



## Augmenting Quality of HR Services: Issues and Challenges

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**ABSTRACT** Most of the organizations across the world have adopted Total Quality Management (TQM) to remain competitive. However, it is sad but true that entire focus of TQM efforts revolve around shop floor. HR functions and services remain outside the ambit of TQM endeavours. Little is done to integrate HR functions with overall TQM initiative in spite of being so critical for the success of total quality in the context of any organization. This paper provides not only rationale for integrating HR functions with overall TQM campaign but also the holistic way of doing so. Further, the paper examines issues and challenges in augmenting quality of HR Services.

**KEYWORDS :** TQM, HR Services, Competitiveness

### Introduction

Human Resource Management is critical for success of TQM efforts in any organization. Intrinsic motivation being the core of TQM, HR plays a crucial role in sensitizing the employees and infusing them with quality consciousness that naturally drives them to focus on quality initiatives beyond their call of duty. However, it has been observed that HR department itself is not geared fully towards TQM and many quality principles are not followed by the HR team. In such a scenario, HR serves at best as a weak link in the TQM initiative of any organization. Hence it is imperative that even before launching TQM campaign, the organization should focus on streamlining the HR services in sync with global quality principles. In case TQM is already in place, the top management should make special efforts to improve the quality of HR services so as to consolidate the gains from quality principles being deployed in the organization. Without improving quality of HR services, the gains from TQM will remain short lived.

Bowen and Lawler (1992) have provided great insight on how TQM and HR are interconnected: *'The importance of the HR side of quality equation provides HR department with golden opportunity. Quality can be the "business issue" that truly brings senior managers and HR executives together to move from just HRM to strategic HRM. A major role in the quality improvement effort puts HR in a position to contribute directly and visibly to the bottom-line, to add value to the company's products and services in the same way that other functions, such as sales, accounting, and production, add value.* And HR can gain the heightened status that accompanies a documented contribution to the organization's performance. A service-driven HR department functions like a high-quality service firm, a world-class resort, a gourmet restaurant, or an elite consulting firm. These firms thrive on satisfying clients. They emphasize the intangibles, customize their offerings to different clients, and involve their clients in decisions that affect the services rendered'.

Even the approaches of both TQM and HR are somewhat identical. For example, effectiveness of TQM and HR are based on holistic organization-wide perspective, a focus on team-based work organization and mechanisms for employee involvement to enable continuous improvement Simmons & Shadur, (1995). Bowen and Lawler (1992) also hint at close linkages between TQM and HR: 'There is also a strong focus on human resources in Demming's 14 principles. The exact wordings have changed over the years. However, these human resources based quality improvement points always appear (a) institute training on the job (b) break down barriers between departments to build teamwork (c) drive fear out of workplace (d) eliminate quotas on the shop floor (e) create conditions that allow employees to have pride in their workmanship, including abolishing annual reviews and merit ratings and (f) institute a program of education and self-improvement'.

HR philosophy, approach and services need to be redefined so as to make any significant and noticeable change in the organization that has adopted TQM. Bowen and Lawler (1992) have collated five themes that distinguish quality-oriented HR services from traditional HR: 'A focus on organization rather than job; Support for group performance

rather than individual performance; egalitarianism rather than hierarchy; Change rather than stability and participation rather than command and control. These five themes represent a radical break with the past as far as the HR management is concerned. They demand major changes in both the way HR departments are run and in the type of systems they create and operate. Major change can be frightening but it can also be empowering. We believe the opportunity exists for HR departments to become much more important in most organizations if they can change the way they operate. The pursuit of total quality can inspire, guide and unify change'.

Studies by Palo and Padhi (2005) and Vouzas (2004) have also underlined the importance of the HR department achieving a higher corporate status and greater decision-making authority with a more strategic orientation in implementing quality improvement initiatives. However, literature on the role of HR in TQM is limited. 'The ways in which HR departments are involved in, for instance, in formulating quality friendly policies, generating quality awareness among employees, overcoming communication barriers, redesigning work processes, managing the psychological transition, and motivating employees to achieve total quality' need further research to establish a robust linkage between HR services and TQM (Wickramasinghe and Gamage, 2011).

### Issues in Implementing Quality-oriented HR

Scholars and practitioners have underscored importance of HR as source of competitive advantage on several occasions. However, 'significance of HR' remains closed in the lip service. No genuine efforts are made either by the top management or by the officials of HR department to salvage a place of pride with the organizational context. The top management looks at the HR department as compliance/maintenance department rather than one with tremendous potential of changing the organizational culture, augmenting competitiveness and taking the organization to the next level. Consequently, people of HR department have expressively poor self-concept, low morale and above all, negative self-efficacy.

Another issue is lack of trust of the top management in HR department. Hence, they are not involved in strategic decisions of the organization in any meaningful manner. As a result, there is always a pressure on the HR department to fulfil HR related commitments of the strategic plans without any opportunity to voice their concerns or discuss genuine constraints. This often results in withdrawal of efforts on the part of HR people who focus on routine matters only.

Last but not the least, there is always a budgetary constraint. Any innovative idea of improvising the quality of HR services requiring funds are turned down as the organization focuses on cost cutting. Hence, the HR department stops pursuing an agenda of organizational excellence through HR interventions. These issues need to be resolved by top management along with the HR leaders. Top management must display trust in the intrinsic capabilities of the HR people to overhaul organizational culture for better productivity and superb performance and provide liberal budgetary support to carry out interventions. On the other hand, the HR people should take up leadership roles and

empower themselves so as to command trust of the top management.

**Challenges in Integrating HR with TQM**

Hart and Schlesinger (1991) describe major challenge of bringing HR on board for TQM initiative with the euphemism of 'Tug of War': 'Ironically, many HR professionals are currently engaged in a tug of war with their companies' quality efforts (in part because HR and TQM are often seen as peripheral and separate functions). TQM implementation may be led by outside consultants who (without staff involvement) develop training programmes and organizational changes that are really the purview of HR department. Or HR people may suffer from a bunker mentality, whereby they are so busy playing an administrative role (e.g. helping the company deal with a welter of changing labour regulations) that they feel they have no time to spend on moving the company ahead strategically or implement new quality related programmes'.

Changing mind-set of HR people is likely to remove the bottleneck in integrating HR services with TQM. They need to be sensitized about their crucial role in successful implementation of TQM in organizations so that they take ownership of change and leadership role in the whole process out of their own volition. Even the top management needs to play a role in this matter –they can bring in the external TQM consultants and HR people on the same table so as to ward off any conflict during implementation of quality initiatives.

**Quality-oriented HR Paradigm**

Blackburn and Rosen (1993) have suggested a quality oriented HR Paradigm based on their extensive research on HR practices of companies participating in Baldrige Awards. Interestingly, most of the companies that leveraged HR in successful implantation of TQM, actually succeeded in transforming traditional HR from support function into leadership function. Blackburn and Rosen (1993) observe that HR primarily carries out the following four functions in organizations which have adopted TQM:

- Communicate the importance of each employee's contribution to total quality;
- Stress quality related synergies available through teamwork;
- Empower employees to make a difference and
- Reinforce individual and team commitment to quality with a wide range of rewards and reinforcements.

Table 1 provides quality-oriented HR paradigm. It focuses on collective efforts, cross-functional work, coaching, enabling, customer satisfaction and quality to strengthen corporate culture aligned with total quality assurance. Blackburn and Rosen (1993) have looked at quality oriented HR based on eight parameters. New type of communication is top down, horizontal, lateral and multi-directional instead of just being top down. Voice and involvement now includes due process, quality circles and attitude surveys in place of employer being the ultimate benefactor, job being at his will and existence of a sham suggestion system where the workers did not know whether their envelopes containing advice will ever be opened. Job design headed for an overhaul in the new paradigm by incorporating quality, customization, innovation, wide span of control, autonomous work teams, empowerment discarding previous emphasis on efficiency productivity, standard procedures, narrow span of control and specific job descriptions.

Focus of training in the new paradigm is broad range of skills, cross functional training, diagnostic raining, problem solving training, productivity and quality in place of job related skills, functional and technical skills. Performance measurement and evaluation is now based on team goals, customer, peer supervisory reviews with added on quality and service instead of individual goals and supervisory reviews. Even rewards have got new focus in the quality-oriented HR paradigm. Now, team/group based rewards, financial rewards, financial/non-financial recognition have taken over competition for individual merit increase and benefits. Health and safety focus has shifted from simply treating problems to preventing problems, safety programmes, wellness programmes and employee assistance. Focus of selection, promotion, career development has also shifted from selection by managers, narrow job skills, promotion based on individual accomplishments, linear career path to selection by peers, problem solving skills and promotion based on group facilitation.

**Table 1: Total Quality HR Paradigm**

Corporate Context Dimension	Traditional Paradigm	Total Quality Paradigm
Corporate Culture	Individualism Differentiation Autocratic Leadership Profits Productivity	Collective efforts Cross-functional work Coaching, enabling, Customer satisfaction Quality
Human Resource Characteristics	Traditional Paradigm	Total Quality Paradigm
Communication	Top down	Top down Horizontal, Lateral Multi-directional
Voice and Involvement	Employment at will Suggestion system	Due process Quality circles Attitude surveys
Job design	Efficiency Productivity Standard procedures Narrow span of control Specific job descriptions	Quality Customization Innovation Wide span of control Autonomous work teams Empowerment
Training	Job related skills Functional, technical	Broad range of skills Cross functional Diagnostic, problem solving Productivity, quality
Performance measurement and evaluation	Individual goals Supervisory reviews	Team goals Customer, peer supervisory reviews Emphasize quality and service
Rewards	Competition for individual merit increase and benefits	Team/group based rewards Financial rewards Financial/non-financial recognition
Health and safety	Treat problems	Prevent problems Safety programmes Wellness programmes Employee assistance
Selection, promotion, career development	Selected by managers Narrow job skills Promotion based on individual accomplishments Linear career path	Selected by peers Problem solving skills Promotion based on group facilitation

[Source: Blackburn and Rosen (1993)]

**Conclusion**

Total Quality HR Paradigm as suggested by Blackburn and Rosen (1993) provides a great framework to reinvigorate HR services delivery. However, implementing this model in true spirit is far from easy. First of all, adversarial relations of the quality consultants and HR people as reflected in the euphemism 'tug of war' should end. TQM depends on synergy and any confrontational scenario is detrimental to organization's aspiration for accomplishing total quality. Best way to do this is to take the HR people on board while deciding to go for TQM. Even better would be co-opting the HR department as such in implementation of TQM. This will help the HR department look at the whole process as an extension of the HR services.

Moreover, there is a great need to re-orient the focus of HR department. As Power (2012) suggests, the human resources function needs to spend more time accelerating operational improvement and less time on its traditional administrative and compliance activities in order to deliver more value. Unfortunately, the HR departments across organizations invest more time on low value administrative and compliance activities while ignoring the bigger role of transforming the organizational capabilities. Probably, undue emphasis on administrative and compliance activities consign them to peripheral role in the organization. It is essential for the HR departments to take up the centre stage by moving beyond administrative and compliance

activities in order to remain relevant.

Any improvement in quality of HR services will depend on strengthening the department. Hence, it is imperative that the department develops its own vision and mission in sync with the organizational vision and mission. Once the vision and mission of the HR department is articulated, they need to develop an HR philosophy. Currently, most of the HR departments lack any vision, mission or philosophy. These are not merely set of statements but guiding principles that might lift up the morale of the HR department and infuse the staff with a higher sense of purpose. A well-articulated vision, mission and philosophy will help in changing the mind-set of HR people and enable them to take up leadership role in organizational transformation in sync with quality principles.

Last but not the least, the HR department needs to develop appropriate metrics for measuring various functions such as communication, employee involvement, training, performance measurement and evaluation, rewards, health and safety, selection, promotion, career development, etc. The metrics need to be developed internally by the HR department and reviewed over time. Measuring the HR services will not only help in improving various functions but also showcase value added by the HR department.

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