Enhancing Human Resource Excellence in Nepal: Role of Reskilling and Upskilling Initiatives

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Abstract:
This study explores the impact of reskilling and upskilling initiatives on human resources (HR) performance to enhance HR excellence within organizations. It also investigates the mediating role of organizational support in influencing the effectiveness of HR professionals. Using a quantitative research approach, data were collected from 132 HR professionals across various industries in Nepal. This study highlights a diverse workforce in terms of gender, age, positions, and sectors of employment, emphasizing the importance of inclusivity and recognition of non-binary identities in discussions of gender diversity. The study was conducted using a descriptive and correlational research design. SPSS and SMART PLS were used for data analysis. The findings underscored the crucial role of organizational support in mediating the relationship between skill development initiatives and HR excellence, emphasizing the importance of support for HR and skill development programs. This research contributes valuable insights to the field and offers practical recommendations for enhancing the effectiveness of HR professionals. The results highlight the pivotal role of organizational support in mediating skill development impact on HR excellence. These insights offer practical recommendations for enhancing HR professionals’ effectiveness and promoting inclusive HR practices.

Keywords: reskilling, upskilling, human resources excellence, organizational support, human resources, skill development.
A professional workforce must continually upskill and reskill to keep up with the pace of innovation due to changing demands on developing capabilities (Diaz & Halkias, 2021). Upskilling is acquiring new skills for a current job, whereas reskilling is learning new skills for a different role or career (Gratton, 2019). Ensuring employees can adapt to new technology, procedures, or job requirements while still being competitive in the labor market is the goal of reskilling and upskilling. This benefits both the business and the employee since it boosts output and improves work satisfaction and retention (Kanoria et al., 2023). Reskilling refers to learning new abilities to take on different job roles or functions. It allows businesses to retain exceptional employees even if their job or department is eliminated. However, upskilling is when employees learn new information and skills to help them do their current job better. It optimizes their performance while helping them navigate change (Elliott, 2023). Reskilling and upskilling are crucial for today’s changing job market. As technology and industries advance, people’s skills can become outdated. By investing in these initiatives, businesses tap into their employees’ potential, fill skill gaps, and navigate new industries, leading to innovation and long-term success in the ever-changing economy. The worldwide skills gap and the need for future employment have drawn attention to the need for upskilling and reskilling (Begum & Musa, 2023).

Nepal’s business world is changing fast due to technology and market shifts, making HR vital for growth. To succeed, HR needs to align with business goals, which is called HR excellence. A key part of this is helping employees learn new skills (reskilling) and improve existing ones (upskilling) to match the job market. The national policy objective of Nepal’s developmental agenda reflects the country’s aspirations for rapid economic growth and the enhancement of people’s standard of life via the development of human capital. The Nepalese government has come to understand the critical role that education and training can play in fostering growth that is both inclusive and sustainable (Sharma et al., 2021). Nepal’s rich culture and stunning landscapes make HR excellence extra important as the country aims to boost its economy and global influence. HR plays a significant role in training a skilled workforce. Ultimately, integrating reskilling and upskilling into HR practices enhances excellence, enabling professionals to navigate complexities and contribute to organizational success in Nepal. Thus, this study explores how the joint effect of organizational support and reskilling/upskilling initiatives influences the performance of HR professionals. Therefore, this study aims to examine the relationship between reskilling and upskilling and HR excellence and the moderating effect of organizational support on the relationship between reskilling and upskilling and HR excellence. The findings may be applied by different organizations operating in Nepal to design and implement their training programs to update their employees.

There is a lack of research specifically addressing the role of reskilling and upskilling initiatives in enhancing HR excellence within Nepal’s unique business environment. Most studies have been conducted in Western or more developed contexts, but Nepal lacks such studies. While the importance of organizational support in influencing the effectiveness of reskilling and upskilling initiatives is recognized within this article, there might be a gap in the literature regarding how precisely organizational support factors, such as resource allocation, training budgets, and time allocation, mediate the relationship between these initiatives and HR excellence outcomes.

2. Literature Review

2.1. Reskilling, Upskilling, and HR Excellence

In today’s ever-changing global landscape, the field of Human Resources (HR) has evolved into a cornerstone of success for organizations. The close connection between the workforce and a company’s objectives has caused a fresh approach in managing HR, particularly in regions such as Nepal. As Nepal’s economy continues to expand, the HR sector faces a unique blend of challenges and opportunities. The presence of well-trained HR professionals holds immense significance for Nepal’s sustainable growth.
Against this backdrop, the concepts of reskilling and upskilling have emerged as essential strategies. These strategies aim to close the gap in skills, adapt to technological advancements, and encourage a culture of continuous learning within the HR field. Reskilling involves learning new skills to perform different tasks, while upskilling focuses on improving existing skills to meet new demands (Diaz & Halkias, 2021). Various studies are conducted to study the role of reskilling and upskilling initiatives to enhance HR excellence. In this context, Niraula and Valentin (2019) addressed the notion that "deskilling" was only associated with low-status professions by conducting two ethnographic studies on high-skilled migrants in Denmark. The author argued that these immigrants covertly acquired new skills through unrelated, low-status employment or used their current capabilities in their daily lives, illustrating how the social construct of skills can change depending on the setting and historical circumstances. This study offers new insights into the rhetoric surrounding highly educated migrants in the Nordic region by critically analyzing skillling, deskilling, reskilling, and upskilling in the context of migration.

Somsathan et al. (2023) investigated how the COVID-19 pandemic has impacted industry and education, emphasizing the critical need to align these sectors to close the skills gap. The study listed variables, including COVID-19 and changing demographics, that have led to an increase in the gap between education and the Thai workforce. This study investigated international trends, including reskilling programs, revisions to vocational training, and lifelong learning, that might assist with these problems. The adoption of a comprehensive framework, such as a national policy in support of lifelong learning, would have a major impact on Thailand’s economic development, international competitiveness, and social cohesion, ultimately making the nation a dynamic player in the global economy of the 21st century.

Zayed et al. (2022) examined how the COVID-19 pandemic affected upskilling and reskilling approaches to improving the dynamic capability of the hospitality business, particularly in sub-Saharan Africa. In southern Nigeria, the study performed a cross-sectional survey with 220 participants from sixty hotel firms. Based on this research, changing human resource capabilities greatly determines how flexible hospitality organizations will be. As a way to improve industrial performance, upskilling and reskilling solutions to alter the capacity of workers were highlighted. The research emphasizes the importance of skill adjustment across functional areas to achieve departmental goals and enhance the overall performance of hospitality businesses.

Li (2022) examined the significance of the workforce’s reskilling and upskilling in the industry 4.0 age. With the transformation of manufacturing processes and the increasing impact of globalization, Industry 4.0 requires the acquisition of new skills and knowledge. The research highlighted the World Economic Forum’s predictions regarding the need for reskilling among employees and anticipated changes in essential job skills. It identified key skills sought by industries aligned with Industry 4.0 and emphasized the significance of lifelong learning as a strategic goal for organizations. The study advocated for accessible and affordable learning opportunities, such as reskilling and upskilling, to prepare individuals and companies for the future workforce.

Kilag and Padilla (2023) studied how educational leadership and management training programs impacted student learning outcomes, teacher retention, and school culture in the Philippines. This study employed a mixed-methods approach, obtaining information from educational leaders and teachers across multiple institutions using questionnaires, interviews, and document analysis. The findings showed that upskilling and reskilling had a positive impact on students’ academic performance, teacher retention, and school climate. The study additionally emphasized critical knowledge, abilities, and dispositions required for successful educational leadership and management, with an emphasis on successful pedagogical strategies and training techniques for this purpose.

Kanoria et al. (2023) studied how upskilling and retraining initiatives impact job satisfaction and staff retention in the industrial sector. A mixed-methods approach, including a review of the existing literature and a questionnaire survey, was used to gather data for the study. The findings of the study revealed that a significant proportion of respondents (55.7%) encountered difficulties in selecting the most suitable training program for their upskilling and retraining needs. This indicates a potential lack of knowledge and understanding among individuals regarding the available training options, which could hinder the effectiveness of such initiatives. The study highlighted that upskilling and retraining initiatives positively influenced worker productivity, efficiency, and job performance, while also providing access to exciting new career opportunities. This suggests that both organizations and employees can benefit from investing in upskilling and retraining programs in terms of improved productivity and growth.

2.2. Organizational Support and HR Excellence

Mogli (2015) examined how participation in decision-making, organizational equity, and managerial actions supporting subordinates are indicators of organizational support that can improve employee productivity. A survey questionnaire was designed based on the literature and distributed to 175 employees of Jordanian maritime transport businesses to achieve the objective. The study recommends that managers of Jordanian maritime transport companies improve their ability to train and inform personnel on effective decision making.

This study enhanced the depth of knowledge in the subject matter by introducing organizational support as
a mediator variable. The results of this research showed that employee empowerment is enhanced by both transformational leadership and organizational support. However, organizational support played no significant role in the relationship between transformational leadership and employee empowerment. This study provides critical light on the impact of transformational leadership and organizational support, expanding the body of understanding on employee empowerment (Yildirim & Naktiyok, 2017). Organizational support is essential for empowering employees in HR. It involved creating a common vision and shared values, fostering trust, and providing resources for knowledge and skill development. This support enhances employee perceptions, promotes organizational commitment and engagement, and improves decision-making processes. Overall, the significance of organizational support in HR empowerment is fundamental, leading to positive outcomes for both employees and the organization (Albayrak & Eurlurk, 2021).

Ahmad et al. (2022) investigated the moderating impact of organizational support when evaluating the relationship between the capabilities, willingness, and performance of HR professionals. Through a survey questionnaire, information was obtained from 183 managers of Pakistan’s commercial banks. The results showed that the abilities and willingness of HR professionals had a beneficial and significant impact on their productivity. The connection was mitigated by organizational support. The study provided recommendations to enhance the efficiency of HR professionals and added to the body of knowledge on organizational support for HR professionals in the local banking industry. It promoted the involvement of HR professionals in strategic planning and execution inside their companies.

The rapid advancement and integration of various technologies and methods continuously redefined the expected professional competence of employees in companies directly or indirectly affected by these changes. This transformation generated new job roles with distinct skill requirements, prompting individuals to continually refresh and expand their skill sets to remain relevant in the workforce. Aspiring job seekers must align their skills with specific job demands, while current employees must acquire new skills to remain valuable during technological shifts, contributing to industry growth. To address this challenge and retain the existing workforce, reskilling and upskilling emerge as crucial strategies (Sawant, et al., 2022).

Highlighting the need for reskilling and upskilling Abe et al. (2022) argued that the Fourth Industrial Revolution (4IR) had significantly transformed the landscape of work. It was evident that not everyone would be adequately equipped with the necessary skills for the evolving work environment. Profound underlying factors related to the future of work have sparked discussions concerning the impact of digitization on jobs and professions, the influence of artificial intelligence (AI), and the uncertainties surrounding post-automation employment and career opportunities. The shifting dynamics of work patterns and arrangements, the rise of the gig economy, and the concept of fissured jobs (where employment is in the form of outsourced services) are subjects of significant concern. Consequently, the notion of skill obsolescence and the imperative to undergo reskilling and upskilling are poised to become paramount.

Muchiri (2022) examined whether Kenyan businesses embraced a learning ecosystem for their employees, offering opportunities for upskilling and reskilling. This study used a mixed methodology, including surveys with expert respondents. The findings showed that over the past five years, 67.8% of Kenyan organizations planned skills training programs. Larger companies, such as multinationals, were more likely to have such initiatives than microenterprises. Approximately 70.4% of organizations reported experiencing skills gaps in their workforce or anticipated them in the future. Almost all expert respondents believed that skillling, reskilling, and upskilling were crucial for the future of work, enabling adaptation to new trends and remaining competitive.

Artificial intelligence (AI) has advanced rapidly in recent years, offering valuable tools for businesses worldwide. Companies are increasingly accepting and investing in AI technology. However, introducing AI into the workplace has led to challenges in reskilling the workforce to embrace these changes. This study analyzed the impact of AI on organizations and the need for reskilling the workforce. The researchers used existing data from various sources such as research papers, publications, and survey reports. The findings showed that AI has great potential in various fields, but there are hurdles to overcome, particularly in upskilling the workforce. Reskilling and upskilling are crucial to meet the changing demands of AI and the job market (Pradhan & Saxena, 2023).

2.3. HR Excellence

Competency mapping holds significant importance as a crucial exercise. Every efficiently operated company should possess well-defined job roles along with a clear list of required competencies for effective role fulfillment. This list served as a valuable resource for tasks such as hiring, managing performance, promotions, job placements, and identifying training needs. Before engaging in any task, it was crucial to outline the necessary job skills. This information aids not only in identifying individuals possessing the required skills for the task but also the skills that contribute to successful task execution. However, successful performance often requires more than just possessing these skills. It is equally vital to complement
these skills with appropriate knowledge and attitudes (Uddin, et al., 2012). Kalani and Kamrani (2017) explored how work teams impact human resources excellence. Examining team structure, leadership, control, mutual support, and communication, the research focused on their effects on delegation, motivation, and teamwork. Data from 200 employees at Torang Darya Shipping Company revealed that team-related factors significantly affected human resources excellence, except for mutual support.

### 2.4. Theoretical Support

One theory related to upskilling and reskilling in HR is the Human Capital Theory. Becker (1975) emphasized the significance of investing in the development of employees’ skills and knowledge to enhance their productivity and value to the organization. Human Capital Theory suggests that individuals are like “capital” assets for an organization, and their skills, education, and training contribute to their overall productivity and economic value.

In the context of upskilling and reskilling, Human Capital Theory highlights the significance of continuously investing in employees’ learning and development. Upskilling refers to improving the existing skills of employees, while reskilling involves training them in entirely new skills that align with the organization’s evolving needs. As cited in Wuttaphan (2017), Becker’s seminal work in 1964 highlighted that human capital can be acquired through diverse channels, including education, training, migration, and health. These avenues enabled individuals to acquire a spectrum of knowledge, skills, and competencies through various means. Corporations engage in human capital investment because they perceive individuals as valuable assets. This strategic investment anticipates a favorable return on the firm’s resources, creating positive future value from their commitment.

![Conceptual framework](image-url)

**Figure 1.** Conceptual framework (Developed by the authors)

### 2.5. Operational Definition of Variables

#### 2.5.1. Education and Training

Education refers to the formal or informal acquisition of new knowledge, skills, and understanding through instruction, study, or experience, frequently through conventional educational programs or online courses, in the context of reskilling and upskilling. It is comparable to passing down significant values and knowledge that a society has acquired over time. Likewise, training is a methodical process that provides people with the particular knowledge and abilities needed for successful job performance. It typically includes on-the-job training, workshops, or specialized courses. Workplace training typically tries educating employees on specific skills or address issues with how they perform their jobs. They quickly go through a process where they acquire new skills, develop existing ones, or alter their mindsets to perform better at work. The effectiveness of human resource management (HRM) can be significantly improved with the use of a proper educational strategy, which can also increase an organization’s overall financial success. A thorough analysis of training requirements and the setting of pertinent training objectives are necessary steps to enable the successful implementation of education and training projects (Stavrinoudis and Psimoulis, 2017).

#### 2.5.2. HR Excellence

HR excellence refers to the attainment of high levels of performance, effectiveness, and efficiency within an organization’s Human Resources (HR) department. Every well-run business should have clearly defined positions and a list of competencies needed to perform each role successfully. Such a list should be used for hiring, performance management, promotions, placements, and identifying training needs. It is crucial to first define the abilities needed for the task before performing or conducting the work. This data aids in both finding people with the necessary skills for the job as well as those whose abilities will help the job be done successfully (Uddin, et al., 2012). Such identification of defined positions and roles can bring the Excellency in HR in terms of productivity, career advancement, etc.

#### 2.5.3. Organizational Support

The resources, systems, and structures that a company offers to its staff to help them perform their jobs well and accomplish the company’s objectives are
referred to as organizational support. The notion of support from a company has a big impact on many aspects of an employee’s life, such as their well-being, their general attitude toward the company and their work, and the behaviors that are good for the company (Eisenberger & Stinglhamber, 2011).

2.6. Hypotheses

H₁: There is a significant relationship between training and education and HR excellence.

H₂: Organizational support mediates the relationship between reskilling and upskilling initiatives and HR Excellence.

3. Methodology

To examine the mediating function of organizational support in the context of reskilling and upskilling initiatives for HR excellence, a quantitative research approach was employed. A descriptive and causal comparative research design was used. The target demographics comprised HR professionals from diverse businesses, and participants were selected using a convenience sampling method. For collecting data, 132 professionals were selected. A Google Form-based structured questionnaire was used as the data collection tool. This study used primary data, which had been collected using a standard survey.

The questionnaire items were adapted from previous studies by Muchiri (2022) and Kanoria et al. (2023) and modified to suit the specific context of this research. The data collection procedure involved distributing the Google Form questionnaire through email and social media platforms, accompanied by clear instructions on how to complete it. Data collection was performed over a specific duration, approximately one month. Collected data were cleaned to eliminate incomplete or inconsistent responses, and descriptive statistics were employed to summarize demographic characteristics and key variables. SMART-PLS and SPSS were used to analyze the data and determine the results.

4. Data Analysis and Results

Table 1 illustrates the gender distribution within the group of 132 individuals. Among this group, 50 individuals, or 38.50%, were identified as male, while 79 individuals, accounting for 59.20% of the total, were female.

<table>
<thead>
<tr>
<th>Gender</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>50</td>
<td>38.50%</td>
</tr>
<tr>
<td>Female</td>
<td>79</td>
<td>59.20%</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>2.30%</td>
</tr>
<tr>
<td>Total</td>
<td>132</td>
<td>100%</td>
</tr>
</tbody>
</table>

Additionally, there are 3 individuals, constituting 2.30% of the total, who identify as other. This data offers insights into the composition of the group with regard to gender, highlighting a slight majority of females and a smaller representation of males, along with a small percentage of individuals who do not fall into the binary gender categories of male and female. The results of the analysis were dominated by the opinions of females. Thus, the findings of the results would be more applicable to female employees. However, the male percentage is also a significant portion, so the findings can be applied to male employees as well.

Table 2. Age of the respondents (Developed by the authors)

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 20 Years</td>
<td>14</td>
<td>10.60%</td>
</tr>
<tr>
<td>20-30 Years</td>
<td>66</td>
<td>50%</td>
</tr>
<tr>
<td>Above 30 Years</td>
<td>52</td>
<td>39.40%</td>
</tr>
<tr>
<td>Total</td>
<td>132</td>
<td>100%</td>
</tr>
</tbody>
</table>

Among the 132 respondents, it is evident that the majority falls within the age range of 20 to 30, accounting for 50% of the total. This indicates a substantial representation of individuals in the young adult category. Additionally, 39.40% of the respondents were above the age of 30, suggesting a significant presence of more experienced individuals. Conversely, those below the age of 20 constitute 10.60% of the total, representing a smaller but still noteworthy portion of the respondents. While considering the age of the respondents, the study finding is applicable more prominently in the age group 20 years and above because most of the respondents are selected from the same group.

Table 3. Working areas of the respondents (Developed by the authors)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking</td>
<td>49</td>
<td>37.12%</td>
</tr>
<tr>
<td>Education</td>
<td>17</td>
<td>12.88%</td>
</tr>
<tr>
<td>Government</td>
<td>25</td>
<td>18.95%</td>
</tr>
<tr>
<td>IT</td>
<td>27</td>
<td>20.45%</td>
</tr>
<tr>
<td>Health care</td>
<td>14</td>
<td>10.60%</td>
</tr>
<tr>
<td>Total</td>
<td>132</td>
<td>100%</td>
</tr>
</tbody>
</table>

The data show a breakdown of the sectors in which the 132 respondents were employed. It is evident that a diverse range of sectors are represented within this group. The largest proportion of respondents worked in the banking sector, with 49 individuals, constituting 37.12% of the total. Following closely behind is the information technology (IT) sector, employing 27 individuals or 20.45% of the group. The government sector is also well represented, with 25 individuals making up 18.95% of the respondents. Meanwhile, the education sector employs 17 individuals, accounting for 12.88% of the total, and the health care sector employs 14 individuals, making up 10.60% of the group. This data provides valuable insights into the occupational distribution of the respondents, revealing various
sectors with banking and IT as the most prominent fields of employment. The findings of this study are more applicable to banking, IT, and government sector organizations in Nepal because the results of the study are dominated by the opinion of the employees of these sectors.

Table 4. Assessment of variables used in the study (Developed by the authors)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reskilling and Upskilling</td>
<td>1.333</td>
<td>5</td>
<td>3.744</td>
<td>0.995</td>
</tr>
<tr>
<td>HR Excellence</td>
<td>1.2</td>
<td>5</td>
<td>3.80</td>
<td>1.074</td>
</tr>
<tr>
<td>Organizational Support</td>
<td>1.25</td>
<td>5</td>
<td>3.583</td>
<td>1.046</td>
</tr>
</tbody>
</table>

* Total number of observations is 132.

In this dataset comprising 132 observations, we can discern the key characteristics of three important variables. Firstly, ‘reskilling and upskilling’ scores vary between approximately 1.33 and 5.00, with an average score of approximately 3.74. This indicates a moderate degree of variability, suggesting that while the mean score reflects a moderate level of reskilling and upskilling efforts, individual responses vary around this average, as indicated by a standard deviation of approximately 0.995. This implies that reskilling and upskilling practices in Nepal are at a moderate level. Secondly, HR excellence scores range from 1.2 to 5.0, with an average of approximately 3.80, and a moderate level of variability indicated by a standard deviation of approximately 1.074. It shows that the use of HR and their performance is at a moderate level. There is room for improvement in HR excellence. Finally, ‘organizational support’ scores ranged from 1.25 to 5.00, with an average score of approximately 3.58, and again, a moderate level of variability, with a standard deviation of approximately 1.04693. This shows that organizational support for reskilling and upskilling in Nepalese organizations is at a moderate level.

Table 5. Correlation matrix (Developed by the authors)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Reskilling and Upskilling</th>
<th>HR Excellence</th>
<th>Organizational Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reskilling and Upskilling</td>
<td>1</td>
<td>0.817** (0.001)</td>
<td>0.793** (0.001)</td>
</tr>
<tr>
<td>HR Excellence</td>
<td>0.817** (0.001)</td>
<td>1</td>
<td>0.786** (0.001)</td>
</tr>
<tr>
<td>Organizational Support</td>
<td>0.793** (0.001)</td>
<td>0.786** (0.001)</td>
<td>1</td>
</tr>
</tbody>
</table>

** Correlation is significant at the one percentage level of significance (2-tailed).

In this dataset, “organizational support” plays a crucial role as a mediating variable between “reskilling and upskilling” and “HR excellence”. Essentially, it signifies that the level of support an organization provides for initiating reskilling and upskilling programs influences both the effectiveness of HR practices and the success of these skill development initiatives. The data strongly support this mediating relationship.

First, it reveals a robust positive correlation (0.793) between “reskilling and upskilling” and “organizational support,” indicating that organizations that invest in enhancing employee skills tend to receive more support from the organization itself to perform these initiatives. This support could include financial resources or commitment from the leadership.

Second, the substantial positive correlation (0.786) between “organizational support” and “HR excellence” suggests that when organizations provide significant support for endeavors such as reskilling and upskilling, their HR practices tend to excel. Furthermore, the noteworthy positive correlation (0.817) between "reskilling and upskilling" and "HR excellence," even when considering the mediating effect of "organizational support," indicates that not only is there a direct relationship between skill development and HR excellence, but part of this connection is explained by the support the organization offers for skill-building efforts. It declares that the effectiveness of reskilling and upskilling programs and the leverage of HR excellence depend on organizational support in terms of resources, time, and budget.

In essence, the data emphasize that organizations that actively endorse and support reskilling and upskilling initiatives tend to have superior HR practices. Furthermore, this support acts as a mediator, helping to elucidate why investments in employee skill development led to improved HR performance, highlighting the critical role of organizational support in the success of HR and skill development programs within a company.

4.1. Measurement Model

The measurement model, sometimes referred to as the external model in PLS-SEM, explains the relationship between the concept and the indicator variables. The reliability, convergent validity, and discriminate validity of the measurement model construct are investigated.

4.2. Reliability and Convergent Validity

Table 6 provides reliability and validity statistics for three different constructs: RU (reskilling and upskilling), OS (organizational support), and HR (HR excellence).
Cronbach’s alpha: It measures how consistently a set of questions within each construct assesses the same underlying concept. Higher values (above 0.70) suggest good internal consistency. RU (reskilling and upskilling) has a score of 0.914, OS has 0.928, and HR (HR Excellence) has 0.959. This shows that the reliability of the instrument is sufficient for further processing.

Composite Reliability (rho_a and rho_c): These are also indicators of internal consistency, with higher values (above 0.70) (Fornell and Larker, 1981) indicating better reliability. RU has values of 0.918 (rho_a) and 0.946 (rho_c), OS has 0.930 (rho_a) and 0.949 (rho_c), and HR has 0.960 (rho_a) and 0.968 (rho_c). This shows that every construct taken for the study using the questionnaire is reliable enough for further analysis.

Average Variance Extracted (AVE): AVE measures how well the items within each construct relate to each other compared with other constructs. Values above 0.50 are considered good, indicating strong convergent validity. Reskilling and Upskilling (RU) has an AVE of 0.782, organizational support (OS) has 0.759, and HR excellence has 0.823. All values are more than the cutoff value. Therefore, the data are reliable for further processing.

4.3. Discriminant Validity

The following tests were performed to measure the discriminant validity of the model.

4.3.1. The Fornell and Larker Criterion

Table 7 displays the correlation coefficients among various variables, with the diagonal values representing the square root of the average variance extracted (AVE).

Table 7. The Fornell and Larker criterion (Developed by the authors)

<table>
<thead>
<tr>
<th>Variables</th>
<th>HR Excellence</th>
<th>Organizational Support</th>
<th>Reskilling Upskilling</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR Excellence</td>
<td>0.927</td>
<td>0.795</td>
<td>0.819</td>
</tr>
<tr>
<td>Organizational Support</td>
<td>0.795</td>
<td>0.907</td>
<td>0.805</td>
</tr>
<tr>
<td>Reskilling Upskilling</td>
<td>0.819</td>
<td>0.805</td>
<td>0.924</td>
</tr>
</tbody>
</table>

Specifically, the values 0.907, 0.927, and 0.924 correspond to the square root of AVE for HR excellence, organizational support, and reskilling and upskilling. It has been observed that the AVE’s square root is larger than the corresponding correlation coefficients (Chin, 1998), thereby meeting the criteria for discriminant validity. Additionally, all correlation values were below 0.85, indicating that there was no significant issue of multicollinearity in this study.

4.3.2. HTMT Ratios

Table 8 presents the Heterotrait-Monotrait (HTMT) ratio as a method to check discriminant validity. The average item correlations for different constructs divided by the mean of the average correlations for the items measuring the same construct is known as the HTMT (Hair et al., 2019). All the values of the HTMT ratios are below 0.85, which is within the threshold suggested by Kline (2011). Therefore, discriminant validity is established.

Table 8. HTMT ratios (Developed by the authors)

<table>
<thead>
<tr>
<th>Variables</th>
<th>HR excellence</th>
<th>Organizational support</th>
<th>Reskilling upskilling</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR excellence</td>
<td>0.836</td>
<td>0.841</td>
<td>0.837</td>
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<tr>
<td>Organizational support</td>
<td>0.836</td>
<td>0.841</td>
<td>0.837</td>
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<tr>
<td>Reskilling upskilling</td>
<td>0.836</td>
<td>0.841</td>
<td>0.837</td>
</tr>
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</table>

4.3.3. Hypothesis Testing

The model was assessed using the bootstrapping approach with 5000 resamples to evaluate the significance of the path coefficient and verify the validity of the hypotheses.

Figure 1. Bootstrapping results (Developed by the authors)

Figure 2 shows the regression coefficients, p-values, and beta coefficients. The value of the R square is 0.672. This indicates that 67.2% of the total variation in HR excellence is explained by reskilling and upskilling. 33.8% of the variation is explained by other factors that are not included in this model. This shows that reskilling and upskilling itself explains most of the portion of HR excellence. Therefore, reskilling and...
upskilling are important factors for leveraging HR excellence.

\( H_1 \): A positive relationship exists between training and education and HR excellence. Table 9 shows that the value of beta is 0.820 and the p-value is less than 0.05. Therefore, hypothesis 1 is accepted. It can be concluded that intervention in reskilling and upskilling activities by different organizations in Nepal can leverage HR excellence.

4.4. Mediating Analysis

The data were divided into reskilling, upskilling initiatives, and HR excellence with the mediating effect of organizational support.

![Figure 3. Mediating effect of organizational support (Developed by the authors)](image)

\( H_2 \): Organizational effect has mediating effects between reskilling and upskilling initiatives and HR Excellence.

Table 10 shows a moderating relationship of organizational support between reskilling and upskilling initiatives and HR excellence. This hypothesis is accepted because the p-value is less than 0.01. It can be concluded that organizational support in terms of time and budget for reskilling and upskilling activities such as training and education updates to the employees obviously enhances HR excellence in the different organizations of Nepal.

5. Discussion

This study examined the impact of upskilling and reskilling on HR excellence. The goal of this study was to determine how training and education affected human resources excellence. The primary aim, which was based on the conceptual framework of the study, was to investigate the link between the dependent variable, HR excellence, and the independent variable, reskilling and upskilling efforts. According to the research findings, the association between reskilling and upskilling and HR excellence is both positive and significant. The reskilling programs like training and education and upskilling programs such as soft skill programs, providing opportunities for further studies help leverage the excellence of the employees such as increase in effort of employees in the workplace, participating in new idea generation, performing works in better way, lowering employee turnover and increasing retention of employees. This finding is consistent with previous studies (Kanoria, et al., 2023; Zayed et al., 2022; Diaz & Halkias, 2021). The studies found that reskilling and upskilling programs inculcate useful new skills in employees that help leverage HR excellence. These programs also provide workers with a sense of purpose, which boosts motivation and job happiness. Investing in employee development through upskilling and reskilling can also increase retention rates while lowering the expenses of hiring and onboarding new employees. Both studies suggested implementing reskilling and upskilling programs to leverage the performance and behavior of employees. The findings are similar because the upskilling and reskilling activities help update and develop the skills and concepts of employees at every level and sphere across the context.

This study also aims to investigate how organizational support and activities for reskilling and upskilling interact to affect HR excellence. We discovered that organizational support and HR excellence.
excellence had a favorable and significant relationship. This means that organizational support in terms of facilities, resources, budget, and time helps enhance the effectiveness and efficiency of human resources. This finding is consistent with the finding of a previous study by Ahmad et al. (2022). It may be so because without the support of organizations cannot be implemented training and education programs. In the absence of these programs, upskilling and reskilling is not possible, and without updating employees, HR excellence cannot be assumed. The study also discovered that organizational support plays a partially moderating role in the relationship between reskilling and upskilling and HR excellence. This implies that organizational support, such as support of time, budget, and resources, plays an important role in upskilling and reskilling activities that leverage the performance of the employees, such as effort in the workplace, lowering employee turnover, and innovative idea creation. This finding is consistent with the research findings of Yildirim and Naktiyok (2027) and Albayark and Erlurk (2021). The findings of this study are similar to those of previous studies because reskilling and upskilling is possible only when the organization provides support for reskilling and upskilling programs. Until skill development programs are provided to the employees, HR excellence is not possible. Therefore, organizational support is a key factor in developing skills and creating HR excellence at all levels and geography across the world.

Human Capital Theory highlights the significance of continuously investing in employees’ learning and development. As cited in Wuttaphan (2017), Becker’s seminal work in 1964 highlighted that human capital can be acquired through diverse channels, including education, training, migration, and health. The research findings support the notion of human capital theory. Upskilling and reskilling through education and training is essential for updating and developing the skills of employees in every context. Thus, the theory’s notion has been accepted by the study findings. It shows that the human capital theory is rational in Nepalese business environment for HR excellence.

6. Conclusion and Implications

The study concludes that organizational support helps to upskill and reskill employees as per the requirements of organizations and employees. The upskilling and reskilling effort specifically, education and training help to update and learn new skills that help to HR excellence. The relevance of organizational support for HR and skill development programs is further emphasized by our research findings, which also highlight the crucial role of organizational support in mediating the relationship between skill development initiatives and HR excellence. Overall, our study contributes valuable insights to the field and offers practical recommendations for enhancing the effectiveness of HR professionals.

The study recommends that more budget, time, and resource support should be provided by the organizations to enhance the skills of employees and ultimately the HR excellence. Different organizations working in Nepal should develop training and development programs in collaboration with other organizations. Implementing training and development programs in support of concerned organizations helps reskill and upskill employees that help maintain and leverage HR excellence. The study also recommends Nepalese organizations to revamp their existing reskilling and upskilling policies to improve HR excellence.

The study found a new one in Nepal. Thus, further researchers can replicate the methodology and undertake the research to confirm the results of the research. Similarly, further researchers can undertake research by increasing the sample size to robustly test the findings of the study. This study is undertaken collecting data at a point in time, but further researchers can undertake research collecting data at different points in time. Similarly, the study has considered only education and training as independent variables, but further researchers can consider other variables such as; team work and participation to undertake research that helps test the theory in a broader way.

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