Strategic Human Resources Management as a Success Factor to Achieve Total Quality Management

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Abstract: *Many organizations are facing a lot of internal as well external challenges while trying to stabilize their staff retention rates, designing a job, training an individual with in the organization, setting rules for compensations and benefits, and helping staff members to balance between family and professional life requires a great effort in forming strategic human resources management standards. Approach, deployment, results and improvement (ADRI) model is used as a basis to bifurcate the main HR functions and relate them to total quality management. The paper constitutes fundamentals for building a comprehensive model to address the aspects of strategic human resources management in a particular environment as most of the adopted models are more reliable in case of newly established firms.*

Keywords: Strategic Human Resource Management, Total quality management, Approach, Deployment, Results, Improvements.

1. Introduction

According to Dean Bowen (1994), the key points of TQM are the customer focus, continual improvements and team work. To implement each of them, a number of practices are needed. In the opinion of Raffio (1993), the involvement of employees as well as the commitment of management is also integral parts of the Total quality management. BQA (British Quality Association) puts forward too many definitions for Total Quality Management. First is focusing on the softer qualitative attributes such as customer oriented, taking advantage of the culture, performance barriers removed, team work, training, and involvement of employees. Steingard and Fitzgibbons (1993) define TQM as „a set of techniques and procedures which should be used to reduce or eliminate variation in production processes". Rahman and Bullock (2005) considers the elements of Quality Management as soft and hard elements. Hard elements are related to continuous improvement and the organization"s global system. Soft elements are based on human factors which means leadership, HRM and strategic planning (Rahman and Bullock, 2005). Studies show that though both hard and soft elements contribute to the directly for the success of the company, the soft elements also indirectly affect the performance, because they create an environment that facilitates the implementation of the hard elements. (Yamada et al., 2013). Badungodage et al. (2012) in a dissertation identify a number of areas where quality management is applicable in HRM. They point out that TQM in HRM functions are mainly in the areas of Job design and analysis, recruitment, selection, hiring and induction, training and development, employee empowerment, employee participation, team work, and leadership.

2. Review of Literature

Many companies have been successful by the implementation of TQM. The Exxon Mobil, Toyota, Honda,

Xerox etc. are few among the examples. These major companies at some stage of their development found that the success of the company will sustain only by implementing Total Quality Management. Honda in Japan is a classic example of successful implementation of TQM.

Honda Motor Company Ltd is a classic example of a company that implemented TQM. Honda is a Multi-National Company and the largest manufacturer of motorcycles since 1959. They are also the largest manufacturer of internal combustion engine. They are the 6th largest manufacturer of automobiles in the world. Honda"s fundamental design philosophy is marked by their attempts to maximize space and comfort for people and reducing the space required for the mechanical components. Honda"s R&D department has developed very comfortable models for customers. Some of the technologies used were combing break system, nondramatic transmission, fuel injection, idle stop system etc. Honda"s management policy is based on three joys, the joy of people who buy them, who sell them, and who produce them. The quality objective of Honda is to maintain an international view point of supplying products of high quality and reasonable price. Honda"s quality cycle links design and development, production preparation, production, sales and after sales service and collection and analysis of quality related data from customers (World.honda.com, 2016).

TQM methodology in Honda can be summarized as customer focused view point, increased efficiency, cost cutting efforts, delegation of authority, expediting daily operations, and new product development. Though HRM is applicable in all these areas, the major area of HRM in this matter can be traced in delegation of authority and expediting daily activities. In Japan, Honda offers a training curriculum divided into four courses according to in house qualifications and the extent of individual workers" quality control responsibilities in order to improve associates" quality assurance skills. Honda"s QC Basic course also

provides an example of their training of personnel to be leaders in quality improvement (World.honda.com, 2016).

Hence the quality management of Honda is mainly done through HRM activities which help in improving the quality of the products and sales. In addition to that Honda‟s employees were prepared to take the feedback and change accordingly. We can say the success of Honda in the highly competitive field of automobile industry accounts to the implementation of TQM and that too is implemented greatly through HRM activities.

Another example of successful quality management in telecom industry can be traced in the story of Bharati airtel, a leading telecom provider in India. The company has a lot of competition and they decided to focus on customer satisfaction by improving quality of services and operation. Quality improvement in services is mainly connected to HRM and the steps taken include increasing the quality is service and supply. In service they improved the tangibility, reliability, responsiveness, assurance to the employees and empathy to the customers. Tangibility is the physical appearance of premises and the equipment. Reliability is the products assurance of being dependable, responsiveness stand for the company‟s response and interest in the customers‟ issues. Assurance is the trust and confidence among the employees and empathy to the customers is how well they understand the problems of the customers and respond to it. Bharati Airtel is India most successful telecom provider standing neck to neck with the top provider, the state owned BSNL and better performer in many areas including data sales (Dissanayake, 2013).

3. Strategic Human Resource Management (SHRM) and Total Quality Management (TQM)

3.1 Job Design (JD) refers as the "specification of contents, methods and relationships of jobs in order to satisfy technological and organizational requirements as well as the social and personal requirements of the job holder". Further this definition is defined based on industrial perspective and also based on JD techniques and models. JD in terms of individual perception of the blue collars is more important to be considered for motivation of individuals Rush (1971, p. 5).

3.2 Recruitment and selection refer to "any practice or activity carried on by the organization with the primary purpose of identifying and attracting potential employees." However, because of differences in their strategies, companies may assign different degrees of importance to recruiting. In general, all companies have to make decisions in three areas of recruitment: personnel policies, recruitment sources, and the characteristics and behavior of the recruiter. These aspects of recruiting have different effects on who the organization ultimately hires. An applicant's decision to accept a job offer-and the organization's decision to make the offer-depend on the match between vacancy and applicant characteristics (Noe, Hollenbeck, Gerhart, & Wright, 2004).

3.3 Compensation refers to all forms of financial returns and tangible services and benefits that employees receive as part of an employment relationship. Employee benefits, in particular, refer to the part of the compensation package, other than pay for time worked, provided to employees in whole or in part by employer payments (e.g., life insurance, pension, workers' compensation, and vacation). In sum, it is the total of all rewards given to the workforce in return for their services (Edralin, 2007; Mondy & Mondy, 2012).

3.4 Training and development: Training is a set of activities aimed to facilitate learning of knowledge, attitude, and skills among people in the organization, which are intended, in tum, to improve their current job performance and contribution to the achievement of organizational goa1s. Development, on the other hand, involves long-term planned efforts to enhance the total growth of the human resources that will lead to the fulfillment of personal and organizational goals (Edralin, 2007).

3.5 Performance management is the "process through which managers ensure that employees' activities and outputs contribute to the organization's goals" (Noe, et a1., 2004). It is crucial, especially when the business is complex and goals are constantly changing. Measuring and rnanaging performance is a challenging task and one of the keys to gaining competitive advantage. The Hewitt Asia Best Employer study (2005) was able to identify two performance management practice characteristics that differentiate the Best Employers in Asia: Regular feedback and Rigorous / effective performance management.

3.6 Work-family balance may be defined as the degree to which an individual is able to simultaneously balance the ternporal, emotional, and behavioral demands of both paid work and family responsibilities (Hill, Hawkins, Ferris, and Weitzman,2001). Firms are able to provide work-life balance when employees' work is flexible and rotated, long hours are avoided, and various forms of wellness programs are offered in the workplace.

3.7 Labor or employee relations pertain to a set of processes and procedures utilized in the interaction between the employees and employer to attain their respective goals while accornmodating the needs of both parties. This interaction can include communication, interpersonal relationships, participation, discipline, and grievance resolution. According to Edralin (2003), labor relation is the dynamic process of interaction between and among workers (represented by their union) and the employer to achieve their respective goals. The Philippine Labor Code stipulates that labor relations cover union administration, collective bargaining, and dispute settlement other resources required.

3.8 Diversity can be defined as acknowledging, understanding, accepting, and valuing differences among people with respect to age, class, race, ethnicity, gender, disabilities, etc. (Esty et al. 1995). Companies need to embrace diversity and look for ways to become inclusive organizations because diversity has the potential to yield greater work productivity and competitive advantages (SHRM 1995). Stephen Butler, co-chair of the Business-Higher Education Forum, believes diversity is an invaluable

competitive asset (Robinson 2002). Managing diversity is a key component of effective people management in the workplace (Black Enterprise 2001). Required tools for Managing Diversity are effective managers are aware that certain skills are necessary for creating a successful, diverse workforce. First, managers must understand discrimination and its consequences. Second, managers must recognize their own cultural biases and prejudices (Koonce 2001).

Diversity is not about differences among groups, but rather about differences among individuals. Each individual is unique and does not represent or speak for a particular group. Finally, managers must be willing to change the organization if necessary (Koonce 2001). Organizations need to learn how to manage diversity in the workplace to be successful in the future (Flagg 2002).

Proposed conceptual Model for SHRM & TQM
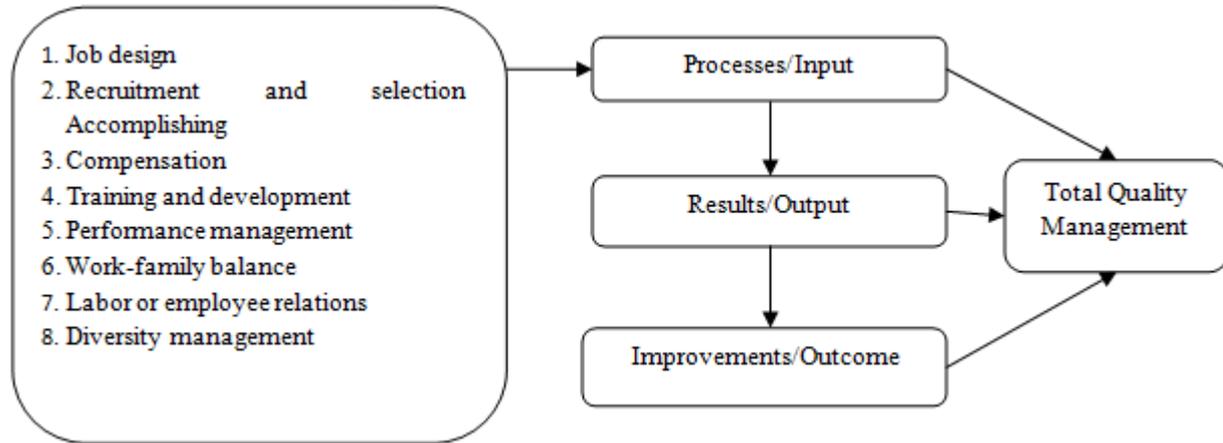
Source: Researcher 2016

4. Discussion

Job designs involve doing a whole piece of work and are challenging but achievable. Job design refers to the process of putting together various elements to form a job, bearing in mind organizational and individual worker requirements, as well as considerations of health, safety, and ergonomics. Train employees to have the knowledge and skills to perform all parts of their job and give them the authority and accountability to do so. Job enrichment is important for retaining your employees.

Following this one major step is needed management should clearly establish disseminate responsibilities of team leaders and their expected outcomes, definitely it should best of its range in other words as a team the leader should know that he/she owns the product and try to cater and serve others with a perfect zero defect type of product or service. Evaluate and pay people based on their performance, not simply for showing up on the job. Offer rewards for skill development and organizational performance, emphasizing teamwork, collaboration, and responsibility for performance. Help employees identify new skills to develop so that they can advance and achieve higher pay and rewards. Compensation systems that include incentives, gain sharing, profit-sharing, and skill-based pay reward employees who learn new skills and put those skills to work for the organization. Employees who are trained in a broad range of skills and problem solving are more likely to grow on the job and feel more satisfaction.

When employees have access to information and the authority to act on that information, they"re more involved in their jobs and more likely to make the right decision and take the necessary actions to further the organization"s goals. Similarly, rewards need to be linked to performance, so that

employees are naturally inclined to pursue outcomes that will gain them rewards and further the organization"s success at the same time. Achieving organizational goals and objective is not an easy task for most of the organizations to accomplish; meanwhile business prosperity requires a great deal continuous development which in return enhances the productivity.

Strategic human resource management could also be phased into various stages, foremost one is setting the **approach** to adopted within the organization, here management is required to lay down the package of processes that the human resources department should take into consideration while recruitment, selection, training , compensation etc. Recently supervisors" role is not only identify the faults and mistakes rather they are trying to find the bottom line of the situation and by all means try to fix it in a way that it may not take place in future, in reality when an approach is **deployed** many checking points should have been recognized by the team leaders and circulated to the subordinate accordingly. This takes quality to a new era of sharing the responsibilities letting even the customers or end user as good as partners; stakeholders" requirements are the blue prints for the service or product providers. The core concept or philosophy behind that is quality is considered as firm-wide activity it should be owned by everyone within the organization.

As a **result** of the above two activities organization would reach the stage of having results in terms staff educational and training plans, does the management support the HR department with the required budgets?, and where the new policies communicated effectively. Results measurement stage also is a crucial phase in the quality cycle as without end results organization can not envisage the future. Each goal or a sub goal should be given a measureable key performance indicator that quantify the how effective is the

outcome achieved. As in most of the cases of quality assurance, management and continuous improvements models internal and external audits and reviews are conducted, a very stress full standardized inspections, interviews, portfolio checking etc., if it is not a culture within the organization staff and other stake holders may feel it is just documentation, that"s why results stage shows the direction to which the organization is heading to.

Soon as the organization have identified areas of better performance, average, poor and very-poor performance, rigorous actions should take place to **improve** the standards and maintain a culture of sustainable improvement. The victory of institutions depends on their management strategy on how to identify, classify, analyze, and to react to the effective approach. Although there are more TQM critical success factors researchers have carried out in various industries, it is obvious that they are trying to refine the findings of the previous studies. This study revealed that TQM would leave an excellent impact on the goals of the institutions, and would create value in enhancing the economic value.

Another key to successful SHRM in today"s business environment is embracing "diversity management". In past decades, "diversity" meant avoiding discrimination against women and minorities in hiring. Today, diversity goes far beyond this limited definition; diversity management involves actively appreciating and using the differing perspectives and ideas that individuals bring to the workplace. Diversity is an invaluable contributor to innovation and problem-solving success. The more diverse the group in terms of expertise, gender, age, and background, the more ability the group has to avoid the problems of groupthink. Diversity helps company teams to come up with more creative and effective solutions. Teams whose members have complementary skills are often more successful because members can see one another"s blind spots. Members will be more inclined to make different kinds of mistakes, which mean that they"ll be able to catch and correct those mistakes.

5. Conclusion

A diverse workforce is a reflection of a changing world and marketplace. Diverse work teams bring high value to organizations. Respecting individual differences will benefit the workplace by creating a competitive edge and increasing work productivity. Diversity management benefits associates by creating by creating a fair and safe environment where everyone has access to opportunities and challenges. Management tools in a diverse workforce should be used to educate everyone about diversity and its issues, including laws and regulations. Most workplaces are made up of diverse cultures, so organizations need to learn how to adapt to be successful.

Strategic human resource management is not just a function of the HR department but all managers and executives need to be involved because the role of people is so vital to a company"s competitive advantage. In addition, organizations that value their employees are more profitable than those that do not. Research shows that successful organizations have several things in common, such as providing employment security, engaging in selective hiring, using self-managed teams, being decentralized, paying well, training employees, reducing status differences, and sharing information. When organizations enable, develop, and motivate human capital, they improve accounting profits as well as shareholder value in the process. The most successful organizations manage HR as a strategic asset and measure HR performance in terms of its success point, hence leading to TQM of the organization.

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