

Critical Analysis of Strategic Employee Development

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Strategic employee development has become a crucial business strategy that helps target organisational goals and objectives in today's highly global and competitive markets. It is found in a World Economic Forum (WEF) (2018) report that 42% of the workforce will require reskilling by the year 2022 because of shifting market dynamics and technological advancements. Constant change presents itself in the form of new technological tools, the emergence of global competition, and changing customer needs and behaviors, making it mandatory for companies to cultivate a culture of learning and developing people at all organisational levels. The focus of this essay is to critically discuss strategic employee development as a tool for improving the performance of the employees and the leaders. This article will discuss the importance of strategic employee development in improving employee and leader effectiveness, the importance of strategic employee development in improving employee and leader effectiveness, the challenges of implementing strategic employee development, the benefits of implementing strategic employee development, the role of technology in promoting development, and the complexity of leadership cadres.

Investment in strategic employee development is significant since it helps improve the performance of individuals and leaders in an organisation, thereby allowing it to achieve its aims and objectives and remain competitive. In the current and emerging competitive environment, it is imperative that current and future employees effectively address the challenges and harness

the opportunities (Tufa et al., 2025). Training programs are also involved since they focus on the relationship between learning and organisational objectives and goals (Clark, 2013). As a result, the cultivation of skills besides leadership skill training makes employees of organisations capable of facing new challenges, performing better, and generating ideas (Maango, 2025). For instance, key leadership competencies include emotional intelligence and learning agility, whereby the employees are informed about change, cooperation, and correct decision-making. These skills are especially significant given that the business environment is constantly experiencing technological breakthroughs and stiff competition from other countries (Adeniyi et al., 2024). Despite increasing awareness of the importance of strategic employee development, companies encounter several resources, corporate resistance to change, and a lack of links between the developmental needs of employees and corporate aims (Dachner et al., 2021). Blending these two competencies into organisations is often challenging because the benefits derived are not sustainable if executives do not maintain their support (Adeniyi et al., 2024). However, the Learning Organisation model by Senge mainly focuses on personal transformation, and many organisations cannot foster the organisational changes required for these programs to succeed.

Strategic employee development is necessary for fulfilling organisational requirements and offering a competitive advantage. Training and development programs are essential in developing human capital, increasing workforce efficiency, and synchronising personal

development and organisational objectives (Ghani et al., 2022). Such programs assist in promoting an organisational culture of learning for growth, employee commitment, job performance, and job satisfaction. Rambles and Angin (2024) state that such programs enable companies to address targeted talents and competencies necessary for long-term success, especially in an ever-changing business environment (Muttaqien et al., 2024). Additionally, strategic development enables employee personal development to be aligned with the organisation's objectives, leading to greater employee engagement and skill (Budi Susilo et al.). For instance, Southwest Airlines' investment in developing its managers has not only seen employee engagement increase but has also led to a long-term competitive advantage in the airline industry (Alateeg and Alhammadi, 2024). Such programs can, however, prove difficult to implement, as companies may have resource shortages, employee resistance, and challenges in synchronising organisational and personal objectives. Marillo et al. (2024) note that employee resistance to organisational change, in this case when new training models are introduced, can undermine development programs. Goleman's Emotional Intelligence idiom also underscores the significance of employee self-awareness and managing relations in beating obstacles and guaranteeing employee development success (Sunoto and Daryanto, 2025). In the long run, companies investing in strategic employee development will have an easier time adapting to organisational change, promoting innovation, and developing competitive advantage.

Strategic employee development remains a complicated process that creates various

challenges for organisations to tackle to achieve meaningful results. This indicates that training presents a key challenge since implementing training activities demands time, financial capital and human capital, which may not be readily available (Marillo et al., 2024). This could challenge many SMEs since they may not have the necessary structures to support extensive developmental schemes (AlDhaheri et al., 2023). Another challenge that is also worth mentioning is employee resistance to change. Some factors that can lead to resistance include that many employees would not be enthused to engage in new training methods, most programs do not relate to their desired career paths, and some programs may disrupt their current routines (Sypniewska et al., 2023). Barriers can arise when an organisation changes from face-to-face training to online or digital learning, as was the case with IBM, which received resistance from employees who were not keen on embracing technology (Marillo et al., 2024). However, linking individual development plans with organisational requirements is a challenging task because of the variation in career interests of the human capital that may not necessarily fit into the company's strategic agenda (Alsafadi & Altahat, 2021). This misalignment frustrates the individual, leads to job burnout or demotivation, and ultimately hampers the set development program (Yip et al., 2016). To overcome these barriers, leaders need to focus more on emotional intelligence and communication as emotional barriers can be mitigated effectively as and when leaders take their time to ensure that they enshrine trust, ensure that the benefits of Development programs are well understood and lastly, ensuring effective transition is done with much

empathy and clear communication (Sugiarti et al., 2021) If these difficulties are not addressed, they could threaten the full achievement of organisational objectives related to employee development.

The primary advantages of strategic employee development include higher productivity, increased workforce satisfaction, and improved leadership, all of which lead to long-term organisational success. To attain high levels of productivity and reduce staff turnover, organisations should consider training people in technical competencies and leadership aptitudes. This is based on Gallup's State of the American Workplace report, which states that organisations with engaged employees realise 21% higher profitability and 17% higher productivity than organisations with low employee engagement (Yip et al., 2016). They are essential in achieving objectives and maintaining a competitive edge in the rapidly growing modern business. Southwest Airlines is a good example of how strategic management of employees can be of great importance (Alateeg and Alhammadi, 2024). The organisation has developed efficient internal leadership growth programs to build its leadership bench and sustain ideal leaders (Sadikin et al., 2023). This has been good for their operations and satisfying customers, as seen in a cutthroat airline industry (Kane et al., 2018). Thus, the company's focus on valorising its employees has led to decreased turnover and the cultivation of innovation, where everyone is encouraged to develop ideas on how things could be improved (Sunoto and Daryanto, 2025). This coincides with another aspect of the Learning Organisation model by

Senge: his model highlights the importance of a shared vision and learning within teams (Orlova, 2021). Other elements of an organisation's success are embedded in engagement approaches and the correlation between individual goals and organisational strategy, which help organisations such as Southwest Airlines succeed and sustain themselves in a highly competitive environment.

Technology plays a crucial role in employee development by offering scalable, personalised learning opportunities, but it also presents challenges that need to be addressed. Technology has been recently involved in technological advancements in e-learning, artificial intelligence, and data analytics (Adeniyi et al., 2024). The benefits of organisational learning technologies make it easier for employees to learn anytime and from anywhere: The flexible delivery mode allows it to work for all the employees of an organisation and helps them to learn at their own pace (Sunoto and Daryanto, 2025). However, the challenges and limitations of using technology in employee development cannot be overlooked. There is a risk that employees may experience techno-stress or lack of motivation because they will receive training in a non-face-to-face manner. Further, some employees may not use technology as often or not have access to the same technology, which may affect the distinct learning approaches and specific results (Adeniyi et al., 2024). For instance, remote learning or e-learning may have drawbacks, especially for learners who have poor time management skills or lack skills in using technology, hence locking them out from fully benefiting from learning via such platforms (Adeniyi et al., 2024). These points suggest that while technological interventions may be instrumental in

building human capital, their effectiveness cannot simply be assumed and needs to be correctly context-sensitive regarding engagement and equality indicators.

Leaders have both positive and negative roles in fostering strategic employee development. Positively, good leaders with emotional, flexibility, and relativity skills can manage success in changing, streamlining work, and motivating innovation in business. These qualities are necessary for managing challenges in an ever-changing business context fueled by rapidly evolving technologies and fluctuating market demands. A good example is Elon Musk, CEO of Tesla, whose leadership has been critical in managing complicated technology advancements and product differentiation in the highly competitive electric industry (Adeniyi et al., 2024). Musk's strategy is based on innovation and in-depth knowledge of his workers, which has enabled Tesla to sustain superiority in terms of automotive industry share. This reflects Goleman's Emotional Intelligence model, specifically social awareness and relation management components, highlighting a leader's ability to empathise and manage relations effectively (Sunoto and Daryanto, 2025). Through developing such skills, leaders can motivate employees to adapt to changes, support organisational objectives, and assist in generating creative solutions. On the other hand, some leaders do not adequately promote strategic employee growth, frequently resulting in resistance and disengagement (Kipasika, 2024). For example, managers who do not possess emotional intelligence fail to be attuned to employee needs and concerns, leading to ineffective communication and mistrust (Autsadee et al., 2023). This can give rise to

frustration among employees and resistance to changes, which, in turn, affects program success. Also, tight directional orientation in terms of short-term goals alone or not aligning strategy for individual and organisational growth can misalign employee and organisational needs (Lis et al., 2022). Such misalignment can be found in companies unable to invest in leadership development, resulting in deterioration and decreased employee morale (Adeniyi et al., 2024). The inability to regulate these dynamics is also elucidated in Senge's Learning Organisation model, which points out that without compelling vision and facilitative leadership, companies can never effectively cultivate a learning culture for long-term success and innovation.

In conclusion, this essay has explained how strategic employee development is essential in increasing the effectiveness of employees and leaders. Thus, the issues and opportunities of such programs were discussed, as well as the position of the technology within the process. Additionally, effective leadership theories such as Goleman's Emotional Intelligence and Senge's Learning Organisation highlighted the key competencies necessary to lead in a complex environment and promote the generation of innovative ideas and high organisational performance. Organisations must pursue strategic employee development to ensure that they remain competitive and in a position to meet new challenges that arise in the marketplace. Therefore, when planning development interventions, organisations must ensure that such interventions align the intended changes with organisational objectives, strengthen key leadership skills, and adopt supporting technology systems to improve the capacity of teams to

deliver innovation whilst sustaining competitive advantage.

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