



Global changes and technological advancements have affected the process leads to innovation, new forms of work organization, changes in the nature of work and new occupational categories.

With these changes, human resources development takes the position of significance. In Pakistan we are still striving hard to generate a vision for HR, which is very important for our national progress to face the global challenges.

According to the World Bank, there are three main components of economic growth, they are as follows:

<u>Factor</u>	<u>Contributions</u>
Human Capital	64%
Physical Capital	16%
Natural Capital	20%

We must consider the designing and implementation of effective HR polices as an essential investment on HR community and not as expenditure. This investment is far more important than building roads, bridges or power-houses. We must first build our people. It is imperative that they (policy makers) direct their attention and energies towards HR development and improvements in order to achieve sustained economic growth and social development in the 21st century. Human resources are of great importance for a poor country like Pakistan.

The increasing globalization and the forces driving it are posing serious challenges to organizations throughout the world, particularly to the third world countries. One of the very important aspects of human resources development is the support of business houses at national and international levels. Only those organizations, which understand the new environment and growing complex competition and have the ability to provide appropriate responses to the challenges will survive and grow. The following is the level of per-capital investment in human capital development in various developing countries of the world:

### Country Investment in HRD

<u>Country</u>	<u>Investment in HRD</u>
Pakistan	US \$. 10
India	US \$. 31
Indonesia	US \$. 54
Malaysia	US \$. 150
South Korea	US \$. 160

The most valuable and the most perishable resource in any organization are in fact, the human resources.

Unfortunately, there are not many organizations in Pakistan that use this resource optimally. Most of them abuse, misallocate and misdirect this resource to an incredible degree. All organizations, whether national, multinational or international, have to deal with this resource, which is limited in the environments they operate.

Organizations strive to use these limited or scarce resources efficiently and effectively in order to achieve their goals and objectives. The most important elements for today's organizational success are work-force skills, product quality and customer service. All three elements are heavily dependent upon human resources as education, training and motivation embodied in people.

In present day's dynamic business world, change is the only factor, which will remain constant - changes in technology, consumer demand, demographic composition of work-force and global competition will have impact on the role of human resource professionals. With time, organizations are becoming increasingly aware of HR contribution to the progress and growth of their businesses.

In this millennium, slowly but surely all countries are becoming safer and more attractive for investments. More and more socialist and centrally planned closed economies are opening up for trade and investment opportunities. Countries are opting for free-market economies, private ownership is being encouraged, the importance of the consumers is being realized and generally they are also becoming more democratic. At the same time, new institutions are emerging to reduce non-commercial risk of multinational ventures. These developments in the world market have significant impact on the future of HR practitioners in terms of research and professional practice.

Human resource in any country is the primary factor for setting up the direction and pace of the socio-economic development. For achieving a substantial part of our industrial vision, there is a need to create and nurture a well-developed human capital base, with skills and work ethics of highest quality.

Any nation's capacity to face the challenges of industrialization and globalization of business of the 21st century depends heavily on its human resources. Out of capital, technology and human resources, it is the human resources that will help organizations to face the challenges of business globalization. Capital can be generated, technology can be developed, but appropriately encouraged and motivated human resource is required to propel the organization and the nation through the coming challenges.

Pakistan is blessed with high quality of human resources, which is also industrious and productive, but much less demanding than their counterparts in the developed world.

Pakistani nation is hard working and has always stood up to expectations. Our people are energetic and workers are dedicated. In fact, HR is the most important contributor to the economic success of Pakistan over the past decades.

Pakistanis have proven to have the required quality, commitment and the will to succeed. Human resources are playing an important role in the transformation of Pakistan from an underdeveloped country to a prosperous nation. Guidance and necessary assistance is required to increase their capabilities and enhance the output. The government has put in special efforts in developing and utilizing human resources.

In present day's tight labor market, the emphasis is on upgrading the skills of the work force, increasing employee productivity, encouraging wage flexibility and attracting talents from overseas.

We know there are many organizations in Pakistan, that still believe that the role of human resource professionals do not apply to them. The same goes for the recent work-force legislation. There are many larger organizations that recognize their commitments to have the best practices in HR, but unfortunately fail to deliver its implementation. How many organizations can genuinely and honestly state that they practice or even care about staff retention policy?

It is unfortunate that in Pakistan our system of education is not oriented towards producing educated youths having occupational skills. Education has had a disappointing relationship to future job prospects for many students, with the result being that frustration is high and emigration of trained people is common. Ensuring the return of Pakistanis sent abroad for higher degrees is also a problem. Special incentives in land and salaries have been provided to attract overseas Pakistanis back to the country.

Many companies have moved their operations to places with cheap, relatively poorly educated labor. What is crucial, they say, is the dependability of the workforce and how well it can be managed and trained. General educational level and a small cadre of highly educated creative people are essential for innovation and growth. Ending discrimination and changing values are probably more important than moving low-income families into the middle class.

The current training gaps that now exist have reached a critical stage. Public sector programs of training are grossly inadequate and government incentives for private sector training do not seem to work. It is quiet clear that much of the training required to mould our young human resources has to be from the private sector. A bold and imaginative thinking must go into generating such training facilities, capacities and programs in the private sector.

Pakistan's human resource community is lagging behind in their understanding of globalization requirements and the development of appropriate technologies to deal with them. In an increasingly complex economy, Pakistan with present approach will continue to lose competitive ground to foreign nations unless the country switches to a strategy of better educated, better trained employees with global orientation and with more productive forms of work organization. Such organizations should be developed that are consumer driven, quality-focused and globally effective.

In this way, organizations will strive to restore a nation's competitiveness and assist in ensuring its continued prosperity in the new millennium. The time has come for an integrated effort to ensure that business leaders will have the management with cross-cultural skills which are necessary to compete on global basis.

Pakistan's HR community has evolutionary thinking approach. What is needed is a revolutionary approach in convincing management that they can deliver strategic results with a positive attitude and multi-dimensional approach. An approach that shifts emphasis from HR traditional focus as expert administrators, to develop a multi-skilled and a multi-functional department that adds value to the organization on the whole.

To gain entree into the upper-echelons of business and get the ear of the CEO and a seat at the boardroom table you have got to be able to speak their language. It means cross-training to acquire new business skills that will not only help reinvigorate HR and make it more visible in the corporate structure, but also encourage other managers to recognize how leading-edge personnel management can benefit all areas of business planning.

The government of Pakistan has often expressed its desire to develop a group of experienced human resource professionals who see the opportunity to turn human capital strategy into a long-term competitive advantage. This group of HR community must have sustained competence quality and have a global HR vision.

Competent human resource professionals recognize the requirements of a profession and are willing to invest in maintaining and improving their skills and knowledge while keeping up with rapidly changing times. In the face of the new complexity of HR, where new executive buyers are demanding HR solutions with business value, new ways must be found to bring professionals to high performance levels. HR professionals must be armed with a broader and deeper set of competencies, not just in HR skills but in general business and interpersonal skills and in technology.

Times have now changed, but has our thinking changed? It is hoped that a sizable budget share will go to the development of HR community in Pakistan and a significant change will be visible in the near future and the country will be launched on the road to progress and prosperity.

---

#### About the Author

**Syed Imtiaz Hussain** is Head of HR & Administration in one of the leading multinational Company. As a member of top management team; he develops a highly professional A-Class HR environment in the organization by utilizing his vast practical and visionary experience of HRM and HRD.

He believes organizations that invest in people can face the global economic and technological challenges in better way.

His numerous of articles were Published in leading Newspapers and practitioner journals. He is also the author of "**HR Global Challenges**".

If you have questions or comments about this article, you can contact Imtiaz at ([www.whrppk.com](http://www.whrppk.com)) [imtiaz@whrppk.com](mailto:imtiaz@whrppk.com)