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# The importance of fostering alignment to ensure sustainable nation building

## The role of HRD in large Palestinian organizations

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### Abstract

**Purpose** – The purpose of this paper is to report on the findings of a study exploring the challenges confronting the provision of human resource development (HRD) in large Palestinian organizations.

**Design/methodology/approach** – A mixed methods approach was used to gather the data. The quantitative data were analysed using statistical programme for social sciences. Qualitative data were analysed using thematic analysis.

**Findings** – The first challenge pertained to the need for large-scale investment in human capital while at the same time facing serious resource constraints. Additional challenges were; the operational nature of the HR function, the limited training and development expertise and the lack of alignment between educational institutions and employers' needs.

**Research limitations/implications** – This exploratory study provides recommendations for future explanatory research to contribute to the literature examining national human resource development (NHRD) in high-conflict societies.

**Practical implications** – The findings have implications for both policy makers and the HRD profession. There are also implications for the prioritization of development funding.

**Social implications** – There is an identified need for closer alignment between the country's education system, the needs of the workplace and the HRD function in organizations. The overarching recommendation is that the HRD function be considered from a NHRD and human capital theory perspectives.

**Originality/value** – This study is the first of its type to be conducted in Palestine. The findings highlight the importance of NHRD to the sustainable nation-building process in Palestine.

**Keywords** NHRD, Palestine, Employability, Alignment, HCT, Workplace development

**Paper type** Research paper

### Introduction

This paper reports on an exploratory study examining the provision of human resource development (HRD) in large Palestinian organizations. Palestine is deemed to be a transitioning society as it is moving from a high dependency on international aid to one of development and self-reliance (Paprock, 2006). It is also a high-conflict society, experiencing the presence of occupying forces, internal conflict and war. Comprised of two geographic areas, Gaza and the West Bank, Palestine has suffered from a lack of unity between the various agencies with a vested interest in HRD.

Many of the HRD challenges confronting HRD arise from this lack of unity and also from a paucity of resources essential to build a nation state. This has led to a



dependence on financial support from international aid agencies such as the United Nations Relief and Welfare Agency, and The World Bank. These agencies have recognized that the provision of HRD is critical to improving human capital and economic well-being (Al Madhoun and Analoui, 2004). Demartis *et al.* (2011) contending that HRD plays a vital role in nation-building process in transitioning and war-torn societies. These include programmes for capacity building and the reduction of unemployment rates (The-World-Bank-Group, 2014). However, ongoing events such as the military action in Gaza in 2014 means that the majority of international aid in the short term be dedicated to the rebuilding of infrastructure; a task that is projected to take five years at a cost of US \$7.8 billion (Henderson, 2014). Thus, giving urgency to ensuring the most effective use of scarce resources and to ensuring that HRD programmes meet future, as well as current labour market needs (Palestinian-Federation-of-Industries, 2008).

However, concerns have been expressed regarding the effectiveness of the current HRD programmes (The-World-Bank-Group, 2014; Al Ali and Taylor, 1997). The argument being that existing HRD programmes, have not taken account of the needs of the Palestinian people. Rather, they have reflected the perceptions of the aid agencies as to what these needs are (The-World-Bank-Group, 2014). One reason extended for this is the minimal amount of empirical research, conducted in transitioning societies (McLean *et al.*, 2012; Demartis *et al.*, 2011). The majority of studies conducted in corporate settings in North America and Western Europe (McLean *et al.*, 2012; Short *et al.*, 2009). Furthermore, this research has focused on HRD provision as it is relevant to organizations in this context; without examining how HRD expertise is deployed at a national level or how it contributes to the development of human capital as provided in an email communication with professor Scott-Jackson. This supports the argument of Short *et al.* (2009) who identified that often the practice of HRD outside these contexts is not grounded in the empirical research informing the discipline.

Hence, the research problem for this study arises from the limited body of empirical research. Specifically that informing HRD in high conflict, transitioning societies and its contribution to nation building. This has led to a situation where it is difficult to determine what, if any, challenges confront managers and HRD practitioners in Palestine and why these challenges occur. Thus, this research problem gave rise to the following research questions:

- RQ1. What are the HRD needs of large Palestinian organizations?
- RQ2. What are the challenges that hinder the provision of these HRD needs?
- RQ3. How does the context in which the research is situated contribute to the creation of these challenges?

### **Theoretical overview**

The context of this study, a transitioning society, has an impact on how HRD provision occurs (Lynham and Chermack, 2006; Lynham and Cunningham, 2006). Transitioning societies are engaged in the management of planned change (Levy, 1986) as cited in Sparkman (2015). Sparkman (2015) goes on to state that HRD programmes can have a substantial impact on the development of human capital, thereby contributing to the success of change initiatives in these societies. If the enhancement of human capital is one of the more critical policies that will drive economic change and increase economic well-being of the Palestinian people then it is imperative that all HRD initiatives contribute to improving this economic well-being (The-World-Bank-Group, 2014).

Therefore, the paucity of research examining HRD in transitioning societies is of concern (Sparkman, 2015; Alagaraja and Kotamraju, 2014; McLean *et al.*, 2012; Demartis *et al.*, 2011; Short *et al.*, 2009).

The identified gap in the literature, in turn, constrains how the HRD discipline is defined. The definitions of HRD have a predominately organization specific focus and, in the main, have been developed from a North American perspective (Weinberger, 1998). For example, Swanson and Holton (2009) argue HRD is a process of developing and unleashing expertise for the purpose of improving individual and teamwork processes, and organizational systems. Garavan (2007) made the argument that HRD is best achieved by taking a strategic approach to the construct. He goes on to define strategic human resource development (SHRD) as a “coherent, vertically aligned and horizontally integrated set of learning and development activities which contribute to the achievement of strategic goals” (p. 25). Nevertheless, Garavan’s (2007) definition of SHRD also concentrates on organization specific knowledge and skills, as opposed to community and national development, across a diversity of contexts.

However, the lack of breadth and clarity in the definitions is unsurprising for, as Garavan (2007) contends, the concept of SHRD is relatively new to the HRD literature. Therefore, if as Griffin (2011) argues, HRD has the potential to improve the national, organizational and labour-market capital, then the existing definitions may not capture the diversity, nuances and the contribution of HRD to capacity building. However, this organization specific focus is not unique to Western contexts, for as, Scott-Jackson email communication commented within large government departments in the Middle East a wholly parochial perception of the role of HRD is present. One focusing solely on the organization’s well-being as opposed to taking a wider view – one of capacity building to improve national capability.

Yet, it is recognized by policy makers that HRD can contribute to the improvement of national, organizational and labour market performance and should be recognized as national human resource development (NHRD) (Griffin, 2011). Scott-Jackson (2015) goes on to state that NHRD has had limited voice in the development of national human capabilities. For it is only in recent years researchers have begun to examine the construct of HRD and its relationship to national development (McLean *et al.*, 2012; Demartis *et al.*, 2011; Lynham and Cunningham, 2006; Paprock, 2006).

Including a NHRD perspective in any definition of HRD will aid in ensuring its role as a global agent for change (Lynham and Cunningham, 2006). Therefore, it is critical that the links between HRD, SHRD and NHRD, and how these constructs inform the development of a national workforce, are examined (McLean and Wang, 2007). Acknowledging the contribution of NHRD to the economic well-being of societies such as Palestine results in NHRD being shaped and influenced by the context of the country in which it is situated (Paprock, 2006; Metcalfe and Rees, 2005). Consequently the definition developed by McLean and McLean (2001, p. 322) as cited in McLean *et al.* (2012) was deemed the most appropriate by which to frame this study:

Human resource development is any process or activity that, either initially or over the long term, has the potential to develop [...] work based knowledge, expertise, productivity and satisfaction, whether for personal or group/team gain, or for the benefit of an organization, community, nation, or ultimately, the whole of humanity.

Acknowledging this definition supports the argument of Demartis *et al.* (2011) who conceptualizes NHRD as a particular form of HRD that aims at developing human expertise for economic, political and social development and well-being, as cited in Demartis *et al.* (2011).

Moreover, the use of this definition allows consideration of human capital theory (HCT) in informing NHRD. The primary question asked by policy makers being one of how do our human resource decisions contribute to long-term gains in human capital? Or do they only have a short-term cost-reduction focus (Knowles *et al.*, 2015)? Linking a HCT strategy to NHRD allows us to examine the investments a society makes in formal developmental activities. Formal learning as defined by Marsick and Watkins (2001) is all learning that is institutionally sponsored, classroom-based and highly structured. Therefore, formal learning ranges from the hierarchically structured school system through to the university and the organized school-like programmes created for technical, professional and workplace training (Conner, 2009). These formalized activities encompass a diversity of HRD programmes aimed at developing knowledge that has a positive impact on productivity and wages (Zula and Chermack, 2007).

One of the first definitions of human capital was proffered by Schultz (1961) as being, the knowledge and skills that are acquired by people through education and training. Accordingly, knowledge and skills are a form of capital that if invested in, will yield a return on that investment. The main outcome from investment in people is:

Change that is manifested at the individual level in the form of improved performance, and at the organizational level in the form of improved productivity and profitability or at the societal level in the form of returns that benefit the entire society (Nafukho *et al.*, 2004, p. 549).

This definition acknowledges the relationship between change and learning particularly in transitioning societies. While HCT recognizes the importance of formal learning, there is also the capacity to accept the contribution of informal and incidental learning to the development of human capital. Hager and Beckett (2013) contend that there is a spectrum of beliefs about the best model to support the transfer and application of developmental learning. However, as Scott-Jackson (2015) argues the majority of the investigations examining national capabilities is based on formalized learning within the disciplines of the education or employment/labour markets.

This has led to been a priority placed on formalized learning at the expense of informal learning resulting in it becoming an integral part of the collective mind of the firm, leading to it becoming an obsession in many workplaces (Grebow, 2002). A major obstacle to informal learning has been the failure to accept that it is a valid form of learning and development (Hager and Beckett, 2013). Yet, as Machin and Vignoles (2004) assert both formal and informal learning make a valuable contribution to human development. Conner (2009) goes on to affirm that both informal and incidental learning are part of a lifelong learning process whereby individuals acquire attitudes, values, skills and knowledge from daily experience. This learning may occur as a result of a diversity of experiences such as, family, neighbours, work, market place, education and social influences, library and mass media. Kolb (1984) proposed an experiential model of learning that draws attention to the way in which individuals learn as much from informal experiences as they do from formal education and training involvement. He went on to state that this model was particularly relevant to ensuring effective adult learning. However, the lack of value ascribed informal, incidental and situational learning has led to a failure to assign them a priority when assessing the success of the development of human capital both in organizations and nationally (Hager and Beckett, 2013; Conner, 2009; Grebow, 2002; Marsick and Watkins, 1990).

Nevertheless informal and incidental learning may be a valuable cost effective form of learning for transitioning societies such as Palestine. This situation requires further study, in that informal and incident learning is not well understood, made visible nor is

it appropriately valued (OCED, 2010). Thus, it is argued that a broader view of what constitutes HRD in transitioning, high-conflict societies needs to be taken. For this to occur it is critical that there are strong partnerships between government, private sector organizations, NGO's and donor agencies. Ensuring strong networks will contribute to ensuring alignment between the different groups and the formation of NHRD policy within the bounds of HCT. Doing so will support the identification of the challenges that may hinder the development of NHRD strategy and contribute to the answering of the research questions.

### Method

The mixed methods approach as outlined by Cresswell and Plano-Clark (2011) was employed in this study for two reasons. First, there was a need to develop an understanding of the challenges from as wide a population as possible. Second, funding agencies require quantitative information to inform their decisions regarding funding investment. Therefore, a quantitative survey was employed. However, The-World-Bank-Group (2014) has expressed a concern that current HRD programmes have not met the specific needs of the Palestinian people. Therefore, it was deemed important to utilize qualitative data to identify these needs. Consequently, the research questions were not only what, when and where questions, they also included how and why questions. Bryman (1988) contends that the, what, when and where questions support the achieving of an understanding of the causes and effects of people's actions. Whereas, the how and why questions allow for clarification of the underlying motivations or explanations of the behaviour of the individual (Bryman, 2001).

Hence, 29 semi-structured interviews were conducted with representatives of NGOs, for example the International Labour Organization (ILO), HRD consultants, training providers and ministry officials involved with HRD. These included the Ministry of Labour and Higher Education. In addition, two focus groups, of ten unemployed youth and new graduate participants from Gaza and the West Bank, were conducted. The questions used during the qualitative phase of the study were developed from the results of the quantitative phase.

### *Sampling strategy*

This study focuses on large Palestinian organizations. The World Bank and the ILO define small and medium businesses as those employing less than 50 people in developing countries and less than 500 in developed countries. In the Arab context medium-sized businesses are those employing between 15 and 25 employees (Muhana and Abu Baker, 2001). Therefore, organizations between 25 and 50 people are deemed large organizations in the Palestinian context. Two main groups of participants were chosen for the quantitative surveys. The first, comprised managers from large organizations situated in both the West Bank and the Gaza Strip. The second comprised of employees from these organizations. Purposive sampling was used to select the participants. The Palestinian Central Bureau of Statistics was requested to provide a list of large Palestinian organizations that could provide a sample comprising HR professionals and employees. Snowball sampling was utilized whereby the interviewees were asked to suggest additional sample members for the qualitative study (Biernacki and Waldorf, 1981). The use of this form of sampling in conjunction with the purposive sampling ameliorated some of the concerns expressed by Biernacki and Waldorf (1981) regarding the tendency for snowball sampling to limit the diversity of samples (see Table I for sampling results).

| Sample type and number of distributed questionnaires           |  |
|--|--|
| Employers  | 69 large organizations above 50 employees                                    |
| Employees  | 300 employees  |
| <i>Description</i>   |  |
| Employers  | Private organizations, Public & NGO's  |
| Employees  | Sample of employees from each organization & sector                          |
| <i>Actual response in no.</i>                                  |  |
| Employers  | 49 (28 Private organizations, 8 Public, 13 NGO)                              |
| Employees  | 235  |
| <i>Response rate</i>   |  |
| Employers  | 71%  |
| Employees  | 78%  |
| <i>Size of organization</i>                                    |  |
| 50-100 employees   | 38%  |
| 101-500 employees  | 43%  |
| 501-1,000 employees  | 12%  |
| Above 1,000  | 7%   |
| <i>Type of organization</i>                                    |  |
| Private organizations  | West Bank (19 of which 7 are industrial), Gaza (9 of which 3 are industrial) |
| Public organizations   | West Bank (6), Gaza (2)  |
| NGO'S  | West Bank (8), Gaza (5)  |
| Total  | West Bank & Gaza (49)  |
| <i>Average age of participants in the employees sample</i>     |  |
| < 30 years   | 61%  |
| > 30 years   | 39%  |
| <i>Gender of participants in the employees sample</i>          |  |
| Male   | 56%  |
| Female   | 44%  |
| <i>Work experience of participants in the employees sample</i> |  |
| < 5 years  | 41%  |
| 5-15 years   | 42%  |
| > 15 years   | 17%  |
| <i>Educational qualifications in the employees sample</i>      |  |
| High school  | 4%   |
| TVET   | 10%  |
| 1-2 years academic community colleges                          | 12%  |
| Bachelors  | 59%  |
| Masters or doctoral  | 15%  |

**Table I.**  
Sampling results

The private companies in the study were situated in the industrial, retail and wholesale, banking, insurance, construction, communication, pharmaceutical and utility sectors. The non-governmental organizations included organizations working in the area of developmental aid, health, agriculture, children and young people and the provision of infrastructure services such as water and health services. The public sector organizations included governmental ministries and agencies, hospitals and universities.

An effort was made to ensure that there was equity of distribution of the sample across the West Bank and Gaza. However, this was constrained by the number of organizations in the respective geographic and industry sectors. The respondents were representative of Palestinian demographics; 41 per cent of the participants had less than five years' business experience, 86 per cent possessed an academic higher education qualification, 59 per cent possessed bachelor's degrees, with 4 per cent only having a secondary educational qualification. There are more males than females in the sample; a reflection of the demographics where female participation in the labour force does not exceed 17 per cent of the total workforce (Palestinian-Central-Bureau-of-Statistics, 2012).

#### *Data collection and analysis*

Two sets of questionnaires were distributed via e-mail. The first questionnaire sent to the employers focused on the identification of training needs, training hours, evaluation, motivation and challenges, perceptions and levels of satisfaction with local trainers and future needs. The second, was sent to employees seeking to identify their training needs and skill gaps. Both questionnaires included questions about the training and development (T&D) programmes currently experienced and perceived overall effectiveness of these. *t*-tests were used via the statistical programme for social sciences in the data analysis to identify significance and differences in the responses.

The qualitative data were collected via the two focus groups, face to face and telephone interviews, in both the West Bank and Gaza Strip. Fewer telephone interviews were conducted with respondents from Gaza as the political situation at the time of the study restricted researcher access via this mean. In all, 29 semi-structured interviews were conducted with HRD stakeholders across all sectors. The concurrent data collection and thematic analysis followed the six-steps recommended by Braun and Clarke (2006). These are: familiarization with the data, the generation of initial codes, searching of themes, reviewing of themes, defining and naming of themes; and producing the report.

#### **Findings**

The importance of fostering alignment was the overarching theme explaining how all stakeholders in the HRD function must have the ability and freedom to ensure the best use is made of scarce resources. There is an urgent need for significant investment in human capital (HCT) while at the same time reducing the dependency on foreign aid. The findings show that a "one size approach" to HRD is not an appropriate strategy. Differing requirements between Gaza and the West Bank and between the organizational types were identified. While both West Bank and Gaza employers acknowledged shortage of knowledge skills and abilities (KSAs) at the most fundamental levels, there was a difference between each region as to what those KSAs were. There was no evidence of a cohesive NHRD strategy aimed at maximizing the use of limited resources.

#### *Differences and commonalities between Gaza and the West Bank*

Employers in the West Bank identified their greatest need was for HRM skills, whereas employers in Gaza stated their needs were finance and accounting skills. Employers in the West Bank also identified a need for skills development in the following functional areas; quality control, industrial and operations management, research and development, and training in public relations. See Table II.

While Table II showed gaps in a number of functional areas for employers, both the West Bank and Gaza, identified one of their most urgent need as, information



technology (IT) skills. Specifically, the need for programming, system development, network installation and IT maintenance programmes. In the West Bank, IT competencies were primarily required by the public sector (50 per cent); followed by the private sector (47 per cent) and lastly NGOs (29 per cent). In Gaza a high priority was identified first in the NGO sector (66 per cent), then private firms (55 per cent) and finally the public sector (50 per cent).

There was no difference between Gaza and the West Bank regarding the need for leadership and communication training. Results did reveal a higher need for customer service skills in Gaza and managerial effectiveness and analytical skills in the West Bank. The least required set of skills identified by both groups of employers were occupation specific professional/technical skills. See Table III.

A consensus existed between employees and employers, that a priority be given to development that enhanced managerial effectiveness and analytical competencies (59 per cent), leadership and people skills (50 per cent) and communication skills (43 per cent). This is consistent with the interview findings where training providers and Ministry of Higher education officials spoke of how, graduates of scientific majors such as engineering and science lack communication and leadership skills. Typical of the comments was that of a Director in the Ministry of Labour who stated "there is a need to embed leadership skills and 21st century competencies (such as change and diversity management) as part of core courses in academic programs". This view was supported by the new graduates who participated in the focus groups who mentioned the emphasis universities place on technical skills and abilities as opposed to the development of the soft skills such as leadership. This may explain, in part, why the least required skills in both regions were deemed to be professional/technical skills.

| West Bank employers       |      | Gaza Strip employers      |      |
|---------------------------|------|---------------------------|------|
| Gaps in functional areas  | Mean | Gaps in functional areas  | Mean |
| HRM                       | 1.30 | Finance and accounting    | 1.43 |
| Systems, computers and IT | 1.46 | Technical maintenance     | 1.50 |
| Quality control           | 1.52 | Systems, computers and IT | 1.64 |
| Industrial and operations | 1.56 | HRM                       | 1.64 |
| Finance and accounting    | 1.63 |                           |      |
| Public relations          | 1.63 |                           |      |
| Maintenance               | 1.63 |                           |      |
| R&D                       | 1.63 |                           |      |

**Table II.**  
Measuring differences in means for gaps in functional areas in comparison between the West Bank and Gaza employers

| West Bank                                      |      | Gaza Strip                                      |      |
|--|------|---|------|
| Gaps in work skills                            | Mean | Gaps in work skills                             | Mean |
| Managerial effectiveness and analytical skills | 1.27 | Customer service skills                         | 1.64 |
| Leadership skills                              | 1.43 | Leadership skills                               | 1.64 |
| Communication skills                           | 1.53 | Communication skills                            | 1.64 |
| Customer service skills                        | 1.70 | Managerial, effectiveness and analytical skills | 1.71 |
| Technical skills                               | 1.87 | Technical skills                                | 1.71 |

**Table III.**  
Measuring differences in means for gaps in work skills in comparison between the West Bank and Gaza employers

*Differences and commonalities between organizational types*

General business skills were found to be lacking across both private and public organizational types as shown in Table IV. Specifically, managerial effectiveness, analytical, technical, leadership, interpersonal and customer service skills were deemed lacking. The commentary received indicated that the need for managerial effectiveness and analytical skills arose from a need to reduce costs and increase profitability.

Although all employers indicated a variety of skill shortages, the *t*-test results in Table V show that there is no difference between the private ( $n = 28$ ) and the non-governmental organizations ( $n = 13$ ) regarding required KSA's. Feedback received from both survey comments and interviews attributed this situation to the deficiencies in formal education experiences. That is, basic employment skills needed to be embedded in the education system to provide the required communication, leadership and analytical skills in order to meet the employers' requirements. It was noted in both focus group sessions that the NGO's in Palestine are the preferred choice of employment for many graduates. This is a result of their ability to provide higher levels of compensation than both the private and public sector organizations. This, in turn, ensures the NGOs' are able to recruit and select the best available candidates. This has led to NGOization of the workforce or emigration of qualified individuals to NGO's off shore as stated in Muna and Khoury (2012).

As shown in Table VI, *t*-tests revealed no significant difference between service and manufacturing employers demand for skill sets. As a result of the limited recruiting

**Table IV.**

*t*-Test results of comparison of gaps in work skills between private and public sectors in Gaza and the West Bank

| Type of work skills                             | Significance (sig.) |
|---|---------------------|
| Managerial, effectiveness and analytical skills | 0.032               |
| Technical skills                                | 0.894               |
| Leadership skills                               | 0.894               |
| People skills                                   | 0.432               |
| Communication skills                            | 0.141               |
| Customer service skills                         | 0.332               |

**Table V.**

*t*-Test results of gaps in work skills in comparison between private and NGO sectors in Gaza and the West Bank

| Type of work skills                            | Significance (sig.) |
|--|---------------------|
| Managerial effectiveness and analytical skills | 0.630               |
| Technical skills                               | 0.764               |
| Leadership skills                              | 0.764               |
| People skills                                  | 0.408               |
| Communication skills                           | 0.467               |
| Customer service skills                        | 0.608               |

**Table VI.**

*t*-Test results of gaps in work skills in comparison between industrial and Service sectors in Gaza and the West Bank

| Type of work skills                            | Significance (sig.) |
|--|---------------------|
| Managerial effectiveness and analytical skills | 0.949               |
| Technical skills                               | 0.253               |
| Leadership skills                              | 0.977               |
| People skills                                  | 0.295               |
| Communication skills                           | 0.362               |
| Customer service skills                        | 0.491               |

pool of qualified candidates, substantial shortages of all skills sets were identified. This highlights the need for HRD programmes to be developed with some urgency to target these shortages and contribute to building human capital.

In addition to the previously identified issues which indicated a substantial need for development of human capital in all facets of HRD there were three additional themes identified. These themes contributed to the recognition of the challenges constraining the development of human capital in Palestine. Each of these themes is now addressed in turn.

#### *Challenges confronting the HRM function*

The focus on larger Palestinian organizations was deliberate strategy based on the supposition that they would have an active involvement in HRM related functions. The findings revealed quite the opposite. When present the HRM function was marginalized, thereby, inhibiting service delivery. According to the survey, two-thirds of employers were not able to deliver the quality and quantity of HRD required by their organizations to ensure appropriately qualified employees. Training provider interviewees stated that planning and inadequate needs analysis were the reasons for many of the issues confronting HRD. This situation was deemed to be a direct result of employers' lack of skills and experience. Accordingly, it was difficult to make informed decisions about what HRD programmes should be provided and who should be sent on them. In addition, 65 per cent of the employer respondents expressed concern about there not being sufficient providers to meet the needs of organizations. Of this 65 per cent, 42 per cent identified the scarcity of subject-specialist training providers across all subjects and disciplines as a serious concern.

Additionally, 42 per cent of the employer respondents cited the lack of sufficient funding for HRD when asked to specify their budget allocation for HRD. However, over 50 per cent of the respondents failed to answer this question. Those who did, 60 per cent identified that they allocated a total of less than US\$25,000 per annum on organizational training. The number of hours allocated did not exceed 50 hours per person, per year. Comparatively, investment in the USA is US\$1,040 per annum, per employee (Muna and Khoury, 2012). Only 8 per cent of the companies allocated more than US\$300,000 for organizational wide training and over 50 hours per annum, per person and these companies were primarily situated in the ICT industry. Thereby, encouraging the development of technical skills as opposed to managerial competencies. Additionally, 98 per cent of employers identified a preference for funding HR T&D programmes provided by donor agencies creating a high dependency relationship. This contradicts feedback received from the employees' survey and the interviews and focus groups which identified the need to move away from the reliance on aid agencies.

#### *Challenges confronting training providers*

Training providers identified the same concerns as the HR professionals. Specifically, regarding the need for specialization which is challenging in the Palestinian context. International specialists were discouraged from engaging in the area due to the ongoing conflict. The size of the Palestinian market constrains the financial viability of any local provider specialization. This has led to a generic approach to delivery as it is not cost effective to customize programmes. Training providers were also concerned

that the dependence on donor funding has led to a lack of structure or a systemic strategic approach to programme offerings. There was an inherent lack of alignment between donor agendas and organizational needs. This led to an ad hoc approach to HRD. Thus, the programmes offered do not necessarily address organizational needs and constrained the impact of HRD on the development of human capital and capacity building in Palestine.

One recent initiative has been the establishment of in-house training centres by the telecommunication and banking industries. Designed to offer specialized customized training programmes where it is hoped that in the future these centres would be available for other sectors. The view being that the paucity of resources is so dire, it is imperative that a strategic NHRD approach to the use of resources be taken. This would minimize the uneven development of KSA's across industry sectors and contribute to national development initiatives.

#### *Challenges confronting the education sector.*

The lack of alignment between educational provision and organizational needs specifically the design of the curriculum is the fourth theme identified. This lack of alignment commences at elementary school and occurs across all levels. A Ministry of Labour official mentioned that "academic programs do not deliver the desired outputs. There needs to be closer collaboration with employers when educational institutions are designing new programs". The consequence resulting in newly graduated participants' (60 per cent) perceiving they are not sufficiently equipped to join the workforce. In addition, 59 per cent of respondents stated that they did not receive any formal career counselling during their education. Graduate recruitment programmes were conspicuous by their absence. The primary concern of TVET graduates pertained to the lack of internship or practical training programmes (apprenticeships) available for students. Focus group participants in both Gaza and the West Bank spoke of employers' preference for more intensive training periods as opposed to the once or twice a week that is currently the norm. An example was an internship programme that utilizes the summer vacation. A model such as this causes less disruption to studies while providing a more realistic work experience for the trainee. The participants in both the employee's survey and the focus group believe that integrating managerial or business skills into their technical education is essential to ensure their workplace preparedness. The opportunity to gain practical work experience was perceived as essential to ensuring competitiveness in the job market.

All groups considered the acquisition of English language skills vital, to enhancing the employability of the graduates. However, it was evident from the analysis that the scarcity of financial resources in the education system acted to constrain curriculum development and initiatives such as apprenticeships, internships and English as a second language programmes.

#### **Discussion**

This exploratory study identified the primary challenges confronting those responsible for the investment in human capital in Palestine. The identified overarching theme that explains the findings of this study is the importance of fostering alignment. The ability to ensure alignment between the different stakeholder groups and the sharing of resources was deemed vital if Palestine is able to provide the workplace learning

programmes designed to meet the identified needs. As stated previously Palestine is a high-conflict society and as such has to ensure that all sources of funding are utilized effectively to ensure the development of human capital. The traditional view has focused on HRD and SHRD and the contribution to the achievement of the strategic goals of the organization (Garavan, 2007). The need to ensure alignment between the different stakeholder groups deems a wider perspective of HRD is taken which requires the development of a process for transitioning the current ad hoc operational T&D function to one that has a strategic NHRD focus.

It is recommended that a programme of consultation is undertaken with agencies such as the UNDP and The World Bank. The aim of this process is development of a national strategy for NHRD and NHRD programmes designed to better target international funding to meet the needs of the Palestinian people. This is in keeping with the recommendations of Scott-Jackson and Michie (2014) who highlighted the importance of fostering the development of an HR strategy for a country and ensuring the development of HR solutions that are in alignment with the identified needs. Scott-Jackson email spoke of how often in the Middle East, capabilities required at a national level do not match the capabilities required at an organizational level. Ineffectiveness in the national context was prevalent, regardless of individual efficiency. The lack of alignment between education and business is evidence of this. Therefore, a national strategy is required to provide direction to both sectors and to support the development of closer networks between all stakeholder groups.

There are implications for policy makers, academics and practitioners, specifically with regard to the benefits of greater collaboration. Further research based on this study will grow the body of empirical literature. Policy makers and practitioners have a responsibility to use this research to inform the development of a NHRD strategy.

#### *Implications for policy makers*

Findings reveal that a “one size fits all” to workplace learning is not appropriate. Thus, workplace learning cannot be conducted in isolation from the needs of the wider Palestinian community and government policy. There are implications for policy makers in ensuring that alignment between the different groups in order to formulate HRD policy from a HCT and NHRD perspectives. Palestine is a transitioning society and as identified by Demartis *et al.* (2011) HCT and NHRD have a role to play in this process. Integrating the theoretical perspectives of NHRD and HCT will enable a more long-term strategic focus to be taken to capacity building. Adopting this strategy will assist in refocusing the HR discipline away from the current operational state to a more unified cohesive strategy benefiting a transitioning society. This will also ensure an equitable distribution of resources between the different sectors.

#### *Implications for practitioners*

Currently, the majority of workplace learning and development is through formalized learning. It is recommended that greater consideration be given to the role of the different forms of informal learning. In keeping with the findings of Manuti *et al.* (2015) it is recommended that the formal and informal be considered as parallel forms of workplace learning, in that they are co-present both within and outside the workplace. Manuti *et al.* (2015, p. 12) assert that the form of learning is determined by

the social norms within the context in which it is situated. Therefore, a change in strategic thinking is required. One that attributes a greater priority to informal, incidental and situated learning, initiatives for example, mentoring, coaching and internships.

There are implications for practitioners arising from the youthfulness of the Palestinian population. Young people have a different set of learning and development needs. Consequently, this creates a different set of challenges for providers. To meet the needs of this specific group it is recommended that priority is given to aligning educational provision with the needs of this group while at the same time meeting the needs of organizations. Specifically, the young people who took part in this study identified the need for the establishing of targeted internship and apprenticeship programmes in assisting them to become “work ready”.

There are implications for training organizations and training providers. The limited resources create a need for high levels of innovation and creativity in training delivery. This, in turn, necessitates a redefinition of the trainers and training organizations role. The role should become one of innovation and consultation as opposed to being simply one of providers or managers of training (McCracken and Wallace, 2000; Garavan, 1991). The aim of this approach is to address the concerns expressed in the study regarding the lack of rigour applied to training needs analysis, the identification of appropriate participants for HRD programmes and the sourcing of qualified T&D specialists. To achieve this it is recommended that some form of incentive or support is provided by the Palestinian government to help develop a viable HRD profession which might also help lessen Palestine’s reliance on international providers.

It is recommended that support is given to initiatives designed to transition the HRM function from its current operational focus to one of a strategic partnership and that developmental programmes are implemented for both employers and HR professionals with the aim of limiting the marginalization that currently exists within the profession. The aim would be to improve the quality of service delivery across aspects of the HRM function which would also enable the establishment of effective networks between aid agencies, education providers and employers. As recommended by Scott-Jackson and Michie (2014) it is important that the HR function and HRD specifically are positioned at the core of the growing human capability.

#### *Implications for academics*

Results of this exploratory study provide a base for more explanatory research. One strength of this study was that it covered a diversity of organizational types and people involved in workplace HRD providing an opportunity to contribute to the body of knowledge across an equally diverse set of topics. Specifically, there is a need to contribute to the body of knowledge in area of NHRD and its role in high-conflict transitioning societies. While the breadth and diversity of the study was an advantage it was also a limitation. It precluded the researchers being able to focus on any one area in greater depth. Therefore, it is recommended that further research is conducted into each of the key themes to explain more fully the exploratory results, thereby contributing a deeper level of meaning to the body of knowledge. Consequently, as Azevedo (2013) identified, research that examines the philosophies and approaches to HRD policies and practices in transitioning societies, is of a priority.

## Conclusion

This exploratory study contributes to the body of knowledge by identifying the key challenges confronting the HRD function in Palestine. In doing so it provides the basis for further explanatory research examining the issues raised in this paper. The research also raises awareness to the role of HCT and NHRD and the importance of fostering alignment between the different stakeholders in order to adopt a NHRD strategy. The study revealed that this lack of alignment, which has implications for international aid providers, HRD professionals, business organizations and the education system; was one of the major constraints to the provision of effective NHRD. The study also identified the need for the human resource function to move away from its current marginalized operational position, developing strategic partnerships with the different stakeholders. A more strategic unified NHRD approach will maximize the use of scarce resources. The current level of conflict within the country and the need to rebuild large parts of Palestinian infrastructure means that fostering alignment between stakeholder groups is critical to ensuring the enhancement of human capital and economic well-being in Palestine.

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