India has the second largest pool of human resources in the world. According to the World Development Report, by 2020, India will be the 4th largest economy of the world in terms of GDP with an annual GDP growth rate pegged at 8.5 to 9%. This would raise the rank of India from around 11th today to 4th from the top in terms of GDP among 207 countries of the World. Thus India is witnessing its greatest growth story ever. The Indian soil is flooded with opportunities waiting to be grabbed and harnessed.

The most important question is who will drive India to achieve such a mammoth agenda. Who will ensure that India is able to achieve its potential? The vision of India in 2020 is predicated on the belief that the HR is the most important determinant of overall development. This is because the business environment will become increasingly competitive, complex and demanding and the industries that will be driving growth will all be powered by knowledge. Thus, the years to 2020 will see a substantial new agenda unfold for the HR function in India. The roles of the HR managers are doing to change between now and 2020. HRM must undergo a massive transformation if it is to survive inevitable business pressures and thus the HR practitioners need to identify the skills and attributes that it will be need to respond to those changes.

Goldman Sachs’ report predicted India’s emergence as the world’s third largest economy by 2035. The human potential that can be utilized in our country is mind-boggling. There is no doubt that both the agriculture and the industrial sector in the country need expansion and improvement. Industry needs rapid expansion to manufacture the core and consumable products. It can certainly make use of available manpower in the country. But the greatest possibility of expansion lies in the service sector.

India has witnessed sweeping changes in its ideological framework in the two and half decades. Although the winds of economic liberalization have been blowing across the world since the beginning of 1980s, they acquired stormy proportions with the collapse of communism, first in Eastern Europe and then in Soviet Russia. India Punjab Technical University Human Resource took its own time to respond to the changes. Even when it did, one could argue that it development was not so much as a strategic change of direction but as a panic response to certain economic realities which pushed the country on to the edge of bankruptcy. Far reaching changes are being contemplated in the service industry like hotels, tourism, education and entertainment, etc., has also resulted in the demand for trained HR personnel to use of available manpower in the country.

The upshot of all this is that HRD as a movement began in the public sector and the decline of the latter, which is high in the agenda of new economic policies, may halt the momentum. Indian managers must demonstrate that they can take honest hard work from a well paid, qualified and secure workforce.

In India, a professional outlook to HRD began only in 1970s, even though the HR processes might have existed to some extent in India earlier also. Larsen and Toubro was the first company to design and implement an integrated HRD system. Later on, this professional outlook to HRD spread to other organizations in the country. State Bank of India the single largest Indian bank and is associates decided to use the Integrated HRD systems approach and decided to create a new HRD department. Since then, by the mid-80s a large number of organizations in India had established HRD departments. By the mid-80s, HR had become an accepted role and most organizations had changed their personnel, training and other related functions to HRD. Some had differentiated human resources development from human resources departments and some had not. However, HRD has come to mean new expectations, a new body of knowledge and a new function. Number of leading educational institutes came forward to start courses on HR/HRD and research degrees. Number professional bodies shifted or started focusing on HRD philosophy in the country.

Demand for Human resource specialists has increased in industry and other organizations with rising complexity in managing people. Understanding the people on the job has assumed centre stage of late. This is due to the need of employers to keep the workforce satisfied for improving productivity and eliminating loss of man-hours for any reason, whether due to work stoppages of any kind or even due to accidents. Development of the service industry like hotels, tourism, education and entertainment, etc., has also resulted in the demand for trained HR managers. Entry of MNCs into the country resulted in intense competition for the Indian industry and CEOs are attaching more importance to ‘people management’. People power being considered the fountain head of all ideas organisations are making better use of human resource for competitive advantage.

Role of Development in Organization

Human resource development is the approach that allows people by enhancing capacities to meet their needs. The context of human resource development is then physical, emotional and spiritual needs of people. The holistic approach however proposes that HRD has to be placed (1) the global context to make sense in today’s world. Economic alliances are altering the dynamics of trade and commerce. The life cycle of technology gets shorter and shorter. Proliferation of information technology and telecommunication has changed the styles of business functioning.

HRD plays a crucial role in preparing and developing people to meet the external challenges, so that the organization remains in a state of dynamic equilibrium, within and without. HRD may conduct regular interviews with professionals and analyze their thoughts trends regarding the company and its work atmosphere.