



Infrastructure analysis of human resource development based on People Developer (P.D) standard

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ABSTRACT

Human resource excellence is a comprehensive framework of pivotal values, criteria and superior indices in all aspects of organizational human resources, and helps manager identify their strength and weakness by continuous assessing of activities, trends, processes and human resource outcomes in order to plan for improvement. In this case, HR excellence models are appropriate for assessing the performance of an organization, by which organizations can compare their performance with competitors on national and international scale. Present research is intended to assess HR excellence in Niroo Mohareke Company based on PD model. The statistical population and sample is senior HR managers and consultants of this company. To collect data HR excellence questionnaires was used, and alpha Cronbach coefficient was used for final estimation ($\alpha=0.92$). After the questionnaires were handed and collected, the obtained information was analyzed using descriptive and inferential methods. All five HR excellence criteria were evaluated using independent T Student test, correlated T Student test and Friedman test. The findings suggest that all PD criteria are not in a favorable situation, which the least interest is in strategic and personnel planning criterion and the biggest gap between existing and favorable situations correspond to personnel and leadership, respectively.

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Introduction

Changes happened in global economy, efforts made by World Trade Organization (WTO) in globalizing the economy and increase in global competition, have persuaded the countries (either developed or developing) to increase competitive potentials and industrial competitiveness to participate and survive in regional, global and even local markets. Thus, for improved performance, many countries have conducted several studies on identification and dissemination of key factors of organizational success. National awards for quality and patterns of organizational excellence result from those studies. Deming award (Japan 1951), quality and excellence award (Canada 1983), Malcolm Baldrige National Quality Award (USA 1987), Australian quality award (Australia 1987), European quality award (Europe 1991), Rajiv Gandhi National Quality Award (India 1991), Singapore Quality Award (Singapore 1997), and so on are some examples (Sharma. & Talwar, 2004, p.71). Although Deming, Baldrige and EFQM¹ are the most famous excellence models, other countries have adopted particular models. Expansion of organizational excellence culture as well as industrial managers' and experts' interest in continuous improvement will lead to increased demand in establishing excellence systems. Industrial organizations in general and auto making industry in particular are not far apart from this principle. Due to its vast nature reflecting human achievements in various industries, as a driving factor and a satisfier of general consumers' needs auto making industry is of special importance (Najmi, 2012, Vol.1, p.22).

In this paper, People Developer (P.D) standard model introduced by The Standards, Productivity and Innovation Board

of Singapore (SPRING) is used to assess HR excellence in Niroo Moharake Industrial Complex. If applied accurately, PD model is an efficient tool that can institutionalize organizational concepts and values particularly human resources; formulation and implementation of strategic plans; self-assessment methods; organizational learning and continuous improvement in on organization, and allow for identification of best processes and optimal work. This model has been revised in various periods based on feed backs received from organizations, experts, members and auditors, and its latest version is PD 2008.

Excellence concept

Excellence is the state or quality of excelling or being exceptionally good². Excellence means controlling before others may expect, realizing a practical dream before others may predict, and meet expectation more than others may consider (Courtney, 2005. p.19). As Alan Rostier (1995) writes "excellence is not only technical development of a career, but it covers other fields such as social communication, personal relations, ethical management, etc. (Jacox, 1975, P.55). Notwithstanding wide use of this term in organizations, no coherent and comprehensive definition has been mentioned in the literature review. Although many researchers have conducted research and suggested diversified models, it seems that there is still no room for this scientific definition. What is agreed upon is that excellence is rooted in continuity of the quality path and completed it (Mirsepari, 2010, Vol.1, p.14).

Assessment process based on PD model

PD model was introduced by SPRING, Singapore to enhance human resource level in order to obtain better

1 European Foundation for Quality Management

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2 Collins English Dictionary – Complete and Unabridged © HarperCollins Publishers 1991, 1994, 1998, 2000, 2003

commercial outcomes. Singapore Quality Award for Business Excellence given to organizations seeking for raising the most optimal human resources to reach the most successful type of business has three basic pivots (Biazzo, 2005, p.103):

- Continuous surveillance of personnel activities
- Preparation for development and promotion of the staff
- Increased efficiency of learning

Obviously, HR developer begins with commitments of CEO and senior managers to develop HR for the purpose of business support. To execute business project in an organization, manager and head officers determine training needs of personnel based on their knowledge, skills and required attitudes to achieve certain business objectives (Alison, 2003, p.190).

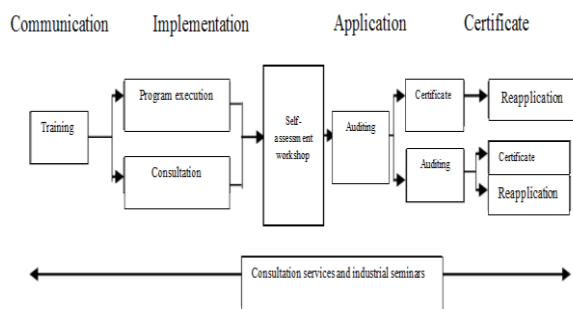


Figure 4. PD model assessment process

After the existing gaps were revealed, a training master plan is established to fulfill skill requirements of the personnel. This phase is combined with occupational progress project, and then required staff and resources are devoted to these projects. In the next phase, the organization announces HR development and existing training opportunities to execute its formulated projects (Wile, 2001, p.44).

In addition, induction trainings are presented for the old and new employees to be comfortable in the new career. For a systematic personnel training, a schedule is prepared and their participation is monitored to ensure that educational spaces and equipment are utilized (Gerami, 2005, Vol.1, p.55).

In the final phase, development activities are audited to ensure better execution of training master plan. The organization allocates bonus against learning and adds updated skills to their personnel files. Also, head officers do the periodic reviews of training to confirm learning process and follow up the training. This phase may include revision of existing performance standards, appointment of new responsibilities for those employees, whose skills have been increased and assessment of working performance.

Also in this phase, the Comprehensive Policy and HR development activities are reviewed to specify their effects on business performance and to evaluate training commitments. Finally, feedback results are used to formulate future plans for human resources as well as continuous improvement of existing plans (Donnelly, 2001, p.204).

Proposed research framework

As already mentioned, Standards, Productivity and Innovation Board of Singapore (SPRING) introduced PD in 1997 to reinforce HR development infrastructures and increase competition. Here, we use the latest version of PD standard (PD, 2008) including 5 criteria and 14 sub-criteria.

Criterion 1. Leadership Excellent organizations are managed by leaders who visualize future and realize it. Senior leaders are bound to human resource cultural development and encourage learning, innovation and fulfillment of business

objectives through cultural development along with organizational values.

Criterion 2. Strategic planning

Excellent organizations synchronize HR strategies and structures with those of the organization and revise the performance.

Criterion 3. Information

Excellent organizations support HR decision making process using modeling and comparative information, and adopt a systematic approach for modeling in HR fields and learning from successful experiences.

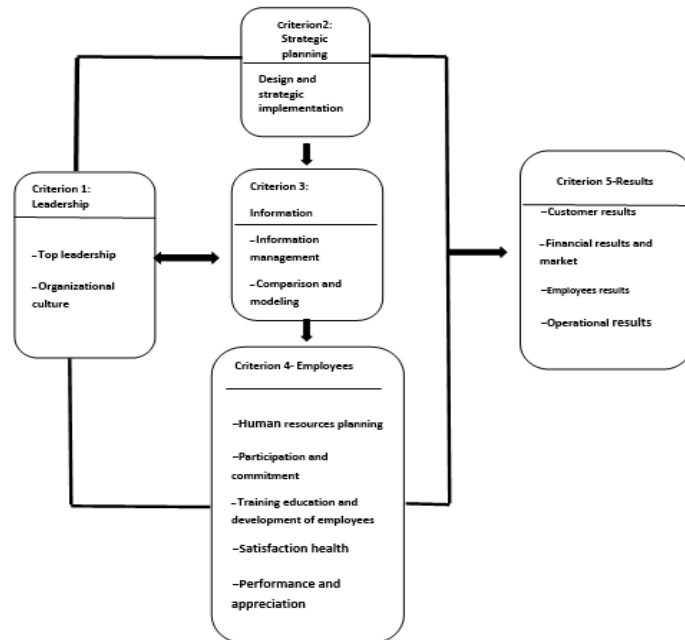


Figure 2. PD model, Schmidt, 2008

Criterion 4. Staff

Excellent organizations make sure that their HR strategies, policies, systems and trends enable the staff to develop and fully adapt their talents to strategies of the organization. Also, these organizations have made considerable efforts to create a constructive environment toward welfare, motivation and satisfaction of all personnel.

Criterion 5. Results

Organizations measure their organizational performance in key fields (financial affairs, customer relations, staff and operations).

Methodology

As the present research involves applied knowledge in a particular field, it can be considered an applied research, and a descriptive research based on how the required data are obtained. To collect necessary data and information, as the most important and valid survey tool, questionnaire was used. It consisted of 44 questions: 12 for strategic planning, 10 for leadership, 12 for information, and 10 for staff. Out of 45 questionnaires handed to senior managers and HR consultants, 42 were collected. Since the questionnaire was designed on Likert scale and it is, in fact, an attitude test. Thus, the most useful method for calculating the validity is a Cronbach coefficient, which $\alpha = 0.92$ validates the survey.

In this paper, to test the hypotheses, one (independent) sample T Student test was used to compare existing and desirable situations of PD model. Correlated T test was also used to make a comparison between mean existing and desirable situations, followed by Friedman test to prioritize the model's indices.

Table 1. Aspects of quality in organizations

Primary criteria	Secondary criteria	Model	No
Organization and management	Quality control accounting, empowerment, committee activities, use of headquarters and support activities	Deming	1
Education and development	Quality Control loop activities, capability to understand effects of training, training of contractors and external organizations		
Learning and motivation	Education, training and development, motivation and occupational progress	Baldrige	2
Welfare and satisfaction	Work environment, support and satisfaction		
Work systems	Work organization and management, performance management system, recruitment and occupational progress		
Staff	Management planning and HR improvement, knowledge and eligibility identification, development, and maintenance	EFQM	3
Individual responses	Perceptions index, Performance index		

Table 2. One sample T test of focus levels on indices of PD models in the existing situation

Peoples' Developer model for human resources	Mean	T	Degree of freedom
	Existing situation	Desirable situation	
Leadership	2.73	3.56	34
Strategic planning	2.7	4.23	34
Information	2.69	3.26	34
Staff	2.73	2.73	34

Table 3. Correlated T test for leaderships criterion in PD models

Parameters	The difference of two correlated groups- Existing situation and Desirable situation			Comparison of t value means		
	mean	Standard deviation	Mean standard error	T	Degree of freedom	Significance Level
Leadership	-0.95	1.101	0.0186	-1.328	-0.571	-5.104

Table 4. Correlated T test for correlation of PD model criteria

Parameters	The difference of two correlated groups- Existing situation and Desirable situation			Comparison of t value means		
	mean	Standard deviation	Mean standard error	T	Degree of freedom	Significance Level
Strategic planning	-0.8642	0.98209	0.166	-1.2016	-0.52693	-9.206
Information	-1.157	0.71701	0.12120		-0.91084	-9.548
Staff	-1.106	0.43102	-1.2545	0.0728	-0.95845	-15.188

Hypotheses

Hypothesis1. In Niroo Moharake Industrial Complex (NMIC), PD standard is taken into consideration in existing situations. This hypothesis has four sections as follows:

1.1. In existing situation, NMIC focuses on strategic planning (design and implementation).

1.2. In existing situation, NMIC focuses on information (information management, comparison, modeling)

1.3. In existing situation, NMIC focuses on leadership (senior leadership, organizational culture).

1.4. In existing situation, NMIC focuses on staff (HR planning, involvement, liability of staff, training, education and development, health and satisfaction of staff, functions and acknowledgment of staff).

Based on observed T value, hypotheses 1 and 4 were rejected with respect to significance level of H1 (0.01) (Table1).

Radar Chart 1. Existing conditions of in Niroo Moharake Industrial Complex

Hypothesis2. In existing situation, NMIC should focus on Peoples Developer standard. This hypothesis includes:

2.1. In existing situation, NMIC should focus on strategic planning (design and implementation).

2.2. In existing situation, NMIC should focus on information (information management, comparison, modeling)

2.3. In existing situation, NMIC focus on leadership (senior leadership, organizational culture).

2.4. In existing situation, NMIC should focus on staff (HR planning, involvement, liability of staff, training, education and development, health and satisfaction of staff, functions and acknowledgment of staff).

Based on observed T value, hypotheses 1 and 4 were rejected with respect to significance level of H1 (0.01) (Table2).

Hypothesis3. In NMIC, there is a gap between existing and desirable situation of HR PD standard.

Hypothesis1 is confirmed also confirmed for hypothesis3, therefore it can be said that there is a gap between existing and desirable situation of HR PD standard.

As seen is Table4, correlated t equals -0.95, degree of freedom confidence is 34, confidence level is %99 and error percentage is %1. Thus, it can be said that, from the respondents' viewpoint, there is a difference between desirable and existing situations. According to the table, desirable situation (3.6821) is higher than existing situations (21.732). Therefore, null hypothesis is rejected and H1 is supported, i.e. a gap between these two situations is confirmed.

The rest of hypotheses concerning excellence were evaluated as leadership criteria, summarized in table4.

Table 5. Ranking PD model components and parameters of the current situation and the desired situation

Mean Rank	Indicators	Mean rank in existing situation	PD model parameter	Rank of desirable situation	Rank of desirable situation
12.32	HR strategies are synchronized with objectives and operations of the organization	2.22	Strategic planning	2	4
11.99	Organizational structure for HR are synchronized with strategies and structure of the organization				
11.11	The organization assesses HR strategic planning, regularly and continuously.	2.7	Leadership	4	1
9.71	The organization assesses HR performance, strategies, policies and systems regularly and continuously.				
9.54	Senior managers formulate the outlooks, missions and organizational values.				
12.38	The organization designs special plans for promotions of its organizational culture.				
11.97	The organization fills the gap between existing and desirable situations.	2.68	Information	3	2
11.03	The organization accepts HR policies.				
10.34	The organization shares the required information to encourage involvement and learning.				
8.86	The organization maintains the required knowledge for HR management and development.	2.4	Staff	1	3
11.39	The organization selects and collects information regarding HR management and development.				
11.15	The organization uses comparative and modeling information to formulate objectives and improve strategies.	2.4	Staff	1	3
10.88	The organization has plans to develop leadership and substitution plans for key positions.				
9.84	The organization establishes a coordinated relationship between union managers and personnel.				
7.58	Recognition and reward schemes to support the organization's values and goals compilation.	2.4	Staff	1	3
11.58	Queue managers on employee participation is career advancement.				

According to performed tests, correlated t equals -0.86429, degree of freedom confidence is 34, confidence level is %99 and error percentage is %1. Thus, it can be said that, from the respondents' viewpoint, there is a difference between desirable and existing situations. According to the table, desirable situation (3.8536) is higher than existing situations (2.6964). Also, correlated t equals 1.10651 from the respondents' viewpoint; there is a difference between desirable and existing situations. According to the table, desirable situation (3.8384) is higher than existing situations (2.7319).

The findings of the analysis suggests that in Niroo Moharake Industrial Complex attention to leadership, strategic planning, information and staff and HR excellence in general is less than required. The biggest gap between existing and desirable situations falls in staff and leadership categories.

To rank the parameters and PD model indices Friedman Test was used. The results indicate a ranking significance in the level of 0.01 in both existing situation and desirable situations. The results show that the biggest gap corresponds to leadership and staff with regard to strategic planning and staff criteria.

Discussion and conclusion

In today world, in pace with tremendous evolutions and changes occurred in various economic, social and technological, profound evolutions happen in novel management and method, and fully different viewpoints relative to past governs organizational management.

Among new concepts recently outlined in many countries of the world, organizing a variety of business excellence and national quality awards is an example, based on which various enterprises are assessed and compared, and reinforce the movement toward improvement and promotion by creating a complete environment.

This article tries to investigate HR excellence from the viewpoint of human resources and introduces a pattern to enable performance assessment and success evaluation in addition to enlightening the organizational paths.

This article was designed to assess human resources of NMIC viewed by its managers. Results of hypotheses 1 to 10 using independent Student T test, indicates that HR excellence is lower than average for all criteria: leadership, strategic planning, staff and information. In other words, organizational excellence of the company in question is not desirable. Hence, focus on improvement and efforts to resolve the problems can promote that company. Thus, as this model is very efficient, the managers are recommended to make their efforts to improve each criterion by studying PD model concepts and sub-criteria.

To explore the gap between existing and desirable situations Correlated T test was used, showing that the biggest gap exists corresponds to leadership and staff.

Friedman Test was used to rank the criteria, which suggested that ranks 1 to 4 were given to leadership, information, staff and strategic planning, respectively, while in desirable situation ranks are given to staff, strategic planning, information, and leadership (Table6) .

Then, the following are recommended to enhance HR Excellence:

- 1- From respondent's viewpoint, senior managers of the organization should be committed to both aspects that is, senior management and organizational culture, and try to achieve it.
- 2- Despite current conditions, the organization should adapt HR strategies and structures to organizational objectives and strategies, and revise its performance.
- 3- Despite current conditions, in two aspects of information criterion, i.e. information management and information

comparison and modeling the organization should adapt HR strategies and structures to organizational objectives and strategies, and revise its performance.

4- HR strategies, policies, systems and trends should enable the staff to fully develop their talents in harmony with organizational strategies and endeavors to create a constructive work environment to increase welfare, motivation and satisfaction.

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