# Challenges in aligning workplace learning with business goals:
# A perspective from HRD professionals in New Zealand

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*Modern organisations have become more complex, less mechanistic and increasingly sensitive to rapid changes in the external environment than in previous eras. Today, executives lead employees through a maze of complexity and changing contexts. However, another group of dedicated professionals, the human resource managers and practitioners, also play a big part in shaping business success. For human resource managers, learning how to cope with a diverse range of people-centred challenges has generated a succession of workplace development initiatives aimed at aligning education and training with business strategy (Anderson 2009). In the knowledge economy, the value of workplace*

*education and training has become a mantra for business survival. Simultaneously, in response to a requirement for change, the human resource management (HRM) profession has engaged in frequent and often inward-looking processes to re-define its own contribution, not only to the effectiveness of an enterprise but also to the individual employee and wider community. Within this evolution, in some organisations, the traditional sub-areas of HRM, such as human resource development (HRD), have gradually become detached from mainstream HRM and assumed a role quite different in both purpose and approach to from the more hegemonic notion of resources management. This paper draws insights from a group of senior HRD professionals in New Zealand to review the significance of workplace learning in a strategic context and identify the challenges the profession faces in meeting the demands of complex workplaces. The paper focuses on how HRD professionals go about aligning learning activities with business objectives—often with mixed results.*

## Introduction and background

In recent years, human resource management (HRM) practices have grown systematically to become firmly embedded within a business mindset (Boxall & Purcell 2003, Elsey 1997), yet by contrast, human resource development (HRD) activities have evolved to perch awkwardly between the more-established disciplines of business, education and social policy (Short 2009). In the academic world, HRD specialists are 'struggling for their own space and freedom, distinguishing themselves from HRM or vocational education' (Sambrook 2004: 617). HRD professionals have 'long searched for credibility' (Iles, Preece & Chuai 2010: 125) and much has been written about the challenges HRD faces, primarily keeping the field relevant, adopting more strategic approaches, embracing technological changes and measuring its contribution

to organisational performance (McGuire & Cseh 2006). Its gradual evolution has both generated opportunities and created limitations for HRD research. In becoming wedged between mainstream academic disciplines, HRD can be perceived as fertile ground and an attractive place for applied study; on the other hand, this positioning can also be interpreted as being in the disciplinary wilderness, resulting in a lack of interest from purists on all sides and a diluting of the importance of HRD as a strategic area of interest.

Part of this response comes from the recurrent tensions of ideology between the disciplines. The unfortunate result is that HRD offerings become overlooked by top executives or subsumed as a less important activity of HRM, and this situation becomes most evident when an organisation re-aligns its strategy in order to cope with ever-changing market competition and demand. Some organisations have amplified this estrangement by placing HRM in a centralised, corporate service while devolving HRD to line management. There are two key implications here. First, it relegates the identity of HRD towards the operational level of a business; and second, it assumes that line managers are equipped with the knowledge, skills, motivation and time to organise workplace training. Moreover, Sambrook (2004) found that, when line managers were keen to accept autonomy on HRD decisions, a tension developed about the purpose of HRD—that is to say, who would benefit most, the individual or the organisation? As a consequence, many HRD practitioners have become resigned to their relegated status within corporate affairs, but this lack of recognition has impacted adversely on their professional identity as workplace educators and may even have inhibited their career development.

Historically, workplace development projects have been among the first casualties of rationalisation, especially softer skill programs, where evaluations of benefits are harder to source than straightforward, practical, skill-based training. Yet, even before the

widespread uptake of HRD in the mid-1980s, workplace learning and training was seen as a sub-activity of personnel departments (Buckley & Caple 1990). As a result, an organisation's commitment to training and development was very much dependent on the personnel manager's enthusiasm. In spite of ever-increasing training budgets, present-day research shows an ongoing and tenuous existence for workplace development, in that only a small percentage of the UK's FTSE top 100 organisations have a human resources representative at boardroom level (Manocha 2006). Such ever-present dilemmas create many challenges for HRD professionals who believe their contribution to workplace performance is special, not only in terms of enrichment of people but also to the longer-term development of the organisation and wider community.

There are two factors to consider here**.** First, despite the repeated assertions of HRM advocates that training should be fully integrated into business strategy (Guest 1987, Purcell 1989, Story 1989, Hendry 1995, Tyson 1997, Mueller 1996, Elsey 1997, Boxall & Purcell 2003, Field 2004), the contribution of HRM as a genuine strategic activity continues to dominate studies, though some texts indicate that HRD is a well-established concept within the wider field of HRM (Sambrook 2009, Wang, Hutchins & Garavan 2009). Second, despite global increases in training budgets, there remains ongoing doubt at boardroom level about the positive connection between workplace learning activities (often included in the notion of HRD) and longer-term business success. Some commentators believe that top executives fail to acknowledge, or value, HRD as a strategic imperative and this situation presents an interesting paradox, because training budgets are ever increasing. The estimated forecast for the UK in 2008 was £24 billion and later revised to £36 billion (CIPD 2008).

Commitment from the top is an essential factor in the success of HRD (Pareek & Rao 2008). According to Sambrook (2004: 619), 'how

senior managers think about HRD can influence how it is practised' and part of the reason why executives reduce training budgets so easily is poor evaluation practices. HRD professionals recognise the importance of gaining feedback from learning events, but research findings call into question the thoroughness of evaluation processes, claiming they rarely happen to the satisfaction of senior managers. This problem fuels pre-existing scepticism among senior managers who need evidence of the payback (Horwitz 1999, Sloman 2004). Consequently, training and development projects that are unable to demonstrate clear alignment with the firm's objectives are postponed or cancelled altogether (Tarrant 2009). The uneasy relationship between HRD and strategy, therefore, means that traditional approaches to evaluation may have failed to convince managers— creating a need to discover better ways of expressing the benefits of training, if the strategic value of HRD is to strengthen. Moreover, in recent years, the term 'alignment' has grown in use—especially in the pro-HRM literature—as a descriptive term to symbolise a range of management-driven processes based on planning and directing training projects towards strategic goals (Anderson 2009). There is no shortage of advice on how to achieve alignment, but sometimes the offerings seem overplayed and simplistic, and to overlook the increasing complexity of organisational life (Short 2008b). HRD professionals know that achieving alignment is not straightforward. For example, in a culturally rich setting, alignment-based scorecards that set an objectivist tone may fail to recognise the qualitative circumstances in which organisations deploy their learning strategies. Arguably, the notion of alignment (in the context of HRD) takes a managerial perspective (Field 2004, Short 2008a) and overlooks that organisations frequently gain competitive advantage by pursuing several strategies at the same time (Thompson 1995), thus making alignment difficult to quantify and define as a universal entity. Consequently, confusion prevails and alignment degenerates into a management dream, or perception, rather than an achievable reality.

The upshot is that organisations using alignment as a reason for making strategic decisions on HRD find it challenging to articulate accurately what alignment means and how it impacts on business success.

With all this ferment, the traditional sub-areas of HRM, such as HRD, have gradually become detached in some organisations from mainstream HRM and assumed a role quite different in both purpose and approach from the more hegemonic notion of resources management. Sambrook (2010: 121) suggests there are 'various titles associated with HRD' and such significant issues are in need of illumination through research on actual practice. This paper, therefore, draws insights from a group of senior HRD practitioners in New Zealand to review the significance of workplace learning and development and to identify the challenges the HRD profession faces in meeting the demands of complex workplaces. The paper examines the perceptions of the HRD practitioners of their role and professional contribution, how they establish an identity and how they influence what managers and employees consider as important for organisations to succeed. In doing so, it reveals a number of occupational tensions for HRD practitioners.

## Research method

An interpretive approach has been used in this research, since the study was primarily concerned with perceptions and experiences. An interpretive approach is based on the view that people socially and symbolically construct their own organisational realities (Berger & Luckman 1967). It construes knowledge as being gained through social constructions such as language, shared meanings and documents. Thus the individual is cast as 'a central actor in a drama of personal meaning making' (Fenwick 2001: 9). In this way, individuals are understood to construct their own knowledge through interaction with environments (constructivism).

The data on which this paper is based were derived from a specially convened focus group of five human resource practitioners in New Zealand during 2007. The group was drawn from a selection of organisations to provide commentary on a range of HRD issues and practices. None of the participants knew each other before the meeting, but one of the researchers knew the individuals through previous connections. The group, comprising two early-career male HRD managers and three senior female practitioners, had all experienced HRD in an international setting. They were drawn from five industry sectors, including manufacturing (MF), automotive retail (AR), local government (LG), commercial banking (CB) and tertiary education (TE). These industry sectors were purposively selected with the intent of obtaining as diverse a spread of views as possible.

The focus group was led by an independent and professional facilitator. Using a facilitator with subject-matter knowledge added much credibility to the discussion, enabled participants to relate quickly to the range of issues and allowed discussion to 'freewheel' within the range of questions (see appendix). The discussion was audio-taped to assist with later analysis and each member verified the written transcription. Using desktop analysis, the text data were clustered for the purpose of writing-up the findings. The findings that follow are structured around ten themes. These themes emerged from the interview transcripts, interpreted from notes taken during the focus group and informed by an extensive review of the literature. This strategy was chosen to best capture the essence of how group members not only contributed to their organisation's success but also reconciled their own professional agenda of educating employees within the wider context of lifelong learning. (The codes used after quotations indicate the question number and the industry sector).

**Findings and discussion**

Strategic HRD considerations in a global workplace

The high turnover of employees in New Zealand's mobile labour market, particularly in large cities such as Auckland, raised concern about the challenges of finding, retaining and developing capable people. The group discussed how organisations might fall back on a historic reluctance to invest in training if they thought staff members were going to be poached at a later stage. There was some belief this attitude prevailed despite research to the contrary showing that training and development actually helped in retaining employees (Smith and Hayton 1999). One participant said:

> I think there is quite a lot of reluctance out there to develop people sometimes when you think they're going to be poached if I develop them too much. You know the old sort of model where we've just invested a lot in Jim, and now Jim's going so let's not invest anymore and not make that mistake again. That kind of attitude still prevails in a lot of areas and you have to try and convince them that in actual fact the research is increasingly showing that development is valued by employees and they're more likely to stay if they are developed and stimulated in that way and trying to convince people of that. (Q3, LG)

The need for economic survival, growth and increased levels of competitiveness were significant concerns, especially the decline of whole industry infrastructures, as increasing numbers of New Zealand organisations moved offshore. In an atmosphere of survival, people rarely considered that if one company failed it had a knock-on effect on many other parts of the supply chain. The group believed New Zealand, as a nation of small businesses, was particularly vulnerable, and the challenge was for larger organisations to see beyond themselves, consider how they could support the small firms, and create a form of strategic interdependence. Guarantees of partnership would then give small firms the confidence to invest in capital and develop people. Building on this idea, one participant from the

banking sector recognised the need to be creative and different from the competition. In his view, 'It would be so easy to get sucked in to the rest of the pack and nobody would be able to tell the difference' (Q3, CB). He believed customers valued a point of difference—so important when attracting new talent. New Zealand has a relatively small pool of talent, limiting the availability of high calibre people. In the trade union sector, important challenges included encouraging people to see learning as part of the bigger picture and becoming multi-skilled. New Zealanders are also notoriously low risk-takers and working people rarely take on a learning challenge for fear of failure or being perceived as a failure. The emergence of the knowledge economy had been a huge wake-up call for many working New Zealanders as economic success increasingly depended less on agriculture and more on advanced technology. The manager concluded: 'In most cases, the problem was not the technology itself but the manner in which people communicated the difficulties or helped others overcome their difficulties.' (Q3, CB).

### Influences on workplace development decisions

As organisations struggle to survive in the global economy, priorities are ever-changing and HRD practitioners play an important role in shaping the management decisions on training and development. Participants reported a wide range of organisational issues, largely centred on selecting the correct people strategy, overcoming resource constraints and driving the need for performance improvement. Mostly, decisions related to training were based on a primary assessment of the external environment and market. This appraisal was undertaken to determine customer expectations on performance, and then examine how employees could best meet those expectations. One participating manager from the banking sector explained: 'We look at the big-ticket issues that are presently on the horizon and into the future. Then we look inside the organisation to see what our capabilities are in relation to those things. It is a classic gap

closing activity, starting with the big picture and then working down'. Thompson (1995: 229) refers to this 'relational' process as dealing with the strategic 'architecture'. The manager continued his account of the process as follows:

> Cost is secondary to business need over the shorter term and what staff training was needed to move forward. In the longer term, it was about considering what formulas worked in the marketplace - investigating what activities were going well and what appeared like good initiatives to deploy over the medium to long term. Cultural fit was also an important part of this assessment, as experience had shown that training initiatives failed when they did not fit with the organisational culture. (Q2, CB)

The tertiary sector participant emphasised financial factors in recounting that 'in my organisation, all we hear about is budgets but at the same time you are supposed to keep yourself up to speed with professional development and get on with the next thing … it is really an issue of rhetoric versus reality' (Q2, TE). Interestingly, participants' comments reflected both strategic and operational levels of decision-making on training. Typically, senior executives set three to five priorities per year as strategic items to support the overall business plan, but at the next level, training was determined more by the engagement of operational line-managers and availability of budgets.

There was widespread agreement that decisions on training and development often resulted from a managerial desire for performance improvement, a trend supported by research (Tarrant 2009). However, one feature that emerged frequently was the level of understanding required to bring about performance improvement. Experience had shown that some leaders doggedly stuck to a tried and tested style of curriculum management approach and were not actually focussed on making decisions around what made a difference to performance, yet this was required at a strategic level.

Such experience supports the finding of Rigg and Trehan (2008) who reported how difficult it is to employ critical reflection within the workplace because of the complex power relations between multiple stakeholders in a commercial context. Learning was acknowledged as a key part of an organisation's development strategy and was not something that featured on its own, or happened to people. Participants reported that sometimes even human resource professionals did not have the depth of understanding required—especially among those appointed into human resources roles from other professional areas. One participant claimed: 'As a HRD manager, you often have to work for people who don't have your depth of knowledge and that can be dangerous' (Q2, LG).

### Ways in which HRD practitioners add value in their organisations

Participants placed great importance on the supporting role of HRD in helping people to maintain focus and ensuring alignment with business goals. Furthermore, it was thought the absence of a HRD practitioner might lead to managers becoming distracted by 'fire-fighting' activities and/or dealing with the complexities of routine work. After all, HRD practitioners were there specifically to help managers make the right decisions in terms of development and to identify opportunities to lever improvements in performance:

> If you're a HRD practitioner, then development is part of your game and I think you're keeping your eye on the ball and focusing on it—you're supporting management in that role. If you haven't got HRD practitioners, what happens is that everyone knows it's really important but they are so busy fighting fires they never get round to it. So I think the main role is to keep things focused on what's important and to make sure HRD practitioners help managers make the right decisions in terms of developmental opportunities. (Q5, LG)

The group members also acknowledged the vital role of the human resource professional as an internal advisor/consultant to line management. However, they acknowledged the logistical difficulty

of a lone HRD practitioner organising every aspect of learning and development in a large organisation. They believed that coaching line managers to carry out activities, such as task analysis and training needs analysis, helped to raise awareness of the need to identify performance gaps, and ensured a consistent level of learning and development throughout the organisation. However, a strong partnership with line managers was central to making this successful. Above all, the group considered HRD practitioners as people who had a catalysing effect on line managers. According to one respondent, 'they influenced first and transacted second' (Q5, AR). The following statement typified the importance of the HRD effort being totally aligned with business goals: 'You have to be so inextricably linked that you are such a part of the business they don't see you' (Q5, AR). The group concluded that this level of integration (that is, working behind the scenes) had to be valued at all levels in the organisation.

### Alignment of workforce development with business strategy

Discussion focused on the popular concept of developing human capital (Boxall & Purcell 2002) as the basis for a human resource, service-led model, but they considered this idea as somewhat transactional and fundamentally different from the philosophy of learning and development. Some of the group had worked in human resource departments where training was viewed as someone else's problem and where work was inappropriately contracted out in the name of efficiency. One respondent proclaimed: 'I think that learning and development strategies have to be talking about people—not resources, bits of cardboard or a sort of disembodied something. I always say, you manage resources but you lead people' (Q6, TE).

At an organisational level, there was agreement that learning and development activities should focus on the whole business as well as the component parts. This suggestion reflects the systematic or holistic approach and supports the idea of working in close partnership with those responsible for developing and deploying

the business strategy. Participants considered how human resource functions in larger organisations had become too remote. Some believed learning and development managers were perceived as subservient to the human resources function and examples were given of how human resources departments had initiated training without first consulting the learning and development practitioners, creating much confusion and misalignment:

> Quite often, they're [HR staff] off running courses for Africa [everywhere], but what does it have to do with anything else? You can actually find they are running programs with the best of intention that actually do not align at all. I think the only way you can specifically align is to carry on with a partnership at a high level and always go back to what the business strategy is for the future. If they do not contribute, then do not do them … it is that straightforward. (Q6, LG)

The notion of learning and development activity being philosophically different from that of personnel-related work is an interesting one and closely associated with the creation of human resource management as we have come to know it. Up to the late 1970s, training and personnel departments were often seen as totally different disciplines, but the advent of HRM in the 1980s sought to meld these two activities together for the betterment of both professions. Over the years, this unitary value of personnel or training has been debated in global studies (Cunningham & Hyman 1999), but in this focus group, it seemed the HRD practitioners were feeling compromised and inhibited from making a full contribution to the wider strategy on human resource management. Simply put, some of the HRD professionals in the focus group felt less valued than their HRM counterparts. However, one participant from the manufacturing sector thought having role separation was advantageous at the operational level and gave an example of how internal human resource consultants and learning and development professionals had worked in partnership on a performance management issue—human

resource staff dealing with the disciplinary aspects and learning and development staff facilitating a learning-centred solution. In this example, the organisational structure influenced role boundaries—with human resources reporting to a central service function and HRD to line management.

### What employees value

The HRD practitioners, in their work within organisations, frequently became involved in the implementation of organisational development activities that aimed to promote and sustain a value-driven culture. From this experience, participants commented on what they thought employees valued in their respective organisation. The purpose of this question was to identify how group members understood and reconciled employee values with their own and those of the organisation. A summation of the participants' views indicated that career progression and fair levels of remuneration featured strongly in employee engagement surveys as valued employment practices. Additionally, formal and informal communications were considered as important processes for providing feedback to employees. Participants highlighted that informal feedback helped to embed communications into the organisation at a natural level. In comparison with the past, new entrants had a much higher expectation from their employer, especially on workplace communication systems, workplace democracy and structured feedback mechanisms. This contrasted sharply with longer serving managers, who may not have experienced the same approach to communications earlier in their careers. Young people entering the workforce today, often referred to as Generation Y, seemed to crave communications and feedback, especially on individual performance and progression (MacLeod 2008). The group believed this level of personal validation was important, as employees were quick to criticise leaders who did not adapt—seeing poor communications as a sign of management incompetence.

Increasingly, people at any level in the organisation structure were thought to value a working life that developed in parallel with their personal identity. For example, they asked, 'Does this organisation help me feel good and clarify where I am going?' (Q1, TE and RB). All too frequently, managers were reported to be not good at communicating the vision, values and overall objectives of their organisation. Employees also valued being able to trust their organisation was treating them fairly. One participant commented that 'managers can get away with almost anything as long as they are perceived as being fair. If it is [considered to be] fair and consistent, then employees are usually willing to do what is asked of them, within reason' (Q1, CB). This view suggests that perceptions of fairness are an important factor in the level of employee lenience on potentially contentious issues and reinforces the notion of psychological contracting. Issues might include unexpected change, work re-organisation or the imposition of new rules. In other words, when managers demonstrate a belief in their people and are perceived as being fair, employees respond with unobstructed consent on most initiatives, as people are happy to go beyond the limits. However, this lenience is fragile and a revealing example was cited by the participant from the manufacturing sector who said that, when management took a unilateral decision to impose the wearing of safety hats in the factory (after reports of a fatal accident in another organisation), workers did not see the need for this ruling and took exception to the way in which the rule was being enforced. The participant recalled one employee saying:

> A blanket rule was made that we should wear hard hats. There was absolutely no discussion and for us it was a bit tough because we were not used to wearing a helmet. We are all into safety, but it was a blanket rule … even in areas where nothing could fall on your head. They [management] said it was for our own safety, but we believed it was just to cover them and not worry about us. No one cares, I never used to sweat before … but now my head is dripping and it is causing irritating rashes. (Q1, MF)

Overall, the focus group members agreed that hard-earned goodwill could be eroded very quickly by three factors: manager inconsistency, internal politicking and the presence of a vacuum in communications. In the organisations of these participants, engagement surveys and intranet feedback tested the level of employee commitment by asking individuals a range of questions, including the extent to which they would go the extra mile.

### Evaluation of learning

The focus group participants reported a heavy reliance on the use of the Kirkpatrick model of evaluation in their organisations and all of the participants were able to articulate the well-known four levels of evaluation: reaction, learning, behaviour and results (Kirkpatrick 1996, Parry 1997). There was recognition that computer-based technology had made it much easier to collect evaluation data, but the main challenge was finding the time to analyse and interpret them.

The size of the training investment was an important consideration but presented a paradoxical situation. For example, evaluations of training projects that directly affected business performance were considered a much higher priority than smaller training activities, yet these training projects were reported as being the most difficult to evaluate. Furthermore, organisational development programs often ran in parallel with several other projects, making it harder to isolate and evaluate the benefits of any one training intervention in an effective and timely way. Poor initiation of training projects presented another reason why evaluation was difficult. The group suggested that understanding the business drivers first and then building performance measurement into training need analyses might offer a more reliable platform for assessing training outcomes and the corresponding value to the enterprise.

> I think it depends on the size of the initiative and what you are trying to prove by it. You can spend an awful lot of energy on evaluating a program. I definitely think on the 'big ticket'

> items it is worth planning for the evaluation and doing some measurement before you start the initiative, so you can show the added value afterwards. We sometimes think we are making an impact but, when you look at the results, we are not. (Q7, LG)

One respondent explained that 'gaining generic improvements, through collaborative working with managers, often meant that "non-curriculum" training was undertaken spontaneously', making it more difficult to derive a fixed model of evaluation (Q7, AR). Sometimes, HRD interventions focused on the affective domain of learning (such as securing engagement), so a successful training outcome might be beneficial to a diverse range of performance indicators. For example, one participant acknowledged the difficulty in posing this query: 'How do you measure that coaching somebody to give feedback is going to improve their ability to give feedback until we get the next [employee] engagement result, which may be a result of something else?' (Q7, AR). Such comments typify the inherent complexity of aligning HRD, especially when trying to balance the needs and learning outcomes of specific training projects with the longer term goals of the organisation.

Another dimension of evaluation related to the formal versus informal learning environment and the organisation's culture towards people development. The group considered these issues to be important because they had a direct bearing on how leadership valued employees and how individual learning needs were accommodated in the process of ongoing performance coaching. The group agreed that learning continued irrespective of the organisation's intent, but this could have a positive or detrimental effect on alignment. This perspective suggests that, in most circumstances, it is helpful to capture and recognise the relevant informal learning, often emanating from tacit experience acquired at work or outside of employment.

Barriers to learning

There was a universal acceptance in the focus group that lean organisational structures and business pressures frequently made it difficult to release employees for formal training courses. Lack of advocacy by and support from line managers made it an easy option for people to withdraw. From the discussion, there appeared to be ample evidence of strong rhetoric by senior managers about people development and performance reviews, but operational requirements frequently got in the way. Even more disturbing was the suggestion that senior managers were among the worst offenders and this reflected poor role modelling. However, the current trend towards flatter organisational structures made it easier to observe whether top management was supporting learning-related projects:

> I reckon lack of advocacy is where it counts. If you're trying to do something where everyone is agreeing—so the rhetoric's there, you know, yes we do agree that you should have a performance improvement process in place, yes we should have performance reviews … [however] when you're driving some kind of initiative that those people that are at very senior level if they're not right in behind it, if they're not filtering through the right information to their direct reports, then you're in deep [trouble]. (Q8, AR)

The focus group thought that those people who put up barriers to learning were often the same individuals who failed to understand the true value of learning. Typically, they sought quick fix solutions and could not see that effective learning takes time. For some, their traditional perception of learning emanated from school and university. They understood the role of training but did not fully appreciate the change of language towards a more distinct notion of adult learning. In this regard, HRD managers frequently struggled to change the mindset of their colleagues and this resistance stemmed from the organisation culture.

Finally, the group discussed an emerging learning barrier more specifically relevant to those older workers who struggled to see any benefit from training. There was general acknowledgement that this group of people had experienced intensive organisation development over the last two decades, often with little or no direct training. Some had experienced loss of employment or made lateral career transitions and carried a resultant low esteem. Conversely, the group discussed how other long-serving employees might be victims of misalignment when their organisations changed strategic direction. Ironically, changes in the demographic mix of society meant the overall age of employees would increase significantly in the years ahead.

### Employer recognition of tacit knowledge and experience

One recurring theme within the focus group discussion was the importance of a partnership approach to learning and development and the component parts of this process included a blend of direct training, individual coaching and ongoing professional dialogue with team leaders and human resource practitioners. The focus group believed that identifying and utilising tacit knowledge or extra-mural learning was an important requirement, because understanding the value of tacit knowledge and using performance-based coaching models to maximise this information would encourage staff retention. People would more readily appreciate the alignment between their own objectives and those of their organisation. Furthermore, the focus group members recognised that formal mentoring programs and informal mentoring activities had been successfully used in their organisations as a way of disseminating tacit knowledge to less experienced staff:

> I think that performance models work well in terms of the coaching model and you've got your individual with their own skill needs and their own objectives and their own mission and purpose and you've got the organisation's; if you've got that alignment through good coaching, then they may not leave. If

> they're going to leave in five or 10 years time, then you've had
> the benefit of their services for that time and they may well come
> back or have fostered other relationships with the organisation.
> (Q9, MF)

The contradiction between rhetoric and reality often created incongruence between the planning of formal and that of informal learning. In some situations, such as business re-structuring programs, employees continued to learn irrespective of what the organisation wanted them to learn, but such learning did not always align with the business strategy. It was thought the competitive markets of the 1990s had forced organisations selfishly to direct their learning activities towards business goals, but in doing so, had neglected the broader needs of society. It was recognised enterprises existed within a wider community and organisations that valued learning quickly built an external reputation for valuing their people. Overall, the HRD focus group members considered their organisations were weak at recognising and utilising tacit knowledge. Those that did attempt to harness the full extent of tacit knowledge developed a black hole of unmanageable data that was never mined and used. Equally, organisations were reluctant to invest in extra-mural learning that did not offer any direct benefit to the business. Those organisations that paid for extra-mural study rarely utilised the full extent of the learning.

### HRD challenges facing New Zealand in the 21st century

The group recognised the changing demographic mix in the global workforce and reflected how this affected issues such as fewer people retiring early and less young people becoming available for employment. As the average age of the workforce increased, a polarity in values was likely to emerge between the different age groups in the workplace:

> I want to pick up on this one ... about the change of
> demographics. I think that probably the greatest problem

we have in New Zealand is recognising the ageing workforce
and realising that those people over the age of 50 constitute
almost the majority of people in the workforce, and that's a real
challenge. Seeing the needs of an older worker, and what drives
them, is very different from what you are getting in a 25 year old,
and yet we haven't even come to grips with this. (Q10, TE)

Earlier in this paper the HRM challenges associated with distinctive
demographic groups, such as Generation X employees were raised.
Members of the focus group reflected on their own personal
experiences and saw this as a significant challenge for human
resource practitioners. Examples included emerging values, such as
approaches to time-keeping, debt, expectations of working conditions,
and attitudes to academic subjects such as maths, sciences and
technology. The decline in technical competence, at an elementary
level, was harmful to the New Zealand economy—as a small island
nation that had historically relied on export, manufacturing and
agriculture. Another concern was the size of New Zealand's economy,
its geographic isolation and the lack of ability to source new
technology. Members of the group commented that universities were
using outdated equipment to train students—putting New Zealand
learners at a disadvantage compared with those studying in offshore
tertiary institutions. Emerging service-based industries, such as travel
and tourism, seemed to be growing, but were generating lower paid
employment opportunities, and there was concern over how many
service-sector jobs the economy could sustain. The banking sector
in particular was continually seeking new ways of doing business, so
innovation was the key challenge for that industry in the 21st century—
despite the huge progress made in recent years.

In relation to global learning, the issue of consistency came up as a
major concern—especially in the deployment of global HRD solutions
initiated by an offshore head office. This frequently led to initiatives
being re-invented to fit with the indigenous way of doing business
or vice versa. The main challenge was developing global values and

consistent policies that allowed the incorporation of local cultures or traditions into these policies. The group recognised how increasing local compliance issues (such as safety and legislative reporting) often made an organisation risk averse and consequentially less willing to be creative. In many New Zealand organisational situations, the pressure to perform did not come from overseas masters but local government agencies that had a responsibility to protect the national infrastructure and environment.

### Factors affecting organisational success

The participants reflected on HRD outcomes that would most contribute to making their organisations successful. A key factor the group stressed was the importance of valuing people, in particular recognising what individuals could contribute at all levels. They suggested employees should be able to articulate and defend the business strategy and know where they contributed to it. The strategy needed to be a balance between the needs of the organisation and those of the individual employees. The importance of being able to relate personally to a vision ensured that people remained focused when things became difficult. As one participant expressed it, 'when things start to get tough, the vision gives you a map to follow and keeps you on track' (Q12, MF). However, in addition to understanding the vision, it was important to have the ability to be flexible when the situation changed:

> From an employee perspective, they are keen on a more stable vision and strategy because it feels as though they know where they are—but it is making sure you are not stuck with a single vision and single strategy. (Q12, CB)

System integration was also significant. This involved connecting the needs of individuals with the needs of their organisations and embedding the relationship with systems and processes. The group agreed that 'vision was nothing without the reality of planning and operating systems' (Short 2008a: 237). Furthermore, the participants

claimed people who were good at developing strategy often neglected the implementation issues. In this regard, a worthwhile HRD outcome would be to align and synthesise the development of all leaders, both strategic and operational. The group re-emphasised that being a leader and visionary was not exclusive to senior managers as people at all levels had a capacity for strategic thinking. They often had a significant contribution to make, reinforcing the need for feedback. Finally, the discussion reverted to a potential polarity between learning and development activities and human resources. On reflection, the group thought such polarity was detrimental to the whole area of performance improvement, due to the strong need for a genuine partnership between all stakeholders in the business.

## Conclusions

This paper has reviewed how HRD professionals in a range of organisational settings deal with the challenges of implementing workplace learning projects, and in particular, attempt to align learning activities with business objectives. Through synthesis of these practitioners' views, it has been possible to gain insight into the major thrust of organisational development issues in the workplace and the role of HRD professionals. Analysis of these professionals' perspectives of their human resource practices and experiences supports a number of conclusions regarding the significance of workplace learning and development.

First, senior managers were found to develop strategic plans and cascade information through their organisations by means of briefing systems and other communication mechanisms. In many cases, HRD professionals were responsible for the implementation of these communication systems and helped to advocate the downstream benefits to employees as part of an overall change management strategy.

Second, the research supported findings from a Delphi survey of leading HRD academics by McGuire and Cseh (2006) who found that workplace learning, employee development and training and development were the most highly ranked constituent components of HRD, but in this study, the need for a performance-based culture was permeating through management decisions on workplace learning and development and was inextricably linked with the organisational performance management systems. Taking a critical perspective, Sambrook (2004: 613) argues that this characteristic will slowly change as the study of HRD matures, when 'organisations will need to consider other discourses including the PR role of HRD in promoting corporate social responsibility and its more humanistic role'. Evidence of this trend could be seen at the individual level, where people were motivated to deploy their competencies in an ethical and fair way. That meant working for value-driven teams and organisations that aligned their behaviours with socially appropriate goals. Once again, HRD professionals were placed centre-stage in the implementation of these alignment strategies.

Third, the special leadership role of human resource practitioners and the emerging complexities of this task were evident in the responses. Throughout the research, the atmosphere reflected a mix of occupational passion and personal commitment to the development of people, yet this passion was tempered by a mood of frustration within the role. Major sources of anxiety for them were inconsistency in senior management commitment and continuing resource constraints. Clearly, bridging the gap between strategic ideals and operational reality was a major challenge for these HRD professionals in meeting the demands of their modern, complex workplaces.

Fourth, the failure to evaluate learning events and show positive business results was clearly linked to an undervaluing of training and development investment among senior managers. Historically,

this issue is most evident in the way HRD projects are cut-back when business performance is poor.

Finally, most of the organisations embraced by these HRD professionals were failing to exploit the opportunities that could be available through an improved and systematic recognition of the employees' tacit knowledge and skills with job requirements. In their study of crisis management, Khatri and Ng (2000) highlighted the value of tacit learning and how organisations can draw on knowledge that has accumulated from years of experience.

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## Appendix: Focus group questions

General

1. What do you think employees in organisations value?
2. What factors most strongly influence the decisions on training and development?

Strategy

3. What would you say is strategically important for organisations at the present time?
4. How does your organisation communicate strategy to its employees?

Human resource development

5. What roles do HRD practitioners fulfil in organisations - how do they add value?
6. In what ways do learning and development activities specifically align with business strategy?

Learning

7. How do you evaluate learning in your organisation and use the information?
8. What would you say are the current barriers to learning in organisations?
9. How can organisations recognise the broader 'extra-mural' learning and capture the 'tacit' knowledge people have?

Closing questions

10. What do you think are the challenges facing organisations when operating in a 21st Century New Zealand?
11. To what extent is the phenomenon of 'globalisation' affecting organisations?
12. If you could recommend just one thing to an organisation to help make it more successful, what would it be (in the context of this study)?

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