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Employers' Organizations and Human Resource Development In the 21st Century: Views From South Asia

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[\[Top\]](#)

[\[Next\]](#)

Table of Contents

[Abstract](#)

[Introduction](#)

[Beyond Training](#)

[Symbiotic Relationships: A Step in Developing Virtual Organizations](#)

[Examples](#)

[Views from South Asia: Results of Questionnaire on HRD Issues](#)

[Survey Results](#)

[Endnotes](#)

[\[Top\]](#)

[\[Contents\]](#)

[\[Previous\]](#)

[\[Next\]](#)

Abstract

This paper promotes a view that employers are linked to employment-related skill development for their survival. This view was validated in South Asia by the results of a recent survey completed in early 1997 by the ILO's South Asia Multidisciplinary Advisory Team (SAAT)⁽¹⁾. The survey conducted among employers' associations in South Asia emphasizes a broadening view of HRD built around the concept that employees are an employer's greatest asset⁽²⁾. In addition, regional examples of how employers' organisations are expanding their concerns for HRD application by influencing various trends in vocational training delivery in both the public and private sectors are explored.

Introduction

"The illiterate of the 21st century will not be those who cannot read or write. but those who cannot learn, unlearn and relearn."

Alvin Toffler, the author of *Future Shock* and *The Third Wave* wrote about the importance of learning in the 21st Century and how the lack of learning skills will denote illiteracy. The definition he used has more meaning than ever in 1997 and can serve e as a meter-stick for us as individuals and as organisations both in measuring our own concepts regarding HRD skills and in planning learning experiences with others.

Moving into the 21st Century provides a fresh opportunity to think about the kind of world we want to live in. In this regard it is also time to think about the kind of workplace we need to establish or support in Asia in the coming decade. In today's employment frayed social fabric we are only beginning to address the complex human performance needs of people globally . One organized force that has the potential to help shape the kind of changing workplace of the future will be employers' organizations. The impact that this force will have on positive change in the workplace will depend a great deal on the way employers' organizations (E.O.s) relate to other sectors in society and how well they will be able to adapt to the marketplace.

In many areas of Asia the sun is setting on the industrial age and raising on the information age. A skilled labour force will be more than ever central in national economic success. In Asia a large part of the labour force, excluding the Asian tigers, continues to utilize low productivity employment. This situation will change. Two factors that will contribute lo this change will be new technology that provides the potential for greater global trade and sounder economic policies and the way in which these actions are translated info strategies to promote employment-related human performance development across all sectors of the economy. A challenge in designing such employment strategies will be how sensitive and innovative they are to both the occupational needs of people with skills and also to people who lack the core skills necessary for employment. Training is no longer the issue but rather the development of appropriate skills versus inappropriate skills.

The gap between a knowledge-based workforce and a labour intensive workforce will definitely widen in the coming decade across South Asia leading to social unrest⁽³⁾. Related factors associated with minimum wages, flexible work schedules, use of substitute workers, productivity and retrenchment among other topics will be HRD issues that employers will be forced either directly or indirectly to address.

There are other forces associated with personnel that will gain in prominence and exert influence on employers in the near future. In particular the growing practice of hiring people for specific time periods from outside an organization to provide specialized services Such individuals will Employers' Organizations and Human Resource Development in the 21st Century: Views from South Asia work with but not for a company. While this idea of outsourcing for personnel is-only beginning to be incorporated in South Asia this will change as the availability of qualified people with state-of-the art skills increases and because of the

economic savings gained in not providing benefit packages associated with the permanent hiring of highly skilled employees.

Another related issue facing employers will be in the retaining of permanent knowledge-based workers who have specialized skills. Such workers will be in demand and it may be difficult in retaining them in a marketplace environment of open recruitment competition.

In dealing with the mentioned issues associated with knowledge based workers, employers will have to address the harmony of interests between employers and employees in new ways. How such employees will be managed and be financially rewarded will require employers to reorient their management systems including HRD delivery in ways that stress both human competence and responsibility.

In the area of basic educational development which often contributes to the factors described above, many areas of the South Asia region are suffering due to a lack of investment in core general education skills that are transferable across occupations. For example, the hindrance in not having, such skills is identified in the high illiteracy rates in South Asia⁽⁴⁾

that have added to the costs of doing business in the region as indicated in the 1996 World Development Report⁽⁵⁾. This is not to infer that literacy is necessarily an indicator of workplace skill levels but rather is an indicator of the availability of a literate workforce. However, it does infer that a more comprehensive variety of human resource development (HRD) programmes, ranging from general education to vocational technical education and training activities will need to be introduced and valued in workplaces and communities in the coming years to foster broader employment opportunities. Unless such actions are introduced, even the creation of new jobs will be meaningless if the workforce lacks the skills to perform them.

[\[Top\]](#)
[\[Contents\]](#)

[\[Previous\]](#)
[\[Next\]](#)

Beyond Training

The saying that "all education is vocational education" will take on special meaning in the 21st Century. This does not imply that classroom-type training will be the only way of addressing HRD interventions. For example, when asked to identify the two most common HRD issues facing their members, employers' organization in South Asia replied that linking human performance improvement to organizational goals and the identification and closing of performance gaps were of primary concern. Ranked slightly lower were the following three issues in order of preference; first, the retraining of personnel, followed by technical literacy and third, understanding, organizational vision and goals. Ways to address these issues and the type of HRD interventions that might be utilized in the 21st Century imply that a variety of training delivery options be used that are beyond traditional training systems

Trends in South Asia

National vocational training systems in South Asia are developing ways to help people make the transition to a more knowledge-based workforce in a variety of innovative ways.

In **India** the Government's policy paper on "Technology Vision -2000" is planning to strengthen indigenous efforts in science and technology. Of special concern will be the formulation of policy that will help develop the current capabilities of technology-based national programs including human resource development issues for self-sustaining knowledge-based growth in people's lives.

Other similar examples can be found in each country in South Asia among the ILO's social partners. The essence of these actions are on ways to narrow the skills gap of the current or future workforce in the coming decade. This issue in South Asia is producing a trend to focus greater attention on general education skills with application for workplace initiatives.

Behind these actions is the recognition that capacity building of a workforce requires a broad array of trade skills associated with literacy, work attitudes, behavioural and developmental skills, skills that are generic to employment and transferable outside of a specific occupation.

In expanding HRD services based on demand employers have begun to redefine many of the training policies and issues outlined in the ILO's convention number 142 and recommendation number 150 and related conventions⁽⁶⁾. Specific types of HRD training options from which employers' organization may draw support come from not only traditional human resource development topics, which primarily focus on individual improvement through training and counseling, but also through other interventions associated with Human Resource Management, Organizational Development, and Environmental Infrastructure. In brief, each of these employment linked interventions offers options that attest to the valuing of creativity in training design and delivery.

Views from Employers' Organizations

A recent survey by ILO/SAAT on HRD issues was conducted among 5 major Employers Organizations in Bangladesh, India, Nepal, Pakistan and Sri Lanka representing over 11,000 individual employers.

The most common HRD requests received from their members illustrate the variety of HRD interventions required in the South Asia region:

1. Training in professional management areas
2. Training in specific skills development
3. Incentive programmes linking wages with productivity
4. Health, safety, environment & quality Issues
5. Productivity Improvement
6. Identification of training needs
7. Assistance in solving personnel problems
8. Wage negotiation, collective bargaining
9. Training of Trainers
10. Improving work culture
11. Training facilities

Under the category of *human resource management*, issues include employee supervision staff selection, coaching and group performance, while *organizational development* issues deal with team building, culture changes and organizational design. In the category of *environmental infrastructure*, the focus would be on interventions that use electronic resources, job aids, and designing work places that foster learning environments that encourage learning with or without necessarily employing an instructor or trainer⁽⁷⁾.

While all the four categories listed above draw on inputs of training to some degree, the design of such interventions could be carried out through self or group directed activities, computer assisted learning, employee exchange programmes, mentoring systems that match experienced employees with new hires or designing work environments that encourage learning. The interesting common denominator in all these suggested actions is that they can all be non-instructor oriented training activities.

Employers' organizations in South Asia noted in the SAAT survey that 55% of their members viewed infrastructural resources as critical, while 50% viewed financial resources as critical. Such feedback from employers indicates areas of concern where HRD professionals could be helpful, while at the same time suggesting that HRD professionals consider training delivery alternatives in strengthening employment-related skill development.

In referencing the E.O. survey conducted by SAAT, the most common HRD requests received by employers' organizations in South Asia ranged from

the need for training in professional management skills to assistance with regard to incentive programmes, health and safety, productivity improvement and assisting members in solving personnel problems. Reviewing this list of areas for training actions against a broadened landscape of possible human resource improvement options offers training providers more opportunity to link how people learn with best of practice ideas.

Referring again to the mentioned survey⁽⁸⁾, employers' organizations in South Asia noted that more than 60% of their members viewed human resources as critical. On the related issue of national vocational systems, employers' organizations indicated in unison that current systems require major changes⁽⁹⁾. Specific recommendations made to enhance vocational training at the national level included:

- Conducting a needs' assessment prior to the formulation of an appropriate curricula;
- Seeking employer involvement in policy making to define new levels and appropriate training infrastructure;
- Realigning the education system at the secondary and tertiary levels to prepare students with a focus on both conceptual and practical knowledge;
- Upgrading the quality of vocational education and periodic revision of industry specific curricula; and
- Making HRD a priority in national development efforts.

The same employers' organizations also offered suggestions for education and training systems at the local level. Such suggested changes included:

- Providing institutions with information and resources other than financial;
- Closer co-operation among employers' organizations, training institutions and trainers;
- Designing and running vocational training programmes as per specific industry needs; and
- Creating more industry/institute linkages.

The mentioned suggestions will require that a fresh view be taken as to how vocational and technical education and training (VTET) can be delivered. This will include the challenging of traditional approaches used in vocational and technical training delivery, a view shared by many HRD professionals.⁽¹⁰⁾ Such thinking has led some HRD professionals to use the term human performance improvement (HPI) to describe a need to consider a variety of training interventions when addressing HRD plans of action. The term is also being used to formulate a rethink as to where HRD should be going in the coming decade. From the comments indicated by employers's organizations in the SAAT survey, it could be argued that they and their members perceive HRD delivery in a broader context than public sector training agencies.

In the coming decade the above list of requests from the members of employers' organizations will increase as members seek to upgrade the skills of their employees or fool; to identify new hires. What these pressures will mean is that employers will need to influence the public sector in term of enhancing the quality of employment related training as well as offering where possible their own in-house training. This also underlies the importance of government as an accelerator of services that the private sector needs in regard to employment creation. In particular issues associated with the ILO`s programme objectives covering the essentials of social progress through full employment, job satisfaction, wage policy, the rights to collective bargaining, social security, occupational safety, child welfare and maternity protection, workers' nutrition and housing and the equality of educational and vocational opportunity.

Indications of the awareness for the need for change in HRD deliver serv ices are already being reflected as both private and public sector training agencies strive to work close r in addressing a broad range of employment related issues. This multi-sectorial approach has become the mode of operation in South Asia.

Symbiotic Relationships: A Step in Developing Virtual Organizations

Defined as interdependent or mutually beneficial relationships between two persons, groups, etc., symbiotic affiliations illustrate emerging organizations that no longer see themselves as standalone entities but rather in terms of affiliations at the national, regional and international levels. The power organizations of the next century will be those organizations that realize that it is not organizational structure that drives them but the content and quality of the services they provide. Truly specialized informational content will determine the type of intervention organizations will not only provide but will also define who and what they are. To have access to such diverse informational resources will require organizations to work more closely with their constituents and similar support groups wherever they are found. Reacting to these new challenges, organizations will have to move beyond the use of computers for only the storage of information to the use of computers to electronically link and create electronic pathways on which this raw information will travel.

The technology to ensure these types of actions is already in place in organizations that have access to such technology, organizational power will no longer have a permanent central location. Through informational linkages, individuals or groups like employers' organizations will become more than a series of connected organizations to create virtual organizations. The impact of informational linkages created by information exchange may mean that employers' organizations in the next century will need to redefine their existence and value to their members.

Employers in Asia already have symbiotic relationships with their members as well as with other organizations in the public and private sectors. Although they may lack the computer linking systems to speed electronic information exchange, they are encouraging activities for information exchange on many issues including vocational training and related employment promotion projects. Seeing these activities as a foundation for future coordinated efforts in reaction to their members' concerns could serve as the catalyst for developing enhanced E.O.s in the 21st Century.

Examples

The following elaborates on specific examples of how employers' organizations in South Asia are currently carrying out employment promotional activities with the public sector and among the members they represent. The examples from India and Pakistan show the broadening roles of E.O.s in redesigning employment-linked training in South Asia.

India

Recognizing the fact that by the year 2000 India will have another 100 million people seeking employment has encouraged the Government to reexamine its national vocational training system (NVTs) in new ways. The Directorate General of Employment and Training (DCE&T)

under the Ministry of Labour, Government of India has been encouraging the strengthening of the national vocational training system (NVTs). One example of such a programme is the Craftsmen Training Scheme which is being carried out through industrial training institutes (ITIs) throughout India. The output of this scheme has led to a variety of interventions including a closer relationship with employers' organizations and the operation of many ITIs by the private sector. Developed to meet the training needs of young people, the industrial training institutes currently number 3,000 ITIs, 1000 of which are operated by the state government and 2,000 by the private sector.

The model of a growing ITI system, partly operated by the private sector and monitored by the public sector, offers an interesting example of how agencies can share resources and expertise in areas of employment training. In addition, the model provides the opportunity to document a process by which the public sector to some degree is moving away from the supply side of training delivery. It also offers the NVTs as an agency the opportunity to rethink its position in regard to the monitoring and certification of instructors in the context of a broader role with the private sector.

The behind-the-scene actions that have led to the support of ITIs by Employers' organizations in India⁽¹¹⁾ are part of a larger picture that highlights the concern by E.O.s in India in regard to vocational training. A prime force in facilitating the support for ITI intervention must be the recommendations developed by the various HRD or vocational training standing committees that are part of E.O.s in India. The momentum generated by these committees in developing ideas and programmes of action through various workshops, study tours, and articles is typical of the type of discussions carried on throughout South Asia on vocational training⁽¹²⁾

. What makes the following list of generic recommendations from workshops in India so interesting is that it represents a core set of issues that resurface in various forms throughout South Asia when discussions focus on the redesign of NVTs. Such issues include the need for:

- Vocational delivery to be coordinated through a single autonomous vocational training delivery agency.
- Industry and employers and other resource providers to be equal partners in education issues.
- All vocational training to be demand driven.
- Best of practice ideas to be identified and implemented into NVTs.
- Open access to employment by requiring the full removal of gender barriers.

Pakistan

In Pakistan a project idea is being implemented that is also aimed at redesigning the training for employment through the NVTs. Carrying out this idea has led to the linking, of the private sector and the national vocational training system through the development of Skill Development Councils (SDCs). Initially located in Karachi and Lahore, the councils are expanding to other cities such as Peshawar.

The SDCs were originally constituted as a contracted autonomous body established with the assistance of the World Bank, International Labour Organization, Employers Federation of Pakistan and the National Training Bureau, Ministry of Labour Manpower and Overseas Pakistanis, Government of Pakistan. The basic objective of each council is to enhance vocational training through flexible demand oriented and cost effective training with the

participation of employers. These objectives are carried out through the major functions of the Skill Development Councils which are to:

1. Provide a productive link between employers and training: providers.
2. Identify training needs of the geographical area in which the SDC is working.
3. Analyze and prioritize training needs through government, private training institutions establishments and in-plant training modes.
4. Validate, adapt and determine training standards and curricula contents.
5. Promote and implement programmes to promote vocational training, apprenticeship, and in-plant training in reaction to industrial needs⁽¹³⁾.

Issues which the councils are currently reviewing have to do with making themselves financially self sustainable and in establishing models to use in working with public sector and for-profit training providers. Other issues stimulated by the development of SDCs include how the SDCs and the NVTs can coordinate their activities more effectively⁽¹⁴⁾

and how the NVTs can refocus its energy into skill standards, instructor training and short-term flexible courses that lead to employment in either the formal or informal sectors.

[\[Top\]](#)
[\[Contents\]](#)

[\[Previous\]](#)
[\[Next\]](#)

Views from South Asia: Results of Questionnaire on HRD Issues

This paper has examined how employers' organizations in South Asia are evolving and suggests that such actions will need to be accelerated in the 21st Century. We have examined some of the employment related training activities they are currently engaged in through exploring a broader concept of employment oriented HRD training issues. Many of these issues were identified either directly or indirectly through the SAAT survey of employers' organizations in South Asia. In conclusion, the survey gives first-hand glimpses of changes in HRD in South Asia with regard to employers' organizations and can be summarized as follows:

1. The most successful training interventions that lead to employment are based on market place demand (including a workforce with technical and literacy skills) and reflect market place conditions.
2. Human resource development as an option in delivering human performance improvement needs to consider learning interventions that extend beyond only instructor-generated systems to include issues like human resource management, organizational development and in designing environments that stimulate learning.
3. The emerging gap between members of the workforce with knowledge-based skills and those without will expand and will be a critical social force in the coming century. On the social side of this issue little is happening. The challenge for employers' organizations is to narrow this gap.
4. Restructuring employers' organizations and their HRD services to be smaller, less hierarchical and flexible in new ways will add organizational value in delivering results.
5. Forging symbiotic relationships built upon the view of employers' organizations as sources of current information will be an emerging role in the 21st Century. Employers' organizations which are able to develop themselves in this way will have the potential

to serve as catalysts in fostering a technological skill-based informational mix for brokering employment-related services for their members. The flip-side of this recommendation is that those E.O.s that are unable to do this may find their members no longer require their services.

To be effective, organizations must always be renewing themselves. Employers' organization like all other organizations and individuals must have a vision of how they want to develop and dreams that they can bring to fruition. As such, successful organizations in the next century will search out the needs of their members or customers as the catalyst in developing direction for their own HRD capabilities. Carrying out such actions is consistent with the coming century where nothing is in perpetuity—only the chance to compete. The key element in such change will be the ability to not only learn and relearn but, as Mr. Toffler suggests, the courage to unlearn.

[\[Top\]](#)
[\[Contents\]](#)

[\[Previous\]](#)
[\[Next\]](#)

Survey Results
Employers' Organizations in South Asia
on HRD Issues
January 1997

Compiled by G. Gamerdinger
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In December 1996, a questionnaire on HRD issues was distributed to 5 major Employers' Organizations in Bangladesh, India, Nepal, Pakistan and Sri Lanka. The purpose of the questionnaire was to gather information as a base for developing a strategy paper on HRD and employment issues and related training needs of employers. The organizations polled together represent over 11,000 individual employers.

On a scale of 1 (low) to 5 (high) the organizations ranked the 2 most common HRD issues facing their members over the next 4 years as:

- Linking human performance improvement to organizational goals (average ranking: 4)
- Identification and closing of performance gaps (average ranking: 4)

Ranked slightly lower were three other issues:

- Retraining of personnel (average ranking: 3.6)
- Technical literacy (average ranking: 3.2)
- Understanding organizational vision and goals (average ranking: 3.2)

Regarding what percentage of their members view as critical either financial, human, or infrastructure resources, on average the organizations polled estimated that 60% of their members view human resources as critical, while 55% view infrastructure resources as critical, and 50% view financial resources as critical.

Two of the five organizations surveyed indicated they carry out formal analysis of their members' needs through the use of surveys/questionnaires, interviews and meetings. The other three organizations do not carry out any formal analysis.

When asked what percentage of HRD challenges could be solved through training-related services, responses ranged from 25% to 100% with the majority (4 out of 5 responses) being 50% or higher and the average being 65%.

The most common HRD requests received from employers were described as follows:

- 1) Training in professional management areas (3 respondents)
- 2) Training in specific skills development (1 respondent)
- 3) Incentive programmes linking wages with productivity (1 respondent)

The second most common HRD requests were:

- 1) Health, safety, environment & quality Issues (2 respondents)
- 2) Productivity Improvement (1 respondent)
- 3) Identification of training needs (1 respondent)
- 4) Assistance in solving personnel problems (1 respondent)

The Third most common HRD requests were:

- 1) Wage negotiation, collective bargaining (2)
- 2) Training of Trainers (1)
- 3) Improving work culture (1)
- 4) Training facilities (1)

7. In terms of their organizations' needs, the respondents ranked the following in order importance:

- 1) financial resources
- 2) more skilled personnel
- 3) knowledge of new technologies
- 4) Information exchange

All respondents indicated that the national and technical education and training system in their countries require major changes. Significant interventions identified at the national level included:

- Need assessment & formulation of appropriate curricula;
- Employer involvement in policy making to define n.v. levels and appropriate training infrastructure;
- Realigning the education system at the secondary and tertiary levels to prepare students with a focus on both conceptual and practical knowledge;
- Upgrading the quality of vocational education and periodic revision of industry specific curricula; and
- Making HRD a priority in national development efforts.

Major interventions identified at the local level included:

- Providing information and resources other than financial;
- Closer co-ordination among employers organizations, training institutes and trainers;
- Designing and running vocational training programmes as per specific industry needs; and
- More industry/institute linkages.

[\[Top\]](#)

[\[Contents\]](#)

[\[Previous\]](#)

Endnotes

Note: The views expressed in this paper are those of the author and may not reflect those of the ILO.

[1.](#) The survey was conducted through the collaboration of ILO/SAAT I, in particular by (he Senior Vocational Training Specialist and the Senior Employers Specialist.

[2.](#) In December 1996, a questionnaire on HRD issues was distributed to five major employer's organizations in South Asia Countries represented included Bangladesh, India, Nepal, Pakistan and Sri Lanka. The purpose of the questionnaire was to gather information as a base for developing a strategy paper on 1 HRD and to identify employment related training needs of employers. Together the organizations polled represented over 11.000 individual employers.

[3.](#) Rifkin, J. *The End of Work* G.P. Putman's Sons. New York. USA. 1996.

[4.](#) Adult illiteracy rates as identified by the World Development Report in South Asia stand at 74% female and 51% male in Bangladesh, 62% and 35% in India, 86% and 59 % in Nepal. 76 % and 50 % in Pakistan and 13% and 7% in Sri Lanka.

[5.](#) World Development Report 1996. World Bank. Oxford University Press Washington, DC, USA, 1996

[6.](#) The ILO's Training Policies and Systems Branch (POLFORM) has also taken note of the changing roles of HRD. Currently it has authorised the carrying out of a series of studies on the changing concept of I HRD as reflected in the ILO's Convention number 142 and Recommendation number 150 The studies are being coordinated at the field level by the senior vocational training specialist in each of the ILO's multi disciplinary teams located in Bangkok (ILO-SEAPAT), Manila (ILO-SEAPAT) and New Delhi (ILO-SAAT).

[7.](#) Adapted from Rothwell William ASTI Models for *Human Performance Improvement* ASTI Virginia, USA 1996.

[8.](#) see op.cit. 1.

[9.](#) see op.cit. 1.

[10.](#) Training and Development Handbook; Third Edition. New York. McGraw-Hill. 1996

[11.](#) Similar workshops are being planned throughout South Asia. For example. The Employers Federation of Pakistan will hold a national conference on human capital development in 1997.

[12.](#) Discussions on the topic of improving national training delivery is an on-going process in the technical training centres in Bangladesh as well as among national training centres in India Nepal. Pakistan. Sri Lanka.

[13.](#) Adapted from a Skill Development Council Brochure developed by S DC Karachi.

[14.](#) Further information on SDCs can be obtained from the ILO Area Office Director Islamabad Pakistan or from the Director General, National Training Bureau Ministry of labour. Manpower and Overseas Pakistanis Government of Pakistan, Islamabad.

For further information, please contact Bureau for Employers' Activities (ACT/EMP)
