**Human Resource Management (HRM)** is a branch of management; that is concerned with making best possible use of the enterprise’s human resources, by providing better working conditions, to the employees. It involves those activities that arrange and coordinates the human resources of an entity. Further, it aims at maintaining good relations at various levels of management.

On the other extreme, Human Resource Development (HRD) is a wing of HRM that keeps focusing on the growth and development part of the organisation’s manpower. There are many people, to whom HRM and HRD convey the same meaning, but this is not true. We have compiled an article here, to make you understand the differences between HRM and HRD. Have a look.

Content: HRM Vs HRD

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**Comparison Chart**

| **BASIS FOR COMPARISON** | **HRM** | **HRD** |
| --- | --- | --- |
| Meaning | Human Resource Management refers to the application of principles of management to manage the people working in the organization. | Human Resource Development means a continuous development function that intends to improve the performance of people working in the organization. |
| What is it? | Management function. | Subset of Human Resource Management. |
| Function | Reactive | Proactive |
| Objective | To improve the performance of the employees. | To develop the skills, knowledge and competency of employees. |
| Process | Routine | Ongoing |
| Dependency | Independent | It is a subsystem. |
| Concerned with | People only | Development of the entire organization. |

**Definition of HRM**

Human Resource Management, shortly known as HRM refers to a systematic branch of management that is concerned with managing people at work so that they can give best results to the organisation. It is the application of management principles to the people working in the organisation. It aims at improving the performance and productivity of the organisation by finding out the effectiveness of its human capital. Therefore, HRM is an art of placing the right person at the right job, to ensure the best possible use of organisation’s manpower.

The process involves an array of activities that begins with the recruitment, selection, orientation, & induction, training & development, performance appraisal, incentives & compensation, motivation, maintaining workplace safety, health & welfare policies, managing relationship with the organisation, managing change.

**Definition of HRD**

The term Human Resource Development or HRD refers to the development of people working in an organisation. It is a part of HRM; that aims at improving skills, knowledge, competencies, attitude and behaviour of employees of the organisation. The purpose of the HRD is to empower and strengthen the abilities of the employees so that their performance will get better than before.

Human Resource Development involves providing such opportunities to the employees that will prove beneficial in their all around development. Such opportunities include training & development, career development, performance management, talent management, coaching & mentoring, key employee identification, succession planning and so on. Nowadays, there are many organisations work for the human resource development of employees from the day they join the enterprise, and the process continues, until the end of their employment term.

Key Differences Between HRM and HRD

The significant differences between HRM and HRD are discussed in the following points:

1. Human Resource Management refers to the application of principles of management to manage the people working in the organisation. Human Resource Development means a continuous development function that intends to improve the performance of people working in the organisation.
2. HRM is a function of management. Conversely, HRD falls under the umbrella of HRM.
3. HRM is a reactive function as it attempts to fulfil the demands that arise while HRD is a proactive function, that meets the changing demands of the human resource in the organisation and anticipates it.
4. HRM is a routine process and a function of administration. On the other hand, HRD is an ongoing process.
5. The basic objective of HRM is to improve the efficiency of employees. In contrast to HRD, which aims at developing the skill, knowledge and competency of workers and the entire organisation.
6. HRD is an organizationally oriented process; that is a subsystem of a big system. As opposed to HRM where there are separate roles to play, which makes it an independent function.
7. Human Resource Management is concerned with people only. Unlike Human Resource Development, that focus on the development of the entire organisation.

**Conclusion**

HRM differs with HRD in a sense that HRM is associated with management of human resources while HRD is related to the development of employees. Human Resource Management is a bigger concept than Human Resource Development. The former encompasses a range of organisational activities like planning, staffing, developing, monitoring, maintaining, managing relationship and evaluating whereas the latter covers in itself the development part i.e. training, learning, career development, talent management, performance appraisal, employee engagement and empowerment.