

# The Process Approach to Management of Enterprise Human Resources

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**Abstract.** The paper describes the approach to human resources management in the quality management system of an enterprise on the basis of their dual nature. The expediency of this approach application is analysed to ensure harmony between the interests of the company and its personnel and to improve the quality of labour.

## 1. Introduction

In modern conditions of the Russian economy development the problem of effective management of resources is of special urgency in the quality management system (QMS) of an enterprise, allowing the improvement of the quality of its products and, consequently, competitiveness on the market of commodity producers. A new version of ISO 9001 : 2015 approved in September, 2015, assigns a special role to human resources (HR), raising them to the level of the most important resources of the organisation.

However, experience of introduction and certification of QMS for compliance with ISO 9001 shows that many companies have not achieved significant benefits in improving the quality and competitiveness of their products. This fact is explained, in particular, by the formal approach to the enterprise human resources, without taking into account their specificity, and insufficient development of personnel processes. In this connection we propose a process approach to the enterprise personnel management that meets the requirements of ISO 9001: 2015.

## 2. Analysis of Recent Researches and Publications

Currently personnel management for developing and implementing personnel policies and strategies widely uses the following concepts [1]: the use of human resources, human resource management (conventionally attributed to a resource-based approach); human resource management, management of humans (conditionally attributed to a humanistic approach). In its turn, these concepts define the direction of development towards implementation models and principles of personnel management in the organisation, which only to a certain degree as the object of management consider a person as a specific resource (goods, raw materials), for example, the model of Internal marketing [2]; a person having a high potential and needs realised in employment, for example, the model of Personnel Management in Corporation ‘MatsushitaDenki’ [3].

The analysis of scientific literature and personnel practices in this field has shown that today for most models of QMS (TQM, ISO 9000, a model of business excellence, etc.), the terminology of the concept of ‘human resource management’ (HRM) is used to describe the personnel processes. This



concept appeared in the West in the early 70-ies of XX century, is characterised by the following shortcomings:

- the lack in the scientific community (Harvard school, Michigan school, etc.) of unity of views on the nature of human resources and, as a consequence, free interpretation of essence of a human resource management concept or its substitution by other conceptual approaches in the personnel management of the organisation while preserving the existing terminology that leads to ambiguity in determining the object, level, and results of this management activity, etc.;
- effectiveness and efficiency indicators of HR processes are connected with formal indicators (competence, qualifications, length of service, etc.) of human resources and do not deal with the quality of labour and products (human resource management in the management system should, in our view, be associated with a product quality). Moreover, practice shows that the personnel having these formal indicators does not always lead to manufacturing quality products;
- the absence of formalised models of mutual harmonizing personal and organisational requirements and monitoring of the extent of their implementation that does not allow the company to provide itself with quality human resources, and at the same time ensures employees of the expected reward system that reduces the level of loyalty;
- the lack in personnel practices of predictive models of risk management related to human resources - the only type of resource that can distort the control effect, which leads to an increase in the level of uncertainty in the quality of HR processes.

### 3. Problem Statement

In order to improve human resource management in the quality management system (QMS) of the organisation it is necessary to identify the parameters of HR processes; their proper development will reduce the level of uncertainty in their implementation and eliminate the revealed discrepancies, in particular:

- identify suppliers and consumers of HR processes;
- establish their input and output parameters, as well as indicators of effectiveness and efficiency;
- identify resource provision;
- develop regulatory documentation.

The idea “quality processes make quality products”, extrapolated on human processes, can bring its positive results. However, it is obvious that it is impossible to control processes efficiently without determining the object and the purpose of control and parameters to achieve these goals.

In this context, researches aimed at defining the nature of human resources and development of the process model, taking into account the specific character of the organization QMS, are of particular importance.

### 4. Nature of Human Resources

Today, most discussions of this country and foreign scientists are based on the differences in opinions on the object, level, results of the human resource management.

The problem of determining the object of activity in the field of ‘human resource management’ is ambiguous, but it is important because it reveals the very reason for incipient contradictions. Some scholars [4] consider people themselves (organization staff), motivated on the basis of organisation capabilities to qualitative work as a control object.

However, other scientists [5, 6] consider a specific resource of the organisation – staff as a management object, which despite the number of peculiarities (the ability to transform the control action, to increase their value during functioning, to change their properties and behaviour in time, etc.), has the characteristics typical to other resource types, which causes a need for its reasonable use and activation.

Within this view there are two approaches to human resource management – rigid and soft [5, 6]. The rigid approach is based on the idea of matching human resources to business strategy, which regards employees as a resource to be managed as efficiently as any other one to maximize profit. In contrast to this view, the soft approach, based on the idea of commitment, considers employees a valuable asset and a source of competitive advantage due to their commitment to the organisation, adaptability, high level of skills and quality of work.

These debates suggest that there is no unity of views on the object of management, and, in its turn, this causes difficulties in formation of effectiveness and efficiency indicators of HR processes. In this regard, it seems appropriate to define the nature of human resources as dualistic, where the staff is considered, on the one hand, as the most important specific resource that defines the competitiveness of the organisation, and on the other hand, as an internal consumer of the system of awards (salary and benefits, promotion, training programs, work significance, etc.) offered to employees for qualitative work.

The prerequisites of this approach can be found in a number of QMS models, in particular international standards ISO 9000. In standards ISO 9000, versions of 2011 and 2015, it is noted that the consumer may be internal or external to the organisation. In this case, the organisation should determine the needs and expectations of its employees in recognition of their work, job satisfaction, and in their development. Such attention helps to ensure the strongest motivation of employees. The organisation should conduct a survey of employees' satisfaction, achieving their results and implementation of appropriate actions. At the same time, top management should determine and provide the resources necessary to implement the strategy and achieve the goals of the organisation.

Based on this approach with the generic name 'human resource management' it is useful to consider two interrelated, integrated, however, principally independent processes – 'human resource management' and 'management of staff motivation' with their own suppliers, customers, control objects and performance indicators that are not always or not fully defined in the framework of the traditional approach.

Orientation on satisfaction of personnel requirements with the career, even in 'soft' models of human resource management is a priori based on the assumption that workers share the interests of the employer, even if they do not match their own. In other words, the employer motivates staff by the system of awards for the qualitative and productive work, based on the capabilities of the organisation. Thus, poorly developed or the lack of harmonisation of personal and organisational requirements in HR management leads to lower level of mutual satisfaction between the employer and employee.

It should be noted that in the development of HR processes in QMS, most organisations also face the problem of determining their level of control. The most preferable for the development of HR processes is a point of view that considers human resources management as operational activities of managers with the staff to implement the strategy of organisation development at the level of departments. The activity of human resources management provides working out the company's development strategy and includes personnel management as a subprocess.

Summing up all mentioned above, human resource management can generally be defined as the direction of administrative activity, in which the human component of the organisation is one of the most important resources used to achieve strategic goals. Its maximization is possible on the basis of a balance of personal and organisational values.

## **5. Process Model of Human Resource Management**

Identifying the dual nature of human resources allows one to develop personnel processes properly and integrate them into QMS of the organisation.

In accordance with this approach we proposed a process model of human resource management in QMS of Bryansk machine-building enterprise. To implement this model it is necessary to solve the following problems:

- Development of a descriptive model of integrated human resources processes of the enterprise, based on the dual nature of human resources, allows for a clear identification of the users and

suppliers (personnel and enterprise), management object (human resources, and system of awards offered to the staff by the enterprise), resource provision, normative and methodological documents and effectiveness and efficiency indicators;

- the formation of a typical registry of personnel processes of the organisation, taking into account the level of tasks (strategic and operational) and the nature of human resources;
- developing processes of harmonisation of personal and organisational requirements;
- formation of a system effectiveness and efficiency indicators of the processes of human resource management in accordance with their targets.

Process model 'Human Resource Management' provides a clear decomposition of personnel processes into integrated processes 'Personnel Management', whose customer is an enterprise, and 'Management of Motivational System,' whose consumer is the personnel, formation and management of the balance of the employee and company interests through the process 'Harmonisation of Personal and Organisational Requirements' and designing processes 'Staffing of Qualitative Work', allowing a connection of the performance indicators testifying the satisfaction of the enterprise resource expressed in the personnel competence and insurance of a high level of quality and productivity and staff satisfaction with the system of awards by the enterprise.

Taking into account the specificity of the identified personnel management a model register of the process 'Human Resource Management Organisation' has been developed (Table. 1). Integrating HR processes into the proposed register, based on the dual nature of human resources, allows:

- eliminating the existing shortcomings in personnel management - the lack of a clear separation of operational and strategic HR processes in the organisation QMS; processes mixed with different users (organisation and staff) and management objects (human resource and a system of awards), which leads to discrepancy of final scheduled performance indicators to the process content;
- to harmonise the interests and expectations of the staff and the employer, thereby maximising the potential of human resources in the organisation that will enhance the efficiency and effectiveness of its QMS.

Provision of quality personnel processes causes the need to balance the requirements of the employee and the company imposed by each other [11]. Harmonisation of these requirements involves determining the closeness of the relationship between the dominant organisational and personal values based on the correlation of their weights.

For statistical significance of the correlation coefficient organisational and personal values are considered as harmonised in favour of declared corporate values. If there is no statistical significance of the correlation coefficient it is necessary to conduct correction of personal values in accordance with dominant organisational values of the declared type of culture.

Effectiveness and efficiency indicators of HR processes have to be directly related to their targets in the organisation QMS. HR process targets should be designed to achieve the integration of the interests of the employer and employee, in particular: ensuring the organisation with human resources of required quantity and quality, capable to realise a corporate strategy and to support and share organisation values; improving the efficiency of employees by meeting their requirements and expectations set on the organisation and given system of awards.

A number of HR processes parameters are simply monitored, as they have a formalised (or reference) performance indicators (employee turnover, absenteeism ratio, etc.), but for other parameters the descriptive (or vague) characteristics (competent specialist, employee's satisfaction, etc.) are generally typical.

Moreover, some parameters of the staff cannot be subjected to consistent monitoring, as these actions are difficult or not economically sound. In particular, the competence of professional adaptability and mobility demanded on the labour market may occur only during the period of employment, which increases the risks of the businessman when hiring such a specialist. In the current situation, using the methods of expert evaluations is reasonable to monitor uncertain effectiveness parameters for a number of HR processes.

## 6. Conclusion

Thus, the management of human resources is considered through the prism of the quality management system. Taking into account the dual nature and integratedness of HR processes focused on organisation satisfaction with a resource, expressed by staff competence and ensuring a high level of quality and productivity and the staff satisfaction with the system of awards allow ensuring achievement of efficiency and competitiveness of the organisation as a whole.

**Table 1.** The Register of the Process ‘Human Resources Management of the Enterprise’

<b>1.</b>	<b>Human resources management</b>
<i>1.1.</i>	<i>Development of human resource management policy and strategy</i>
1.1.1.	Development of personnel policy
1.1.1.1.	Definition of organisation values
1.1.1.2.	Formation of organisational behaviour model
1.1.2.	Development of human resources strategy of the enterprise
1.1.2.1.	Analysis of the labor market and human potential of the enterprise
1.1.2.2.	Cost planning of human resources
1.1.2.3.	Human resource requirement planning
<i>1.2.</i>	<i>Recruiting</i>
1.2.1.	Recruitment
1.2.2.	Personnel selection
1.2.3.	Personnel hiring and release
<i>1.3.</i>	<i>Personnel adaptation and career guidance</i>
1.3.1.	Personnel adaptation
1.3.2.	Personnel career guidance
<i>1.4.</i>	<i>Personnel development</i>
1.4.1.	Personnel training
1.4.2.	Personnel career planning
<b>1.5.</b>	<b>Personnel management</b>
1.5.1.	Facilitating the formation of organisation departments
1.5.2.	The definition of pay and benefits
1.5.3.	Management of registration activities
1.5.4.	Advising line managers
<b>2.</b>	<b>Motivation system management</b>
<i>2.1.</i>	<i>Identification of personal values</i>
<i>2.2.</i>	<i>Development of motivation programmes</i>
2.2.1.	Designing the system of awards and material values
2.2.2.	Designing the training system
2.2.3.	Designing the system of promotion
2.2.4.	Designing labour conditions and work importance
2.2.5.	Documentation of motivation programs
<i>2.3.</i>	<i>Personnel Motivating</i>
2.3.1.	Implementation of motivation programs
2.3.2.	Monitoring of motivation programs
<b>3.</b>	<b>Harmonisation of personal and organisation requirements</b>
<i>3.1.</i>	<i>Analysis of enterprise personnel satisfaction (certification)</i>
<i>3.2.</i>	<i>Analysis of employee satisfaction with the enterprise</i>
<i>3.3.</i>	<i>Harmonisation of personal and organisation values</i>

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<b>4.</b>	<b>Human resources for quality and productivity</b>
4.1.	<i>Identification of performance and labour quality parameters</i>
4.2.	<i>Personnel management of parameters and quality</i>
4.3.	<i>Evaluation of the performance and labour quality indicators</i>

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