EXPLORING THE STRATEGIC ROLE OF HUMAN RESOURCES DEVELOPMENT IN CAPACITY BUILDING

Khatijatusshalihah[1]
[1]Texas A&M University, United States of America
Email : khatijatusshalihah@tamu.edu

ABSTRACT

This paper reviews studies about capacity building that related to Human Resources Development (HRD). Capacity building can also be classified into three levels; individual capacity building, institutional capacity building and systemic capacity building capacity building (Garriga, 2013). McLagan (1989) explained that HRD is a field of study that typically consists of three main practice domains – organization development, training & development, and career development. This study seeks to explore how capacity building has been discussed in the field of HRD along with the challenges faced by HRD professional while implementing capacity building. I summarized the articles based on their focus, research paradigms, guiding theories, journal publisher and years of publication within the past two decades. This paper also has implications for HRD professionals who are interested in the areas of capacity building.

Keywords: capacity building, HRD, literature review

Introduction

Capacity building is one of the least understood yet most important aspects of developmental work. Building human and social capital is integral to strategic community investment. Many groups require some form of capacity building. Those groups include the company, communities (individuals, groups, and community organizations), NGOs, and local government. Capacity building can also be classified into three levels; individual capacity building, institutional capacity building and systemic capacity building capacity building (Garriga, 2013).

According to the Food and Agricultural Organization of the United Nations (FAO), capacity building encompasses human resource development (HRD) as an essential part of development. It is based on the concept that education and training lie at the heart of development efforts. Moreover,without HRD, most development interventions will be ineffective. Capacity building focuses on a series of actions directed at helping participants in the development process to increase their knowledge, skills and understandings and to develop the attitudes needed to bring about the desired developmental change. A research by McLean, Kuo, Budhwani,

Yamnil, and Virakul (2012) in many developing countries shows the responsibility that HRD has as the conscience of society by raising questions of corporations, governments, NGOs, and individuals.

According to Garriga (2013), the concept of capacity building includes HRD as the process of equipping individuals with the skills, understanding, knowledge and training that enables them to perform effectively. Another concept of capacity building is organizational development. It is defined as the elaborations of management structures, processes, and procedures and the relationship between public, private and community sectors. The last concept of capacity building is institutional and legal framework development. It is about making the rule and regulations to enable all sectors enhance their capacities.

McLagan (1989) explained that HRD is a field of study that typically consists of three main practice domains – organization development, training & development, and career development. Based on the explanation above, there is an overlapping between capacity building and HRD, particularly in training and organizational development. In some cases, capacity building training will need to target a broad group while in other cases, individuals or smaller sets of representatives may be selected as the participants based on the specific roles or functions they are expected to carry out (IFC, 2014). Furthermore, capacity building is not just about training. It is also a process that involves value added instruction, training of trainers, activities with multiplier effects, and networking. It is much more than training and includes HRD, the process of equipping individuals with the understanding skills and access to information, knowledge and training that enables them to perform effectively (The Urban Capacity Building Network, 2011).

Organizational development, alongside with training and development, also has a role in capacity building. Organizational development can involve in making legal and regulatory changes to enable organizations, institutions and agencies at all levels and in all sectors to enhance their capacities. Organizational development also builds management structures as well as processes and procedures. This occurs not only within organizations but also in the management of relationships between the different organizations and sectors (public, private and community), institutional and legal framework development, (The Urban Capacity Building Network, 2011). For more explanation, following is the table about HRD from different initiatives and

perspectives.

Table 1. HRD from different initiatives and perspectives. Adapted from "Umbrella for Research into Human Resource Development (HRD)", by Sluis, D. ,2007, _Human Resource Development International,_10,p. 100

		Level of output analysis	
		Individual	Organizational
Initiative	Individual	Self management of personal development	Team development Project group development Networks
	Organizational	Corporate Universities HRD Programs HRD Policies and practices	Organizational Development Organizational learning

Rationale for the Study

The importance of building capacity alongside with HRD is now beyond doubt. The issue of capacity is critical and the scale of need is enormous while the appreciation of the problem is still low. Many alternative ways of capacity building are not adequately recognized and the training & development material for capacity building are still inefficient (The Urban Capacity Building Network, 2011). Other pressing concern is the needs for capacity building are always changing. There are no ready solutions, and any programs should be created suitable for the selected target groups.

It should be made clear that capacity building is a long-term, continuing process, in which all stakeholders participate. A comprehensive, integrate approach to capacity building creates excellence; expansion and positives change in all areas of human knowledge. Therefore, this literature review paper is highly important because capacity building has been practicedin many fields of studies for a long time and yetnot many HRD professionals take the role in capacity building. This paper also meant to emphasize the idea that capacity building is an emerging topic that needs to be focused in HRD field.

Purpose of the Study

The main purpose of this research is to explore the strategic role of HRD in capacity building in national and international level. This study will illuminate areas where HRD professionals can engage. Thus, in general, this research will contribute

to HRD professionals who have the specific interest in capacity building and society development. The following questions will guide this research:

1. What strategic roles can HRD play in capacity building?

2. What areas of capacity building that HRD has involved?

3. What challenges might HRD professionals encounter while implementing capacity building?

Methods

To address my research question, I have limited my search to the following criteria: (1) English language articles, (2) Articles that were published in academic journals (3) Used capacity building and HRD as the title or the keyword, (4) Used qualitative, quantitative orliterature review as their method, (5) Published in 1995-2015. The last criterion was chosen under the assumption that capacity building has only been discussed more in the last twenty years.

Before the search, I decided to search articles that used "capacity building"as the title to see in which fields of study the term capacity building has been discussed. Unsurprisingly, the research generated136,744 results of capacity building. The screening classified capacity building was discussed in various fields of study such as disaster management, engineering, business management, public health, public administration and development, economic, environmental issue, urban planning, behavioral and social science and community development.

In order to obtain a complete understanding of how capacity building was conceptualized and studied within the field of HRD, I manually searched by using the keyword "Capacity Building in HRD" to attract publications that specifically addresses this issue.

The screening generated 22 results. After screening all of them, I decided that the 11 articles met the criteria. Detailed literature sources count in different stages is reflected in the following table:

Table 2. Count of the literature sources

Count	Sources	Year
1	Community Development Journal Advance	2009
1	Management Research News	2008
1	Journal of Management Development	2015
1	Social and Behavioral Sciences	2012
1	International Journal of Public Administration	2010
2	Advances in Developing Human Resources	2012, 2015
1	Bangladesh e-Journal of Sociology	2014
1	Economic Science Series	2013
1	Asian Perspective	1999
1	Urban Affairs Review	2001

Findings

The purpose of this literature review was to synthesize current research findings related to capacity building, in order to explore the strategic role of human resource development with capacity building. The literature suggests that Training & Development and Organization Development are the keys to build the capacity within society. An effective capacity building is also one of the key challenges in supporting good governance. Antwi and Analoui (2008) stated "developing human resources (HR) in both public and private sector organizations is a critical issue in an increasingly knowledge-based and global economy" (p. 504). Findings also indicated that capacity building is a more popular term in developing countries.This aligned with the main task for education and HRD to catch up with developing countries (Yang, Zhang, & Zhang, 2009).

Definition of Capacity Building

Based on the literature review from the case studies in four developing countries: China, Ghana, Indonesia and Tanzania, I found that the meanings of capacity building in these countries are slightly different. In Indonesia, capacity building is an "understanding that guides development planning in international funding bodies, rather than one deriving from indigenous discussion or experience, whereas western usage of capacity building refers to the capacity of target community organization to operate sustainably and effectively" (Fanany,Fanany, & Kenny, 2009, p.7). Meanwhile in Tanzania, capacity building is defined as "the process improving employees capabilities to undertake a range of public functions. This human resource capacity was derived from through the creation of public

service training and institutions, the training that was conducted overseas and the establishment of local universities" (Pallangyo& Rees, 2010, p. 729).

According to the United Nations Educational, Scientific and Cultural Organization (UNESCO, 2010) capacity building is not only understood as human resource development but also as organizational and institutional development. Capacity building has often been related to various kinds of organizations especially those involve with communities (Fanany, et al., 2009). The United Nations Development Programme (UNDP) defined capacity building as "the ability of individuals and organizations or organizational units to perform functions effectively, efficiently and sustainably" (Merino &Carmenado, 2012, p. 962). In general, human resources is central to capacity development. (Merino &Carmenado, 2012)

"Capacity building is also an abstract and multidimensional concept. Capacity building is the development of human resource (knowledge, skills, individual, and group attitudes) for the purpose of the developing and managing certain areas in society" (Merino &Carmenado, 2012, p. 962). Chaskin (2001) defines community capacity as "the interaction of human capital, organizational resources, and social capital existing within a given community that can be leveraged to solve collective problems and improve or maintain the well being a given community. (p. 297)".

Contextualizing Capacity Building in HRD

HRD has long contributed to societal development (McLean & Armey, 1990; Budhwani& McLean, 2005; McLean, 2006a; Budhwani, 2006; Mclean, Karimov, &Asankanov, 2004; Yamnil, Singsuriya, & Mclean, 2010; Yamnill& McLean, 2011). Several issues that have been researched in the field of HRD that are related to societal development include child labor, corruption, commercial sex trade, HIV/AIDS, corporate social responsibility (CSR), and national human capital assessment (McLean, Kou, Budhwani, Yamnil, &Virakul, 2012). HRD can be approached from different levels, based on results on the organizational or the individual level, and it is often depicted as the development process of employees, related to better individual performance and personal growth. HRD is sometimes

also seen as a general HR process that takes place in the organization, closely related to organizational development (Sluis, 2007).

Capacity building in turn also highlights the dichotomy between individual and organizational needs. For an organization, capacity building may relate to almost any aspect of its work such as leadership, strategic planning, mission control administration, program development, and implementation. For individuals, capacity building may relate to leadership development, communication skills, training abilities, technical skills, organizing skills, and other areas of personal and professional development (Darby, 2015).

A qualitative study by Pallangyo and Rees (2010), which enacted Local Government Reform Program (LGRP) in Tanzania, illustrated that redundancy and recruitment-related activities were the main human resource challenges in capacity building. This result provided evidence that the local government was experiencing lack of autonomy in human resource management. Furthermore, the study found that the implementation of capacity building had produced mix results in two respective human resources capacity dimensions, training & development and organization development.

Despite of the critiques that the capacity building concept is only a little more than training (Fanany, et al., 2009), the analysis of training programs by Pallangyon and Rees (2010) study shows that some employers were conducting training based on individual initiatives without doing proper training need analysis. The training material did not match the actual need and did not include all key facilitators. At the organizational level, the study by Pallangyon and Rees (2010) reported that capacity building plays a key role in changing the organization culture. The study also implemented benchmarking exercises to assess the efficiency and effectiveness of human resource activity.

Antwi and Analoui (2008) addressed what specific importance has been given to the development of HR in strengthening the government level. Their study found that the government of Ghana has created an HRD unit at the macro level called "Human Resources Capacity Development" (HRCD) (Antwi & Analoui, 2008). The specific task of this unit is promoting an integrated approach to organizational learning, which would require the development of three inter-related HR capabilities: human capital, social capital, and corporate capital. The research

also suggested that low job satisfaction due to poor salaries, inadequate funds for training and development, and unequal training and development opportunities are three challenges identified in implementing capacity building.

In addition, capacity building has also been classified into micro, meso and macro level. The micro level is related to individuals and families, and their skills, education, job training and social cares. The meso level, also called organizational/entity level, includes role of the entity within the system and the interaction among entities, stakeholders and clients. The macro level is the highest level that involves one's environment (socio-political, government/public sector, economic/technological, physical) (Merino & Carmenado, 2012). Three broad categories of factors affecting a country's human capital included in the analysis were character qualities, national identity awareness, and the most widespread background/status of families in the country (McLean et al, 2012). International Atomic Energy Agency (IAEA) also explained that the three main steps to achieving sustainable competence in HR for any program are developing the HR infrastructure, building capacity, and developing and sustaining competence (Molloy, 2013). The summary of that explanation can be seen in the following figure.

Figure 1. *Building and Sustaining Competence. Reprinted from "Capacity Building and Human Resources Development for Nuclear Power Programmes", by Molloy, B.,2013, International Atomic Energy Agency, p. 9*

Challenges for HRD in Capacity Building

The crucial challenge in building capacity is bringing diverse stakeholders together to contribute to the planning process in important ways. To ensure that happened, HRD professionals should know well where they stand while working together with all the key players. As illustrated by the lessons learned HRD's role in crises management, HRD theories can facilitate in learning and knowledge sharing among stakeholders (Benton-Short & Cseh, 2015).

In addition, capacity building has long been a major issue in UN international development agenda. Facilitating human and institutional capacity building is one of the objectives of international development. It is involved knowledge transfer, skills and technology to boost the economic and social development (Siddiky, 2014). One effective way of transferring knowledge and skill is through training. Study shows that due to the lack of instructor's skills, training participants could not absorb the maximum benefit of training. Therefore, it is very necessary that all the training facilitators, which could be HRD professionals, to equip themselves with the skills needed.

In organization level, HRD faces several challenges in implementing capacity building. As this program involves many stakeholders, it is critical for HRD to consider some external environments that could affect the process. Political and economical factors are believed to give major negative impacts. The complexity of the project implementation legal framework, self-financing at the governmental level and corruption in the institution are responsible (Laura, Valentin, & Delia, 2013).

Discussion

This paper contributes much needed further discussion about the role of HRD in capacity building. The key factor of capacity building was highlighted as playing a pivotal role in community development. Evidence from the case study research listed a number of significant issues providers of community development related to capacity building. Using a framework focusing on the following key themes drawn from extant research and relevant literature, the analysis revealed:

Capacity building as a component of development

While capacity building has characterized many development initiatives in many organizations, there has been a little discussion of the meanings and dimensions of the concept. Many developing countries, international organization, including public and private sector, suggested capacity building as an aspect of the developmental work but what exactly needs to be done is rarely discussed.

Capacity building involves training and organization development

As stated in the beginning, my research aimed at identifying the main factors from HRD that have important roles in implementing capacity building. Throughout the paper, I conclude that HR manifests itself in two dimensions, training and organization development. By promoting an integrated approach of these two dimensions, which involves training and transfer of learning, management development, developing human capital, management development, and supervision and monitoring program. In this way, communities can build the capacity and thereby maximize the effectiveness of community development.

Implications for Practice

In general, HRD professionals are skilled in creating dialogue and opportunities for creating learning culture in the community level. They understand the complexity of individual, organization, communities, societies and the transformative learning process. Therefore, HRD professionals can facilitate together community members with different agendas and resources to work together. Besides, HRD professionals also have an important role to play in encouraging the organization or community leaders to initiate capacity building program in their groups. The guiding idea is that there are complexities of values and perception within communities. It would be easier for groups to be affected by individuals with power and good leadership figure.

Practically, the two areas that HRD professionals can involve in capacity building are training and organization development. In training and development, there are enormous demand for expertise to design, develop, and deliver a good training program related to capacity building. They must ensure that the approaches used, the knowledge and skills transferred reflect the need to consider the long-term

perspectives and the interests of multiple stakeholders when developing appropriate strategies for capacity building. In organizational level, HRD professionals must therefore incorporate social, economic, political, and legal considerations in implementing capacity building programs. It is also important to enhance communication skills and the ability to consult with, and reflect the attitudes and needs of diverse groups (Hay, E, J., Oshima, A., & Lewis, G, D, 1999).

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