

# Human resource is the most important asset of an organization

[Business](#), [Organization](#)



Nowadays many organizations like to emphasize on gaining a competitive advantage in the market. The advance equipments, newtechnology, good marketing strategic, excellent customer services and many other elements can be the factors to build up for the advantages. However, human resource is still the most important element to determining the success orfailureof an organization. Without their support, the organization daily business function will not be done well and ready. Human resource is always related to one organization profitability and their ability cannot be replaced by machines.

As is discussed by Hargreaves and Jarvis (1998: 3) The skills, knowledge and experience of each individual contribute to the growth of organizations, communities and nations. Such valuable human talent can be thought of in terms of human capital and is one of the primary requirements for national economic development. 138 Strategic human resource management is playing an important role as organization development in today's competitive market. Organizations recognise the importance of focusing on the human factor to contribute ideas in order to improve the productivity.

They design the recruiting plan to approach talent peoples, training and develop them in order to perform those competencies. The organization put in affords to meet the expectation of the employees so that create a workplace atmosphere among the employees (Upson, 2011). Ironically, while human resources are the most important asset in an organization, they are also the cost involved during the training activity. As is stated by Outflow (1998), the organization suffers the cost if they employed the wrong candidate for the job.

Such costs can be calculated in direct and hidden cost. Direct cost can be considered as recruitment advertisement, conduct new training for new staffs, medical check up and so on. Also, the company will found the hidden cost in such that way of lower morale among old employees. Some of the organization will try to approach the peoples which are lack of working experience and not qualified enough as required for the job, here may cause some of the clients lost their loyalty towards the organization due to the poor customer services.

Therefore, the organization must be smart to engage, select and retain the talented employees in order to maintain the organization productivity. 228 Human resource development programs always contribute a lot of benefits to the organization. George and Singh (2000 : 14) defines The role of human resource development is provide the individual with the learning experience necessary to fill the gap in an employee's knowledge and skill, to ensure his continued ability to perform efficiently and effectively in his job, and thereby contribute to the productivity of the organization.

Since it has been note the major factor affecting the organization productivity is the human factor, many organizations willingness to invest human resources development program in the areas of communications skills, problem solving ability, leadership qualities, creativity and others related skills. Employees are able to obtained new skills and knowledge in the training programs in order to contribute to the organisational development such as productivity improvement, preparation for organization's growth, developing the learning culture and so on.

The effectiveness of the training programs can evaluate and monitor regularly in order to increase the employee performance and thereby increase the productivity. Therefore, trainer who has to decide how to choose and manage the trainees, assist them in learning new skills and also develop their personality by change the trainee's behaviour. 160

Organizations always encounter many challenges to retain those valuable employees. They always spent plenty of times to deal with employees who have intention to leave their job position.

In fact, management should find out the causes what makes the employees feel satisfied about their job. The result is not only reduces employee turnover, but also greater commitment to the organization and the job they are doing. Every employee have different goals and motivation for work, the organizations must understand what employees really needs and wants and implement the strategies in order to retain the resources. Sirota et al (2005) mentioned the employees have their basic human needs that management should work for it.

Creating an environment in which all requires are met not only can satisfied the employees but also enthusiastic them. Also, creating a financial package with good remuneration can attracts and motivates the employees is essential for stable workforce. A happy and healthy workplace makes the employee satisfaction increased and come out the high productivity. Always keep them happy and engaging them, allow them growing in the organization. Another key point to retain the talents which is maintains the good relationship with employee by communication.

This theory holds that always create an opportunity to open and begin the conversation with the employees. This will helps to promote the proactive solutions to the problems before it reach a critical level cause an employee to consider leaving Sirota et al (2005). From the proper conversation between management and the employees, the organization in-house policies and regulations can comprehensively understand by the employees to ensure their compliance.

These practices benefit both the organization and also employees.

Phoenix(2010) noted that organization enjoys best performances of their employees while the employees enjoy the great benefits received from the company. 240 Every business begins from sales to customer service, it is all depends on employees to functional. Marcus (2010) mentioned, employee empower the business to keep running as usual even though the management is away.

The organization can become more productivity and effectiveness if the employees have been sufficiently motivated and well trained (Rouda and Jr, 1995). Human resources really give a great impact to the contribution of an organization performance. They are the one who make things happen, that is the reason stated that human resource is the most important assets in an organization as they are the competitive weapon for a growing business in current competitive market.