



TenStep Supplemental Paper

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HR Drives TQM

Until recently, organizations were worried more about the price and less about product quality. Not anymore. In today's corporate world, the pursuit of quality is the in thing. If any organization is not pursuing technical excellence, reductions in cycle time and increased profitability, then it's already on its way out of the game.

In this era of quality, product excellence is becoming important. Therefore, Total Quality Management (TQM) has become a culture change. A culture change means a collective behavior change on the part of employees in the organization. HR is responsible for many of the organizational systems that can create that behavior change. The difference between business success and failure will be the employees.

HR plays a significant role in supporting and driving a continuous-improvement culture. Keeping systems aligned with quality strategies will be the HR challenge of the new millennium. That does not mean that HR should lead a quality effort. It is the task of the line managers. However, to make the quality effort successful, organizations must align HR systems with their quality goals. It means, HR should be made an integral part of making quality a reality.

Every HR system has the potential to influence employee performance and thus the success or failure of a total-quality initiative. From hiring and compensation to training and performance management, HR must work to ensure that its systems reinforce the company's quality message.

There are 3 basic HR principles on how an organization should communicate to employees about quality:

- Organizations must understand that communication about quality is a strategic effort.
- Involve employees in the quality effort.
- Organizations must shape quality messages from the employee's perspective.

Many organizations fall into the same trap with training that they do in communicating. They invest all their resources in up-front awareness building, instead of looking at what individuals need to know for quality to become a long-term reality. Several organizations place their training emphasis on awareness and process improvement, ignoring the behavioral skills needed to create the change that they're looking for.

By shifting the responsibility for skills certification to employees, HR can reallocate training budgets for courses like leadership training, team problem solving and decision-making. Practicing new skills during training also helps employees learn the behaviors that they need for applying those skills effectively.



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Introducing concepts and principles of quality to employees is relatively easy. Training employees to apply the concepts and principles of quality in a way that affects the bottom line is much more difficult.

Just as training needs to reinforce the behaviors necessary for quality, so does an organization's performance-management system.

The growing popularity of skill-based pay, broad banding and variable-pay programs is a direct result of quality-driven efforts to pay employees based on what they contribute, not on what a narrow job description says they're supposed to contribute.