"Building bridges between HRD and KBV"

ABSTRACT

An employee contribute to the creation of goods and/or services is based on the idea of how organizations count with a strategic development program aligned to the idea that in order for him or she or them to contribute, they will need a program oriented strategically with the firm vision to develop the skills, knowledge or ability that create the good, service or idea; in other words, organizations need to make an investment in training programs aligned with the strategy of it vision, training programs that would be delimited as a branch of the human resource development construct.

This working paper presents definitions and ideas of the area of knowledge creation, transfer through training programs. It involves a literature review of the area of investigation involving HRD (human resources development). With the use of a framework, this working paper will try to identify the importance and tasks of training methods to organizations when trying to reach a competitive advantage and more specifically a developed workforce inside the organization when creating managerial capabilities that leads to innovation that will be due by transferring knowledge learned in training programs.

KEYWORDS

Training methods, knowledge creation, knowledge transfer, learning organizations

INTRODUCTION

José Manuel Salazar-Xirinachs, assistant director-general for policy of the International Labour Organization (ILO, 2013), at his feasibility study for global business network on apprenticeship express various concerns, most notably that 73 million young people are unemployed, many others more are not in education or training or working but are counted as unemployed because they are discouraged to search for a job or prepare for one.

ILO's study (2013) confirms a frustration when discussing the issue of training because of the differences created when this is analyzed from both perspectives: private sector and government. The former feel they are making a payment for a training which does not add value to the company and the latter believes that there should be greater involvement by companies in developing their curriculum. More results from the ILO's study (2013) declare principal complaints about the quality of training in general, among which stand out a vocational training curriculum not reflecting the skills, competencies and abilities required by industries, there is not an updated equipment at schools and there is a lack of practical experience from instructors.

In his recent work, Jeffrey Waddoups (2016) analyzes several different studies that suggest that employer-paid training was on decline at the United States, he provides empirical evidence when analyzing data on employer-paid training from the Survey of Income and Program Participation (SIPP). Waddoups do a research on different empirical studies and shows that those studies have documented incidence and intensity of training over time, during the 90's incidence of training was increasing among companies (Lynch and Black, 1998). Findings on Waddoups study are, among others: first, a reduction of training that the employer paid was captured by the SIPP between 2001 and 2009, this reduction could be a result of changes in technology used to deliver training; second, formal training was being replaced by less formal just-in-time training through online sources, today's employees may acquire the same abilities or skills through online courses that employees in the past could only obtain through formal training programs. These ideas may concern organizations as they are striving to make sense of their investment reasons and, at the same time, based their investments on adding value for the organization. The problem is left specific in literature, there is not enough evidence to prove why investments in development activities is shrinking.

Investing in training as an employer could be interpret as a source of the human capital theory which would enhances the productivity of workers and will increase the competitiveness of the economy. Aliaga (2001) proposed to define HRD as a process of human capital formation through organization development, and training and development for improving performance; having as a central aspect the understanding of HRD as the process of human capital formation. As Lucas (1988) argues at his study, many economists have studied, on-the-job training or learning-by-doing appear to be at least important as schooling in the formation of human capital. Also, as a researcher I need to remember that the process of human capital formation occurs mainly through training.

Swanson (1999) sees human resource development (HRD) as an emerging field that has borrowed ideas from other disciplines (systems theory, psychological theory and economic theory); giving an idea that HRD might lack of knowledge and systems, and just be a construct that is full of confusion and misunderstanding of what would the idea is. Studies made by Robert Lucas inspire Nafukho, Hairston and Brooks (2004) to believe that the fundamental principle regarding human capital theory is that peoples' learning capacities are of comparable value to other resources involved in the production of goods and services.

In this sense, human capital theory could be perfectly used to explain and gave a general approach to find out whether does HRD construct develop and gets form.

Investing in human resources means that organizations want to increase their productivity, become more adaptable to emerging opportunities at the marketplace or to enhance their reputation with key stakeholder (Rondeau et al., 2009). Humans can be denoted as transferable, meaning that employees are free to move between firms, and normally their contribution (organizational investments or assets properly deployed) will depends on their willingness to perform (Snell & Dean, 1992). Members inside an organization are the real source of its competitive advantage (Pfeffer, 1994).

HRD: confusion and controversy

There has been an academic debate between giving or not a definition to HRD, where Lee (2001) argue that HRD should not be define on philosophical, theoretical and practical grounds, while Gold, Rodgers and Smith (2003) express that sooner or later HRD will need to determine the core elements of its base of disciplinary knowledge, and getting to an agreement about what the HRD field is and where boundaries lie relative to other fields. McGoldrick, Stewart and Watson (2001) think that the process of defining HRD by academics, researchers and practitioners will be frustrating (due to the lack of clear boundaries and parameters), elusive (due to a lack of depth empirical evidence for some conceptual aspects) and confusing (due to confusion over the philosophy, purpose, location and language of HRD).

Hamlin and Stewart (2011) conceptualize HRD as a process in workplace settings that facilitate individual and group learning relating primarily to employee jobs, work and in some definitions to careers, and to express that the intended purpose of HRD is to improve performance and effectiveness at the individual and/or group level, to achieve organizational and/or personal goals; they consider the three levels of analysis and stablish the principal purpose of HRD explaining different ways to get to these results or purposes. Their definition is better explained at Figure 1, where it can be look how the three levels of analysis are identified (individuals and groups, organizations and host systems) and what kind of action (learn, develop or change) will affect the activities or processes to affect a behavior that will improve competence, effectiveness, performance or growth of the level of analysis.
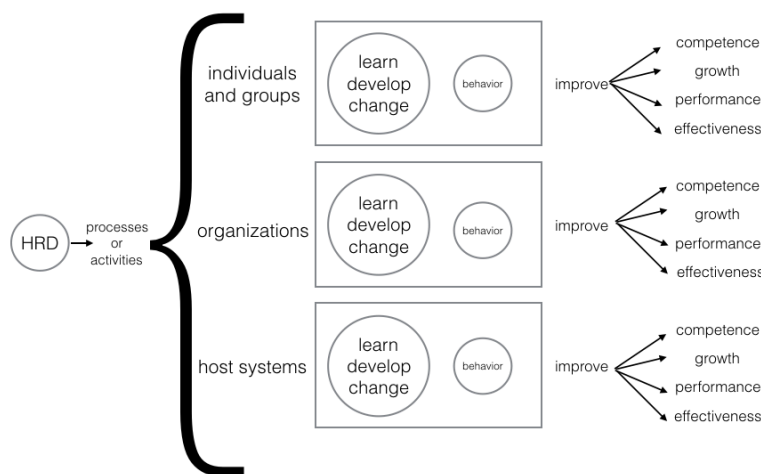

Figure 1: Definition explain through a model by Hamlin and Stewart (2011) explained through a model

Activities will depend on the level analysis to focus on and on the decision of what to do with a behavior inside an organization, behavior that as explained before would have to be in line with the mission,

values and core of an organization (strategic orientation of the firm), to improve different outcomes of an organization. An investment in education should be justified when returns are generated at the same time or from when productivity increases.

On the job-training is a kind of investment that increase the employee skills and elevates productivity. It involves (as schooling) direct cost (books, payments to trainers, resources, etc.) and indirect cost (worker's attention and time of regular activities that will low productivity and having workers with no complete training for a job that will learn as her or she do the job that at the same time will low productivity versus to a complete trained worker in the job).

When training is equally valuable to a firm (inside and outside) it is a general type of training; when it has no value to the outside of the firm the training can be identified as a specific type of training.

HRD: why to focus in training?

Nadler (1970) described HRD as having three components: training, education, and development; Mclagan and Suhadolnik (1989) defined HRD as the integrated use of training and development, organization development and career development. To Nonaka, Toyama & Nagata (2000) the effect of developing employees (inside organizations through a training program, a properly environment, a social interaction and a correct combination of skills and knowledge) will gave innovative results (a service, a product, knowledge, processes) and/or will improve existing ones more efficiently or effectively, both giving a competitive advantage to the firm. Here is the importance for investing at the human resources of the organizations, looking for the perfect plan of development for the employee or team work will be a challenge to HR leaders. When investing in a team work, learning in fact will result when a psychologically safe environment within the team is being performed (Edmondson, 1999) and when a team share leadership roles (Kozlowski & Bell, 2008).

HRD: training development by methods

At their review of the literature Martin, Kolomitro and Lam (2014) identify a well structure definition for training that will in fact give initiative to methods, aid, and programs at the training field literature. Training is: the development and delivery of information that people will use after attending the training program. This definition rightly differentiates between training and learning principally because the information that is develop and deliver is going to be used after the program ends. It would be guided it through the knowledge creation process and transfer. Coming from their literature review, authors also propose that the definition of training is divided into three branches of research: methods, aids, and programs.

A training method is a set of systematic procedures, activities, or techniques that are designed to impart knowledge, abilities, skills, or attitudes to participants that have direct utility in enhancing their job performance (Martin, Kolomitro, &Lam, 2014). When talking about methods there is a need to be careful not to misunderstood training methods with training aids, which are specific tools used to assist in the delivery of the training content. (Martin, Kolomitro, &Lam, 2014), training aids are view as objects that will facilitate the learning objectives of training. And as a last branch of training, Martin, Kolomitro, &Lam (2014), identifies the training programs, which are when in an organization needs and assessments are conducted to analyze problem areas inside or outside organizations, and to identify solution strategies. If the need happens to be training, what it is next in the line to create is a training program, a program that will begin with the recognition of the training needs in order to use a specific training method, then the

training will be do and lastly an evaluation (to see if the identified needs where met to solve the problem encountered).

The main purpose of training is the transmission of techniques, skills and values through which individuals give sense to their work and complement organizational goals; it is the result of a process that would finish in a competitive advantage to the firm. A firm is more successful when their employees improve their set of skills to add value to firm strategies (Awad, 2002).

Martin, Kolomitro, and Lam (2014) created a framework (table 1) in where they compared and identified thirteen training methods based on seven criteria developed from variables found at systems that categorize training methods.

Employee development practice can be a type of on-the-job training. Lee and Bruvold (2003) confirm that employee development is one of the most noteworthy practices containing two benefits: there is an increased in morale and productivity, and the turnover is reduced. Founded at the ILO study (2013), there is a high turnover of youth people at their first jobs, finding retention as a critical factor for employers because it would be so costly and unproductive to be constantly retraining workers. It involves identifying with the development goals, determining how to accomplish the goals, and evaluating the results (Hayes & Ninemeier, 2009).

Table 1: Framework made by Martin, Kolomitro, & Lam (2014)

Method	Learning modality	Training environment	Trainer presence	Proximity	Interaction level (minimally)	Cost considerations	Time demands
Case study	Doing	Contrived	Yes	Face to face or distance	Variable	Low	Moderate
Games-based training	Doing	Contrived	Yes	Face to face or distance	Interactive	Moderate	High
Internship	Doing	Natural	Yes	Face to face	Somewhat interactive	Low	High
Job rotation	Doing	Natural	n/a	Face to face	Not interactive	n/a	n/a
Job shadowing	Seeing	Natural	Yes	Face to face	Not interactive	Low	Low
Lecture	Hearing	Contrived	Yes	Face to face or distance	Not interactive	Moderate	Low
Mentorship and apprenticeship	Doing	Natural	Yes	Face to face or distance	Somewhat interactive	Low	Moderate
Programmed instruction	Seeing	Contrived	No	Distance	Not interactive	Moderate	Low
Role-modeling	Seeing	Simulated	Yes	Face to face or distance	Not interactive	Moderate	Low
Role play	Doing	Simulated	Yes	Face to face	Interactive	Low	Low
Simulation	Doing	Simulated	No	Face to face	Not interactive	High	Moderate
Stimulus-based training	Variable	Simulated	Yes	Face to face	Somewhat interactive	Moderate	Low
Team-training	Doing	Contrived	Yes	Face to face or distance	Interactive	Moderate	Low

The individual started to be a part of formal training programs, which can achieve increase in productivity (Knoke & Kalleberg, 1994). For training to be positively correlated with organizational results, it needs to affect employees' skills, motivation and work structure (Delaney & Huselid, 1996), every educational program or training program should depend on the firm strategy. Aliaga (2001) express that

organization will realize the best way of maximizing recently developed skills and knowledge is by aligning them around the organization's mission, goals and strategy, and activity that will increase the

individual, team and organizational performance. At figure 2 I included a graphic description of how this paper was made, it includes constructs already seen through this paper.

Knowledge as a part of HRD

In 1989, Spender defined organization as a body of knowledge about the firm's circumstances, resources, causal, mechanisms, objectives, attitudes, and policies. Grant (1996) explain that the creation of knowledge is more about an individual activity, and that the primary role of a firm is to gather the existing knowledge (created by individuals) into the production of goods and services.

Nowadays, companies need to generate and adapt knowledge continuously to build a sustainable competitive advantage (Grant, 1996). Knowledge is considered a valuable, generally essential, rare and inimitable resource (Barney, 1991) resulting in a need to manage it, create it, transfer it and use it.

Knowledge is built by a complex learning process, it can be conceptualized as an object that can be identified, separated from its initial context, and handled in information systems (Nabeth et al., 2002). Zander and Kogut (1995) has divided knowledge in two types: whether the knowledge is articulated in the form of documents (explicit knowledge) or whether the knowledge can be taught to workers in their work place (tacit knowledge). So, is it the knowledge created by training methods only explicit knowledge? Well, as view at the framework from Martin, Kolomitro, and Lam (2014), knowledge could be developed in a face to face or distance proximity, knowledge would be created with or without interaction, in a simulated, contrived or natural environment, and by doing, hearing or seeing. This framework lets me question if the ideas by Zander and Kogut should transform into new or more types of knowledge. Knowledge cannot longer be only thought as being learned in a document or in just a place. Technology plays a new character into the idea that knowledge can be obtain from the other part of the world or even directly from a machine; a new type of knowledge should be form, a technical knowledge.

Knowledge is created through dynamics interactions between individuals and individuals or the environment, rather than an individual who operates alone. (Nonaka, Toyama & Nagata, 2000)

Several authors (Nonaka, 1990,1991; Prahalad and Hamel, 1990; Cyert et al., 1993; Nonaka and Takeuchi, 1995; Kogut and Zander, 1996; Teece et al., 1990) think of the knowledge-based view (KBV) of the firm as the theory that view a firm as a knowledge creating entity. The knowledge-based view argues that the most important sources of a firm to reach a competitive advantage are the knowledge and the ability to create and use the created knowledge. Viewing the framework from Martin, Kolomitro, and Lam (2014), most (if not that all of them) of the training methods are grounded at the KBV. I could express that the base and the heart of training (and its branches: methods, aids, and programs) is on the KBV.

Nonaka, Konno, and Toyama (1998) explain the organizational knowledge as a theory that assumes that individuals and organizations have a potential to grow together through the process of knowledge creation. They (based on the ideas of Kitaro Nishida, a Japanese philosopher) defined organization as a place "ba" where an individual transcends through knowledge creation. Kitaro's context of "ba" is about a place in which knowledge is shared, created and utilize. It is a place where information obtains a meaning through interpretation and becomes knowledge, also new knowledge is created out of existing knowledge through the change of meanings and contexts.

Simon (1991), explains that an organization learn only in two ways: by all the learning its employees develop, or by employing new people who have knowledge the organization didn't have. As I was explaining before, training is different from learning because at the former one a request on using the information learn at the program is a necessity and there is no such a thing in learning, learning will come after the process of training.

Gooderham (2007) determine that knowledge transfer can be referred to as the accumulation or assimilation of new knowledge in the receiver unit; Minbaeva et al (2003) think that pure transmission of knowledge from the source to the recipient has no useful value if the recipient does not see the potential of the knowledge and hence does not utilize it in his or her own activities. The absorption depends in the ability of the recipient to add knowledge to existing knowledge. Transferring a good practice within the firm denotes that the practice has been applicate in a better way by another group within the firm

At his work: "Exploring internal stickiness: impediments to the transfer of best practice within the firm", Szulanski (1996) define four stages in the transfer process within the firm. He explains that transferability of best practices is an unfolding process consisting of stages with higher and lower degree of importance, but also with an order of occurrence. The four stages are:

1-Initiation: All the events that happen before that causes and lead to the decision to transfer. It relays on a need of a specific knowledge; this need will trigger a research for solutions, a search that will lead to a knowledge.

2-Implementation: It is about proceeding with the transferability. This stage ends or start to diminish after the recipient start to use all the knowledge inside the transfer action.

3-Ramp-up: Starts right at the precise moment the recipient initiate using the transferred knowledge (after the first day of use). There is a fact, that at first the recipient tends to use the new knowledge incorrectly, but through the evolution of days, the individual improves it used, ramping up to a better level of satisfaction. Normally at this stage the recipient will be concerned (most of the time) with finding, identifying and resolving unexpected problems. (matching of old knowledge with the new one)

4-Integration: This stage can be declared as initiate right after the recipient obtain satisfactory results with the transferred knowledge.

Getting back to the framework from Martin, Kolomitro, and Lam (2014) and based on Szulanski, transfer of knowledge could be easily view at the training methods that happen inside the firm (i.e. internship, job rotation, job shadowing, and mentorship and apprenticeship.
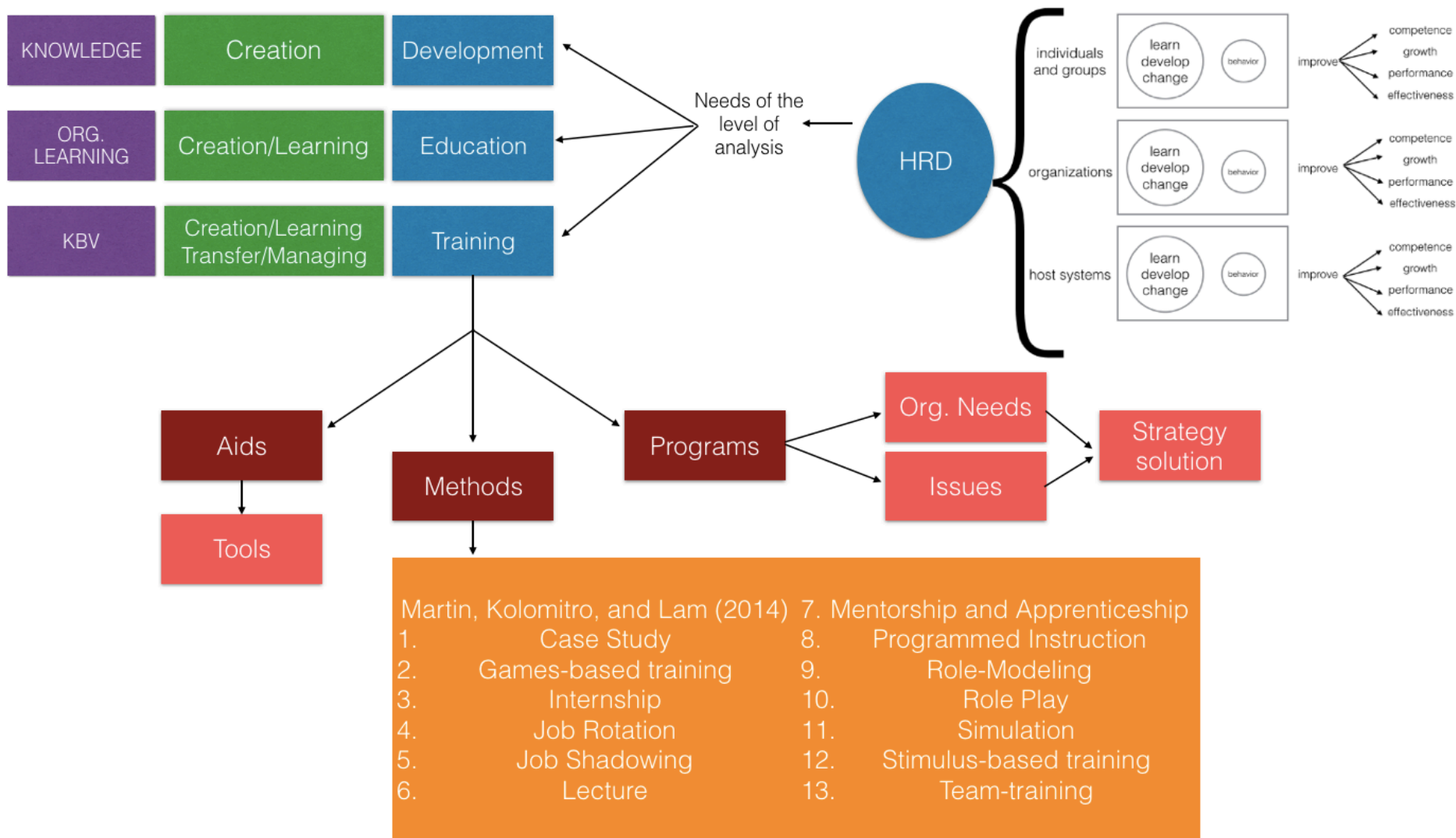
Figure 2: Logic description follow at this paper, describing the whole process of training methods through HRD

CONCLUSIONS AND FUTURE LINE INVESTIGATIONS

Taking this research to a level of discussion, training knowledge and being aware of what does can training do will be effective for companies that have problems of turnover, commitment, knowledge transfer. In Gardner, Wright, and Moynihan (2011) words, firms' main ways to use HR systems and programs to obtain competitive advantage is by reducing turnover. Turnover is a performance outcome, and an important outcome for firms to manage. Zimmerman (2008) confirms that employee turnover is a problem that mostly all the firms must deal with and that it can be control by making changes to the work environment.

Turnover has been related through time with: demographic predictors, job satisfaction, organization factors, work environment factors, job content, external environmental factors, behavioral predictors and cognitions and behaviors about the withdrawal process. In fact, all these relations measure training correlations with turnover, but as a demographic predictor which means that the employee or individual already is trained with certain knowledge and not that the firm use training as a program inside their program structure.

Manager: don't be afraid to spend on training! it is a practice that will give you, your company and employees a plus to the future and depending on the way you put training in action, it will be a base for a better future with our every day by day projects. For Gardner, Wright, and Moynihan (2011) some practices of HR are aim to reduce turnover and there are others that seek to increase turnover between employees or group of employees

For a future investigation line, I think that specifically the long-term outcome of each of the methods found at Martin, Kolomitro, and Lam (2014) could be develop, it would be interesting to see how methods affect to the future of society and more important that if in fact, methods like are today are helpful.

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