

Achieving Business Excellence by Managing Men at Workplace

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Abstract

For achieving excellence it is important for organizations to value their people. Valuing, the people in workforce means pledging to their development, engagement, satisfaction, and well-being. It is necessary for organizations to link the corporate strategy with HR strategy for living their core values. Implementing best HR practices incorporates offering more flexible, high-performance work practices that are compatible with diverse workforce and their personal needs. Organizations can excel with talented and skilled workforce and by creating a good relationship with them. The purpose of the paper is to provide an understanding to the managers for developing such HR practices that can be helpful in sustainable development. Secondary objective is to analyze organization's success by creating value for people in the organization.

Effective management of people in the organization is utmost important for achieving excellence. By implementing best practices in managing men the organizations can achieve sustainable excellence. The research is theorized and based on secondary data; it could have been more valid if based on primary data. This paper focuses on the value of workforce in the organization. It can help managers and other professionals for implementing such HR practices which can help organization in achieving business excellence. The paper includes practical examples of organizations following different HR strategies and also includes literature review about business excellence models and practices, which can contribute in HRM research.

Key Words: Business excellence models, MBNQA, EFQM, core values, HR Practices.

I. Introduction

An organization's success rests ultimately on an involved workforce that benefit from significant work, well-defined organizational goals, and accountability for performance. Engaged workforce must be ensured a safe, healthy and supportive organizational environment. The

excellent organization capitalizes on varied credentials like, knowledge, skills, abilities, creativity and motivation of its workforce and partners. Creating value for people in workforce involves committing to their engagement, fulfillment, personal growth and development, and well-being. This encompasses offering more

flexible, high-performance work practices that are tailored to varying workplace and individual's career needs.

II. Literature Review

Mann and Saunders (2005) found a strong correlation between “Enablers” and “Results” while studying Baldrige self-assessment results. Their study depicted that organizations with excellent approaches to leadership, strategic planning, customer and market focus, information and analysis, human resource focus and process management are more likely to achieve excellent results.

Hamzah & Zairi (1996) observed the importance of the efforts of employees and have inculcated it to the philosophy of the Human Resources Department. Reward and recognition can be either in monetary terms or by ethical awards. Businesses are concentrating more on employee reward and recognition. Furthermore, organizations have realized the role of human capital department in implementing total quality management.

In Juran's quality handbook (1998), Juran and Godfrey Blanton have expressed a relation amongst Human Resources, Total Quality Management (TQM), and Business Success. The main elements of TQM as described in the criteria of the Malcolm Baldrige National Quality Award and other major state, national, and regional quality awards around the world are directly

related to human resources. He has also explained the integration of TQM with employee involvement and empowerment.

III. Research Objectives

1. To study the characteristics of major business excellence models.
2. To learn the best practices in managing men for achieving business excellence.
3. To identify major challenges in implementing business excellence models in organizations.

IV. Design / Methodology/ Approach

The present research paper is conceptualized and is based on secondary data collected from various resources like books, news-papers, journals and various websites. In order to have a practical experience, this paper has also studied best practices at TATA Business Excellence Group.

Business Excellence Models

In current scenario there exist almost 100 excellence models and National Quality Awards in 82 countries (Balvir Talwar, 2011). Most active and recognized models at international level are the Deming Prize, introduced by JUSE (Union of Japanese Scientists and Engineers) in 1951, which is the first globally known excellence model, Malcolm Baldrige National Quality Award (MBNQA) in the USA established in 1987 and the European Quality Award (EQA also known as “European Excellence Award” since 2004), based

on the European Foundation for Quality Management (EFQM) model, established in 1991 (F. B. Venavent, 2006). In India, the Confederation of Indian Industry (CII), and the Export-Import Bank of India (EXIM Bank) jointly instituted the

CII-EXIM Bank Award for Business Excellence in 1994. This award is based on EFQM model. Two widely used models for business excellence can be distinguished on certain common parameters as shown in Table 1.

V. Findings and Discussion

As prescribed by EFQM (2012) the people element of excellence model focuses on identifying and managing people of importance in the organization. Most of the excellent organizations have emphasized on creating value for its people. As men in organization are means of achieving its goals, vision and objectives and living its core values. People at every level hold their relevance and individual importance within the organization, so they require generic as well as specific attention for sustainable best performance. Some of the best practices as per EFQM excellence criteria for managing people component of excellence model are described in following sections.

A. Identifying Human Capital of Organization

Foremost thing for any organization is to identify its workforce. Organizations must recognize its people in order to engage them effectively and accordingly. For some the organization the full-time paid employees are its people. However, some of the people who could be associated with organization are:

- People working as part-time or piece-work contracts, short-term contracts
- Temporary labor to fill in for peaks in demand or sickness
- Sub-contractors
- Supporting staff like security guards, peon, cleaners etc.

B. Recognition of People's Importance by Organization

People are the most important resource of an organization. They are the source of inspiration, creativity, vision and motivation that aids an organization in flourishing. They provide the required knowledge, skills and competencies for survival of organization in the dynamic environment. They form not only the intellectual resource but they also provide the labour that produces the goods and services that an organization deals in. Major determinant of an organization's success is the intelligent use of its human capital. All excellent organizations identify and value the vigorous contribution that people make to their success. For an organization to be successful, the organization must have the appropriate people, engaged in the most effective manner.

Table 1: Fundamental Models for Business Excellence

Name (year)	MBNQA (1987)	EQA (1991)
Country	USA	European
Responsible organization	NIST	EFQM
Core values and concepts	<ol style="list-style-type: none"> 1. Visionary leadership 2. Customer-driven excellence 3. Organizational & personal learning 4. Valuing workforce members and partners 5. Agility 6. Focus on the future 7. Managing for innovation 8. Management by fact 9. Societal responsibility 10. Focus on results & creating value 11. Systems perspective 	<ol style="list-style-type: none"> 1. Results orientation 2. Customer focus 3. Leadership & constancy of purpose 4. Management by process & fact 5. People development & involvement 6. Continuous learning, innovation & improvement 7. Partnership development 8. Corporate social responsibility
Criteria and scoring system	<ol style="list-style-type: none"> 1. Leadership (120) 2. Strategic planning (85) 3. Customer focus (85) 4. Measurement analysis & knowledge management (90) 5. Workforce focus (85) 6. Process management (85) 7. Results (450) 	<ol style="list-style-type: none"> 1. Leadership (100) 2. Strategic (80) 3. People (90) 4. Partnership & resources (90) 5. Process & product/ service (140) 6. People results (200) 7. Customer results (90) 8. Society results (60) 9. Key results (150)
Evaluation dimensions	<p>Process: Approach, Deployment, Learning, Integration (ADLI)</p> <p>Result: Level, Trends, Comparisons, Integration (LeTCI)</p>	<p>Result, Approach, Deployment, Assessment, Review (RADAR)</p>
Award procedures	<ol style="list-style-type: none"> 1. Applicants submit the 75-page application materials 2. Independent review conducted by at least five examiners 3. Consensus review conducted on outstanding applicants 4. Site visits are conducted on short-listed finalists 5. Judge reviews the on-site evaluation report and recommends the award winners to director of NIST 	<ol style="list-style-type: none"> 1. Applicants submit 75 page application materials 2. Individual assessments are conducted by at least six assessors 3. Team of assessors meets and determines consensus score for applicants. Next, those short-listed receive site visits 4. Assessment teams prepare site visit reports 5. Panel of judges reviews the site visit reports, determines the winners and the role model

Source: FACT: A Comprehensive Business Excellence Model

C. Involving and Empowering People

For achieving excellence it is important for organizations to align people with its mission, vision, strategic goals and processes. Irrespective of organizational structure, the people should be allocated according to the priority and significance of the process to which they are contributing. The best practice organizations incorporate their people's opinion within the planning process especially in the issues and decisions concerning them. One of the most effective ways of involving and empowering people is helping them to build teams, different traditional functional groups. Functional teams are inclined towards functions rather than the desired result; they have a confined view of a problem as they are not aware about other departmental activities. Whereas, a team is a group of people acting with a common purpose and shared responsibility for the success or failure of their efforts.

When empowerment is done properly, it can motivate and expand people's horizons. It makes organization more flexible and robust against unexpected threats. Empowerment is giving people the right conducive environment, training and liberty to make their own rational decisions. The managers are required to support and guide the employees in setting their sphere of action. It interprets power as a collective responsibility rather than an individual's privilege.

D. Appraising and Improving People

To improve the quality of human capital, it is important for organizations to properly and fairly appraise its people. Well-defined appraisal system must aim at reviewing past performance against targets, recognize success, identify skills and competencies, agree targets for future performance and identify training and personal growth and development needs. There is often a formal review on an annual or 6-monthly basis, but this should be ongoing throughout the year. This could help organizations in assessing the existing quality of its workforce and subsequently bringing them to the desired level of expectation by providing necessary training and development activities. Another dimension of improving and managing men which no organization can afford to ignore is equity. Excellent organizations emphasize on providing equal employment opportunities irrespective of gender, race, creed or color. It is ever beneficial for organizations to guarantee equality, justice and transparency in dealing with its people for seeking their loyalty and dedication.

E. Developing People's Knowledge and Competencies to Competitive Edge

It is very important to sync the best talent with the specific job. Commonest criteria for manning the organization are qualifications, technical skills and experience. But these criteria are never the only eligible considerations. Most of the excelling

organizations focus on keeping men possessing the basic skills needed and the right attitude to learning as they can often be trained in the specifics of a job. It is much easier to teach them to be friendly to customers, co-operate with their team mates and accept changes and challenges. The right attitude and personal culture of individuals help organizations in inculcating advanced skills and innovative approach towards work within them. The organizations strive at developing the competencies of its men to the level of competitive edge by providing them a learning environment and best opportunities within and outside the organization.

F. Continuous Communication between Employees and Leaders

Effective and continuous communication with people is essential in achieving organizational objectives. Communication is more than mere passing instructions; it is the mean of guiding, mentoring, involving and motivating people. For gaining the best out of people the organization needs to choose the most effective and appropriate technique bearing in mind the size of the organization, the span of control and the distance between them. Organization can excel in its business by building up a strong and effective communication system for sharing the meaningful information either relating to expert advice or concerning the best practices amongst its

employees at various levels. Excellent organization TATA Group has setup a multi-dimensional portal called EDGE, through which Tata companies can access and share their best practices. EDGE also showcases a platform through which Tata employees can get in touch with practice owners and SMEs, inspiring the adaptation and installation of best practices within respective companies. EDGE portal has proved to be a plethora of information, with more than 275 best practices, 13,000 registered members from across the Tata group, and more than 650 subject matter experts. (Best Practices- EDGE PORTAL, tataquality.com).

G. Reward and Recognition

Excellent organizations believe in maintaining relationship with their people beyond terms of contract and financial remuneration. They acknowledge the value that employees bring to the organization through recognition, reward and care for them. Reward and recognition is the key to motivate people, create a feel good factor within them and thus enhance productivity. The reward and recognition at Tata Group include, JRD QV Award (650+, emerging Industry leader: 550 for the first time), leadership in Excellence, Sustained Excellence, Active Promotion, High Delta, Serious Adoption (Business of Excellence Tata Experience, 2013). Basic objective behind these awards is to create and spread awareness on the

significance of quality and the need for complete customer delight in all areas of operations within the Tata Group. It also aims to attain and sustain continuous excellence to lead the market.

H. Care for People

Along with a well-practiced reward system organizations must ensure a safe and healthy working environment for its people, and encourage them, along with other stakeholders, to participate in activities that contribute to society at large. At TATA caring for employees, especially in terms of their safety and health has been the prime priority of Tata companies and distinguishes Tata as a caring employer. Tata Business Excellence Group (TBExG) has set up a Safety & Health function to enhance safety culture and completely achieve safety excellence in Tata Group companies.

I. Systematic Evaluation of the HRM Practice's Efficiency

People know how well you are doing at managing them. It is required to evaluate the HRM practices from time to time so as to maintain its relevance. Employee's feedbacks are the major source for evaluating the efficiency of HR practices. Several

techniques that can help organizations to assess and measure the effectiveness of its approach are staff meetings, staff appraisals, staff surveys, self-assessment. Regardless of the method chosen, it is important to review its effectiveness regularly. Using one or more of the techniques above, the manager will get a list of those areas that need improvement and are most urgent to resolve. Thus, the manager can involve peers and subordinates to formulate an improvement plan. Officially it should be performed at least annually, but managers must stay in touch with people on a regular basis – monthly or even weekly – so that any problem could be dealt proactively.

VI. Challenges in Implementing Excellence Practices and Improvement Initiatives

Improvement needs change management initiatives in organizational policies, procedures and practices. It was found that resistance from change is the biggest challenge in implementing business excellence practices closely followed by too much documentation (refer Table 2) (KPMG, 2014).

Table 2: Challenges in Implementation of Excellence Practices

Reason	Response (%)
Lack of implementation	28.3
Multi location cultural issues	32.3
Lack of relevant expertise within the organization	26.0
Lack of competent external consultants	11.8
Lack of senior management commitment	11.8
Resistance from people for the changes	65.4
Too much documentation	59.1

Source: KPMG: Business Excellence Global Survey 2014

VII. Limitations

The research is conceptual and based on secondary information; it could have been more valid if based on primary data. Focus of research is only on the people component of the excellence model which has obvious importance but is influenced by many other factors in its environment, which is not taken into consideration. The performance of workforce is itself a dependent variable that could not be justified studying alone.

VIII. Conclusion

Organizations can achieve excellence by treating their human capital at par excellence. Organizations need to focus more on developing their human resource for accomplishing its mission, vision and objectives. It is important for organizations to identify and develop the core competencies of its human capital in order to

survive the competition. The practice of strategic human resource management is required for syncing the employee's personal objectives with the organizational objectives. Managers must realize the significance of reward and recognition for dedicated employees to sustain their good efforts and motivate them to excel. Achieving excellence is not a onetime activity, it's a chain of best sustained practices gained over years. The organization can achieve excellence by delivering value to its human resource for bringing the best out of each.

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