

ESSENTIAL PRACTICES IN HUMAN RESOURCE MANAGEMENT (HRM) IN TRAINING AND DEVELOPMENT, PERFORMANCE, INNOVATION, AND COMPETITIVE ADVANTAGE- A CONCEPTUAL PERSPECTIVE

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ABSTRACT

This study adds to the body of research on HRM's operational role, which is seen as a crucial component of HRM theory and a budgetary expense that should be extensively allocated by an organization to boost productivity, creativity, and competitive advantages. In addition to giving businesses a competitive edge, training and development are essential for fostering creativity and finding solutions to global problems. Above all, though, they are an ongoing process that improves the effectiveness of a company. The goal of the conceptual study is to assess the literature spanning the last ten years about relevant theories and current understanding of training and development and how it relates to company performance, innovation, and competitive advantages. It will contribute to the body of current literature because it is a review that draws data from previous reviews of the literature as well as research related to this subject. It also offers suggestions for additional research.

Keywords: Strategy, Competitive Advantage. Training and Development, Innovation.

INTRODUCTION

In the human resources division, training and development are crucial to achieving organizational and individual goals. Training and development have a major impact on the performance of employees and the organization, according to Schelur & Jackson (1987). Human resource management operations are described as a process that hires, develops, supports, and keeps personnel informed in order to guarantee the members and the organization's successful execution and continued existence.

According to Mondy & Noe (2005), human resource management strategies can help a company accomplish its goals quickly and efficiently. It makes it possible for the company to achieve its goals for customer happiness, staff performance, and organizational success. For human resource management to be successful, the firm manager needs to understand it and use it correctly (Mondy, 2002). Other than that, human resource management techniques are seen to be essential for obtaining a competitive advantage and achieving the goals of the business (Bombiak & Marciniuk-Kluska, 2018). In order to maintain a sustained competitive advantage, a business needs either human resources practices that differentiate it from rivals or individuals with exceptional skills and expertise.

Labor relations, employee maintenance, development and training, performance appraisal, recruitment and selection, human resource planning, and labor relations are the domains that make up the interactions in human resource management (Noe, Hollenbeck, Gerhart, & Wright, 2003; Novit, 1979). According to Guerci et al. (2013), ability-enhancing

human resource management activities are those that a company utilizes to increase employees' ability to complete assigned tasks and accomplish particular organizational goals. These activities include hiring, selection, training, and development Wright et al., 1998.

Additionally, Jiang et al. (2012) state that ability-enhancing HRM practices are techniques that affect workers' skills during the hiring, selection, training, and development processes. Let's sum up by saying that "ability-enhancing human resource management activities" refer to the process of helping the organization achieve its goals and objectives by helping employees grow their skills and abilities. The second aspect of these activities consists of human resource management strategies that improve motivation.

A corporation that uses performance management and contingent incentives to motivate employees to achieve outcomes is engaging in activities connected to motivation-enhancing human resource management (Guerci et al., 2013). Pintado, Bello (2015). Human resource management activities that focus on performance management and rewards as well as inspiring people to work harder at work are considered motivation-enhancing activities. Or to put it another way, HRM strategies that support employee motivation are about what employees do to become more motivated to perform better.

Additionally, the third component of these activities consists of human resource management-related activities that generate possibilities. Opportunity-enhancing human resource management is described as an organization's use of employee engagement approaches to increase workers' involvement opportunities (Guerci et al., 2013).

In addition, Bello-Pintado (2015) defined opportunity-enhancing human resource management (HRM) activities as the process of exchanging knowledge and information to support lower governmental levels in decentralizing decision-making authority. To put it another way, job design that allows people to demonstrate their motivation, aptitude, and abilities is an important component of HRM methods that promote employee opportunities (Jiang et al., 2012). The authors of this study emphasize the critical roles that training and development, as a component of HRM, play in the success of the product manufacturing business.

Training and Development

A highly productive workforce could have characteristics that set it out as a very valuable intangible asset. Previous studies have shown that "lifelong learning" is the most commonly used term for "training and development." It takes into account how people pick up new skills and knowledge on a constant basis (Field, 2008), fit in, adapt to changes (Nolfi & Parisi, 1996), get better with age (Sartori et al., 2014), add value, and are knowledgeable and experienced (Jarvis, 2012).

HR approaches that influence organizational learning and innovation must include organizational training and development as well as competitive advantage (Sung & Choi, 2013). Researchers and practitioners agree that people are the greatest sources of innovation and inspiration (Amabile, 1996). Thus, appropriate training and the development of competent and driven employees are essential for innovation (Collins & Smith, 2006).

Training and development are crucial for any firm, according to Onyango & Wanyoike (2020), because well-crafted programs raise employee morale and provide them the freedom to work without constant supervision. Training and development are organizational subsystems that are derived from two distinct but related words that work together to increase each person's overall productivity, and any corporation must invest in them (Salas et al., 2012).

Individual's growth is the main objective of training and development, mostly through deliberate learning opportunities. The majority of previous HRD initiatives consisted of standardized classroom training programs. The advancements in the human resources domain have resulted in an increased emphasis on optimizing human potential to enhance learning and professional performance (Salleh, 2012). Nonetheless, most companies use training and development programs to increase employee output, efficiency, and competitiveness (Kadiresan et al., 2015). According to Fauzi et al., (2013), workers who have received training and development feel that they have a significant commitment to the organization and that they will stay on for a number of years after joining.

The company will also function better with a continuous commitment to in-depth growth and quality training. If companies want to retain their employees, they should give employee development initiatives like training and development top priority. It was talked about by Raihan (2012). These measures foster a strong sense of commitment, which may lead to the development of a psychological contract with the staff. The two most widely used tactics are internal and external training methods. Both internal and external training programs are crucial for the company and its personnel, claim Ahmed, (2014). Mutual training is the most economical internal training alternative.

This involves staff members developing their own training programs or educational resources. According to Troy (2017), internal training is usually managed by the human resources department, which means there are no additional expenses. However, there may be a momentary decrease in productivity as well as negative effects on other daily tasks. For example, Daimler offered talent development initiatives such as "Inspire - the Leaders' Lab," which is an internal training program. The intended audience consists of young professionals.

With some practical experience who wish to train directly for managerial positions within the organization. (Troy, 2017).

Since internal training is usually informal and delivered by staff members who are familiar with one another, it is recommended. Participants in the program will not take instructions that are not well-organized or expressed seriously. Due to the requirement for staff training, it can take a lot of staff time.

This program will provide cross-departmental insights, excellent training, and personalized coaching to assist the employee become more productive (Daimler, 2018). It is possible to inspire staff members to try out new ideas or methods for finishing projects by pushing them beyond of their comfort zone through outside training. Training Methods: Internal vs. External - Which is Best for You?, (2017) claims that putting Six Sigma training into practice will change the company's management structure and enhance departmental collaboration in general. In addition, outside courses taught by professionals who are knowledgeable about training issues and effective teaching techniques are necessary to ensure sufficient training.

Professionals will leverage their extensive backgrounds in a variety of industries to help them gain a thorough understanding of the particular disciplines in which they decide to train staff members (Troy, 2017). For instance, Mercedes-Benz has started offering its management team a five-month Leadership Development Programme (LDP). This program aims to guarantee that all of their leaders possess the ability to inspire and encourage others, articulate a clear vision, and feel a strong sense of ownership over the goods and services.

Competitive Advantage

Businesses usually have development and expansion as their goals and purposes, in addition to a competitive edge and organizational development, according to one academic (Goldberg, J., 2018). Companies understand that they need to adopt a new strategy in order to sustain their competitive edge in a constantly changing environment. To increase competitiveness, they therefore highlight employee performance as a crucial resource (Diamantidis & Chatzoglou, 2019).

Porter (1980) defined "competitive advantage" as the capacity to outperform rivals in the same market or industry due to one's personal qualities and assets (Chaharbaghi & Lynch, 1999). The growing concerns about organizations functioning at higher levels in today's competitive market have also piqued the interest of researchers regarding competitiveness. A business obtains a competitive edge when it employs a benefit-maximizing technique that isn't being utilized concurrently by present or future rivals (Clulow et al., 2003). Numerous studies support the idea that businesses with effective HR strategies—such as competitive benefits, training and development programs, suitable recruiting methods, etc.

Innovation

According to Goldberg (2014), companies typically want to develop and grow. According to Ónday (2016), the human element is crucial to any organization, as it is through human labour that tasks are completed and goals and objectives are achieved. This is true of all organization theories, from the classical perspective that values work to the human relations

Theory that values human resources in organizations. Furthermore, studies indicate that to foster cooperative and group learning, training programs need to take into account the personal and psychological factors that either support or hinder this type of learning.

Training methods, as per studies (Shipton et al., 2006; Beugelsdijk, 2008; Jerez Gómez et al., 2004; Shipton et al., 2005; Cortini et al., 2016), encourage creativity, support a learning environment, and promote discovery. However, as expected, the study demonstrates that employees need to be able to oversee group learning procedures, engage with one another, and cooperate in order to build communication and coordination for new goods and services (Larsson et al., 1998; Ceschi et al., 2014; Manuti et al., 2017; Sartori et al., 2014). Additionally, Sartori & Scalco (2014) conclude that as it is impractical to expect people to manage and supervise these activities on their own, training is required.

Sartori et al. (2018) state that the proper abilities are necessary for any firm innovation to be successful. The company could require more than simply highly qualified individuals in order to create something that hopes to survive in the ever changing marketplace. Administrators and employees alike need additional components to foster creativity, such as interpersonal cooperation and coordination and training techniques that enable employees to develop and broaden their special talents. A 2013 study by Sung and Choi found that companies who invest in training experience a notable increase in innovation.

Moreover, Gonzalez et al. (2015) have shown that employee training and research and development (R&D) greatly raise the probability of innovation. An organization's investment in training and development, according to Sung & Choi (2013), will promote a culture of continuous learning that will enhance the sharing of information and perspectives. This will promote the sequential production of knowledge and inventiveness.

In addition, workers, employees, and supervisors can continuously improve their skills thanks to the Learning Pursuit, which is characterized in the firm by training and development (Sartori et al., 2018). Their competences are thus the qualities of intelligent, strong people in a challenging environment. Experts' concepts or innovations result in goods

and services that people value and are willing to pay for (Sartori et al., 2018). Innovation, development, and training work together to lessen unanticipated and challenging situations that jeopardize a company's ability to survive and expand (Sartori et al., 2018).

Performance

In the end, the company will gain from knowing that employees are receiving on-the-job training and development (Abdul Ghafoor Khan et al., 2011); in addition, human resources are a resource that improves the performance and growth of the business. Consequently, corporate and employee performance are raised by training and development (Ahmad & ud Din, 2009). Many firms throughout the world provide their employees with access to training and development programs in order to improve their competencies Anderson & Kelliher (2009).

Training and development are financially reimbursed multiple times over since it improves performance at the global organization level Bello-Pintado, (2015). According to Khan et al. (2011), companies need to consistently uphold a high standard of competency among their employees in order.

To sustain their competitive edge over their counterparts. Training and development will also improve employee performance, which will improve business performance. Training is the only way to increase employee competences, and it also affects the return on money invested.

Consequently, the organization offers its staff training to improve performance for both sides (Abdul Ghafoor Khan et al., 2011). Scholars assert that having the appropriate training is essential for acquiring managerial abilities and making wise decisions. It also plays a significant role in the success of a company and is essential to the development of leaders (Collins & Holton, 2004). Managers can utilize training programs as a strategy to assist employees feel more at ease and productive at work (Hidayat, 2018).

Employee development programs include a variety of teaching techniques, schedules, and encouraging learning settings intended to assist employees grow their skills and knowledge so they may be more productive at work (Gerbman, 2000). Employee development programs are essential for firms to maintain both their financial stability and market competitiveness Önday, (2016). The study concludes that training and development are the main factors determining corporate efficacy and efficiency (Schuler & MacMillan 1984). Employee growth and increased organizational competitiveness more than make up for the expensive cost of training and development programs (Bartel, 2000). Furthermore, previous studies show a relationship between the effectiveness of the company and its skills, training, and development (Blundell et al., 1999).

DISCUSSION AND IMPLICATION

A first-rate training and development program should support both the organization and the personnel by providing goals, information, and opportunities for career advancement (Jehanzeb & Bashir, 2013). Training and development are crucial tools that help people realize their full potential and become more effective, focused, creative, and productive at work, according to Elnaga and Imran (2013).

Training and development will be the most challenging problem for HR managers in the twenty-first century (Stavrou et al., 2004). Employees must actively participate in training programs and have a connection to the organization (McConnell, 2004). Training is the most crucial element in the business environment since it boosts an organization's and its

employees' efficiency and effectiveness (Abdul Ghafoor Khan et al., 2011). Additionally, via increasing productivity and employee commitment, training and development programs promote innovation and enhance the company's competitive edge and performance Schuler & MacMillan. 1987.

Further Research

Prospective studies ought to focus on the growing importance of development and training. Researchers have conducted studies on a wide range of topics related to training and development, such as what are the main challenges that organizations face when putting theory into practice, how training and development functions, how to manage and implement it, how effective it is, and how important and advantageous it is in terms of performance, innovation, and competitive advantage. Keeping in mind that innovation is a core value for

Some businesses that excel in every endeavor, this assessment of the literature focused on the importance of training and development as well as its effective application in organizations that need to select training and development programs as effectively as possible.

It's necessary to compete with the others. Innovation is a critical component of development in both theoretical and practical contexts, and training and development may encourage it. But businesses need to encourage innovation in their cultures in order to succeed. Future research should compare the costs and effects of different training programs—offline (theory) versus online (practical)—on an organization's innovation profits. This is because businesses need to support any changes and interactions between experts and learners within their organizations because of the differences in their perspectives.

CONCLUSION

The research's conclusion stressed the importance of training and development as well as how well it works in organizations. Organizations must, however, choose training and development programs as wisely as possible given the range of possibilities and the associated costs, bearing in mind that innovation is a fundamental value for those companies that succeed in whatever they do. It's necessary to compete with the others. Innovation is a key element of development in both scenarios, and training and development can encourage it. But businesses or industry need to encourage innovation in their cultures in order to succeed. This research looks at different training programs because of the differences in costs and how they affect revenue for businesses, how they affect innovation because businesses have to adapt to change, and how different perspectives affect interactions between practitioners and theory-to-practice learners in organizations.

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