



HARNESSING HUMAN CAPITAL

Key to Economic Development

**INTERNATIONAL
HRD
CONGRESS**

Pakistan

June 7 - 8, 2003

HRD Congress Report

The Human Resource Development Network (HRDN) is a non-profit organization registered under societies act of 1860. Established in March 2000. It is supported by the Aga Khan Foundation (Pakistan) and the ActionAid Pakistan. HRDN is an association of development organizations and individual professionals working for pooling resources, researches, expertise and sharing experiences in the development sector.

The aim is to empower individuals to participate more productively within their work place and community to enhance their contribution to society as responsible citizens. Our objectives are to provide linkages and services to organizations and individuals within the Network so that their focus can be sharpened and enhanced. HRDN thus enables and facilitates expert solutions for basic social and human problems, improving the internal and external efficiencies of these organizations and providing them with much needed advice and expertise.



This Report was produced by Haseem Akhtar and Haseem Saragati in consultation with Haseem Akhtar, Haseem Saragati and Haseem Akhtar.

Haseem Saragati
Member of Parliament (PML-Q)

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ACRONYMS

ADBP	Agricultural Development Bank of Pakistan
CBR	Central Board of Revenue
CEO	Chief Executive Officer
HRO	Human Resource Development
HRDN	Human Resource Development Network
HR	Human Resource Institutions
HRM	Human Resource Management
IHE	Institution for Accreditation of Higher Education
IP	International Principles of Investors in People
IO	International Labor Organization
IPR	Intellectual Property Rights
IRDP	Integrated Rural Development Programs
IUCN	International Union for Conservation of Nature
KBE	Knowledge Based Economy
LUMS	Lahore University of Management Sciences
MCO	Mobile Credit Offices
MD	Managing Director
MDG	Millennium Development Goal
MFI	Micro Finance Institutions
NADRA	National Data Base and Registration Authority
NCHD	National Commission for Human Development
NGO	Non-Governmental Organizations
NGOCC	NGO Resource Center
NIBAF	National Institute of Banking And Finance
NRSP	National Rural Support Program
PDE	Pakistan Institute of Development Economics
PAF	Pakistan Poverty Alleviation Fund
PSOF	Philippines Society Of Fellows
PVO	Private Volunteer Organizations
RSPN	Rural Support Programs Network
SBP	State Bank of Pakistan
SASMAN	South Asia Social Mobilization Network
SMEs	Small and Medium Enterprises
TNA	Training <u>Needs Assessment</u>
UNDP	United Nations Development Program
WTO	World Trade Organization
ZBL	Zarai Taraqati Bank Limited

Needs Assessment

EDITOR'S NOTE



Development has always been a time of the fast-paced change through the history of the world. New technological, productive and social relations in new social models are creating new challenges for growth, quality, efficiency, equity and sustainability concerns of our lives. Individuals, households, communities, organizations and nations. In a word of the most revered ever power balance, the crux of proving oneself a better leader for the disadvantaged and marginalized global South. Development literature and economic fact sheets of nations of the world show that Human Capital of a country is a major determinant of the pace, scale and level of development of that economy. It is in the context that the International Congress on Human Resource Development was organized on 7th and 8th of June in Islamabad, Pakistan, under the most appropriate theme of Harnessing Human Capital: Key to Economic Development. This report is the outcome of this congress.

The congress has been organized in four sections. The first one includes the inaugural session whereas the second section consists of the technical session reported in chronological order starting with introduction of the theme followed by summaries of the papers presented by the speakers during the congress and subsequent discussion that took place and finally the wrap up as expressed by the Chair of the session. The third section deals with the concluding ceremony and the last part includes the feedback from the delegates.

Strengths of the report are entirely due to the untiring efforts and hard work especially of Ms. Rubeya Bangash, Mr. Sarah Khan and other members of the Reporteur team that included Ms. Ayesha Shaukat, Mr. Sameen Khan and Ms. Maliam Riaz. Dr. Aze Khan's invaluable technical support and guidance as the Chief Reporteur is gratefully acknowledged. The support of Ms. Zarmina Aziz besides other HRDN staff in the entire process is worth mentioning. Revisions to the draft were articulated with much appreciated insights from the Board of Directors and Mr. Roomi S. Hayat.

The document has been prepared with immense care. The editor, Manzoor Khalig and the reporteur committee, however regret any errors and omissions.

Manzoor Khalig
HRDN, Islamabad.

3
Sessions

ACKNOWLEDGEMENT

The success of International HRD Congress has reposed my confidence in the Spirit of Voluntarism. This was a truly mega event and the way it was undertaken speaks volumes about the commitment and determination of the members and staff of HRDN.

The essence of HRDN lies in the fortitude of its members to come forward and share their most valuable commodity: "Time", for the common good. In this regard, I would like to place my gratitude and appreciation to the staff of HRDN who worked beyond the call of duty and to those student volunteers who worked day and night and especially to the members of HRDN who came forward and worked diligently and without any reward.

I am highly indebted to Mr. Shaukat Aziz, Federal Minister for Finance and Economic Affairs for inaugurating the HRD Congress at the very same day the national budget was to be announced; reflecting how dear to him the cause of human development is. I would like to gratefully acknowledge Dr. Ishaq Husain, Governor State Bank of Pakistan for being the keynote speaker.

My personal gratitude goes to Senator Mr. Nisar A. Memon for presiding over the closing ceremony and attending the congress in spite of his several official commitments.

I owe special thanks to the following for their significant contributions regarding the planning and implementation of the objectives of the congress:

- The honorable Chairs and Co-chairs, for conducting the sessions
- The high profiled national as well as international speakers for sharing their work and experience
- The Board of Directors of the HRD Network for their cooperation and exemplary dedication
- All the members of HRDN for their support and encouragement
- The staff of HRDN pulling in day and night to stage this event
- The volunteers who gave in their precious time and energy without expecting anything in return but the organization of the event
- The members of all the committees set up for the congress, for ensuring the implementation of the proceedings of the congress.

A special acknowledgement is due to all the participants for their presence at the congress and their valuable contribution and participation during the question and answer sessions.

I am grateful to Aga Khan Foundation (Pakistan) through its Pakistan-Canada Social Institutions Development Programme (PAKSID) supported by Canadian International Development Agency (CIDA) and Aga Khan Foundation (Canada) for their valuable inputs and support in organizing the event and publication of this report.

Roomee S. Hayat
Chairperson



INTRODUCTION

Human Capital is the most important asset in today's business world. Though capital and natural resources are still key components for development, the optimum utilization of the human resources is the challenge being faced by nations in order to survive the century. The 2006 International HRD Congress on Harnessing Human Capital... Skills to Economic Development, was arranged by the Human Resource Development Network. The main idea of the event was to highlight areas of strategic importance for the public, private (non-profit and corporate sector) in order to leverage the strength and value of the human capital for enhancing the capacities of the organizations for greater productivity and innovations in technology.

The objective of the event was to enable people to increase their self-awareness, allowing them to choose what they aim to change and the required behavioral/cognitive reinforcements enabling the change to happen. It was structured in a way to promote excellence and optimum development of the human capital. A plan to create learning opportunity for organizations and professionals from all sectors of the civil society by cross-fertilization of knowledge, sharing experience and discussing its effect on the society and economy among the stakeholders.

By staging this event the HRD congress aimed to provide a platform for those involved in any capacity in the social sector development to share ideas, concerns and explore realities of the global issues at the local level.

We, at HRD Network, believe that Human Resource professionals are well placed to be the guardians of business ethics and organizational values. The gate keepers of goodwill.



DELEGATES OF THE INTERNATIONAL HRD CONGRESS
June 7 - 8, 2003

INAUGURAL SESSION

- WELCOME ADDRESS

Mr. Roomi S. Hayat, Chairperson HRDN.

- AIMS AND OBJECTIVES

Mr. Ozair A. Hanafi, Secretary General Congress.

- INAUGURAL ADDRESS

Mr. Shaukat Aziz, Federal Minister for Finance and Economic Affairs, Government of Pakistan.

- KEYNOTE ADDRESS ON
"CHANGING PARADIGMS OF
CAPACITY BUILDING"

Dr. Isharat Husain, Governor State Bank of Pakistan.

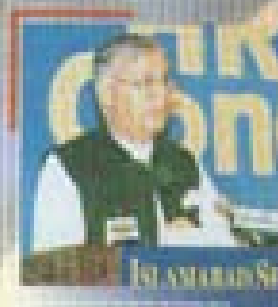




MINISTERIAL ADDRESS

Dr. Trinidad Aze

Minister Member of Finance and Economic Affairs,
Government of Guyana



Dr. Trinidad Aze said that it is indeed immensely encouraging to see representatives from public, private and corporate sector gathered to discuss the challenges and opportunities for the development and common objective of human capital. It should be recognised that human development is an important factor in economic growth and poverty reduction. A well educated workforce is fundamental to growth. Only through enhancing our human capital can we pave the way to sustainable development. Well functioning civil institutions, access to justice, secure land and property rights and broad based health and education are vital inputs into Human Resource Development.

Dr. Trinidad Aze further said that the government is deliberating on an integrated approach based on Fast Track Initiative to improve the quality of education, primary health care and economic empowerment. Comprehensive policy measures include the Education Sector Reform based on long-term framework linked to Education for All by 2015. The main features include sector wide approach to reinforcement of linkages between sub sectors, macro level economic planning and procedures, institutional reforms of all tiers of government engaged in training and service delivery, commencement of a vocational/ technical education stream at secondary level, elimination of gender and access gaps, quality assurance and public private partnerships. The medium-term health strategy of the government is geared towards reaching millennium Development Goals (MDGs). It focuses on raising public sector health expenditure by emphasising prevention and control of diseases, reproductive health, child health and nutrient deficiencies especially among the disadvantaged, weaker sector of society belonging to rural areas.

Emphasising the importance of HRD, he said that economic growth could effectively reduce poverty only when accompanied by a comprehensive programme for social development. HRD can contribute to growth by improving capabilities of entrepreneurs, managers and workers, and enhancing productive efficiency. Investment in human capital would also trigger research and development leading to new inventions and innovations resulting in higher output.

In conclusion he said that quality of governance is also critical to human resource development as it facilitates participatory, pro-poor policies and sound macro-economic management by ensuring transparent use of public funds. However, human resource development and economic growth cannot be viewed separately. We must work on both simultaneously so that the two can complement each other on the path towards sustainable development.

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WELCOME ADDRESS

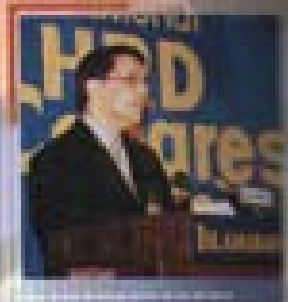
Mr. Roomi S. Hayat

Chairperson HRDN

Mr. Roomi S. Hayat spoke about the establishment of Human Resource Development Network (HRDN), conceived by a few like-minded individuals five years ago. He said that since then the network has emerged as a direct stakeholder in the existing Human Resource Development paradigm both at national and international levels. He expressed his deep appreciation for the invaluable financial and technical support extended by National Rural Support Programme (NRSP), Action Aid Pakistan and Aga Khan Foundation Pakistan. These funding support mechanisms have made possible for HRDN to realize its objectives in undertaking range of activities that include among others, conducting research in related fields, organizing Annual Trainees Retreat, facilitating members to participate in various training events, arranging seminars and holding policy dialogues on key thematic issues.

At the end he said that the Congress is an initiative towards opening formal communication channels among corporate sector organizations, government agencies and civil society organization that may go a long way in establishing public-private-civil society partnerships to join hands for the development interventions at various levels. He further said that the HRDN team envisaged making the event a regular annual feature.

Mr. Roomi S. Hayat conceived the Congress to be a thought provoking, fruitful and mutually beneficial event and would provide the participants with an opportunity to take back new ideas and emerging trends in the field of HRD to their workplaces.



AIMS AND OBJECTIVES OF THE CONGRESS

Mr. Ozair A. Hanafi

Secretary General Congress

Mr. Ozair A. Hanafi highlighted the theme of the Congress, *Harnessing Human Capital — The Key to Economic Development*. He explained that the objective of the Congress is to provide a rare opportunity for professionals from public, private organizations to meet, discuss and debate issues relevant to formulating policy guidelines for the optimum development and utilization of human capital. He said that the Congress poses a challenge for all to fully realize the immense, unlimited and unexplored human potential that must be salvaged and harnessed for sustainable development.

Finally, he attributed the success of the Congress to an efficient teamwork. He congratulated the Human Resource Development Network members, sponsors, congress managers and volunteers for their tireless efforts for making the Congress a reality.



KEY NOTE ADDRESS

Dr. Arif Husain

www.drarifhusain.com



There is a critique about the changing paradigms of capacity building. As called the development of human resource is not a new development that be continuously adopted to assimilate an organization into the existing practices. During post independence era, the legacy of strong civil service tradition inherited from the British colonial era was reflected in a dominant State-Centric paradigm of capacity building in most developing countries. In Pakistan, several commissions and committees were established to reform civil service but nothing substantial was achieved until the government finally abolished the elite civil service of Pakistan.

The arrival of IFIs witnessed the ascendancy of international financial institutions in strategic policymaking. The new economic paradigm focused on market friendly approaches, trade liberalization, deregulation, privatization and free flow of capital. However, the proposed structural adjustments by these international institutions failed to achieve the promised results. This failure can be ascribed to the mismatch between the essential prerequisites for successful implementation of these policies and the skills and attitudes of the civil servants.

As IFIs sought with the wave of globalization, integration with world markets and trade liberalization under World Trade Organization (WTO) in developing countries, under the new paradigm, the private sector entrepreneurs and business have to play a much larger role. This is the most effective and practical way of capacity building for developing countries in order to attract maximum gain from the new world economic order. However, the approach must be leveraged, as government must fulfil its responsibilities of providing physical infrastructure and regulatory framework. At the same time, the government should provide opportunities, resources and incentives for higher learning and research and development.

Dr. Arif and Dr. Amir Husain said that developing countries should adopt the two-track approach in the light of their own peculiar local conditions instead of blindly following the paradigms popularized by the international financial institutions. The bond of partnership between private sector and government is the key to economic competitiveness and an inclusive society.

Arif Husain



Glimpses of the Event



SESSION

CHALLENGES AND OPPORTUNITIES FOR CAPACITY BUILDING IN DEVELOPMENT COUNTRIES

■ CHAIR OF THE SESSION

Mr. Javed Hasan Ali, Secretary, Establishment Division

■ CO-CHAIR OF THE SESSION

Ms. Saenidad Flavador, ILO (International Labor
Organizations), Pakistan

■ SPEAKERS

1. Mr. Kamal Hyat, CEO PWE,
2. Dr. A.R. Kamal, Director PDE,
3. Mr. Ali Touqeer Sheikh, NPD LEAD Pakistan.





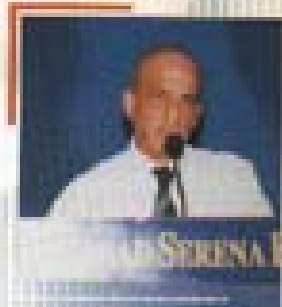
INTRODUCTION TO THE SESSION

Capacity building in providing resources and training to strengthen the frontline of human capital. Also, various limited number of international human resource organizations have implemented programs to strengthen the capacity of human capital. In recent years an increasing number of groups have begun to shift their approaches to include capacity building programs. The availability of effective human capital advocacy and reporting, however, does not seem to be an ability to teach or promote such expertise. Capacity building is a growing and fast-changing field as such the shift in approaches poses many challenges as well as creating opportunities for improvement.

CHALLENGES FOR CAPACITY BUILDING

INITIATIVES

Dr. Sridhar Ravi
 Chief Executive Officer, HR



Learning from the experience of the past and difficulties of the present to initiate the appropriate intervention in the development of human capital must secure the future.

There are a number of challenges hindering the capacity building. There should be awareness at the highest level to build human capacity, because without it whatever is done will become futile. Recognition of human capital of all levels is very important. It is also important that while learning from the international best practices one should be aware that they might require modifications in accordance with the culture and practices of diverse regions.

Mission and objectives of the organization should be understood according to the culture and vision of the management, so that the capacity building efforts are focused on results. Until and unless the problems of the organization are not acknowledged, the provided training would not work with the requirement of the employees. Needs and changing circumstances should be sustainable over time, as knowledge transfer is only a mechanical process whether understood or not. There is more to training than knowledge transfer.

The steps taken to a way forward will be to develop a transparent and democratic merit based recruitment framework ensuring maximization of capacity building inputs. There should be recognition to the development of human capital in a necessary condition for the sustainable growth of organizational and economic programmes of the state.

There should be a consideration of possibilities of having "Rating" companies to measure the human balance sheet of institutions besides their economic statements. It is very important to understand that human beings are not made for the organizations however organizations are made for them who give it a sustainable base.

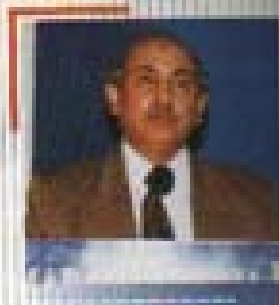
Learning is a multifaceted approach; therefore, an active support is required for the growth of

specialized training institutions in the private sector, with a view to having a permanent resource base for the growth of all stakeholders that participate in the process of economic development. Hence the policy makers should encourage more training institutions in the country and provide proper manpower to improve those learning institutions. The government as well as the private sectors should make large investments in human development. The economics produced from the low rate of investment only mimic the intervention in financing human capital, as it is not possible to have a high economic development with a low human resource base.

The case study of Pakistan shows us that scarcity of funds have never been a problem in the country but the PEOPLE. Therefore, investment in the human capital is perhaps the biggest demand of the day.

BUILDING HUMAN CAPITAL FOR SUSTAINABLE DEVELOPMENT

Dr. A. R. Kemal
Director PDE



Human capital plays an important role in the economic development. The quality of human resources, including improved management skills and quality of manpower have played a major role in the growth process leading to improvement in productivity and higher income levels.

Human resource development helps in creating an environment in which people develop their full potential and expand the choices available to them. It aims at building human capabilities, ensuring health and longevity, acquisition of knowledge, and access to the resources needed for a decent standard of living. It is concerned both with developing human capabilities as well as their productive use. Accordingly, investment in people would result in higher levels of productivity, output and income levels.

The productivity may increase either through improved resource allocation or increase in the efficiency of the resources employed in various activities. There is an urgent need to formulate manpower plans for taking into consideration of the human resource development activities and their interrelations. It must ensure that education and skills are in accordance with the demand. Besides education, manpower planning must focus on nutrition and health planning. Education leads to higher labor productivity because the literate population can adopt modern techniques of production leading to technological developments and adaptations. Demand for education and acquisition of various skills is determined by the rate of return on human capital embodied in various educated and skilled workers.

Productivity of a worker is determined by the number of hours worked and the effectiveness and efficiency of the work. Provision in health facilities is very cost effective and may lead to substantial productivity gains. South Asia has made encouraging progress in some areas of human resource development. The levels of development vary considerably between different countries.

MOVING IN CAPACITY BUILDING FOR COMPETITIVE ADVANTAGE

Dr. Imran Sheikh

Senior Program Officer, ILO Pakistan



Capacity building is defined as acquiring and using knowledge by individuals, the community of individuals and institutions. In the long run capacity building has to assist and strengthen each other in order to sustain the dynamism of the educational system and life long learning opportunities. Individual competencies and organizational development reinforce each other.

Human capital development therefore stands firmly in the arena of capacity building. Training, capacity building and organizational development are all pre-requisites of transition to knowledge economy. Specific policies are required in pace to move towards knowledge economy. There is little hope that Pakistan can find a way to reduce poverty, preserve its natural resources and environment or compete globally. There is more knowledge available worldwide domain, at no additional cost as compared to the past data.

Further, terminology: the knowledge economy is a nation's ability to create, acquire and use knowledge. It assumes economic and institutional framework for the use of knowledge to bring together and competitive products and services. There are four critical areas for the development of knowledge-based economy (KBE) for competitive advantage.

The growth of the KBE creates great opportunities and possesses challenges particularly to women. Designing and implementing a coherent and sustained response to the challenges is complex. The additional unresolved issues such as unresponsive governance structures, limited institutional capacities, limited budgets narrow visions and scattered purposes.

In order to build and sustain KBE there is a need to develop a coherent multi-faceted strategy. It requires a mindset that is open to change and provides an infrastructure for networking and sharing knowledge. What has to be recognized is that the success in moving towards a KBE depends on the cooperation, coordination and balanced development of key sectors of the economy.

A learner-centered approach focuses on life long learning adaptability. A culture of innovation requires that individuals should have a wide range of choices for addressing their specific capacity-building institutions needs and goals at different stages of their lives.

The human capital of the education and capacity building sector itself needs to be substantially enhanced and diversified. Whereas the government will have to play a crucial role in creating national dialogues, legal and regulatory framework and incentive regimes for private participation. Fostering cooperation among the public and private sector at all levels for creating a national ethos for life long learning and capacity building. Hence it is up to the government to make the choice of how much to invest in the capacity building sector.

MAIN POINTS RAISED

Comments from the Delegates

(Mr. Nisar A. Memon)

- There is a need for us to know where the dialogues are going on. Presently, a six-week course is being conducted in National Defense College that has been initiated by the President. For the first time in the history of dialogues, nazims, provincial and national assembly members, senators, businessmen, civil bureaucrats and military officials have been gathered together for interaction.

Regarding the question of capacity building, all parliamentarians have to work to create laws. There is a need for upgrading and changing laws. Recommendations from the two-day Congress can be very helpful to the Parliamentarians who today realize that being a graduate does not mean that they need to understand English. The objectives of the Congress can be implemented through new laws that are needed. There is a lot of change within the houses apart from some of the differences that we see on and off.

(Othman)

- Consideration should also be given to gender discrimination to capacity building and the overall process of Human Resource Development because it has its own implications and also it should be attached at the policy and regulatory level with global level indices.
- The domestic/local organizations in Pakistan do not value HRD or are not fully aware of the significance of HRD. They deliberately do not allow Human Resource to enhance their skills.
- While talking about capacity building, the paradigms and attitudes regarding the dignity of labor should also be taken into account. Unless we change the paradigm within our society, capacity building will stay very limited. This factor needs to be paid more attention. Media can be used to change the mind sets in our country so that people realize the dignity of labor in our country.

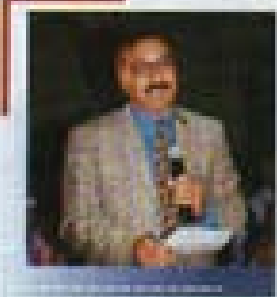
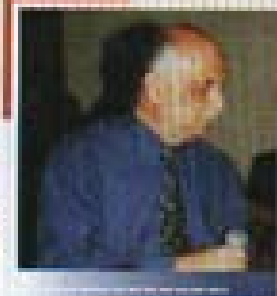
(Mr. Kamal Hyat)

- Q In addition to capacity building, the return on the service delivered should be highlighted. There are two important aspects in return: monetary and psychology. Please emphasize?
- A Civil society should interact more actively by having more meetings. Instead of looking to the Government to invite, there is a need for the organizations to unite and find out ways and measures to make itself heard.

- 12. What more work needs to be done to make an effort to talk to the society rather than the other way round? Should the indicators that are being set for capacity building?
- 13. How can we address ongoing efforts in capacity building? Pakistan government has been doing well as a donor in terms of Pakistan Poverty Alleviation Fund (PPAF), but it has a negative net. There are certain practical problems, which force certain people, especially child labor. There is a need for alternative methods so that both the economic and cultural aspects of the problem are met. It is a neglected area in some ways or needs to raise working of the policy level.
- 14. Capacity building: What is a challenge of the micro and of the macro level in developing countries and there has been a reactive approach towards capacity building. However, a major problem in these countries is the lack of vision. The question is how can we address resistance to change in developing countries?
- 15. The distance between developed countries and the developing countries is that the former are long term societies, which think beyond tomorrow, whereas the latter have a short term society thinking only of tomorrow. Hence, the actual problem is in the nature of society itself and unless that changes, we will be in a problem.
- 16. How can the linkage between institutions of capacity building be built?
 - 17. To create linkages between academia and public/private sector, the mutual benefits to both these institutions have to be incorporated in a planned manner.

Dr. A. Zaheer Sheikh

- 18. How can the gaps between university education / curriculum and organizational requirement be filled?
- 19. It is difficult, challenging and expensive to fill the needs of the society and university graduates. It requires autonomy for educational institutions and a structure, which is responsive to the society. If societies pay for education instead of the government, then institutions will become more responsive. Quality comes when there is a greater degree of accountability and transparency. There are some quality institutions in Pakistan, which are supported by philanthropists and other organizations. Our society, at large, pays for the high fees and other related costs in these institutions however, it is still cheap as compared to sending their children abroad.



- Q How is the opportunity cost of bad learning higher than that of a good learning?
- A When an individual expects something, pays for it and does not get it while at the same time, he could have spent that money on something better.

(Dr. A. R. Kemal)

- Q There are two kinds of knowledge. Mainstream knowledge which is supported by the corporate sector and this knowledge economy promotes competition and promises better living standards. Side stream knowledge which is indigenous, promotes sharing and understanding. Do you place any importance to the side stream knowledge?
- A Yes.

- Q Unless we find a solution at the grassroot level and unless we have a proper attitude, do you think that this problem will be eliminated. Are the individuals working in an organization properly allocated in reference to their educational background?
- A For any organization, whenever a strategy is designed for HRD, there is a need to have a relationship between the job and the trainee so that there is no misplaced stress or mis-spent money.



WRAP-UP OF THE SESSION

Mr. Javed Hasan Aly was very impressed with the issues and topics discussed in the first session. He was sure that the audience gained a lot from the papers presented. He stated that it is a revolutionary approach to capacity building. The session highlighted the objectives and challenges faced by the capacity building initiatives. Emphasis was made on the weaknesses, inefficiencies and lack of focus on human resource development.

It is high time now to realize the importance of human resource development. Rewards are restored for those who invest in human capital. A large number of developed countries are richly endowed with other resources due to timely investments in human capital.

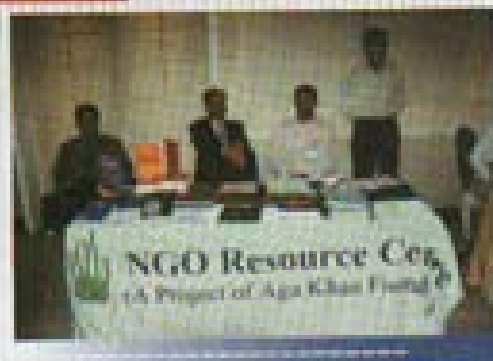
The capacity building should be persuaded as an important investment in HRD to ensure the quality of relationship between the state and citizens. The quality of policy formulation and service delivery can be improved if the human resource is responsive to the change and

demands of the communication driven globalization village called earth.

In order to improve the human resource availability, capacity building should be continual and incremental. It should not be repetitive as there is no value added to the previous practices in capacity building. There should be advanced perpetual capacity building exercise as it has been gaining a lot of attraction from the HRD sector.



Exhibition



Session I

CHANGE MANAGEMENT

■ CHAIR OF THE SESSION

Dr. Ameer Mohammad, Rector, FAST

■ CO-CHAIR OF THE SESSION

Eng (R) Saleem A. Memon, Chairman NEDRA

■ SPEAKERS

1. Mr. Ishaqbal Mehd, President ZBL
2. Mr. Pacifico Ipulan Madrono, President, ISPM Enterprises, Cuzcoan City, Philippines
3. Mr. Falez H. Seyal, Principal, ACE Development Dimensions





INTRODUCTION OF THE SESSION

One paradigm in management world is rapidly shifting towards experimentation for innovations. New technologies and redesigned work environments are altering in line with the business patterns of the companies of large and the relationships between workers and their employers. The aim is to effectively implement new systems and techniques in an organization. The underlying factors that could effect change do exist within the organization, but they are normally kept under strict control. However, at times these internal changes are triggered by events originating outside the organization, usually termed as the environment.

Managing change is believed to be moving from one state to another, specifically, from the problem state to the solution state. Diagnosis of problem analysis is considered as essential. Goals are set and achieved at various levels and in various areas or functions. Ends and means are discussed and are brought in correspondence with one another.

MANAGING CHANGE FOR EFFECTIVE HUMAN CAPITAL FOR SUSTAINABLE DEVELOPMENT

Mr. Ishaqul Mendi

President, Zarai Taraqati Bank Ltd.



Change Management is vital for meeting the demands and realities of global market. Change should only be introduced keeping in view the organizational development perspective at hand. Clarity of objectives is crucial for any organization that is undergoing a major change. Any setback must not deter an organization from achieving its undefined objectives. The knowledge and understanding of all variables, internal and external, involved in the change process is vital. The entire process hinges on the people, who through quality leadership should be guided on the necessity of change.

For the change process, an organization needs to have a competent and effective Human Resource (HR) base i.e. that possesses the competencies that are required and has the energy to take on challenges.

Agricultural Development Bank of Pakistan (ADBP) was an epitome of an organization with the most un-satisfactory state of affairs on the basis of in-adequate capital, poor quality of assets, weak internal controls, lack of an appropriate human resource strategy leading to an undisciplined personnel management setup. For that purpose it was decided to evolve the ADBP into a more vibrant institution that could best serve the people at large. The new institution that evolved was thus named as Zarai Taraqati Bank Limited (ZBL). When ADBP was taken over by ZBL, a well thought out plan for change management was implemented to revitalize the bank. Immediate measures were taken to check the downward trend and to initialize the restructuring exercise covering legal, operational, organizational and financial aspects of the organization. The HR policies had to be re-oriented to meet the objectives of the new institution.

In this respect, training and development has been recognized, as an important medium to prepare the working staff to adopt the competencies that are required for the present and future needs of the bank. Compensation and benefits structure are being revised as they play a vital role in motivating the employees. Measures are being taken to ensure a new structure that accommodates quick decision-making, is cost effective and empowers managers in taking quick and operational decisions on the spot. Trust of the employees and a tension free co-operative working environment has also initiated a change in the organizational structure. Re-shuffling have been done across the organization to motivate the employees and managers to take up new and challenging assignments. Efforts are being made to open vertical and horizontal communication channels within the organization.

There cannot be any fruition in the corporate sector unless they meet the circumstances in which they exist and every organization is undergoing a change management process. People are pivotal to any process undertaken by an organization. Therefore, change in mind set of the people for the process of change is indispensable.

MANAGING TECHNOLOGIES AND INNOVATIONS FOR STAYING ON TOP

Mr. Pacifico Ipulao Madrono

Resident, ISPM, Enterprise, Quezon City, Philippines

The paper shows the experience of harnessing human capital as the most important component in enterprise and economic development. The role of managing technologies and innovations in an environment of trade liberalization and globalization is elaborated upon.

It discusses a small company's approach to the adoption of technology and innovation in the backdrop of current trade and economic issues. An attempt has been made to look at the impact of Intellectual Property Rights (IPR), the technology and innovations, and the effects of trade liberalization to a company in particular, to industry in general, and to some extent to the Philippine economy as a whole.

In the past 20 years, the world economy has posted rapid growth. The growth of world trade has averaged 6 percent per year, twice as fast as the world output. This growth is seen as a direct result of the rapid advances in technology and the concerted efforts among the industrialized and developing countries to reduce trade barriers. Technology transfer goes hand in hand with globalization. The rapid advances in the development of new technologies, inventions, innovations and other Intellectual Property Rights (IPRs), the quick dissemination of these IPRs at the expense of their protection and the loosening and reduction of trade barriers due to trade liberalization make it imperative that technologies are managed prudently for government, businesses and industries.

Homegrown technology, especially the innovation and non high tech type have the advantage

