ways that satisfy needs, such as pay, recognition, and promotion. Standards of performance should be set for the learner. Benchmarks for learning provide goals and give a feeling of accomplishment when reached. These standards provide a measure for meaningful feedback.
- The training must provide for practice of the material. Time is required to assimilate what has been learned, to accept it, to assimilate it, and to build confidence in it. This requires practice and repetition of the material.
- The material presented must be meaningful. Appropriate materials for sequential learning (cases, problems, discussion, outlines, and reading lists) must be provided. The trainer acts as an aid in an efficient learning process. The learning methods used should be as varied as possible.
- The material must be communicated effectively. Communication must be done in a unified way and over enough time to allow absorption.
- The material taught must transfer on the job. The trainer must do her or his best to make the training as close to the reality of the job as possible. Thus, when the trainee returns to the job, the training can be applied immediately.

The Human Resource Development Climate

Smith (1988) states organizational climate is the shared perceptions of organizational policies, practices and processes both formal and informal. With respect to Human Resource Development climate Benjamin (2012) squabbles, HRD climate is an integral part of the prevailing general organizational climate which may include characteristics such as: Importance given to human resources, openness of communication, encouragement given to risk-taking and experimentation, feedback given to employees to make them aware of their strengths and weaknesses, a general climate of trust, faith in employee's capabilities, employees' tendency to assist and collaborate with each other, team sprit, discourage stereotypes and favoritism, and supportive personal policies and practices.

In general the Human Resource Development climate involves the overall HRD climate, HRD culture and HRD Mechanisms. In discussing the overall HRD climate Rao and Abrahm (1986) cited in Srimannarayan (2009)state an optimal level of development climate is essential for facilitating HRD activities. This can be characterized by the tendencies of treating employees as the most important resources, perceiving that developing employees is the job of every manager, believing in the capability of employees, communicating openly, encouraging risk taking and experimentation, making efforts to help employees recognize their strengths and weaknesses, creating a general climate of trust, collaboration and autonomy, supportive personnel policies, and supportive HRD practice. The top management subscribing to these values is a starting point. Misra (1999) in Srimannarayan (2009) further states a healthy HRD climate certainly bolsters the overall internal environment of the organization, fosters employee commitment, involvement and satisfaction with the job.

For a positive HRD climate to prevail within an organization, it must be built on eight important culture characteristics identified by Rao and Abrham (1990). These characteristics are Openness, Confrontation, Trust, Autonomy, Pro-action, Authenticity and Collaboration (Benjamin 2012). According to Srimannarayan (2009) HRD mechanisms include: training, performance appraisal and feedback, potential appraisal, career planning, reward and employee welfare.

METHODOLOGY

Research Approach

The research approach for this study was quantitative research approach. The type of research method used was descriptive Survey. Descriptive survey is used in this research because this research is concerned with the prevailing practices of human resource development at United Bank S.C.

Source of Data

The sources of data were employees (both managerial and managerial employees) of United Bank S.C.

Data Gathering Instrument and Data Analysis Procedures

The data gathering instrument used was standardized questionnaire. To this end a five point scale question was applied. The questionnaire had 38 items grouped under three categories: General climate, HRD culture and HRD Mechanisms to assess the level of HRD climate.

General climate provides the views on the top management support for HRD, HRD culture reflects the degree of openness, confrontation, trust, autonomy, pro-activity, authenticity and collaboration that exists in the organization and HRD mechanisms takes into account potential appraisals, performance appraisal, training and development, career planning and development and related activities.

Statistical treatment of data such as frequency counts, percentages, and means were made on the data collected. The use of SPSS was made to this effect.

Sampling size and Sampling Technique

The populations of this study were employees of the United Bank S.C. The total number of the population was 194. To reach on a representative sample simple random sampling method was used. A total sample size of 60 was taken.

Data Analysis and Interpretation

The following part attempts to analyze and interpret the data collected from the United Bank S.C.

Table 1 Characteristics of the Respondents

S. No.	Item	Category	Frequency	Percent
1	Sex	Male	26	43.3
		Female	34	56.7
2	Age	Under 25	6	10.0
		25-34	42	70.0
		35-44	10	16.7
		45-54	2	3.3
		Above 55	0	0.0
3	Work Experience	0-4	20	33.3
		5-9	30	50
		10-19	8	13.4
		20-30	2	3.3
		Above 30	0	0.0
4	Educational Qualification	TVET Graduate	0	0.0
		College Diploma	16	26.7
		BA/Bsc.	44	73.3
		MA	0	0.0
		PHD	0	0.0
5	Field of Specialization	Accounting	24	40
		Economics	4	6.7
		Fin. and Dev. Econ	2	3.3
		Management	6	10.0
		Marketing Mgt.	6	10.0
		Purchasing	6	10.0
		Technician	8	13.3
		SSOM	2	3.3
		Supply Management	2	3.3
6	Position/Job	Management	4	6.7
		Non-Management	56	93.3
7	Division/Project	Audit	2	3.3
		Control	2	3.3
		Credit	4	6.7
		Customer Service	2	3.3
		Finance	12	20
		General Service	14	23.3
		IBD	4	6.7
		Purchasing	16	26.7
		Treasury	4	6.7
Total			60	100.00

In Table 1, it is depicted that 26 (43.3%) respondents were male and 34 (56%) were female. Of the total respondents 6 (10%), 42 (70%), 10 (16.7%), and 2 (3.3%) were in the age groups of under 25, 25-34, 35-44, and 45-54 respectively. Twenty (33.3%) worked for 0-4 years, 30 (50%) worked for 5-9 years, 8 (13.4%) worked for 10-19 years and 2 (3.3%)

worked for 20-30 years. Twenty four (40%), 4 (6.7%), 2 (3.3%), 6 (10%), 6 (10%), 6 (10%), 8 (13.3%), 2 (3.3%) and 2 (3.3%) had a specialization of Accounting, Economics, Finance and Development Economics, Management, Marketing Management, Purchasing, Technician, SSOM and Supply Management respectively. Four (6.7%) of the respondents were managers and 56 (93.3%) were non-managers. Moreover, 2 (3.3%), 2 (3.3%), 4 (6.7%), 2 (3.3%), 12 (20%), 14 (23.3%), 4 (6.7%), 16 (26.7%) and 4 (6.7%) work in the Audit, Control, Customers Service, Finance, General Service, IBD, Purchasing and Treasury divisions.

Table 2 Response of Employees on whether they were sponsored for Education or Training

Item	Response	Frequency	Percent
Have you ever been sponsored by the corporation to attend any training or education programs outside the corporation?	Yes	12	20.0
	No	48	80.0
	Total	**60**	**100.0**

Table 1 shows employees response on whether they were sponsored for training or education by the organization. 12 (20%) said they were sponsored and 48 (80%) said they were not sponsored for training or education. From this it can be concluded that there is no training or education opportunities in the organization.

Table 3 Human Resource Development Climate

S. No.	Statement	Mean
1	The human resource development need assessment conducted periodically	2.5333
2	The human resource development programs use clear policy, rules & regulations.	4.0000
3	The human resource development programs that conducted are relevant for my currency job.	3.3000
4	The human resource development implementation method involves line managers	3.1000
5	The corporation evaluates the effectiveness of human resource development programs.	2.5667
6	The management of the corporation does effort to make sure that employees enjoy their work.	2.4000
7	The management believes that human resources are an important resource and that they have to be treated more humanly.	2.1667
8	Development of the subordinates is seen as an important part of their job by the managers/ officers.	2.4667

S. No.	Statement	Mean
9	The management is willing to invest their time and energy including other organizational resources to ensure employees development.	2.7667
10	Managers in the corporation believe that employee behavior can be changed and people can be developed at any stage of their life	3.1667
11	There is a conducive climate to any employee interested in developing oneself by acquiring new knowledge and skills	2.9333
12	My supervisor advices me on how I can develop my careen within the corporation	2.4333
13	My work is intellectually stimulating and challenging	3.2667
14	There are many opportunities in my work to describe and try out new ideas	2.6333
15	The management encourages employees to actively make suggestions about work improvement and used in practice.	2.5333
	Overall	**2.8178**

As can be observed from table 2, the HRD climate at the organization has a mean score of 2.82 indicating that a below average HRD climate prevalent in the organization under investigation.

Table 4 Human Resource Development Culture

S. No.	Statement	Mean
1	Employees are not afraid to express or discuss their feelings with their superiors.	2.8000
2	Employees in this corporation make an effort to find out their strengths and weaknesses from their supervising officers or colleagues.	3.1000
3	When problems arise, people discuss these and try to solve rather than keep accusing each ot her behind the back	3.2667
4	People lacking competence in doing their jobs are helped to acquire competence rather than being left unattended	3.0033
5	When any employee makes a mistake, his/her supervisor friendly treat and help him/ her to learn from such mistakes rather than punishing or discouraging him.	3.0033
6	People trust each other in this corporation	3.2333
7	Employees are encouraged to take initiative and do things on their own without having to wait for instructions from supervisors.	3.0000
8	Delegation of authority to encourage juniors to develop handling higher responsibilities Is quite common in this corporation	2.2667

S. No.	Statement	Mean
9	When seniors delegate authority to juniors, the juniors use it as an opportunity for development.	3.3667
10	The management of the corporation makes efforts to identify and utilize the potential of the employees.	2.6333
11	Employees are encouraged to experiment with new methods and try out creative ideas	3.2333
12	When behavior feedback is given to employees they take it seriously and use it for development	3.5000
13	When employees are sponsored for training, they take it seriously and try to learn from the programs they attend.	3.4667
14	Employees returning from training programs are given opportunities to try out what they have learnt.	3.3000
15	Employees are sponsored for training programs on the basis of genuine training needs	3.1000
16	Team spirit is of high order in the corporation.	2.8333
17	The organizations future plans are made known to the managerial staff to help them develop their juniors and prepare them for future	3.0667
Overall		**3.0690**

Analysis of the HRD culture of the organization under the study indicated that a mean score of 3.07 was prevalent in the organization. This indicates that a moderate level of HRD culture exists in the organization. The most important factors that contributed towards such a culture were:

- Employees in this corporation make an effort to find out their strengths and weaknesses from their supervising officers or colleagues.
- When any employee makes a mistake, his/her supervisor friendly treat and help him/ her to learn from such mistakes rather than punishing or discouraging him.
- Delegation of authority to encourage juniors to develop handling higher responsibilities Is quite common in this corporation
- The management of the corporation makes efforts to identify and utilize the potential of the employees
- Employees are encouraged to experiment with new methods and try out creative ideas
- When behavior feedback is given to employees they take it seriously and use it for development

- When employees are sponsored for training, they take it seriously and try to learn from the programs they attend.
- Employees returning from training programs are given opportunities to try out what they have learnt.

Table 5 Human Resource Development Mechanisms

S. No.	Statement	Mean
1	Seniors guide their juniors and prepare them for future responsibilities/roles they are likely to take up.	2.9000
2	Promotion decisions are based on the suitability of the promotee rather than based on any favoritism or partiality	2.3000
3	There are mechanisms in this organization to reward any good work done or any contribution made by employees	2.6000
4	When an employee does good work his/her supervising officers take special care to appreciate it.	2.6333
5	Performance appraisal reports in this organization are based on objective assessment and adequate information and not on favoritism or partiality.	2.6667
Overall		**2.6200**

Table 5 showed an overall mean score 2.62 prevalence of HRD Mechanisms. The lowest being the item promotion decisions are based on the suitability of the promotee rather than based on any favoritism or partiality.

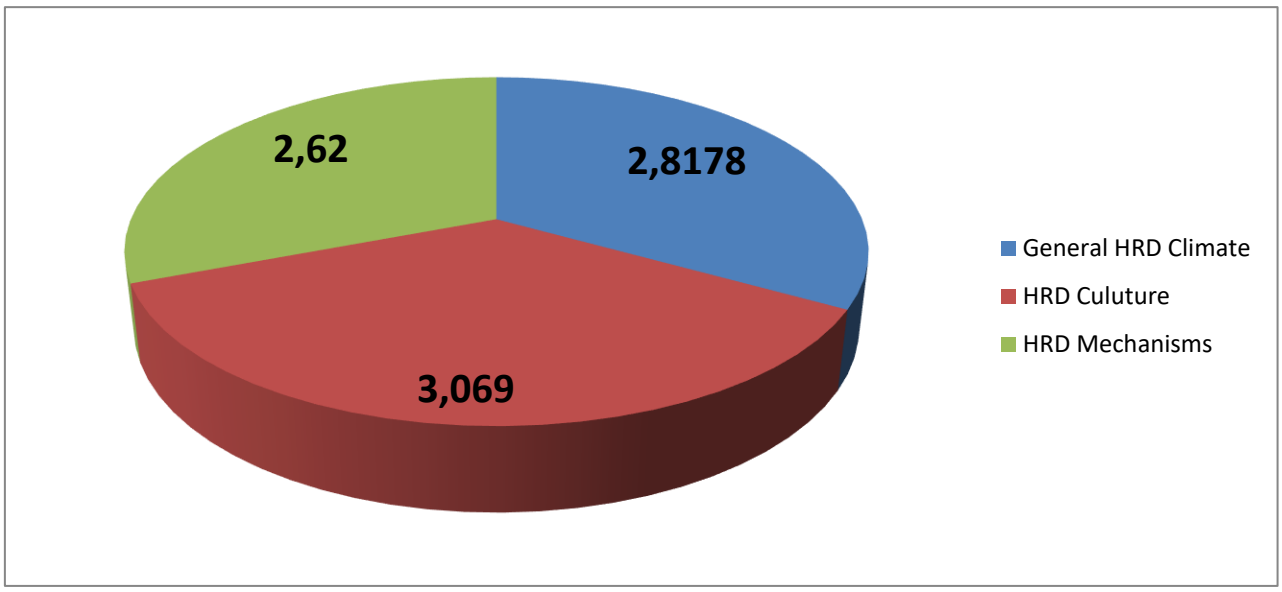


Figure 1 Category Wise HRD Climate

Overall it is calculated that the mean score for the organization was 2.84 (2.62+2.8178+3.069/3). The information portrayed in figure 1 indicates that the HRD

culture (mean=3.07) was relatively more prevalent than the general HRD climate (mean=2.82) and the HRD mechanisms (mean=2.62).

CONCLUSION

The findings of this study reveal that United Bank S.C. exhibits a below-average Human Resource Development (HRD) climate, with HRD culture being relatively more established than HRD climate and mechanisms. It is also evident that the organization prioritizes other resources over its human capital, indicating an imbalance that could hinder long-term organizational growth and employee engagement.

To address these issues and foster a stronger HRD environment, the following recommendations are proposed. First, the organization must recognize its human resources as critical assets by investing in their growth and development. This includes encouraging innovation and feedback, communicating career development opportunities, and routinely assessing HRD needs and outcomes. Second, enhancing the HRD culture requires supervisors to foster open communication, delegate responsibilities to build autonomy, and actively identify and leverage employee potential. Finally, to strengthen HRD mechanisms, United Bank S.C. should refine its promotion practices, establish fair and motivating reward systems, and reinforce positive performance through consistent appraisal practices. Together, these actions can significantly improve the HRD framework, aligning it with best practices for organizational effectiveness and employee well-being.

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