

... Build The People, Build The Business ...

HRD vs. HRM

By Dr. Lillie Ann Piosalan

People often ask me, "What is it exactly that you do for a living?" I usually respond, "I am an Organizational Development Consultant and Motivational Speaker." One lady asked for clarification, "No, really. What do you do! I" I clarified further, "We assist organizations with their Human Resources Management (HRM) and Human Resources Development (HRD) needs by first identifying their strategic direction. Once the leaders establish the business climate of the organization, then we assist in the development and execution of the organization's business plan, strategies, and goals." She did not ask me any other questions and changed the subject.

Our philosophy at P & A is "Build the people, build the business." It is difficult to separate the complex responsibilities of Human Resources professionals because they are involved with everything that affects employees. People usually think of the Human Resources Department as "HR" and do not make any distinctions between HRD and HRM. I can oversimplify the difference between HRD and HRM, based on

the services we provide, into two categories:

First, HRM is the "serious science" of the "people business" which involves compliance and legal requirements and is usually black and white. Responsibilities of HRM is the administration and management of the total "compensation" package which include but are not limited to: ensuring two-way internal/external communications, recruiting, staffing, updating/enforcing the employee handbook, and record keeping of benefits, leaves of absence, health and safety requirements, and the salary administration program (internal/external equity).

Second, HRD is the "attitudinal art" of the "people business" which involves developing, training, and motivating the management and employees in the organization. Responsibilities of HRD is the executive consensus to develop and manage training programs, goals, and strategies which include but are not limited to: improving job performance through coaching/mentoring/motivating and executing

strategic plans, sales/marketing incentives, customer service (internal/external), and escalation procedures.

Human resources are as valuable as capital resources. All organizations from "mom and pop" operations to Fortune 500 companies need to "build the people to build the business."

A CEO asked me for advice . . .

"I have a problem with one of my senior managers. He cannot think "outside of the box" in his business development initiatives. What is his problem and how can I get him to be more creative so he can generate more revenues for our organization?"

My response will be in the next Kala issue. If you have any questions that I may be able to help you answer, please email me. All correspondence will remain confidential.