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A Comprehensive Review of Human Resource Development Practices and Their Impact on Employee Performance

Kratika Baddpalli¹

¹Research Scholar, Commerce Department, Sarvepalli Radhakrishnan (SRK) University

Abstract

Globalisation and technological advancements are impacting relationships and practices, the labour market is changing dramatically, and societies are becoming more diverse and global. Because of the rapid changes in the economy and the expansion of globalisation, employability is becoming a top concern for all organisations. The success of an organisation is largely dependent on the calibre of its human resources, and human resources development techniques can improve employee capabilities. This article addressed the concept, function, and importance of human resource development practices and their impact on employee performance. Evidence from various sectors—including universities, banking, and healthcare—consistently shows that HRD practices such as training, career development, counselling, teamwork, recruitment, compensation, and succession planning significantly improve job satisfaction, employee performance and overall performance. Effective human resources development programs also contribute to the development of workforce competencies that facilitate the smooth operation of the company.

Keywords; Human Resource Development (HRD), Job Satisfaction, Employee Performance, Leadership Development, Employee Engagement.

INTRODUCTION

Human resources development is very important for getting a long-term competitive edge and making an organisation more effective. "Human resource development" is a way to improve the performance of a firm and its personnel by making them more skilled and knowledgeable [1]. Human resource development practices cultivate critical competencies through structured learning initiatives, thereby equipping personnel with the requisite skills for effective performance in current and prospective positions within an organization. As a result, the idea of HR development has surfaced as a tactic to improve current workers' ability to carry out their jobs effectively [2]. "Human resource development (HRD)" practices are applicable to a variety of business-related organisations that utilise HRD to start and manage interactions such as information transmission, knowledge sharing, skill development, cooperation, feedback, and mentorship. Additionally, HRD ensures that the goals of the company as a whole and those of individual employees are in harmony [3], [4].

In every corporate environment, human resource development is just as crucial as managing human resources. Employees are occasionally provided with staff development and training programs to help them stay up to date with the latest advancements in technology and contemporary methods [5]. An organization's "human resource development strategies" are a set of systematic, planned activities designed to equip its employees with the skills, knowledge, and abilities necessary to meet current and future job demands so they can improve customer satisfaction, provide better services, and cultivate positive relationships with clients [6]. Training and development is one facet of HRD that has drawn the interest of several social scientists and HR professionals as it has a direct effect on workers' performance [7], [8].

Through employee happiness, customer loyalty, and happy internal customers, development and training practices have a favourable influence on organisational performance and increase productivity [9]. An organization's "staff training and development programs" are a set of planned, systematic activities designed to provide its workers the abilities they need to meet current and future job needs [10].

Concept of human resource development (HRD)

The ideal definition of "human resource development (HRD)" is an organised collection of projects, activities, and

tactics used by businesses to support the advancement of their most precious resource—their workforce. Through ongoing training, education, and career development opportunities, HRD focusses on enhancing knowledge, abilities, attitudes, and skills in order to match individual goals with organisational objectives [11]. It is essential for giving organisations a competitive edge through continuous worker development. Nowadays, a lot of businesses use virtual HR services to assist and improve their HRD initiatives in an adaptable and economical manner [12].



Figure 1: Human resource development (HRD)

The primary goal of "human resource development (HRD)" is to develop and enhance personnel capacities in order to support the success of both people and the organisation as a whole. The foundation of HRD is employee development, which creates a competent workforce capable of filling skills shortages, assisting with talent retention, and improving strategic HR planning to achieve long-term corporate goals [13]. By supporting team members' ongoing education and career development, HRD makes sure that workers acquire the abilities, know-how, and attitude required to tackle present and upcoming business obstacles. In order to ensure that development programs meet business goals and promote constant progress monitoring, HRD also strategically links employee needs and aspirations with organisational objectives. This builds a solid basis for long-term organisational growth and success [14].

Functions of human resource development

Human resource development serves the following functions:

- **Organizational training and development:** HRD establishes and rolls out initiatives to give staff members the skills and information they need.

Employee performance and productivity are improved as a result. Both soft and technical skills are included in these programs.

- **Leadership Development:** The goal of HRD is to develop leadership abilities at all levels. To promote overall performance, leadership development improves decision-making, communication, and strategic thinking.
- **Performance management:** HRD creates mechanisms for performance management. This entails establishing precise goals, KPIs, frequent assessments using OKRs or 1:1s, helpful criticism, etc. This promotes staff development, pinpoints areas for improvement, and aids in well-informed company decision-making. It also aids in locating any holes in the performance management procedure [15].
- **Talent acquisition and recruitment:** In order to draw in the best talent, HRD enhances HR coordination and communication with recruiting managers. Assisting them in "creating job descriptions, finding candidates, holding interviews, and assessing applications" are all part of this process. Additionally, it guarantees effective hiring and staff retention.

- **Employee engagement and well-being:** HRD promotes tactics that increase worker commitment and satisfaction. The goal is to establish a culture that encourages loyalty and makes workers feel like they belong. In order to foster a culture that prioritises employees, HRs design feedback systems and plan team-building exercises using HRD frameworks. It also seeks to establish a culture of openness and deference at all levels of the organisational structure.
- **Succession Planning and Employee Career Growth:** In "human resource development (HRD)", succession planning entails locating and developing possible future leaders within a company. In order to promote long-term engagement and happiness, employee career progress concurrently concentrates on offering chances for "skill development, promotions, and advancement" [16].



Figure 2: Function of human resource development

Need of Human Resource Development (HRD)

Any successful organisation must have "human resource development (HRD)". In order to guarantee improved working conditions, increased staff development, and increased productivity, among many other benefits, this division of "the human resources department" works with every section of a business, organisation, or agency [17]. Employers can profit from human resource development in a variety of ways. Any organisation aspiring to be adaptable and growth-focused within a swiftly changing environment must have HRD. Organisations can only become dynamic and grow by the efforts and abilities of their human

resources [18]. Personnel regulations can sustain employee morale and motivation, but they won't change the company's direction or make it more dynamic on their own. Employee abilities must be continuously used, refined, and improved. This requires an enabling corporate culture. When "employees take initiative, take risks, experiment, innovate, and make things happen", a company may be said to have an enabling culture [19].

Table 1: Difference between human resource management and human resource development

Category	HRM (Human Resource Management)	HRD (Human Resource Development)
Focus	Managing human resources within the organization	Developing and enhancing employees' skills and capabilities
Scope	Recruitment, selection, compensation, employee relations, performance management, compliance with laws and regulations	Training and development, career planning, talent management, organizational development
Purpose	Ensuring the organization has the right employees in the right positions	Improving individual and organizational performance through employee growth and development
Timeframe	Short-term goals and immediate operational needs	Long-term goals and strategic planning
Orientation	Organization-oriented, focusing on efficiency and resource management	Employee-oriented, focusing on growth, engagement, and career progression

Importance of human resource development (HRD)

Businesses need to understand that their employees are their most valuable resource. To facilitate employees' realisation of their complete potential and their effective contribution to company success, human resource development (HRD) is indispensable. [19]. This in-depth essay examines the value of HRD and how it may benefit businesses and their workers.

- **Enhancing Employee Performance:** Human resource development seeks to enhance team and individual performance via a range of development and training programs. By investing in their professional development, organisations may enhance the skills, knowledge, and competencies of their workforce. This leads to increased

productivity and performance [20]. HRD programs might include training seminars, work rotation, coaching, mentorship, and opportunities for ongoing education that are tailored to each individual. When workers are supported and have the tools they require, they are more motivated to produce their best job, which enhances the overall performance of the business.

- **Building a Skilled Workforce:** The workplace is always evolving as a result of evolving customer demands and technological advancements. HRD is crucial for creating a workforce that has the skills needed to adapt to these changes. By identifying the skills and competencies required for both current and future roles, businesses may develop specific training programs to address any skill gaps. Employees are kept current and relevant with the newest developments in technology, industry trends, and best practices through ongoing learning and development. This approach not only provides advantages to the organisation but also improves employee employability and job satisfaction, thereby cultivating a culture that emphasises continuous professional development.
- **Improving Employee Engagement and Retention:** Investing in HRD demonstrates your commitment to the growth and development of your personnel. When workers feel that their employer values their professional development, they are more engaged and committed to their work. Employee satisfaction and morale may be considerably raised by HRD activities including "leadership training, career development plans, and mentoring programs". Because engaged workers are more likely to remain with the company, turnover rates and related expenses are decreased. Additionally, top talent is drawn to workplaces that foster learning and development because people are looking for chances to advance both personally and professionally [21].
- **Nurturing Leadership and Succession Planning:** Initiatives for leadership development that find and develop the organization's future leaders are part of successful HRD programs. By providing future leaders with the necessary training and experience, organisations may develop a pool of competent individuals who can occupy significant roles in the future. During leadership changes, this succession planning minimises interruptions and guarantees continuity. A culture of mentorship and

information sharing is fostered by supporting the development of leaders, enabling experienced leaders to pass on their expertise to the next generation.

- **Fostering a Learning Culture:** Establishing a learning culture in firms requires HRD. Integrating continuous learning into the company's core operations fosters innovation, adaptability, and resilience. Employees take the initiative to collaborate across teams, exchange knowledge, and seek out opportunities for progress. A learning culture fosters innovation, analytical thinking, and a growth-oriented mindset, empowering organisations to effectively address challenges and capitalise on emerging opportunities in a swiftly evolving business landscape.

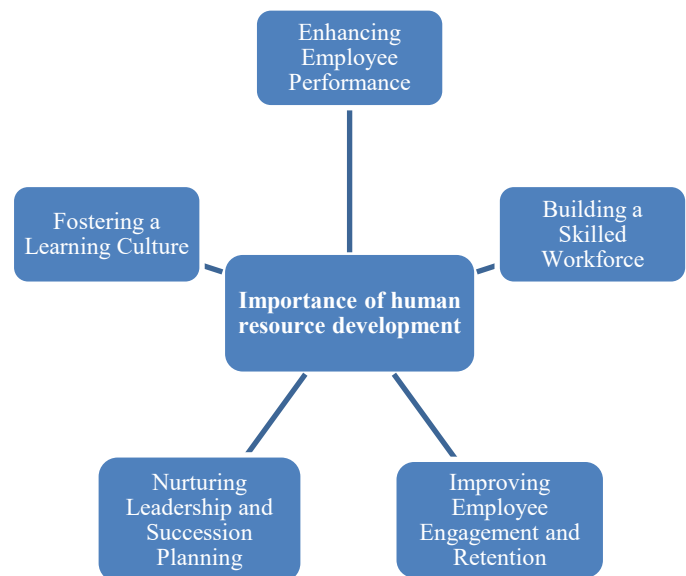


Figure 3: Importance of human resource development

Best practices for Human Resource Development (HRD)

Organisations should adhere to best practices in order to improve employee development and organisational success via human resource development (HRD). The following are important best practices that may be used to increase strategic impact:

- **Alignment with Organizational Goals:** In order to have a strategic impact, HRD programs must be in line with the broader organisational aims and objectives.
- **Needs Assessment:** Conduct thorough assessments to determine employees' learning

requirements and skill gaps, which helps create development programs with a distinct focus.

- **Continuous Learning Culture:** Create a culture of ongoing learning and development to inspire employees to keep picking up new abilities and information.
- **Individual Development Plans:** Staff members' personal development plans will be created after taking their professional goals, strengths, and shortcomings into account.
- **Feedback and Evaluation:** Frequent performance and learning progress reviews, as well as assessments of the success of HRD initiatives.
- **Use of Technology:** Adopt technology and e-learning tools to increase the effectiveness of training delivery and make learning resources more accessible to a wider audience.
- **Leadership Support:** In order to provide a positive example for their staff, organisational leaders encourage and take part in HRD initiatives.
- **Measurement and ROI:** To demonstrate the return on investment of HRD programs, it is necessary to measure their effects on "employee performance, engagement, and organisational outcomes".

If an organisation develops and implements successful HRD plans based on the aforementioned best practices, it will assure corporate success, a competent staff, and a learning-supportive environment.

LITERATURE REVIEW

(Jothi & S, 2025) [22] uses a descriptive–correlational design with 50 participants chosen by simple random sampling to examine the connection between "HRD practices and employee performance at Assured Best Care Hospital". These studies support the Human Capital Theory and the Social Exchange Theory by demonstrating how HRD enhances performance through capacity development and reciprocal motivation. By placing these mechanisms in the context of hospital settings with limited resources, the work advances HRD literature. It shows that workers have a very favourable opinion of the available training and development programs, suggesting that these efforts greatly increase their productivity and job satisfaction. Overall, the results indicate that improving employee performance in a hospital context requires the implementation of effective HRD practices. The majority of workers at ABC Hospital think that their productivity and job performance are much

enhanced by HRD practices, particularly those that concentrate on professional growth and skill development.

(Keltu, 2024) [23] investigated the relationship between employee performance and HRD practices, using work satisfaction as a mediating factor among Mizan Tepi University academic staff. According to this study, employee performance is greatly impacted by "job satisfaction, teamwork, counselling, academic career growth, and training and development". The findings of the SEM model regression analysis showed that academic staff performance is positively impacted by "job satisfaction, training and development, and teamwork", whereas academic career development and counselling are negatively impacted. Job satisfaction was shown to be positively impacted by "academic career development, teamwork, counselling, and succession planning". The mediation research indicates that whereas "academic career development and counselling only partially" affect employee performance, succession planning completely does. Therefore, improving job satisfaction among academic staff at Mizan Tepi University requires a focus on training and development, performance evaluation, rewards, teamwork, academic career growth, succession planning, and counselling.

(Bolanle & Esther, 2023) [24] investigated, from a theoretical standpoint, how human resource development affects workers' performance. The capacity to fulfil deadlines, job quality, teamwork, and problem-solving are the components of employee performance that have been recognised. The recognised facets of human resource development encompass mentoring, training, performance evaluations, and compensation and benefits. According to the study's findings, human resource development initiatives are an essential organisational tactic for raising workers' productivity, effectiveness, motivation, and inventiveness. Effective human resources development programs also contribute to the development of workforce competencies that facilitate the smooth operation of the company.

(K & Naik, 2021) [25] Since human resource development is linked to human resource management, which is a more comprehensive aspect of management, it is important to many organisational departments in addition to the human resources department. This study offers a concise overview of the critical examination of management practices that has been done in other works. The contribution of HRD practices to sustainable development in the banking industry. In summary, it can be said that the banking industry in Shivamogga City and Davanagere offers prospects for

professional growth. The employee said that when they feel there aren't enough prospects for professional development, they leave their position. We draw the conclusion from this study that the banking industry uses modest HRD practices. Therefore, management should provide professional development programs and talk to employees about their career goals.

(Rumman et al., 2020) [26] The current study was created to identify "the impact of HRD practices (employee training, employee empowerment, employee promotion) as independent variables on employee engagement and employee performance as dependent variables" and to inform those who are interested, given the organisational benefits of HRD practices, such as organisational effectiveness, sustainable competitive advantage, and organisational commitment. The statistics that are now available indicate that training, progression, and employee empowerment are significant markers of employee performance and engagement. Employee empowerment has the most "impact on employee engagement, followed by employee promotion", while employee training has the biggest impact on employee performance. Additionally, there is a favourable correlation between employee performance and engagement.

(Kareem & Hussein, 2019) [27] Examine how employee performance and organisational effectiveness are affected by HRD practices at a sample of Iraqi public institutions. The results demonstrate the strong correlation between HRD practices and employee performance in enhancing organisational effectiveness. The results also show a statistically significant relationship between employee performance and organisational success. Furthermore, this research implies that university administrators should develop human resource development strategies to enhance employee proficiency and their ability to achieve organisational aims and objectives.

RESEARCH GAP

Although existing literature extensively discusses various Human Resource Development (HRD) practices such as training, performance appraisal, career development, and employee engagement, there remains a lack of integrated frameworks that explain how these practices collectively influence employee performance across different organizational contexts. Many studies focus on individual HRD components rather than their synergistic effects, and limited research addresses how emerging HRD trends—such as digital learning, competency analytics, and

remote workforce development—reshape performance outcomes. Additionally, empirical evidence from diverse industries and developing economies is insufficient, creating a need for more comparative and context-specific investigations.

RESEARCH OBJECTIVE

1. To study the concept, function and need of human resource development (HRD).
2. To study the importance of human resource development (HRD).
3. To study the impact of Human Resource Development Practices on Employee Performance across different organizational contexts.

RESEARCH METHODOLOGY

This review paper adopts a qualitative research methodology grounded in secondary data analysis to examine "Human Resource Development (HRD) practices and their impact on employee performance". A structured literature review approach was employed to ensure systematic identification, selection, and evaluation of relevant studies. The review focused on peer-reviewed journals, scholarly articles, conference proceedings, and research reports published between 2017 and 2025. Databases such as Google Scholar, Scopus, MDPI, and ResearchGate were used to gather high-quality sources. Keywords including "HRD practices," "employee performance," "training and development," and "organizational development" guided the search process. Collected literature was analyzed thematically to identify patterns, conceptual insights, and emerging trends within HRD and performance relationships.

CONCLUSION

The review highlights that "Human Resource Development (HRD)" plays an indispensable role in enhancing employee performance and strengthening organizational effectiveness. Organizations that neglect HRD risk long-term performance decline, as employee competence, motivation, and innovation depend heavily on continuous development initiatives. Evidence from various sectors—including universities, banking, and healthcare—consistently shows that HRD practices such as training, career development, counselling, teamwork, recruitment, compensation, and succession planning significantly improve job satisfaction and overall performance. Effective implementation of these practices builds a competent workforce capable of driving organizational goals. Strong favourable correlations between "HRD practices and

employee performance" as well as organisational success are further supported by the findings. Therefore, organizations should integrate HRD as a core strategic priority and ensure continuous support for employee development activities. Strengthening HRD frameworks will enable employees to acquire essential skills, enhance productivity, and contribute meaningfully to sustained organizational growth and success.

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