



An Insight on Relationship between Total Quality Management Practices and Human Resources Management

¹Ravishankar S Ulle, ²Dr. A. N Santosh Kumar

¹Assistant Professor ²Professor

Dept of MBA,

GSSSIETW, Mysuru, India

Abstract: There is a growing interest in the field of Total Quality Management (TQM) to analyze the impact of Human Resources Management (HRM) on TQM and its overall effect on the sustainable competitive advantage and in a long run improve the firms' performance. The purpose of the research is to propose a conceptual model from different authors view on different factors of Total Quality Management (TQM) with the different dimensions of Human Resources (HR) reflect on the performance of the organization. The study explores the factors predominant to the TQM and Human Resource Management (HRM) which contribute to the existing literature review. Most of the authors suggest that the implementation of TQM practices with HRM practices will improve the performance of the organization. From the literature review, the key findings show the critical success factors responsible for developing sustainable competitive advantage which further results in enhanced organizational performance, respective to countries, authors, research methodologies. The study servers advantageous to the organizations that desire to improve the performance of the organization through the HR aspects of TQM. For the academicians, it builds a base to identify dimensions relevant to their research perspective.

Index Words: Total Quality Management, Human resources Management, Critical Success Factors, sustainable competitive advantage, and organizational performance.

1. Introduction:

The unstable market conditions and increased rivalry have strained the organizations to adapt novel HRM practices and TQM initiatives. Management of the organizations have moved from the standard form of employment practices to flexibility in working hours and eased out the centralized organizational structure. In the recent studies of TQM, most researches focus on the HRM-related factors which have gathered greater momentum in terms of organizational performance. It dominates the fact that HR-related issues need to be resolved first rather than the technical aspects of production. There appears to be a coherent relationship between TQM practices and HRM. While the performance management system is the key success factor of HRM, while some advocate of TQM has differences in opinion. The TQM dimensions predominantly support the quantification of the inputs, processes, and outputs. Whereas, HRM emphasizes the work-related knowledge, skills and ability. To enable continuous improvement of the systems includes an absolute companywide outlook, a focus on group-based job association, and device employee involvement. Latest means of managerial control and empowering the employees resulting in improved communication, workplace organization and compensation, and rewards linked to performance. The main issue in SME manufacturing organizations, the management gives little or no importance to the HRM initiatives and considerations of public relations. TQM is a holistic concept and requires all the employees of the organization to seek customer satisfaction. HRM practices can reinforce group awareness, increase in employee competence, and achieve positive work culture. Many organizations concluded that the efficient functioning of TQM can create developments in the part of competitive capabilities and offer planned progress in the marketplace and ROI, lower manufacturing costs and better yield and enrichment in the area of strategic performance.

The paper emphasis on the exhibits that total quality management has a unique relationship with human resource management when it's the question of continuously improving the processes of the system. Human resource management has an integral part in the implementation of total quality management with the purpose of improving employee performance, who serve as internal customers of the organization.

The philosophy of TQM has emerged as a major breakthrough in the field of productivity and management, as it focuses on maximizing customer satisfaction and minimizing the efforts of production with continuous improvement in labor, dissemination of knowledge, managing the talent, continuous training and education thus managing their performances.

2. Association among total quality management, human resource management, sustainable competitive advantage, and organizational performance.

Human resource plays a crucial role in the development of the strategic management process. Top management commitment and leadership which is aligned in strategy formulation, strategy implementation and strategy execution. Strategy formulation is involved in framing the vision, mission and objectives of the firm and communicating the same with the employees of the organization which is the base for the firm to build sustainable competitive advantage.

When the firms are organized in their processes, it aims to satisfy the customers more profitably year by year. It is achieved by crafting various strategies by evaluating the organization's intangible resources, capabilities, and competitiveness. The intangible resources include human assets, company image, the reputation of quality, service and dependability, reputation with suppliers and intellectual capital which consists of the employees work experience, continuous learning, tacit knowledge of the employees, technological know-how, specialized teams and groups, skills of employees in keeping low cost of production, enhanced product quality, customer support, innovation, creativity and managerial talent. Relationships and alliances provide a base to access technologies, partnerships with suppliers which help to reduce costs of the raw material, build a network of dealers and distributors which help in establishing trust with various partners. A strong company's culture ingrains the belief system within the company norms of behaviour develops ideology with business principles. The compensation and reward system builds hygiene factors and improves the motivation levels among the employees of the company. The capabilities include knowledge base residing with employees who inherently exhibit cross-functional capabilities.

Even when we discuss the product's/service's value proposition delivered to the customers considering the value chain analysis; one of the building blocks of support activities is the human resource management which focuses on the activities, costs and assets related with recruitment, training and development, compensation and reward system, labour relationship activities, building knowledge-skills and ability of the employees resulting in developing core competencies. Under strategy implementation, the firms focus on the analysis of the external environment and internal capabilities to come up with a winning formula, where TQM implementation becomes a lead factor in improving operational efficiency thus by-and-large contributes to developing the sustainable competitive advantage of the organization. Human resources act as a binding agent in the implementation of TQM practices with a comparative analysis of the changing needs of the organization. Human resources serves as a launch-pad for the implementation of TQM principles practice across the organization to meet the financial and strategic objectives of the firm. The human resource helps to better understand the organization culture from employees to employees which are essential for the development and acceptance of TQM principles and practices.

. Human resource is the heart of the organization which helps to create high-performance work culture. In the successful execution of the TQM practices, human resource plays a significant role in operational functions like recruitment and selection where the task lies in the hands of an HR professional to absorb the right talent to the right job at an effective cost, training and continuous education of the newly recruited employees enhance the job roles to the specific requirements and increase employee efficiency and therefore have improved knowledge, skills and abilities, well set up performance management assessment system to support human resource activities to capitalize on the competitiveness, compensation, and rewards to motivate boost the morale of the employees, integration with the enterprise to have synergy and teamwork, maintenance in sustaining and improving work conditions retention and effective communication and succession planning for managing the career development of the professionals towards higher job positions. Furthermore, leadership at the organization level has the ability to encourage a group of employees to work in a team with synergy and set examples to achieve shared goals at organizational levels.

From past decades it is observed that the relationship between the employees and implementation of quality is closely related to the competitiveness and performance of the organization.

The above analysis prominence the fact that human resource management and total quality management has a considerable outcome on building sustainable competitive advantage. The proposed model shows the association between human resource management, total quality management, and sustainable competitiveness. In the proposed model in figure 1 shows the independent factors are the human resource and total quality management practices and the human resource competitiveness is the dependent factor. The model helps to further analyze the control of human resources factors such as knowledge management and talent management with total quality management practices on competitiveness. The model suggests as the effectiveness of human resources practices with the total quality management practices together improves the competitiveness of the organization.

Employees love to be recognized for their valuable contribution either as a team or an individual. An employee's sense of accomplishment, value delivered to the organization, and in turn knowing the organization cares for them, and having peer recognition is more important than the reward. Recognition is a form of employee stimulus in which the organization overtly recognizes the positive contributions by an individual or team resulting in the overall success of the organization. The employees are also implicated in the planning and execution of the recognition and reward program. Systems are developed where the monetary reward is not a substitute for the compensation and which includes cross-functional teams representing all areas of the organization that are most likely to succeed.

The main rationale of performance appraisal is to make the employees aware of their contribution and provide a basis for promotions, salary increments, counselling, etc. which primarily focused on the employee's future. Employees need to be told on a continuous basis regarding their performance. The appraisal helps the employees to know their strengths and weakness as well as how their performance can be improved. Employees are given a fair opportunity to comment on the evaluation which involves employees in a positive way. An unfair evaluation can cost the organization a valuable employee. The increased interdependence of the tasks related to TQM practices in the workplace dictates that teams' performance be utilized. This action will encourage the group members to assist, maintain, and collaborate with each other.

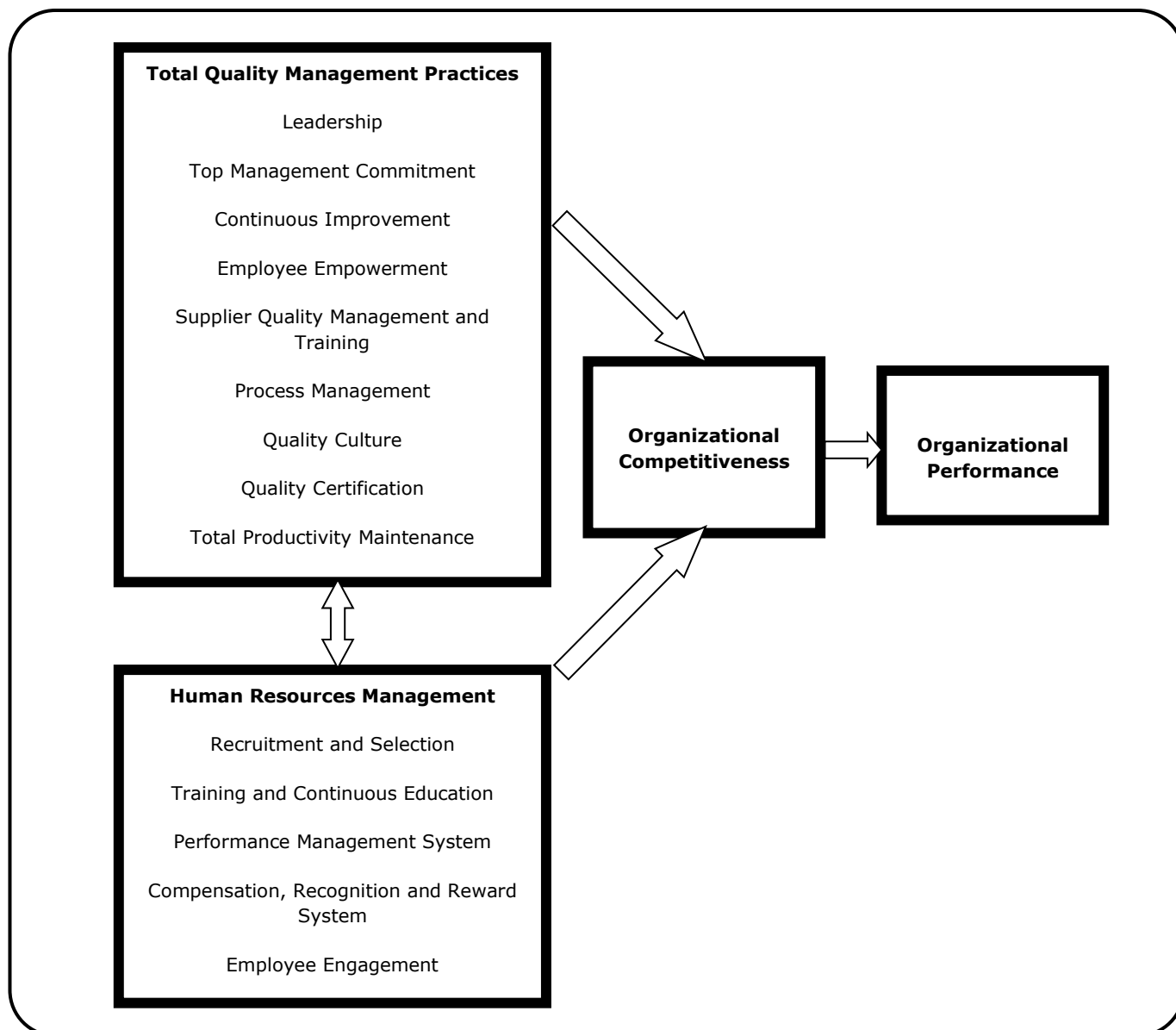


Figure 1: Proposed research model showing the inter relationship between TQM and HRM practices on building competitiveness and resulting to Organizational Performance

Involving employees, empowering them and, involving them in the decision-making process provide the opportunity for continuous process improvement. The unexplored innovative ideas and opinions of employees can make the difference between success and failure. Employee involvement improves quality and boosts productivity. Employee involvement reduces labor-management rubbing by encouraging effective communication and coordination. Employee involvement helps to boost their morale and create a sense of belongingness towards the organization. Employees through their expertise can help make support decisions and identify areas of improvement. Employees show a sense of commitment towards shared goals as they control the work environment.

3. Implications and discussion

Employee involvement is a way of life that is critical to the TQM implemented organizations and can make a difference in going-out or out-going organizations. As the organization begins the culture of change, a lot of resistance is been seen in the processes. Keeping the employees involved and informed helps to manage effective change in the organization. Employees are supposed to know what they should do, and most importantly what they should not do to avoid inconsistency or contingency. Communication is found to be important and increases the employee's job involvement. In today's business environment, knowledge-based actions can facilitate organizations to gain a competitive advantage. The performance management system in organizations shows positive evidence on productivity and quality. Moreover pay for performance is to be linked to the performance appraisals variables as in some organizations compensation and reward system motivate employees towards accomplishing the objectives of the organizations. To strengthen the teams further, it is helpful to improve the links between rewards and performance appraisals and individual contributions. Human resource development plays a crucial role in providing employees the right knowledge and skills required to perform successfully, and training also helps in managing their roles and responsibilities much efficiently. Extensive training can strengthen the TQM programs including team synergy.

A transparent specific structured procedure for recruitment and selection of individuals ensures equality and efficiency of the processes. In developing this approach, it is considered that the TQM practices with HR dimensions as a critical success factor within the organization which contributes to continuous improvement which in turn helps to build sustainable competitive advantage. The relationship is exhibited in the conceptual framework shown in figure 2.

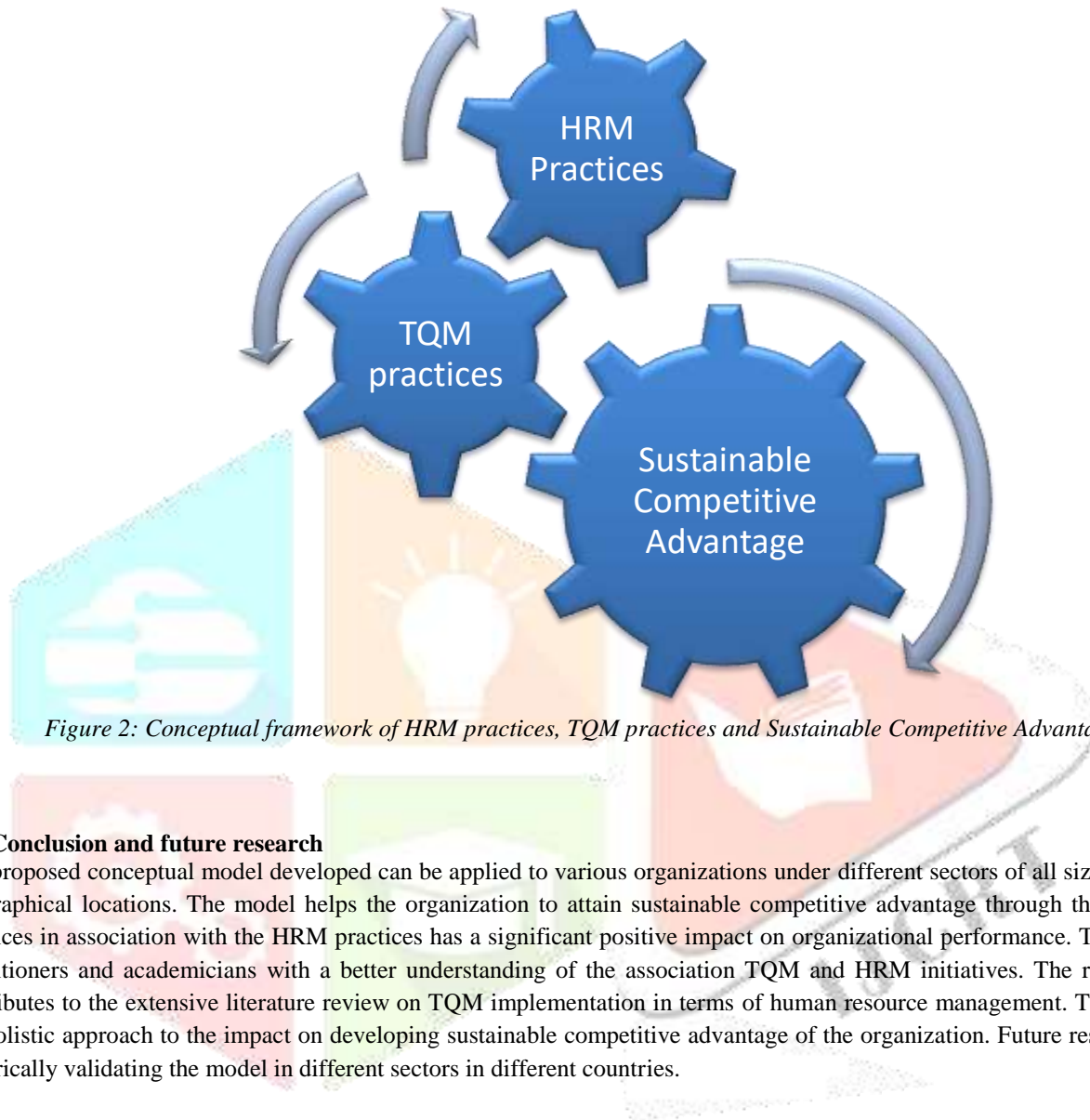


Figure 2: Conceptual framework of HRM practices, TQM practices and Sustainable Competitive Advantage.

4. Conclusion and future research

The proposed conceptual model developed can be applied to various organizations under different sectors of all sizes and at different geographical locations. The model helps the organization to attain sustainable competitive advantage through the efforts of TQM practices in association with the HRM practices has a significant positive impact on organizational performance. The study provides practitioners and academicians with a better understanding of the association TQM and HRM initiatives. The result of the study contributes to the extensive literature review on TQM implementation in terms of human resource management. The model presents the holistic approach to the impact on developing sustainable competitive advantage of the organization. Future research suggests to empirically validating the model in different sectors in different countries.

5. References

- [1]. Ali N.A , Zairi.M ,Mahat.M (2006) “quality hr-tqm model in service context” upm
- [2]. Ali.m, Salahat, Smirat.I.M(2014) “Linking HRM Planning to TQM Implementation in Palestinian Private Sector, the Moderating Role of Competitive Strategies”: A Proposed Study, IJMIE, 4(12)
- [3]. Alia .A, Mahata .F and Zairib.M (2010) “Testing the criticality of HR-TQM factors in the Malaysian higher education” Total Quality Management , 21, (11), 1177–1188.
- [4]. Ardelean.B, Politehnica (2014) “The Impact of Human Resources and Total Quality Management on the Enterprise” Procedia - Social and Behavioral Sciences 124, 27 – 33
- [5]. Arumugam O(2005). Does Soft TQM Predict Employees’ Attitudes , TQM Magazine Journal, 2005; 17(3).
- [6]. Azizan , A. (2010). Measuring TQM implementation: a case study of Malaysian SMEs. Measuring Business Excellence, 14(3), 3-15.
- [7]. Basel.P and wiele.T (2001) “employee perceptions of HRM and TQM and the effects on satisfaction and Intention to leave ’ Erasmus research institute of management (erim) , ers-2001-42-org
- [8]. Bassam and Irtaimeh B (2012) “The role of strategic human resource management at Jordanian banking Sector through implementation total quality management” European scientific journal, 8(25), 1857-7881
- [9]. Bina Sharma, M. A. Rahim(2004) TQM and HRM: An Integrated Approach to Organizational Success; Fredericton, NB,Canada E3B 5A3 (6)
- [10]. Boon.o.k , arumugam .v,safa M.S and Bakar N.A (2005) “HRM and TQM association with job Involvement” performance review, 36(6),939-962

- [11]. Bowen.D and lawler.E (1992) "Total quality-oriented Human resources management" CEO publication (G 92-1) 204.
- [12]. Brown.A (1996) "Quality management: issue for HRM" Asian journal of human Resources,33,3117-129.
- [13]. Bryan j. weiner (1996) "leadership for quality improvement in health care; Empirical evidence on hospital Boards, managers and physician; 53, (4), 394-416
- [14]. Cabrera, E., & Cabrera, A. (2005). Fostering knowledge sharing through people management practices. The International Journal of Human Resource Management, 16(5), 720-35.
- [15]. Chang-chow yang (2006) "The impact of HRM on the implementation of TQM: An empirical study on -tech firm "The magazine, 18,2, 162-173
- [16]. Clinton roy (1994) Implementing total quality management: the role of human resource management 1994 Source,0036-0805
- [17]. European Commission. (n.d.). Retrieved may 2013, from European Commission: http://ec.europa.eu/index_ro.htm
- [18]. Gennard, J. and Soltani, E. and Van Der Meer, R.B. and Williams, T.M. (2002) An empirical study of Performance management practices in quality-oriented organizations Athens, Greece In: 2nd International Conference CRANET
- [19]. Grill.S (1992). Total Quality Management and Human Resource Management: Comparisons and Contrasts. Asia Pacific Journal of Human Resources.1992; 30(2):67-78.
- [20]. Habtoor.N, (2016) "Influence of human factors on organizational performance: Quality improvement Practices as a mediator variable", International Journal of Productivity and Performance Management,The review 65(4), 460 – 484
- [21]. Hamed J.H. USROF , Mohamed ELMORSEY(2016)" Relationship between HRM and TQM and its Influence on Organizational Sustainability "International Journal of Academic Research in Accounting, Finance and Management Sciences 6, (2), 21–33
- [22]. Hataani, L., & Mahrani, S. (2013, 01).Strategic human resource management practices: mediator of total quality management and competitiveness (a study on small and medium enterprises in kendari southeast sulawesi). International Journal of Business and Management Invention, 2(1), 8 - 20.
- [23]. Hussin H.B (2010) "HRM/TQM impact on employees' attitudes"
- [24]. Isaksson, R. (2006). Total quality management for sustainable development: Process based system models. Business Process Management Journal, 12(5), 632 - 645.
- [25]. Izvercianu, M., & Ivascu, L. (2012). System Information for Risk Evaluation in Sustainable Enterprise. International Conference on Energy and Environmental Science. Cambodia: International Conference on Energy and Environmental Science.
- [26]. Jain A (2013) " Effects of TQM on Perceptual HRM". IIMA Institutional Repository, 2013.
- [27]. Jamenez and Martinez costa.M (2009) "The performance effects of HRM and TQM: A study in Spanish Organization. International journal of operation and production management, 29 (12), 266-289.
- [28]. Jumenez, D., & Martinez-Costa, M. (2009). The performance effect of HRM and TQM: a study in Spanish Organization . International Journal of Operations & Production Management, 29(12), 266-289.
- [29]. Karoline and nieslson (2013) "The effects of TQM CSFs on organizational performance.
- [30]. Houry, G., & Analoui , F. (2004). Innovative management model for performance appraisal: the case of the Palestinian public universities.Management Research News, 27(1-2), 56 -73.
- [31]. Kulenur.S, Dr. P. Nagesh(2016) "A study the factors of total quality management and human resource Practices (tqm-hr) in conjunction and its impact on the employee outcome" international Conference on recent innovation of science, management,
- [32]. Martinez-Costa, M., Choi, T., Martinez, J., & Martinez-Lorente, A. (2009). ISO 9000/1994, ISO 9001/2000 and TQM: The performance debate revisited. Journal of Operations Management, 495–511.
- [33]. Moharrampour M (2014) Investigate the relationship between Total Quality Management (TQM) and Human Resources Management (HRM). Applied mathematics in Engineering, Management and Technology.2014; 2(3):418-428.
- [34]. Nhuta.S (2012) "Human Resource Issues in Total Quality Management: A Case Study of Kenya Airways" IJMBS (2), Issue 4.
- [35]. Oakland , S. and Oakland , J.S. (2001), "Current people management activities in world-class organizations", Total Quality Management, Vol. 12 (6), 773-88
- [36]. Ooi K.B, The P.L and Chong A.y(2009) Developing an integrated model of TQM and HRM on KM activities. Management Research News in Emerald. 2009; 32(5):477-490.
- [37]. Ooi, K.-B., Teh, P.-L., & Chong, A. Y.-L. (2009). Developing an integrated model of TQM and HRM on KM activities. Management Research News, 32(5), 477 - 490.
- [38]. Palo, S., & Padhi, N. (2005). How HR professionals drive TQM: a case study in an Indian organization. The TQM Magazine, 17(5), 467 -485.
- [39]. Palo.S and Padhi.N (2005) "How HR professionals drive TQM: a case study in an Indian Organization "The TQM Magazine Emerald Group Publishing Limited "17 (5) 467-485
- [40]. Prajogo. D and Sohal .A (2002)" The relationship between TQM practices, quality performance, and Innovation performance" International Journal of Quality & Reliability Management, 20 (8), 901-918
- [41]. Quereshi f (2010) " The relationship between TQM and quality performance in the service industry. A Theoretical and international journal of business management and social science, 1(1), 113- 128
- [42]. Rahman.S (2002) "Leadership and HR Focus in TQM Research in Australia: An Assessment and Agenda, international journal,19,1440-3501
- [43]. Rajashekhara Swamy, Ms. Sowmini C.&Mr. RangaSwamy A. (2013) "Total Quality Management & Human Resource Issues": A Hypothetical Analysis, Acme Intellects International Journal of Research in Management 2 (2), 2320-2793
- [44]. Rakesh Kumar (2012)"Human Resource Management and Total Quality Management – An Important Aspect in the Bank". Global journal of inter disciplinary social science, 1 (1),14-20
- [45]. Redman, T. and Mathews, B.P. (1998), "Service quality and human resource management: a review and research agenda", Personnel Review, 27 (1), 57-77.
- [46]. Robbins, S. (2003). Organizational Behaviour: Concepts, Controversies, Applications (11th ed.). New Jersey: Prentice Hall.
- [47]. Shahraki.A, Konarizadeh .M, Paghaleh.MJ and Zare.M(2011)" HRM effects on TQM" Business Management Dynamics 1(3), 01-12
- [48]. Simmons and david (1995) "Intergrating TQM and HRM " Employee relations, 17 (3)

- [49]. Smyth , H. and Scullion , G. (1996), “HRM and TQM linkages – a comparative case analysis”, Journal of Manpower, 17 (6/7), 89-105
- [50]. Soliman.M (2013) “ A study on TQM implementation in U.A.E public sector organization in the context of HRM – The british university.
- [51]. Soltani.E, Meer R.D and Gennard.W(2003) Towards a TQM-driven HR performance evaluation: An Empirical Study: Employee Relations. 2003; 25(4):347-370
- [52]. Todorut, A. (2012). Sustainable development of organizations through total quality management. Procedia - Social and Behavioral Sciences, 927 – 931.
- [53]. Wickramasinghe .V (2012) “Influence of total quality management on human resource management practices”: An exploratory study. International Journal of Quality Reliability Management, 29(8).
- [54]. Wilkinson, A. (1998). Empowerment: theory and practice Personnel Review, MCBUniversity Press, 0048-348, 27(1), 40-26
- [55]. Wilkinson, A., Marchington, M. and Dale, B. (1994) Manufacturing More Effective TQM: Implications for the Management of Human Resources; Research and Practice in Human Resource Management, 2(1), 69-88.
- [56]. Zakuan .N, Muniandy.S, Saman.M.Z, Ariff.M.S, Sulaiman.S, Jalil.R.J (2012) “critical success factor of TQM implementation in higher education Institution” A review, international journal of academic research in business and social.

