HCM 438
HOSPITALITY SUPERVISION AND QUALITY CONTROL

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INTRODUCTION

HCM 438 Hospitality Supervision and Quality Control is a two – credit unit course. As such, you are expected to spend a minimum of two hours every week studying the course. You are expected to complete the entire outline within a period of 15 – 17 weeks.

This course guide tells you briefly what the course is all about, the course materials you will be using and how you should allocate your time to each unit. It suggests some general guidelines for time you are likely to spend on each unit of the course in order to complete it successfully.
It also guides you on your tutor-marked assignments, which will be made available to you at the Study Centre. There are regular tutorial classes linked to this course. You are advised to attend these sessions.

WHAT YOU WILL LEARN IN THIS COURSE

In this course, you will learn about:

- structure and classification of the hotel establishment
- nature of staff planning
- recruitment and selection process
- importance of training in quality service
- different styles of leading
- nature of quality
- importance of quality systems management
- service quality/competitive advantage
- supervision and quality control
- management control systems in the hotel industry
- communication and formal organisations
- leadership and management
- human resource management
- job security and work environment
- total quality management

COURSE AIMS

The aim of this course is to enlighten you on the meaning of hospitality supervision and quality control. It aims to explain principles and how these principles can be applied to hospitality supervision and quality control operations. This course seeks to help you develop skills and adequate knowledge required to carry out hospitality supervision and quality control duties.

COURSE OBJECTIVES

To achieve the aims set out, the course sets overall objectives. Each unit also has specific objectives. The unit objectives are specified at the beginning of each unit. You should read them before you start working through the unit. You may want to refer to them during your study of the unit to check your progress.

Below are the overall objectives of the course. By meeting these objectives, you should have achieved the aims of the course as a whole. On successful completion of the course, you should be able to:

- explain the structure and classification of hotel establishment
- explain the of staff planning as well as recruitment and selection process
- discuss the importance of training in quality service and different styles of leading
- explain the importance of quality systems management
- describe the nature of quality and service quality/competitive advantage
- discuss supervision and quality control
- explain management control systems in the hotel industry
- define communication and formal organisations
- define leadership and management
- explain human resource and total quality management
- discuss job security and work environment.

WORKING THROUGH THIS COURSE

For you to complete this course, you are required to read the study units, textbooks, and other resources that are related to the unit. Each unit of the course contains tutor-marked assignment. The tutor-marked assignment (TMA) is to be done immediately and submitted to your tutorial /course facilitator for assessment. The medium used and the time to submit the TMA will be specified to you later. Below is the list of all the components of this course.

COURSE MATERIALS

Major components of this course are:

- Course Guide
- Study Units
- Textbooks
- Assignments

- Presentation Schedule

STUDY UNITS

This course is made up of three modules broken down into 15 units. They are as listed below.

Module 1

Unit 1   Structure and Classification of the Hotel Establishment
Unit 2   Nature of Staff Planning
Unit 3   Recruitment and Selection Process
Unit 4   Importance of Training in Quality Service
Unit 5   Different Styles of Leading

Module 2

Unit 1   Nature of Quality
Unit 2   Importance of Quality Systems Management
Unit 3   Service Quality/Competitive Advantage
Unit 4   Supervision and Quality Control
Unit 5   Management Control Systems in the Hotel Industry

Module 3

Unit 1   Communication and Formal Organisations
Unit 2   Leadership and Management
Unit 3   Human Resource Management
Unit 4   Job Security and Work Environment
Unit 5   Total Quality Management

The units shall be treated in sequential order.

TEXTBOOKS AND REFERENCES

As was earlier stated, materials relevant to the course are not limited to the ones listed below but also others you can lay hands upon. The following references are hereby recommended.

Dennis Lillicrap, John Cousins & Robert Smith (1998). *Food and Beverage Service*. (5th ed.). London: Hodder and Stoughton.

John R. Walker (1999). *Introduction to Hospitality*. (2nd ed.). New Jersey: Prentice Hall Inc.

Richard J. Schonberger & Edward M. Knod Jnr. (1997). *Operations Management: Customer – Focused Principles.* (6th ed.). Irwin/McGraw Hill.

William S. Gray & Salvatore C. Liguori (1990). *Hotel and Motel Management and Operations*. New Jersey: Prentice Hall Inc.

PRESENTATION SCHEDULE

Specific dates for particular activities, such as submission of assignments, tutorial schedules, examination dates and other information shall be made available to you at a later date.

TUTOR-MARKED ASSIGNMENT

Each unit of this course has a tutor-marked assignment section, which you are expected to do at the end of the unit. You are required to keep an assignment file. Each shall assignment mark would be converted to three per cent; the best 10 shall be selected to make up 30 per cent.

FINAL EXAMINATION

The final examination for this course has a total value of 70 per cent of the total course grade. It will cover all aspects of this course. Use the time between the last unit and the examination to revise the entire course.

COURSE MARKING SCHEME

The following table presents the breakdown of the course marking scheme.

Table 1: Course Marking Scheme

Assessment	Marks
Assignments	30%
Examination	70%
Total	**100%**

COURSE OVERVIEW

This table brings together the units and the number of weeks you should spend to complete them. The assignments that follow them are captured in the table.

Unit	Title of work	Week's activity	Assessment (end of unit)
	Module 1		
1	Structure and Classification of the Hotel Establishment	1	Assignment 1
2	Nature of Staff Planning	1	Assignment 2
3	Recruitment and Selection Process	1	Assignment 3
4	Importance of Training in Quality Service	1	Assignment 4
5	Different Styles of Leading	1	Assignment 5
	Module 2		
1	Nature of Quality	1	Assignment 6
2	Importance of Quality Systems Management	1	Assignment 7
3	Service Quality/Competitive Advantage	1	Assignment 8
4	Supervision and Quality Control	1	Assignment 9
5	Management Control Systems in the Hotel Industry	1	Assignment 10
	Module 3		
1	Communication and Formal Organisations	1	Assignment 11
2	Leadership and Management	1	Assignment 12
3	Human Resource Management	**1**	Assignment 13
4	Job Security and Work Environment	**1**	Assignment 14
5	Total Quality Management	**1**	Assignment 15
	Revision		
	Total	**15**	

HOW TO GET THE MOST FROM THIS COURSE

In distance learning, the study units replace the university lecturer. This is one of the great advantages of distance learning. You can read and work through the specially designed study materials at your own pace, and at a time and place, that suits you best. As a lecturer might set some readings for you to do, the study unit also guides you on which materials to read. Just as a lecturer might give you an in-class exercise, your study units also provide exercises for you to do at appropriate points.

Each study unit follows a common format. The first item is an introduction to the subject matter of the unit. Next is a set of learning objectives. These objectives let you know what you should be able to do by the time you have completed the unit. You should use these objectives to guide your study. When you have finished the unit, you must go back and check whether you have achieved the objectives. If you make a habit of doing this, you will significantly improve your chances of passing the course.

The main body of the unit guides you through the required reading from other sources. This will usually be either from reading section or some other sources.

The following is a practical strategy for working through the course. Do not hesitate to contact you tutor if you need academic assistance. The following is a guideline on how to work through your course material.

1.   Read this course guide
2.   Organise a study schedule. Refer to the course overview for more details. Note the time you are expected to spend on each unit and how the assignments relate to the unit. Important information e.g. details of your tutorials, date of the first day of the semester, are available. Gather all information in one place, such as your dairy or wall calendar. Whatever method you choose to use, write your dates for working on each unit.
3.   Once you have created your own study schedule, do everything you can to stick to it. The major reason that students fail is that they lagg behind with their coursework. If you get into difficulties with your schedule, please let your facilitator know before it is too late for help.
4.   Turn to Unit 1 and read the introduction and objectives for the unit.
5.   Assemble the study materials. You will always need both the study unit you are working on and one of your set of textbooks as you work through your unit.

6. Work through the unit. The content of the unit itself has been arranged to provide a sequence for you to follow. As you work through the unit, you will be instructed to read sections from your set books or other articles. Use the unit to guide your reading.
7. Well before the relevant due dates (about four weeks before the dates), access the assignment file to download your next assignment. Keep in mind that you will learn a lot by doing the assignments carefully.
8. Review the objectives for each study unit and confirm that you have achieved them. If you feel unsure about any of the objectives, review the study material or consult your tutor.
9. When you are confident that you have achieved a unit's objectives, you can then start on the next unit. Proceed unit by unit through the course and try to pace your study so that you keep yourself on schedule.
10. When you have submitted an assignment to your tutor for marking, do not wait for its return before starting on the next unit. Keep to your schedule. When the assignment is returned, pay particular attention to your facilitator's comments. Consult your tutor as soon as possible if you have any questions or problems.
11. After completing the last unit, review the course and prepare yourself for the final examination. Check that you have achieved the unit objectives and the course objectives.

FACILITATORS/TUTORS AND TUTORIALS

There are eight hours of tutorials provided for this course. You will be notified of the dates, times and location of these tutorials, together with the names and telephone numbers of your tutors, as soon as you are allocated a tutorial group.

You must mail your tutor-marked assignments to your tutor well before the due date (at least two working days are required). They will be marked by your tutor and returned to you as soon as possible. Do not hesitate to contact your tutor if you need help.

Contact your tutor if:

*   You do not understand any part of the study units or the assigned readings.
*   You have a question or problem with your tutor's comment on your assignment or with the grading of an assignment.

You should try your very best to attend tutorials. This is the only chance to have face-to-face contact with your tutor, and to ask questions which are answered instantly. You can raise any problem encountered in the

course of your study. To gain the maximum benefit from course tutorials, prepare question list before attending them. You will learn a lot from participating in discussions actively.

SUMMARY

As earlier stated, the course, *HCM 438 Hospitality Supervision and Quality Control* is designed to introduce you to the concepts, skills and knowledge required of you as you carry out hospitality supervision and quality control duties. This course will as well equip you with the principles of hospitality supervision and quality control.

We hope you enjoy your acquaintances with the National Open University of Nigeria (NOUN). We wish you success in the future.

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MODULE 1

Unit 1   Structure and Classification of the Hotel Establishment
Unit 2   Nature of Staff Planning
Unit 3   Recruitment and Selection Process
Unit 4   Importance of Training in Quality Service
Unit 5   Different Styles of Leading

UNIT 1   STRUCTURE AND CLASSIFICATION OF THE HOTEL INDUSTRY

CONTENTS

1.0   Introduction
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        3.1   Basic Types of Hotels
        3.2   Classification by Location
        3.3   Corporate Structures and Concept of Operation of a Hotel
4.0   Conclusion
5.0   Summary
6.0   Tutor – Marked Assignment
7.0   References/Further Reading

1.0   INTRODUCTION

Does the word "quality" denote a desirable characteristic in output of goods and services? Does it describe processes that make and deliver those outputs in ways that please customers? When appended with the word "management" and preceded by the word "total," does quality refer to an even bigger picture – an overall approach to running the organisation. The answer is yes!

Quality is a driving force in contemporary operations management in hospitality business as well as a potent strategic weapon. Proper controls, for instance, over purchasing and receiving, although they are essential, serve no purpose if controls cease after food and beverage purchases are placed in the storerooms; hence, supervision is necessary.

For quality to be effective as well as efficient, it should be built into the structure of any given hotel establishment in order that each component unit of the organisation should be aware of the part it plays in the objective of quality service delivery to the customer. For instance, if a given employee of the food and beverage department is charged with the responsibility of providing quality food service to guests, the

performance of such employee should be supervised and subsequently evaluated to ensure that the expected results are achieved. The issue of supervision and evaluation of staff goes a long way to ensure that employees perform optimally to achieve the set goals of the organisation. On the other hand, various departments of the organisation undertake supervision and evaluation; hence, the establishment must coordinate itself to deliver effectively on the provision of quality services in the hospitality industry.

Proper quality planning results in processes capable of meeting the need for quality goods under certain operating conditions. Quality control consists of measuring actual quality performance, comparing it with a standard, and acting on any difference. Some authors believe that inherent planning deficiencies might result in chronic waste, and it is up to the supervision and control process to keep the waste from getting worse. Quality improvement is superimposed on quality control. It means finding ways to do better than standard and breaking through to unprecedented levels of performance. The desired end results are quality levels that are even higher than planned performance levels.

2.0   OBJECTIVES

At the end of this unit, you should be able to:

- describe the basic types of hotels
- explain how to structure hotel management based on their sizes/location
- outline corporate hotel structures and their concept of operation.

3.0   MAIN CONTENT

3.1   Basic Types of Hotel

There are only two types of hotels: transient hotels and residential apartment hotels.

Transient

A transient hotel is one that caters for people while they are temporarily away from home, whether for a day, a week, or a month, on business or for pleasure.

Residential

The best definition of this type, and the most easily understood, is an apartment house with full hotel services. These differ from transient hotels in that they are the official residences of the guests rather than their "home away from home." In addition, they usually require that the guest sign a lease (Gray & Liguori, 1990).

Even though all hotels can be designated as transient or residential, few (excluding highway motels) cater exclusively to one class of guest. To improve occupancy and thus increase income, many transient hotels offer rooms on a permanent basis, with or without a lease. In addition, to supplement their income or to accommodate guests of the permanent residents who may be in need of overnight lodgings, residential hotels will offer some of their rooms on a daily or transient basis.

3.2 Classification by Location

To classify every hotel merely as transient or residential gives no idea of the variations in size, features, or facilities offered, nor does it provide an understanding of the reason for a hotel being what or where it is. To properly explain (and so more easily define these differences), it is necessary to classify hotels by location as well as by type.

City centre hotels

City centre hotels, by virtue of their locations, meet the needs of the travelling public for business or leisure purposes. These hotels could be luxury, midscale, business, suites, economy, or residential. They offer a range of accommodations and services. Luxury hotels might offer the ultimate in décor, butler service, concierge and special concierge floors, secretarial services, computer, fax machines, beauty salons, health spas, 24 hours room service, ticket office, airline office, car rental, and doctor/nurse on duty or on call. Generally, they offer a signature restaurant, coffee shop, or an equivalent name restaurant; a lounge; a name bar; meeting and convention rooms; a ballroom; and possibly a fancy nightspot.

Resort hotels

A resort hotel may best be described as one where people go to relax and be entertained. Relaxation takes different forms for different people. It may mean just resting, or sitting in the sun, or sightseeing. It may include swimming, boating, fishing, golfing, or mountain climbing.

There is nothing new in the idea of resort areas. In ancient times, to escape the extreme weather conditions, the well-to-do left the cities in both the summer and the winter. Even though they maintained their own homes in the country or at the seaside, they needed places for recreation and entertainment. The upper-middle class also travelled and, particularly during vacations, needed a place to stay in which to relax. Hotels were built to cater for the needs of these people, since the average city worker spent their leisure time on nearby beaches or in the mountains, usually only for the day, and therefore had no need for a hotel (Gray & Liguori, 1990).

Resort hotels can be divided into two categories. The first is a self-contained unit in which the hotel provides all the recreational facilities for its guests – indoor and outdoor pools, tennis courts, golf courses, horseback riding, and some type of entertainment. Guests really have no reason to leave the hotel during their stay, so food is included in the cost of the rooms; a system known as the "American plan."

The other type of the resort hotel is located near or at natural recreation areas such as seashore, large lakes, national parks, or ranches – such as the Obudu Ranch Resort in Nigeria, which has many hotels located within its environment. These hotels may have their own pools, and certainly restaurants, nightclubs, and other forms of entertainment for their guests, but it is the area, rather than the hotel itself that attracts the people.

It follows that the guests need not have their meals at the hotel. In fact, many prefer to try some of the other well-known restaurants in the area. In addition, since sightseeing is part of the purpose of being there, many guests would find it inconvenient to return to the hotel for lunch if three full meals were offered. As a result, these hotels give their guests a choice between "European plan" (room only, with no meals) or a very popular "modified American pan," which provides a room and two meals: breakfast and dinner. Some hotels using the latter will even give the guest a credit facility against the total bill for meals that are missed.

Airport hotels

With the growth of the airline industry and mass transportation of people by air, another need has evolved. An airport is usually some distance from the city. Flights may be postponed or cancelled, and the airline will have to take care of their numerous passengers – feed them, and if an overnight delay is involved, house them. Previously, the passengers had to be transported to and from the city for this purpose; an expensive and time consuming process. Again, there was an opportunity and a need,

and the innkeeper took advantage of it. Hotels were built around or in the major airports.

Today, their business comes not only from inconvenienced passengers; the traveller also finds a place to rest while waiting for connecting flights. Many people catching a very early flight prefer to arrive at the airport the night before and get a good night's rest at the airport hotel, thus avoiding the rush of the morning automobile traffic that is so heavy around major cities, like Lagos and Abuja.

Thus, the airport hotels are also in direct competition with the city hotels, and with growing success. Two problems, one in the operation and the other in the construction of building, bear mentioning. The first relates to the transportation of the guests from the airport to and from the hotel; this can be easily solved. The hotel maintains a small private bus that makes frequent trips to the airport. The other is the problem of noise abatement. Modern jets are very noisy, and at an airport, they take off and land 24 hours a day. However, most airport hotels are relatively new, and modern technology has succeeded in insulating them to a point where few guests have had any reason to complain on this score. Many such hotels, being centrally heated and air-conditioned, therefore also have sealed windows.

Motels

Motels originated as an outgrowth of increased demand by automobile business traveller. In the early days of travelling salesmen lodgings could frequently be found in private residences – often farmhouses near the highway – but the number of travellers soon exceeded the accommodation available. The motel became a method of providing low-cost accommodations for such travellers.

3.3 Corporate Structures and Concepts of Operation of a Hotel

The original concept for the operation of a hotel, particularly a small hotel, was that the owner would operate it as a sole proprietor. In many instances, the owner was also the manager and quite often performed other functions as well. As a sole proprietor, the owner is personally liable for the debts and losses incurred by the operation. At the same time, however, he or she is relieved from filing the documents and paying the fees that are required of an incorporated business.

Now, many owners have found it advantageous to incorporate their hotel operations. Usually, the owner forms a corporation to own and operate the hotel, although there is no reason that an existing corporation cannot

be used. The creation of the corporation limits the risk and liability of the individual owner and thus protects that owner's personal assets from loss, should the operation be unprofitable.

Corporate structures

Although there are many similarities in how various hotel chains function, the corporate structures under which these hotels are owned and operated are many and varied. The reason for this is often complex and relate only to the particular circumstances of each company. There are, however, more reasons that are common.

Corporate structures that isolate the hotel operations within the corporation reduce the losses in the event of bankruptcy of an individual property. The losses can be restricted to the assets of that particular hotel, with no loss concerning the other assets of the chain.

The following, according to Gray and Liguori (1990), are the alternatives available for forming an overall corporate structure for the chain:

- one corporation owing several hotels
- parent company with individual subsidiary owning each hotel
- limited partnership with a general partner and a group of limited partners
- lease agreement between parent company and subsidiaries
- management arrangement between parent company and subsidiaries
- joint venture between the chain and an outside party

SELF-ASSESSMENT EXERCISE

i.   Outline the basic types of hotels.
ii.   Mention the types of hotels based on location.

4.0   CONCLUSION

Hotels are classified in many ways. This classification may be done as regards the place where the hotel is located, the size of the hotel, the facilities within the hotel or the kind of services it offers, as well as the kind of customers it caters for. In some cases, a hotel may be classified according to the structure of its operation.

5.0   SUMMARY

In this unit, we have discussed types of hotel as well as its classification. The way a hotel is classified will determine, largely, the mode of operation of such hotel facility; and this has a lot to do with the kind of personnel it will hire. This in turn affects the kind of services it will offer based on its location and/or size.

6.0   TUTOR – MARKED ASSIGNMENT

1.   How would you differentiate between a hotel and a motel?
2.   Discuss the concept of a corporate structure in the business of hospitality.

7.0   REFERENCES/FURTHER READING

Gray, W. S. & Liguori, S. C. (1990). *Hotel and Motel Management and Operations*. New Jersey: Prentice Hall Inc.

Walker, J. R. (1999). *Introduction to Hospitality*. (2nd ed.) New Jersey: Prentice Hall Inc.

UNIT 2   NATURE OF STAFF PLANNING

CONTENTS

1.0   Introduction
2.0   Objectives
3.0   Main Content
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          3.2   Benefits of Staff Planning
          3.3   Overview of Process of Staff Planning
4.0   Conclusion
5.0   Summary
6.0   Tutor – Marked Assignment
7.0   References/Further Reading

1.   INTRODUCTION

In the previous unit, we discussed the basic types of hotels, classification of hotels based on location and the basic structure and concept of operation. In this unit, we shall be looking at the nature of staff planning.
The most important question for any organisation is what type of workforce it will need to implement successfully its strategic mission. Once this question is answered, the organisation can focus on recruiting, developing, motivating, and retaining the number and mix of employees that will be required at each point in time.

2.0   OBJECTIVES

At the end of this unit, you should be able to:

•   enumerate the key elements of staff planning
•   explain the benefits of staff planning
•   describe the process of staff planning.

3.0   MAIN CONTENT

3.1   What is Staff Planning?

According to the Society for Human Resource Management, a staffing plan is a system that works to monitor and control the costs of human capital while creating an infrastructure to support effective decision-making in an organisation. The plan uses relevant workload and outcome measures that can aid organisations in assessing current and future staffing needs. Staff planning is a continuous process of shaping the staff profile to ensure that it is capable of delivering the

organisation's objectives now and in the future. This includes deciding how work is done (job analysis and job design) as well as demand/supply forecasting, gap analysis, and implementing people management strategies to address the gap.

In simple terms, staff planning aims to have the right people, in the right place, at the right time, all the time.

Why undertake staff planning?

Staff planning can help departments and divisions to deliver better organisational and administrative outcomes by:

- strengthening the organisation's capability to support the achievement of education, research results and contribution to the establishment and outcomes now and in the future.
- encouraging an understanding of administration staff profile based on an analysis of rigorous workforce data, and the implications to the organisation.
- facilitating rapid and strategic responses to change.
- assisting in the identification and management of people with the knowledge that is critical for effective and efficient business operations.
- providing a mechanism for linking expenditure on people to business outcomes.

Key elements of staff planning

- It is driven by the organisation's strategy.
- It should be an ongoing process, which is integrated and aligned with business planning.
- Executive directors and heads of departments are in the best position to assess their programmes and related staff needs, and therefore have overall responsibility for staff planning within their departments or units.

Human resource (HR) staff plays an important partnership role in supporting departments/divisions to develop and implement effective staff plans.

3.2 Benefits of Staff Planning

The overall success of staff planning will depend largely on how effectively it can be integrated with organisational planning. When effectively integrated, the main benefits include the following.

- A staffing plan helps organisations better plan for the future in identifying current and future staffing needs.
- It helps ensure compliance with state and federal requirements, and assists organisations develop goals and communicate staffing strategies to stakeholders.
- A staffing plan assists organisations in identifying contingency plans, should a gap exist between desired staffing levels and available resources.
- A staffing plan offers an organisation an objective analysis and clear reasoning that can better explain or defend its decisions to hire or reduce personnel.
- A staffing plan transforms the staffing function from a "vacancy-filling" role to one that continually ensures alignment between an organisation's human capital and its strategic goals. The effect of this is improved employee utilisation, overall effectiveness, and competitive positioning.
- Staff required to meet future business needs are being recruited and developed.
- Reduced staffing costs through appropriate staffing levels.
- Improved identification of staff development needs.
- Improved capacity for career management.
- Improved employee effectiveness through better job design.
- Increased job satisfaction.
- Improved employee relations.
- Reduced skill shortages.
- Reduced staff turnover.
- Reduced staffing costs by correcting skill imbalances before they become unmanageable and expensive,
- Employees whose capabilities are not likely to meet future needs can be retrained, redeployed or separated.
- Staff utilisation can be improved through assigning staff to the highest value work that they can perform.
- New or emerging job roles can be planned for through specific recruitment or training initiatives.
- The process enhances the capacity of staff to perform higher value work.
- HR initiatives are consistent with and complementary to faculty and division plans.

3.3   Overview of Process of Staff Planning

Staff planning for a three to five year period provides a balance between short and long-term planning. A range of human resource initiatives should become apparent over this period such as job analysis and design, graduate recruitment, staff training and development, changes to

work practices, succession planning, career development and flexible work practices.

Although human resource is a major player in the development and implementation of staff planning, the units/divisions are ultimately responsible. The following diagram shows the three steps identified for successful staff planning in most hospitality industries.
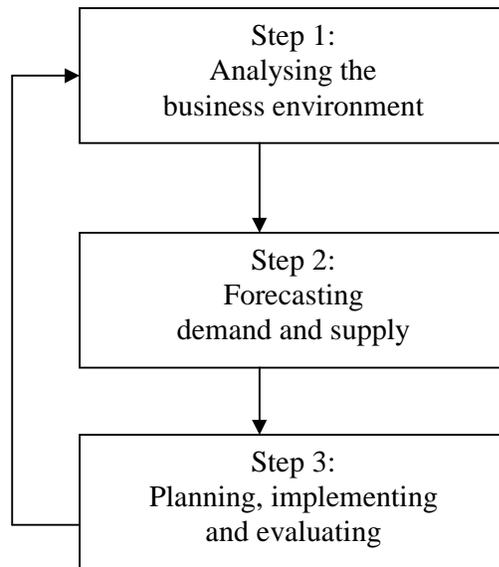
```
        ┌──────────────────────────┐
     ┌─▶│       Step 1:            │
     │  │   Analysing the         │
     │  │  business environment    │
     │  └──────────────────────────┘
     │               │
     │               ▼
     │  ┌──────────────────────────┐
     │  │       Step 2:            │
     │  │     Forecasting          │
     │  │   demand and supply      │
     │  └──────────────────────────┘
     │               │
     │               ▼
     │  ┌──────────────────────────┐
     │  │       Step 3:            │
     └──│ Planning, implementing   │
        │   and evaluating         │
        └──────────────────────────┘
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Fig. 2.1: Steps Identified for Successful Staff Planning in Hospitality Industries

The purpose of each step is described in further detail in a staff planning checklist. A number of templates that guide the managers through the process in a systematic way support this process.

SELF-ASSESSMENT EXERCISE

i.   What is staff planning?
ii.   Itemise the elements of staff planning.

4.0   CONCLUSION

It is expected that staff planning should be a continuous process throughout the lifespan of a given organisation. Trends in the hospitality industry are bound to foster unique approaches to business management in the hospitality industry, hence the need for further training and staff development in the industry.

5.0   SUMMARY

You have learnt in this unit that staff planning is one of the elements of management that deals with putting human resources together and harnessing them to achieve organisational objectives. The steps involve in the planning process, as highlighted in this unit, include analysing the business environment, forecasting demand and supply, and planning, implementing and evaluating.

6.0   TUTOR-MARKED ASSIGNMENT

1.   Evaluate the key elements of staff planning.
2.   Analyse the process of staff planning in the hospitality industry.
3.   What are the benefits of staff planning for business organisations?

7.0   REFERENCES/FURTHER READING

Gray, W. S. & Liguori, S.C. (1990). *Hotel and Motel Management and Operations*. New Jersey: Prentice Hall Inc.

Human Resource Management. *Strategic Staffing Plans, June 2002*.

Walker, J. R. (1999). *Introduction to Hospitality.* (2nd ed.). New Jersey: Prentice Hall Inc.

UNIT 3   RECRUITMENT AND SELECTION PROCESS

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        3.4   The Recruitment Process
        3.5   Recruitment and Selection Framework
4.0   Conclusion
5.0   Summary
6.0   Tutor-Marked Assignment
7.0   Reference/Further Reading

1.0   INTRODUCTION

In the previous unit, we explained staff planning, benefits of staff planning, as well as the process of staff planning. In this unit, we shall be discussing the recruitment and selection process.

Recruitment is the process of identifying the need for an organisation to employ someone up to the point at which application forms for the post arrives the organisation. Selection then consists of the processes involved in choosing from applicants a suitable candidate to fill a post. Training consists of a range of processes involved in making sure that jobholders have the right skills, knowledge and attitudes required to help the organisation to achieve its objectives. Recruiting individuals to fill particular posts within a business can be done either internally by recruitment within the firm, or externally by recruiting people from outside.

2.0   OBJECTIVES

At the end of this unit, you should be able to:

• explain the purpose of recruitment and selection
• describe the recruitment and selection process
• discuss the recruitment and selection framework.

3.0   MAIN CONTENT

3.1   What is Recruitment?

According to Wikipedia, recruitment refers to the process of attracting, screening, and selecting a qualified person for a job. All companies can benefit from contingency or retain professional recruiters or outsourcing the process to recruitment agencies. The recruitment phase of the hiring process takes place when the company tries to reach a pool of candidates through job postings on company and external websites, job referrals, wanted advertisements, college recruitment, social media recruiting, etc. Job applicants who respond to the recruitment efforts of the company are then screened to determine if they are qualified for the job.

Selected candidates are invited to interviews and other methods of assessment. Employers may check the background of prospective employees, as well as check references prior to making a job offer and hiring the top candidate for the position.

3.2   Forms of Recruitment

Organisations differ in terms of their size, business, processes and practices. Different organisations adopt different forms of recruitment practices according to the specific needs of the organisation. There are different forms of recruitments organisations can choose from.

Centralised Recruitment

The recruitment practices of an organisation are centralised when the human resource (HR) / recruitment department at the head office performs all functions of recruitment. Recruitment decisions for all the business are vertical. Centralised form of recruitment is commonly seen in government organisations.

Benefits of the Centralised Form of Recruitment are:

- reduces administration costs
- better utilisation of specialists
- uniformity in recruitment
- interchangeability of staff
- reduces favouritism.

Decentralised Recruitment

Decentralised recruitment practices are most commonly seen in the case of conglomerates operating in different and diverse business areas. With diverse and geographically spread business areas and offices, it becomes important to understand the needs of each department and develop the recruitment policies and procedures accordingly. Each department carries out its own recruitment. Choice between the two will depend upon management philosophy and needs of particular organisation. In some cases, combination of both is used. Lower level staffs as well as top-level executives are recruited in a decentralised manner.

There are also other types of recruitment namely:

- internal recruitment
- external recruitment

Internal recruitment means that a job vacancy is filled from within the business with an existing employee rather than employing externally. You may decide that you already have the right people with the right skills to do the job. Internal recruitment can be effective when nurturing employees into senior position and can reduce recruitment costs. However, this is not a very diverse method of recruitment and you risk missing interesting and innovative skills from external candidates.

Advantages

- It allows the use of in-house resources and builds on skills and expertise of existing staff.
- It allows the retention of valuable employees and avoids recruitment costs, which ensures a return on any investment in training and development.
- **Motivation:** It provides opportunities for development and promotion for existing staff.
- It is cheaper and has shorter induction period: Internal recruitment allows considerable savings to be made. This is because individuals with inside knowledge of how a business operates will need shorter periods of training and time for 'fitting in'.
- The organisation is unlikely to be greatly 'disrupted' by someone who is used to working with others in the organisation.
- Internal recruitment can serve as an internal promotion, which acts as an incentive to all staff to work harder within the organisation.

- From the firm's point of view, the strengths and weaknesses of an insider will have been assessed. There is always a risk attached to employing an outsider who may only be a success 'on paper'.

Disadvantages

- It has limited number of applicants.
- The external candidates might be better suited or qualified for the job.
- It creates another vacancy in the organisation.
- The organisation may become resistant to change.
- An insider may be less likely to make the essential criticisms required to get the company working more effectively
- Promotion of one person in a company may upset someone else.

External Recruitment

External recruitment makes it possible to draw upon a wider range of talent, and provides the opportunity to bring new experience and ideas in to the business. Disadvantages are that it is more costly and the company may end up with someone who proves to be less effective in practice than they did on paper and in the interview situation.

Advantages

- It allows outside people to bring in new ideas.
- It creates larger pool of workers from which to find the best candidate.
- It allows people to have a wider range of experience.

Disadvantages

- It involves longer process.
- It is more expensive due to advertisements and interviews required.
- Selection process may not be effective enough to reveal the best candidate.

SELF-ASSESSMENT EXERCISE

i.   Define recruitment.
ii.   List the forms of recruitment.

3.3   The Recruitment Industry

The recruitment industry has four basic features.

1)   Employment agencies deal with clerical, trades, temporary and permanent employment opportunities.

2)   Recruitment websites and job search engines gathers as many candidates as possible by advertising a position over a wide geographic area. Although recruitment industry is thought to be a cost effective, a human resource department or department manager will spend time outside their normal duties reading and screening resumes. A professional recruiter has the ability to read and screen resumes, talk to potential candidates and deliver a selective group in a timely manner.

3)   "Headhunters" for executive and professional positions: These firms are either contingency or retained. Although advertising is used to keep a flow of candidates, these firms rely on networking as their main source for searching for candidates.

4).   Niche agencies specialise in a particular industrial area of staffing.
       Some organisations prefer to use employer branding strategy and in-house recruitment instead of recruiting firms. A recruiting firm is always looking for talent whereas an internal department is focused on filling a single opening. The advantage associated with using a third-party recruiting firm is their ability to know where to find a qualified candidate. Talent management is a key component to the services a professional recruiting firm can provide.

3.4   The Recruitment Process

Job analysis

The appropriate start in a recruitment effort is to perform a job analysis and document the actual or intended requirement of the job to be performed. This information is captured in a job description and provides the recruitment effort with the boundaries and objectives of the search. Oftentimes, a company will have job descriptions that represent a historical collection of tasks performed in the past. These job descriptions need to be reviewed or updated prior to a recruitment effort to reflect present day requirements. Starting recruitment with an accurate job analysis and job description ensures the recruitment effort starts on a proper track for success.

Sourcing

Sourcing involves the following.

1)   Advertising, a common part of the recruiting process, often encompassing multiple media, such as the internet, newspapers,, professional publications, window advertisements, job centres, and campus graduate recruitment programmes.
2)   Recruitment research: This involves proactive identification of passive candidates, i.e. candidates who are satisfied with their current positions and are not intending to move to another company. This initial research for so-called passive candidates also called name generation, results in a contact information of potential candidates who can then be contacted discreetly to be screened and approached on behalf of an executive search firm or corporate client.

Screening and Selection

Suitability for a job is typically assessed by looking for skills, e.g. communication, typing, and computer skills. Qualifications may be shown through résumés, job applications, interviews, educational or professional experience, the testimony of references, or in-house testing, such as for software knowledge, typing skills, numeracy, and literacy, through psychological tests or employment testing. Other résumés screening criteria may include length of service, job titles and length of time at a job. In some countries, employers are legally mandated to provide equal opportunity in hiring. Business management software is used by many recruitment agencies to automate the testing process. Many recruiters and agencies are using an applicant tracking system to perform many of the filtering tasks, along with software tools for psychometric testing.

Lateral Hiring

Lateral hiring is another form of recruiting. The term is used with two different, almost opposite meanings. In one meaning, the hiring organisation targets employees of another, similar organisation, possibly luring them with a better salary and the promise of better career opportunities. An example is the recruiting of a partner of a law firm by another law firm. The new lateral hire then has specific applicable expertise and can make a running start in the new job. In some professional branches, such lateral hiring was traditionally frowned upon, but the practice has become increasingly more common. An employee's contract may have an incomplete clause preventing such lateral hiring.

In another meaning, a lateral hire is a newly hired employee who has no prior specific applicable expertise for the new job, and for whom this job move is a radical change of career. An example is the recruiting of a university professor to become chairman of the board of a company.

Onboarding

Onboarding is a term, which describes the process of helping new employees become productive members of an organisation. A well-planned introduction helps new employees become operational; it is often integrated with a new company and environment. Onboarding is included in the recruitment process for retention purposes. Many companies have onboarding campaigns with hope to retain top talent that is new to the company; campaigns may last from one week to six months.

There are a number of stages, which can be used to define and set out the nature of particular jobs for recruitment purposes.

Job Analysis

Job analysis is the process of examining jobs in order to identify the key requirements of each job. A number of important questions need to be explored:

- the title of the job
- to whom the employee is responsible
- for whom the employee is responsible
- a simple description of the role and duties of the employee within the organisation.

Job analysis is used to:

- choose employees either from the ranks of your existing staff or from the recruitment of new staff;
- set out the training requirements of a particular job;
- provide information which will help in decision making about the type of equipment and materials to be employed with the job;
- identify profile and the experiences of employees in their work tasks (information which can be used as evidence for staff development and promotion).
- identify areas of risk and danger at work; and
- help in setting rates of pay for job tasks.

Job analysis can be carried out by direct observation of employees at work, finding out information jobholders, or by referring to documents

such as training manuals. Information can be gleaned directly from the person carrying out a task and/or from their supervisory staff. Some large organisations specifically employ job analysts. In most companies, however, job analysis is expected to be part of the general skills of a training or personnel officer.

Job Description

A job description will set out how a particular employee will fit into the organisation. It will therefore need to set out:

- the title of the job
- to whom the employee is responsible
- for whom the employee is responsible
- a simple description of the role and duties of the employee within the organisation.

A job description could be used as a job indicator for applicants for a job. Alternatively, it could be used as a guideline for an employee and/or his or her line manager as to his or her role and responsibility within the organisation.

Job Specification

A job specification goes beyond a mere description. In addition, it highlights the mental and physical attributes required of the jobholder. Managers at all levels would be expected to show responsibility. They should have a flair for business; know how to sell, and to work in a team.

Job analysis, description, and specification can provide useful information to a business in addition to serving as recruitment instruments. For example, staff appraisal is a means of monitoring staff performance and is a feature of promotion in modern companies. In some companies, for example, employees and their immediate line managers discuss personal goals and targets for the coming period, e.g. the next six months. The appraisal will then involve a review of performance during the previous six months, and setting new targets. Job details can serve as a useful basis for establishing dialogue and targets. Job descriptions can be used as reference points for arbitrating disputes as to who does what in a business. Selection involves procedures to identify the most appropriate candidates to fill posts. An effective selection procedure will therefore take into consideration the following:

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- keeping the costs of selection down
- making sure that the skills and qualities being sought have been identified, by developing a process for identifying them in candidates
- making sure that the candidates selected will want the job and will stay with the company.

Keeping the costs of selection down will involve such factors as holding the interviews in a location, which is accessible to the interviewing panel, and to those being interviewed. The interviewing panel must have available to them all the necessary documentations, such as application forms available to study before the interviews take place. A short list must be made up of suitable candidates, so that the interviews do not have repeated with new job advertisements being placed.

The skills required should have been identified through the process of job analysis, description and specification. It is important then to identify ways of testing whether candidates meet these requirements. Testing this out may involve:

- interviewing candidates
- asking them to get involved in simulated work scenarios
- asking them to provide samples of previous work
- getting them to fill in personality and intelligence tests
- giving them real work simulations to test their abilities.

Induction and Training

Induction is the process of introducing new employees to an organisation and to their work responsibilities in that organisation. New workers in a firm are usually given an induction programme in which they meet other workers and are shown the skills they must learn. Generally, the first few days at work will simply involve observation, with an experienced worker showing the 'new hand' the 'ropes.' Many large firms will have a detailed training scheme, which is done on an in-house basis. This is particularly true of larger public companies such as banks and insurance companies. In conjunction with this, staff may be encouraged to attend college courses to learn new skills and get new qualifications. Training thus takes place in the following ways:

- On the job - learning skills through experience at work
- Off the job - learning through attending courses.

Promotion within a firm depends on acquiring qualifications to do a more advanced job. In accountancy for example, trainee accountants will be expected to pass exams set by the Institute of the Chattered

Accountants of Nigeria (ICAN). At the same time, a candidate for promotion must show a flair for the job. It is the responsibility of the training department within a business to make sure that staff with the right skills are coming up through the firm or being recruited from outside.

3.5   Recruitment and Selection Framework

A.   Overview of the Process

1.   Assess the need for the job and ensure adequate funding.
2.   Review the job description to ensure that it meets the present and future requirements.
3.   Design the selection process (use search committee process if applicable).
4.   Draft the advertisement and select the advertising media.
5.   Short list using the person specification only.
6.   Interview and test short-listed candidates.
7.   Validate references, qualifications and background checks.
8.   Make appointment.

Supervisors and department directors hold the responsibility for ensuring this framework is followed. Human resources and employee development should advice and assist in general administration of the recruitment process.

B.   Review the job and the need for it

Upon the resignation, transfer, retirement, or the authorisation of a new position, the "search and selection" procedure begins. This is an opportunity to review position responsibilities and the way in which the position contributes and promotes unit, department, division and university objectives.

1.   Supervisors need to consider the following issues:

       Is the job still necessary?

       What value does it add to the team and to the delivery of service?

2.   How will the post be funded?

       Does the job description need updating?

       If so, the grade for the job and the person specification may need to be re-evaluated. The human resources and employee

development team is available to provide advice on constructing both job descriptions and person specifications and advising on grading issues.

What type of employment could be offered?

Full-time or part-time?
Is job sharing an option?
Permanent or fixed term contract?
Using fixed term contracts are most appropriate for covering a particular task/project/item of work or an interim appointment. They should not normally be used to fill permanent posts.

3.   If the decision is to hire for the position, it is the responsibility of the supervisor/director to ensure that the position management form is completed and sent to human resources and employee development as soon as possible.

Not all interviews for permanent positions must be conducted by a committee. The department director is responsible for determining the positions that require a committee to interview and select. If the position is a possible promotion for one or more, then a committee should be used to ensure there is no appearance of bias or favouritism. All open positions titled assistant director and above must make use of a search committee.

Request for Personal Action

Vacant Position

When an employee gives notice of intention to leave employment, the immediate supervisor should notify the human resources and employee development so that necessary interviews for re-staffing can be arranged. The department head should provide the job classification, description and qualifications desired of replacement personnel at that time. Examples of such information might include:

1.   Education or technical training required.
2.   Hours of work including Saturday or Sunday.
3.   Officials to whom applicants are to be referred.
4.   Recommendations of any known applicants.
5.   Additional information felt useful in preliminary screening.

The beginning salary for classified personnel shall be determined by the job classification of the vacant position and the associated pay grade. Employing departments should consult the human resources and

employee development on classification issues and salary issues before posting the position. Most importantly, the department should consult with human resources and employee development before making any salary commitments.

Advertising

A.   Job Posting

When advised of a vacancy, the human resources and employee development will review the existing job description, making the necessary corrections, post a vacancy announcement for a given number of days on the pages of newspapers, and on the Human Resources portal of the organisation's web site.

B.   Employee Priority Posting

All open positions must be posted for a minimum of five days, however the employing unit may initially designate that a position be posted with an employee priority designation or be posted on the general public website.

Those employees classified as casual labourer/temporary workers do not qualify for employee priority positions.

Selection process

A.   Screening Applicants

Read all applications submitted. The selection of the top candidates for interviewing must be based on the job description and specifications. New criteria cannot be introduced to assess the candidates at this stage, as it would be unfair. It is the responsibility of the persons conducting the interviews to complete the short-listing and to ensure the process remains free of unlawful discrimination. If a committee is used, the entire committee should agree on the short-listing. If a committee is not used, it is desirable that a second person also participate in the short-listing process. The criteria used to select the top candidates and all appropriate notes must be returned to human resources and employee development for filing and are retained for a period of six months. It is good practice that all employees that apply for a position within their department be interviewed.

Former employees who have been dismissed for misconduct cannot be considered for appointment. Former employees who have since retired must meet certain qualifications due to their retirement status. If there is

a question about whether an applicant can or cannot be considered, human resources and employee development should be contacted.

B.   Arranging the Interview

The persons responsible for the interviews is responsible for scheduling dates and time for interviews directly with the short-listed candidates and notifying the candidates of any selection tests that will be used.

Federal law prohibits certain questions in an employment interview and the application for employment has been developed to comply with federal guidelines. Examples of such illegal questions might refer to the applicant's age, disability, religion, ages of children, etc. Interviewing guidelines are provided to the employing department upon referral of applications. To assure consistent treatment of each applicant, a patterned interview might be developed by the department. Such might include specific questions of job-related functions, skills required, and how the applicant's educational background, previous experience, etc, might be useful in the position if selected for employment.

C.   The Interview

The purpose of interviewing is to appoint the most suitable person for the job based solely on merit. Most organisations' recruitment and selection process achieves this, using methods that are systematic, thorough, fair, unbiased and based on rational, objective, job related criteria.

At the interview, each candidate should be treated consistently. To achieve this, the panel should:

1.   ask the same initial questions of each candidate
2.   supplement their understanding of the candidate's responses by following up questions as appropriate
3.   be consistent in allowing access to presentation material, notes, etc.
4.   not allow any discriminatory questions, harassment, or any other conduct which breaches the equal opportunity policy or code of conduct
5.   ensure that in the case of disabled candidates, the necessity for any 'reasonable adjustments' that would be required on the job are explored in a positive manner. Assessment of disabled candidates should be based on their expected performance in the job, given that any reasonable adjustment required was provided.

6.   keep in mind that information obtained throughout the selection process is treated as confidential and is known only to parties involved in the selection process

7.   keep records of interviews and the reasons for decisions – each question should receive a grade, and a grade for overall impression. The candidates will be ranked from highest to lowest based on the scores given and the position negotiated or offered to the highest-ranking candidate. The scoring sheets and all documentation of the interviews must be given to human resources and employee development for filing

8.   panel members must be aware that it is their responsibility to ensure recruitment/interview documentation is stored securely and confidentially whilst in their possession.

D.   Selection Tests

Where selection tests are a valid method of assessing a candidate (i.e. effectively measures the job criteria, relevant, reliable, fair and unbiased – also considering the predictive capacities of tests), they are an extremely useful tool and are recommended for use. Supervisors should seek advice from human resources and employee development on the use of such tests.

E.   Hiring Decision

In selecting the successful candidate, the panel must make a decision based on the merit and eligibility of the candidates as judged by:

1.   content of application and qualifications
2.   performance at interview
3.   outcome of any selection tests.

F.   Reference Checks

As part of assessing the merit of each candidate, persons selecting candidates must satisfy themselves that the information the candidate gives is authentic, consistent and honest. This includes being satisfied about information regarding the:

1.   candidate's application – work history
2.   candidate's qualifications (where a qualification is a requirement, supporting evidence or certification must be obtained from the candidate and recorded)
3.   candidate's evidence presented at interview
4.   candidate's reference checks: references must be contacted and information collected must be recorded.

a)   Identify yourself immediately, explain your position within the organisation and tell the person why you are calling about the applicant.
b)   Ensure confidentiality.
c)   Ask if he or she is free to discuss the situation.
d)   Try to establish rapport.
e)   Tell the person the position the candidate is being considered for.
f)   Let the person talk feely.
g)   Ask the references the same questions for each of your candidates.
h)   Always end the call with a courtesy.

If any of these does not meet the required standards, human resources and employee development must discuss the issue with the supervisor/director.

G.   Criminal Background Checks

In order to provide a safe and secured workplace, hospitality industries will require background checks on candidates for higher positions. Employment shall be conditioned upon the execution of a consent form for criminal record disclosure and upon consideration of one's criminal history.

The department will notify the applicants whose criminal history report prevents their employment. The applicant can be referred to human resources and employee development if they have questions on the process. The applicant is allowed seven days to initiate corrective action of any inaccurate report. Proof of an error in reporting shall not disqualify the applicant and the position will not be filled until this period has expired.

H.   Drug Screening

In the United States of America, for example, pre-employment drug testing of candidates selected for certain types of employment is mandated by OCGA 45-20-111, signed into law following the 1995 Session of the General Assembly.

Hospitality organisations should require pre-employment drug tests of individuals selected for positions, which may directly affect the health, safety and welfare of others. Employment categories that are subject to pre-employment screening include all certified security personnel classifications, positions which require a commercial driver's license and all health related positions providing direct patient care in the health

services division, e.g., physicians, nurses, medical technologist, pharmacists, etc.

I.   Disqualification of Applicants

An applicant will be disqualified for employment for any of the following reasons.

1.   He or she is addicted to the use of alcohol or use of illegal drugs.
2.   Discovery of any false statement or omission of material facts from the formal application.
3.   He or she has been a member of an organisation advocating the violent overthrow of the government.
4.   He or she has been convicted of a crime involving moral turpitude, unless pardon has been granted.
5.   He or she has been convicted of a felony, unless first offender treatment was granted by the court.

J.   Employment Offer

The employing department may extend having completed the interviewing process, an offer of employment. However, the departmental head must advise the candidate that the offer is conditional pending the results of a criminal background check.

When a department head believes he/she has a candidate who because of exceptional training or experience is deserving of more than the posted minimum for the classification, they may offer the candidate up to 10 per cent over the minimum. However the department head must either have the money already in his/her budget.

K.   Post Interview

Human resources and employee development is responsible for providing all candidates with written notification of the outcome of their application (letter of rejection). However, some departments prefer to write their own letter. These letters must be attached to the compliance reports. If feedback is requested from an unsuccessful short-listed candidate, the manager should provide a valid reason to the candidate for rejection together with constructive feedback. Written feedback will not normally be provided.

SELF-ASSESSMENT EXERCISE

i.   What is job analysis?
ii.   What is job description?
iii.   Itemise the selection process.

4.0   CONCLUSION

Recruitment and selection are the two phases of the employment process. The differences between the two is that recruitment is the process of searching the candidates for employment and stimulating them to apply for jobs in the organisation whereas selection involves the series of steps by which the candidates are screened for choosing the most suitable persons for vacant posts.

The basic purpose of recruitments is to create a talent pool of candidates to enable the selection of best candidates for the organisation, by attracting more and more employees to apply in the organisation whereas the basic purpose of selection process is to choose the right candidate to fill the various positions in the organisation.

Recruitment is a positive process i.e. encouraging more and more employees to apply whereas selection is a negative process as it involves rejection of the unsuitable candidates

Recruitment is concerned with tapping the sources of human resources whereas selection is concerned with selecting the most suitable candidate through various interviews and tests.

There is no contract of recruitment established in recruitment whereas selection results in a contract of service between the employer and the selected employee.

5.0   SUMMARY

In this unit, we have discussed the purpose of recruitment and selection. We also discussed the recruitment and selection process..

6.0   TUTOR-MARKED ASSIGNMENT

1.   Evaluate the process of recruitment and selection.
2.   How would you differentiate between recruitment and selection as two different processes?

7.0   REFERENCE/FURTHER READING

Gray, W. S. & Liguori, S. C. (1990). *Hotel and Motel Management and Operation*. New Jersey: Prentice Hall Inc.

UNIT 4   IMPORTANCE OF TRAINING IN QUALITY SERVICE

CONTENTS

1.0   INTRODUCTION

In the last unit, we examined the recruitment and selection process. In this unit, we shall discuss the importance of training in quality service. Recently, training has become an investment in human being since it is considered the main pathway to form adequate human resources in term of quality and quantity. Hence, it aims at providing individuals with information and administrative, technical skills required to carry out their work efficiently and effectively. Subsequently, this will positively influence the work of the organisation and its performance.

Training is one of the key improvement measures to classify hotel. Thus, it is clear why large shares are deducted from budget and devoted to the training process in hotels. For training process to yield positive result, the essence of training should be made known to all parties (trainers, trainees and training officials) due to its strong effect on good preparation and implementation of training programmes as well as on modern techniques that satisfy the needs of personnel and enhance their knowledge and skills as well. Moreover, adopting the total quality systems in training in particular will upgrade the level of hotel services.

2.0   OBJECTIVES

At the end of this unit, you should be able to:

- define the training concept
- outline the general principles of hotel training
- discuss the stages of the training process.

3.0   MAIN CONTENT

3.1   The Training Concept

Scholars have split on the definition of training; however, they agree on its concept as a continuous-organised administrative process. Some key definitions, which exist in the academic studies of management scholars, are discussed in this section.

"Hotel training is a planned activity that targets developing behavioural technical workers' skills in hotels to empower them to play active roles that end with achieving their goals as well as hotel goals (Stutts, 2001)." Another definition of hotel training is "an active means to enable individual to make use of his capability and his potential capability (Bardi, 2003)." Furthermore, it is a planned persistent activity aiming to create change in data, experience, methods, views, behaviours and attitudes of individuals and groups to make them competent. The purpose is to empower them to conduct their business arrangement and to get high productivity as bases to accomplishing the firms' goals.

3.2   General Principles of Hotel Training

Scholars and researchers of management have put together the following general principles of training.

1.   **Necessity for continual training:** Training is an essential activity for any hotel to improve its cadre starting from employment until retirement. Training therefore is a non-stop process designed to meet the demands of development and transformation.
2.   **Hotel training is an integrated system:** Training is not a random activity by its input systems and outputs; rather, it is integrated with other activities of human resource management.
3.   **Hotel training is a changeable, renewable activity:** Due to the renewability and changeability of individual's attitudes, behaviours and technological developments, training is necessary to modernise regularly hotel training programmes and techniques.

4.   **Hotel training is a managerial and technical activity:** Training is considered managerial activity that involves all managerial conditions such as clear policies, aims, plans and programmes. On the other hand, training is a technical activity that needs scientific, practical specialisations and experts in training.

3.3   Stages of the Training Process

To plan the process of training, it is essential to take into account the sequence in the planning process, which means that training goes through different stages. These are as listed below.

1.   Training trends

Training trends distinguish between the level of required performance and the actual level of performance. Training trends are a gap between the requirements of work represented by knowledge and skills, and the actual qualifications of workers.

2.   Designing training programmes

This process involves producing educational and training materials that form the content of training programme based on the training targets, which reflect the pre-determined training needs. Designing training programme needs to adopt scientific approach based on:

a.   identifying training programme objectives;
b.   identifying the topics of training programme;
c.   identifying training materials and preparing them;
d.   identifying training techniques;
e.   identifying tools and requirements of training;
f.   choosing the place and the time of training;
g.   choosing trainers;
h.   estimating the budget of training.

3.   Implementation of training programmes

It is practical to implement what has been mentioned. Implementation is based on the contents and related issues of a training programme. Its goals include teaching and training attitudes and procedures aimed at enhancing the knowledge, skills, and behavioural values of trainees. This process is subject to the effect of several factors:

•   **Time:** The time of starting and ending of programme and distribution of time on the training materials.
•   Place and other requirements of training.

- Supervision, which is driven by scientific specialists who are able to organise training and provide the cadre with necessary requirements.
- Trainer takes his responsibilities since his role is considered an essential criterion in the successes of implementation.

4.   Evaluating the training process

This process is defined as "the procedures used to measure the efficiency of training programmes and its extent of successes in achieving the goals. Also, the procedures are used to measure the efficiency of trainees and the extent of training successes to change them (Pyo, 2003). " Evaluation process aims at:

a.   recognising strength points and developing them as well as recognising weakness points and solving them;
b.   identifying the extent of benefits gained by trainees in the training programme;
c.   measuring efficiency of training elements; trainer, trainee and techniques;
d.   stating the possibility to maintain the programme or change it;
e.   improving training programmes.

3.4   Total Quality in Training and its Influence on Improving Quality Hotel Services

Quality in hotel training could be expressed by trainees' satisfaction. By the level of trainees' satisfaction, training programmes achieve the demands, ambitions and goals of trainees. In fact, quality of training is the best guarantee to develop quality of hotel services. Thus, improving training leads to raising efficiency of training performance and thus having a kind of integration between what a trainee learns and what he indeed needs to develop his capability and performance. This will increase the effectiveness of teaching and training.

Practically, training leads to improved performance, reduced errors and timely completion of job. At the end, this will help to reduce the cost, which is the much-wanted result to the hotel administration. Human element is a key pillar in the efforts to improve quality.

Here, the importance of training quality stems from adopting any changes to contribute developing quality since training is mainly focusing on developing abilities and skills of humanitarian elements. Difference in the definition of quality is caused by diversity in usages and the concerned parties.

3.5   Adoption of Total Quality Management as a Hotel Training System

Implementing this system starts in a single department in the hotel. Later on, it will spread to all departments. Total quality management encourages the integration among hotel departments for the sake of improving hotel quality services, quality of supporting services and quality of managerial system. Training is one of the activities of 5-star hotels that provide training services to the hotel staff in different specialisations, hence, it is considered the first step to implementing the total quality management and to spreading quality culture in the hotel. This is caused by the adoption of a system of management, which seeks to fulfill training in high efficiency and effectiveness and because of its dependence on the elements of basic system: inputs, processes and outputs.

1)   **Inputs:** They depend on the efficiency of identifying the former training need via competent techniques, which enable us to define aspects of shortages in performance.
2)   **Processes:** These process use inputs to deal with the elements of training process (workers- in training fields, topics of training programmes, training techniques, supporting tools, and training environment, which play key roles in investing previous elements).
3)   **Outputs:** They are represented by the interaction between inputs through processes and reaching to services and products that meet the demands and desires of trainees.

SELF-ASSESSMENT EXERCISE

i.   List the stages of training process.
ii.   Total quality management encourages integration among hotel departments. Discuss.

4.0   CONCLUSION

It is important to include training and educational programmes to improve quality culture among hotels personnel. The audit department need to audit the quality of training hotel services in hotels, set measures and indicators necessary to implement total quality in the training services, to observe these services and measure them.

5.0   SUMMARY

You have learnt that training of human personnel forms an integral part of an organisation. It is necessary to train trainers and training officials

on the techniques of implementing the training process in hotel management. It is recommended to measure findings of these processes and the extent of their influence on the training quality in hotels especially on quality of general hotel services with documenting results if they are positive to be adopted and to be generalised.

6.0   TUTOR-MARKED ASSIGNMENT

1.   Evaluate the concept of total quality in training and its influence on improving quality hotel services.
2.   Suggest possible approaches for the adoption of total quality management as a hotel management training system.

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UNIT 5   DIFFERENT STYLES OF LEADING

CONTENTS

1.0   Introduction
2.0   Objectives
3.0   Main Content
        3.1   Leadership Theories
        3.2   Overview of Leadership
        3.3   Popular Leadership Styles
4.0   Conclusion
5.0   Summary
6.0   Tutor-Marked Assignment
7.0   References/Further Reading

1.0   INTRODUCTION

Earlier, we looked at the importance of training in quality service. In this unit, we shall be discussing leadership and the different styles. From Mahatma Gandhi to Winston Churchill to Martin Luther King, there are as many leadership styles as there are leaders. Fortunately, businesspeople and psychologists have developed useful and simple ways to describe the main styles of leadership, and these can help aspiring leaders understand which styles they should use.

Many different frameworks have shaped current understanding of leadership, and many of these have their place, just as long as they are used appropriately.

2.0   OBJECTIVES

At the end of this unit, you should be able to:

•   state the various leadership theories
•   describe various leadership styles.

3.0   MAIN CONTENT

3.1   Leadership Theories

Researchers have developed a number of leadership theories over the years. These fall into four main groups:

1.   **Behavioural theories**: Behavioural theories focus on how leaders behave. In the 1930s, Kurt Lewin developed a leadership

framework based on a leader's decision-making behaviour. Lewin argued that there are three types of leaders:

a.   Autocratic leaders make decisions without consulting their teams. This is considered appropriate when decisions genuinely need to be taken quickly, when there is no need for input, and when team agreement is not necessary for a successful outcome.

b.   Democratic leaders allow the team to provide input before making a decision, although the degree of input can vary from leader to leader. This type of style is important when team agreement matters, but it can be quite difficult to manage when there are lots of different perspectives and ideas.

c.   Laissez-faire leaders do not interfere; they allow people within the team to make many of the decisions. This works well when the team is highly capable and motivated, and when it does not need close monitoring or supervision. However, this style can arise because the leader is lazy or distracted, and, here, this approach can fail.

Clearly, then, how leaders behave impacts on their effectiveness. Researchers have realised, though, that many of these leadership behaviours are appropriate at different times. Therefore, the best leaders are those who can use many different behavioural styles and use the right style for each situation.

2.   **Contingency theories** address such question as how does the situation influence good leadership.

The realisation that there is no single correct type of leader led to theories that the best leadership style is contingent on or depends on the situation. These theories predict which leadership style is best applicable in each circumstance.

When a decision is needed fast, which style is preferred? When the leader needs the full support of the team, is there a better way to lead? Should a leader be more people-oriented or task-oriented? These are all examples of questions that contingency leadership theories try to address.

3.   **Trait theories** address such question as what type of person makes a good leader. Trait theories argue that leaders share a number of common personality traits and characteristics, and that leadership emerges from these traits. Early trait theories promoted the idea that leadership is an innate, instinctive quality that you either have or do not have. Thankfully, we have moved on from this approach, and we are learning more about what we can do as individuals to develop leadership qualities within others

and ourselves. What is more, traits are external behaviours that emerge from things going on within the leader's mind – and these internal beliefs and processes are important for effective leadership.

4. **Power and influence theories** address such question as what is the source of the leader's power. Power and influence theories of leadership take an entirely different approach. They are based on the different ways in which leaders use power and influence to get things done, and the leadership styles that emerge as a result. Perhaps the most well known of these theories is French and Raven's Five Forms of Power. This model distinguishes between using your position to exert power, and using your personal attributes to be powerful.

French and Raven identified three types of positional power – legitimate, reward, and coercive – and two sources of personal power – expert and referent (your personal appeal and charm). The model suggests that using personal power is the better alternative and, because expert power (the power that comes with being a real expert in the job) is the most legitimate of these, which you should actively work on building this. Similarly, leading by example is another highly effective way to establish and sustain a positive influence with your team.

Another valid leadership style supported by power and influence theories is transactional leadership. This approach assumes that work is done only because it is rewarded, and for no other reason, and it therefore focuses on designing tasks and reward structures. While it may not be the most appealing leadership strategy in terms of building relationships and developing a long-term motivating work environment, it does work, and it is used in most organisations on a daily basis to get things done.

3.2   Overview of Leadership

Within all of these theories, frameworks and approaches to leadership, there is an underlying message that leaders need to have a variety of factors working in their favour. Effective leadership is not simply based on a set of attributes, behaviours, or influence; rather, it is based on abilities and approaches.

Having said this, however, there is one leadership style that is appropriate in very many corporate situations – that of transformational leadership. A leader using this style:

- has integrity
- sets clear goals
- clearly communicates a vision
- sets a good example
- expects the best from the team
- encourages and supports the subordinate
- acknowledges good work and people.
- assists people see beyond their self-interests and focus more on team interests and needs.

In short, transformational leaders are exceptionally motivating, and they are trusted. Transformational leadership suits very many circumstances in business; we need to remember that there may be situations where it is not applicable. Thus, it is worth knowing the other styles shown below so that you have a greater chance of finding the right combination for the situation you find yourself in.

3.3 Popular Leadership Styles

The leadership theories and styles discussed so far fit formal theoretical frameworks. However, many more terms are used to describe leadership styles, even if these do not fit within a particular system

1. Autocratic leadership

Autocratic leadership is an extreme form of transactional leadership, where leaders have absolute power over their workers or team. Staff and team members have little opportunity to make suggestions, even if these would be in the team's or the organisation's best interest.

Most people tend to resent being treated like this. Therefore, autocratic leadership often leads to high levels of absenteeism and low staff turnover. However, for some routine and unskilled jobs, the style can remain effective because the advantages of control may outweigh the disadvantages.

2. Bureaucratic leadership

Bureaucratic leaders work "by the book." They follow rules rigorously, and ensure that their staff follows procedures precisely. It is an appropriate style for work involving safety risks (such as working with machinery, toxic substances, or at dangerous heights) or where large sums of money are involved such as handling cash.

3.   Charismatic leadership

A charismatic leadership style can seem similar to transformational leadership, because these leaders inspire lots of enthusiasm in their teams and are very energetic in driving others forward. However, charismatic leaders can tend to believe more in themselves than in their teams, and this creates a risk that a project, or even an entire organisation, might collapse if the leader leaves. In the eyes of the followers, success is directly connected to the presence of the charismatic leader. As such, charismatic leadership carries great responsibility, and it needs a long-term commitment from the leader.

4.   Democratic leadership or participative leadership

Although democratic leaders make the final decisions, they invite other members of the team to contribute to the decision-making process. This not only increases job satisfaction by involving team members, but also helps to develop people's skills. Team members feel in control of their own destiny, so they are motivated to work hard by more than just a financial reward.

Because participation takes time, this approach can take longer, but often the end result is better. The approach can be most suitable when working as a team is essential, and when quality is more important than speed to market, or productivity.

5.   *Laissez-faire* leadership

This form of leadership is used to describe leaders who leave their team members to work on their own. It can be effective if the leader monitors what is being achieved and communicates this back to the team regularly. Most often, *laissez-faire* leadership is effective when individual team members are experienced. Unfortunately, this type of leadership can also occur when managers do not apply sufficient control.

6.   People-oriented leadership or relations-oriented leadership

This is the opposite of task-oriented leadership. With people-oriented leadership, leaders are totally focused on organising, supporting, and developing the people in their teams. It is a participative style, and it tends to encourage good teamwork and creative collaboration.   In practice, most leaders use both task-oriented and people-oriented styles of leadership.

7. Servant leadership

This term, created by Robert Greenleaf in the 1970s, describes a leader who is often not formally recognised as such. It occurs when someone, at any level within an organisation, leads simply by meeting the needs of the team. In many ways, servant leadership is a form of democratic leadership, because the whole team tends to be involved in decision-making. Supporters of the servant leadership model suggest that it is an important way to move ahead in a world where values are increasingly important, and where servant leaders achieve power based on their values and ideals. Others believe that in competitive leadership situations, people who practice servant leadership can find themselves left behind by leaders using other leadership styles.

8. Task-oriented leadership

Highly task-oriented leaders focus only on getting the job done, and they can be quite autocratic. They actively define the work and the roles required, put structures in place, plan, organise, and monitor. However, because task-oriented leaders do not tend to think much about the well-being of their teams, this approach can suffer many of the flaws of autocratic leadership, with difficulties in motivating and retaining staff.

9. Transactional leadership

This style of leadership starts with the idea that team members agree to obey their leader totally, when they accept a job. The "transaction" is usually the organisation paying the team members in return for their effort and compliance. The leader has a right to "punish" team members if their work does not meet the pre-determined standard.

Team members can do little to improve their job satisfaction under transactional leadership. The leader could give team members some control of their income/reward by using incentives that encourage even higher standards or greater productivity. Alternatively, a transactional leader could practice "management by exception– rather than rewarding better work, the leader could take corrective action if the required standards are not met.

Transactional leadership is really a type of management, not a true leadership style, because the focus is on short-term tasks. It has serious limitations for knowledge-based or creative work; however, it can be effective in other situations.

10. **Transformational leadership**

As we discussed earlier, people with this leadership style are true leaders who inspire their teams constantly with a shared vision of the future. While this leader's enthusiasm is often passed onto the team, he or she can need to be supported by "detail people." That is why, in many organisations, both transactional and transformational leadership are needed. The transactional leaders (or managers) ensure that routine work is done reliably, while the transformational leaders look after initiatives that add new value.

Leadership in formal organisations

An organisation that is established as a means for achieving defined objectives has been referred to as a formal organisation. Its design specifies how goals are subdivided and reflected in subdivisions of the organisation. Divisions, departments, sections, positions, jobs, and tasks make up this work structure. Thus, the formal organisation is expected to behave impersonally in regard to relationships with clients or with its members. According to Weber's definition, entry and subsequent advancement is by merit or seniority. Each employee receives a salary and enjoys a degree of tenure that safeguards him from the arbitrary influence of superiors or of powerful clients. The higher his position in the hierarchy, the greater his presumed expertise in adjudicating problems that may arise in the course of the work carried out at lower levels of the organisation. This bureaucratic structure forms the basis for the appointment of heads or chiefs of administrative subdivisions in the organisation and endows them with the authority attached to their position.

Leadership in informal organisations

In contrast to the appointed head or chief of an administrative unit, a leader emerges within the context of the informal organisation that underlies the formal structure. The informal organisation expresses the personal objectives and goals of the individual membership. Their objectives and goals may or may not coincide with those of the formal organisation. The informal organisation represents an extension of the social structures that generally characterise human life — the spontaneous emergence of groups and organisations as ends in themselves.

In prehistoric times, man was preoccupied with his personal security, maintenance, protection, and survival. Now man spends a major portion of his daily hours working for organisations. His need to identify with a community that provides security, protection, maintenance, and a feeling

of belonging continues unchanged from prehistoric times. The informal organisation and its emergent, or unofficial, leaders meet this need.

Leaders emerge from within the structure of the informal organisation. Their personal qualities, the demands of the situation, or a combination of these and other factors attract followers who accept their leadership within one or several overlay structures. Instead of the authority of position held by an appointed head or chief, the emergent leader wields influence or power. Influence is the ability of a person to gain cooperation from others by means of persuasion or control over rewards. Power is a stronger form of influence because it reflects a person's ability to enforce action through the control of a means of punishment

SELF-ASSESSMENT EXERCISE

i.   Itemise the leadership theories.
ii.   State the popular leadership styles.

4.0   CONCLUSION

While the transformational leadership approach is often highly effective, there is no one "right" way to lead or manage that fits all situations. When choosing the most effective leadership approach, consider the following:

- the skill levels and experience of the team.
- the work involved (routine, or new and creative).
- the organisational environment (stable or radically changing, conservative or adventurous).
- the preferred or natural style.

5.0   SUMMARY

In this unit, you have learnt that there are a number of leadership theories, which include behavioural, contingency, trait, power and influence theories. You also learnt about the popular leadership styles, which include autocratic, bureaucratic, charismatic, democratic, laissez-faire, people-oriented, transformational, task-oriented, transactional and servant leadership styles.

Good leaders often switch instinctively between styles, according to the people they lead and the work that needs to be done. Establish trust – that is key to this process – and remember to balance the needs of the organisation against the needs of your team.

6.0   TUTOR-MARKED ASSIGNMENT

1.   Distinguish between the various popular leadership styles.
2.   What attributes should a leader using the transformational style of leadership possess?
3.   Evaluate the contemporary leadership theories.

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MODULE 2

Unit 1   Nature of Quality
Unit 2   Importance of Quality Systems Management
Unit 3   Service Quality/Competitive Advantage
Unit 4   Supervision and Quality Control
Unit 5   Control Systems in the Hotel Industry

UNIT 1   NATURE OF QUALITY

CONTENTS

1.0   Introduction
2.0   Objectives
3.0   Main Content
       3.1   What is Quality?
       3.2   Why Manage Quality?
       3.3   The Principles of Quality
4.0   Conclusion
5.0   Summary
6.0   Tutor-Marked Assignment
7.0   References/Further Reading

1.0   INTRODUCTION

In this unit, we shall be explaining quality and the need to manage it. We shall also examine the principles of quality. One of the main roles of any hotel's supervision system is to monitor the performance of its employees through their services. This monitoring is expected to have a positive impact on quality. As such, supervision forms part of an overall quality monitoring and improvement system, which includes other devices such as performance appraisals and tests/examinations.

Everywhere, policy documents stress the need for greater accountability, quality control, quality assurance, total quality management, quality development, quality monitoring, and so on. Although some distinction can be made between the different terms mentioned above, they more or less cover the same reality. Much attention will be given to the different interpretations of this concept, which lead to quite different supervision systems.

2.0   OBJECTIVES

At the end of this unit, you should be able to:

- define quality
- describe the fundamentals of quality.

3.0   MAIN CONTENT

3.1   What is Quality?

Quality in hospitality business, engineering and manufacturing has a pragmatic interpretation as the non-inferiority or superiority of something; it connotes fitness for purpose. Quality is the standard of something as measured against other things of a similar kind.

Quality is a perceptual, conditional and somewhat subjective attribute and may be understood differently by different people. Consumers may focus on the specification quality of a product/service, or how it compares to competitors in the marketplace. Producers might measure the conformance quality, or degree to which the product/service was produced correctly.

Numerous definitions and methodologies have been created to assist in managing the quality affecting aspects of business operations. Many techniques and concepts have evolved to improve product or service quality. There are two common quality-related functions within a business. One is quality assurance, which is the prevention of defects, such as by the deployment of a quality management system and preventative activities like failure mode and effects analysis (FMEA). The other is quality control, which is the detection of defects, most commonly associated with testing which takes place within a quality management system typically referred to as verification and validation.
Quality management is an organisation-wide approach to understanding precisely what customers need and consistently delivering accurate solutions within budget, on time and with the minimum loss to society.
Quality management will ensure the effective design of processes that verify customer needs, plan product life cycle and design, produce and deliver the product or service.

This also incorporates measuring all process elements, the analysis of performance and the continual improvement of the products, services and processes that deliver them to the customer. Quality management is also referred to as business management or integrated management.

3.2   Why Manage Quality?

The effective management of quality not only creates value for an organisation and its stakeholders but also manages its exposure to risk and can make the difference between success and failure.

A properly implemented and effective business management system identifies and manages organisational risks to ensure that:

- the organisation consistently delivers the products and services that customers want, when they want them and to the quality they expect
- customer satisfaction and loyalty is improved
- organisational goals and objectives are achieved
- organisational risk is identified and effectively managed
- products, services and the processes that deliver them to customers are continually improved through innovation
- waste throughout the organisation is identified and eliminated
- partnerships and the supply chain deliver value to the parties involved.

If your business management system is not delivering these benefits then it is underperforming and may need a service.

Business management addresses risk by identifying and quantifying the risks, determining the likelihood of occurrence and thus the level of threat and providing appropriate approaches to mitigate these treats. Whether your focus is on improving business efficiency, managing risk or understanding customer needs, the application of the fundamental principles of quality can help.

3.3   The Principles of Quality

Quality is everybody's business, but cannot be left to just anyone. To get the best out of quality approaches and tools, organisations must make an investment to develop or employ the expertise of a quality professional.

Customer focus: **Delivering customer value while anticipating future needs and potential markets**

Leadership and business results: **Providing vision and direction, gaining commitment and achieving collective results.**

People and organisational culture: **Delivering maximum value through development and involvement of individuals working in a productive organisational culture.**

Systems thinking: Managing interrelated processes with an integrated approach.

Business process management: Delivering results through business processes to increase efficiency

Fact-based decision-making: Ensuring good decision making by using accurate data and facts

Continual improvement: Making performance improvement a perpetual objective

Suppliers and partners

Maintaining mutually beneficial relationships to enable value creation

SELF-ASSESSMENT EXERCISE

i.   Define quality**.**
ii.   Why should quality be managed?

4.0   CONCLUSION

As earlier stated, quality is everybody's business, but cannot be left to just anyone. Management should ensure that everybody is carried along to maintain quality in products and services for the organisation.

5.0   SUMMARY

Various definitions of quality were examined in this unit. We established that quality is about meeting the needs and expectations of customers. We also said that customers want quality that is appropriate to the price that they are prepared to pay and the level of competition in the market.

6.0   TUTOR-MARKED ASSIGNMENT

1.   How would you define quality?
2.   Why is it necessary to manage quality in the hospitality industry?
3.   Discuss the fundamentals of quality within a business organisation.

7.0   REFERENCES/FURTHER READING

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UNIT 2   IMPORTANCE OF QUALITY SYSTEMS MANAGEMENT

CONTENTS

1.0   INTRODUCTION

In the last unit, we discussed the nature of quality. In this unit, we shall be looking at the importance of quality system management. The dimensions of quality refer to the attributes that quality achieves in operations management:

- quality supports dependability
- dependability supports speed
- speed supports flexibility
- flexibility supports cost.

In the manufacturing industry, it is commonly stated "Quality drives productivity." Improved productivity is a source of greater revenues, employment opportunities and technological advances. However, this has not been the case historically, and in the early 19th century, it was recognised that some markets, such as those in Asia, preferred cheaper products to those of quality. The best way to think about quality is in process control. If the process is under control, inspection is not necessary.

However, one characteristic of modern quality is universal. In the past, when we tried to improve quality, typically defined as producing fewer defective parts, we did so at the expense of increased cost, increased task time, longer cycle time, etc. We could not get fewer defective parts, lower cost, and shorter cycle times, and so on. However, when modern quality techniques are applied correctly to business, engineering, manufacturing or assembly processes, all aspects of quality - customer satisfaction and fewer defects/errors and cycle time and task

time/productivity and total cost, etc. should improve or at least be stable and not decline.

2.0   OBJECTIVES

At the end of this unit, you should be able to:

- state quality management techniques
- describe quality management systems
- outline the elements of quality management system.

3.0   MAIN CONTENT

3.1   Quality Management Techniques

The under listed are the well-known quality management techniques used in business operations.

- Quality management systems
- Total quality management (TQM)
- Design of experiments
- Fractional factorial design
- Optimal design
- Response surface methodology
- Continuous improvement
- Six sigma
- Statistical process control (SPC)
- Quality circles
- Requirements analysis
- Verification and validation
- Zero defects
- Theory of constraints (TOC)
- Business process management (BPM)
- Business process re-engineering
- Capability maturity models

3.2   Quality Management System

A quality management system (QMS) can be expressed as the organisational structure, procedures, processes and resources needed to implement quality management. Early systems emphasised predictable outcomes of an industrial product production line, using simple statistics and random sampling. By the 20th century, labour inputs were typically the most costly inputs in most industrialised societies, so focus shifted to team cooperation and dynamics, especially the early signaling of

problems via a continuous improvement cycle. In the 21st century, QMS has tended to converge with sustainability and transparency initiatives, as both investor and customer satisfaction and perceived quality is increasingly tied to these factors. Of all QMS regimes, the ISO 9000 and ISO 14000 series are probably the most widely implemented worldwide - the ISO 19011 audit regime applies to both, and deals with quality and sustainability and their integration.

Other QMS, e.g. natural step, focus on sustainability issues and assume that other quality problems will be reduced as result of the systematic thinking, transparency, documentation and diagnostic discipline that sustainability focus implies.

Elements of a quality management system

These include:

1.   Organisational structure
2.   Responsibilities
3.   Methods
4.   Data management
5.   Processes - including purchasing
6.   Resources - including natural resources and human capital
7.   Customer satisfaction
8.   Continuous improvement
9.   Product quality
10.   Maintenance
11.   Sustainability - including efficient resource use and responsible environmental operations
12.   Transparency and independent audit

SELF-ASSESSMENT EXERCISE

i.   What is quality system management?
ii.   State the some elements of quality management system.

4.0   CONCLUSION

Quality is defined entirely by the customer or end user; it is based on user's evaluation of his or her entire customer experience. The customer experience is defined as the aggregate of all the interactions that customers have with the company's products and services.

5.0   SUMMARY

In this unit, we have discussed importance of quality system management. You have learnt quality management techniques as well as of elements of quality system management. Quality system management can simply be expressed in the management structure of the organisation and geared towards continuous improvement of the products and services of the given organisation.

6.0   TUTOR-MARKED ASSIGNMENT

1.   Discuss the quality management techniques.
2.   What are the elements of a quality management system?

7.0   REFERENCES/FURTHER READING

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**UNIT 3   SERVICE   QUALITY/COMPETITIVE
             ADVANTAGE**

CONTENTS

1.0   INTRODUCTION

In the last unit, we discussed the importance of quality system management. In this unit, we shall be looking at service quality with regard to competitive advantage. According to the British Standards Institute, "quality is the totality of features and characteristics of a product or service that bear on its ability to satisfy a given need." It is now becoming accepted that for quality to be effectively introduced into an organisation, it has to be totally integrated into all activities of the organisation, hence the Japanese concept of total quality management (TQM).

2.0   OBJECTIVES

At the end of this unit, you should be able to:

*   define competitive advantage
*   identify the structure of competition in the hospitality industry
*   state expectations and needs of the customer
*   explain the importance of the customer in service operations of the hospitality industry.

3.0   MAIN CONTENT

3.1   What is Competitive Advantage?

A competitive advantage is an advantage over competitors gained by offering customers greater value, either by means of lower prices or by providing greater benefits and services that justify higher prices.

Almost all businesses have to face stiff competition with their business rivals in virtually any market today. Having an advantage over them is not enough to guarantee that you can sustain your position on the competitive ground. An ongoing analytical survey of the market and its volatility is required to keep you updated and informed of the need for improving the quality of your products and ensuring the superiority of your services.

Competitive advantage management is a set of methods and strategies that work do not only position your company or business but also make it stand out in the market. Understanding the competitive advantage of your company over its rivals is the key to creating a dominant position in the market. The business plan an establishment dreams to survive on should sketch or outline its future progress and should incorporate competitive advantage management. Without it, the business plan is incomplete and will as well, be ineffective.

3.2   Structure of Competition in the Hospitality Industry

An in-depth analysis/understanding of the competitive structure in an industry is the tool for answering the question on why some hospitality industries are more profitable than others. The most influential analytical model for assessing the nature of competition in an industry is Michael Porter's Five Forces Model. Porter explained that five forces determine the attractiveness and long-run profitability of an industry. The five "competitive force" are given as:

- the threat of new competitors (new entrants)
- the threat of substitute
- the bargaining power of buyers
- the bargaining power of suppliers
- the degree of rivalry existing between competitors.

3.3   Expectations and Needs of Customers

Any customer taking part in a service of the hospitality industry has three major expectations. These are:

1.   The satisfaction of the basic need of demanding for the specific service: This is because customers simply want to satisfy some basic needs when they demand for goods or services and, therefore, they expect good results promptly.
2.   The activities involved in satisfying the need of the customer in the service encounter must be accomplished successfully. For instance, if a guest wants to exchange foreign currency at the reception desk, achieving a successful exchange of naira into US dollars in terms of accuracy and speed will be of paramount importance.
3.   The guest wants to be treated in an appropriate manner as they always expect to be treated courteously and pampered. This enhances customer satisfaction, hence value for their money.

3.4   Importance of Customers in Service Operation

Without good service and satisfied customers, the hotel will ultimately fail. Well-managed service and satisfied customers make the hotel a pleasant place to work for everyone concerned. It will also contribute marginally to the income derived from ancillary services. It should, however, be understood that the hotel industry functions to bring two distinct individuals together-the customer/guest and the organisation knowingly or unknowingly. Therefore, the two parties are partakers of the numerous advantages of the service. The managerial ability of the organisation is enhanced on one hand due to the frequency in meeting and dealing with a variety of individuals, while the social and cultural experience of the customer is improved. Specifically, the role of the customer in service operations may include:

a.   **Contact role enhancement:** It improved the customer management, marketing and sales ability of service workers who come in regular contact with the customers. Either directly (face-to-face) or indirectly (on the telephone).
b.   **Social competence:** The ability of the numerous front office personnel and other service workers to meet and interact effectively with people from all works of life is also enhanced. This gives rise to familiarity with the guest, while the staff-guest familiarity modifies interpersonal perceptions and personal characteristics leading to the suspension of status, hence the customer feels at home.
c.   **Diversification of ancillary service:** The peculiar and unique needs of customers put the hotel under pressure to do its best in maintaining customer loyalty and succeed in the face of competition. Therefore, to meet the needs of customers, the hotel diversifies its ancillary services regularly thereby improving in its

service operation to customers and gaining competitive advantage in the industry.

SELF-ASSESSMENT EXERCISE

i.   What is competitive advantage?
ii.   State the expectations of the customer in the hospitality industry.

4.0   CONCLUSION

In any service industry, interface between employees and customers is of prime importance in determining the customers' overall satisfaction with the service offered. However, the context within which this interaction takes place distinguishes it from other interactions. It is only by recognising the key features of the service encounter that the manager can hope to influence its outcomes and therefore the satisfaction, which the customer derives from it.

The management of service is not made easier by the hotel context due to the potential stress under which service contact employees operate. Such stress has been identified as being associated with the "boundary role" that service workers play in their organisations. In many service industries (including hotels), practically all levels of the workforce from the most senior to the most menial are exposed to the customer. For senior personnel, this contact may be considerably less stressful due to the perceived status and experience of their position than for a junior member of staff.

5.0   SUMMARY

In this unit, we have defined competitive advantage. We considered the structure of competition in the hospitality industry. We also examined the expectations and needs of the customers as well as the importance of the customer in the operations of the hospitality industry.

6.0   TUTOR-MARKED ASSIGNMENT

1.   Discuss the role of the customer in service operations.
2.   Any customer taking part in a service encounter in the hospitality industry has three major expectations. Discuss.
3.   Evaluate the structure of competition in the hospitality industry.

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UNIT 4 SUPERVISION AND QUALITY CONTROL

CONTENTS

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1.0 INTRODUCTION

Our last discussion centered on service quality in relation to competitive advantage. In this unit, we shall examine supervision and quality control. The immediate roots as the concept "supervision" in the human services lie in the development of social work and casework.

The supervisor is the "shop-floor face" of the organisation, the filter or lens through which management messages and attitudes are transmitted to the workforce and views and feedback from the shop-floor passed back up to line management (Lardner & Miles, 1998).

Quality control activities include general methods such as accuracy checks on data acquisition and calculations and the use of approved standardised procedures for calculations, measurements, estimating uncertainties, archiving information and reporting.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- explain the meaning of supervision and quality control
- state the types and functions of supervision
- explain the benefits of quality control.

3.0   MAIN CONTENT

3.1   What is Supervision?

Supervision is formally defined as a relationship between senior and junior member(s) of a profession that:

(a)   is evaluative,
(b)   extends over time,
(c)   serves to enhance the skills of the junior person,
(d)   monitors the quality of the services offered by the junior person, and
(e)   acts as gate keeping to the profession (Bernard & Goodyear, 1992, 2004).

Wikipedia sees supervision from two aspects, which are:

• one who oversees the work or tasks of another;
• one who regulates and controls behaviour by rules or restrictions.

However, unlike many simple or basic skills, supervision is best understood as a "process" – requiring both knowledge and experience. Supervision requires:

• setting a time at least an hour a week
• identifying needs
• setting agenda from this
• evaluating if needs are being met

Supervisors must be:

• good communicators
• focused
• empathic
• approachable

Supervision should ideally include:

• informing
• supporting
• evaluating
• observing
• training
• educating

3.2   Types of Supervision

Educational Supervision

This type of supervision assesses skills, evaluates needs, and provides learning experiences, upgrades knowledge and skills. The supervisor assures that workers know what constitutes substance abuse and assists them in working effectively and efficiently with families involved in substance abuse issues.

Administrative Supervision

Administrative supervision monitors work and workload, assures work completion, quality and quantity control, appropriate implementation of agency policies and procedures. The supervisor assures that the purpose, vision, and policies of the agency in terms of working with families involved in substance abuse are met.

Supportive Supervision

This type of supervision provides support, understanding and assistance, understands emotional needs. The supervisor provides employees with a supportive environment where they can enjoy high morale and job satisfaction as they assist families involved in substance abuse issues.

SELF-ASSESSMENT EXERCISE

i.   What is supervision?
ii.   List the types of supervision.

3.3   Functions of Supervision

John Dawson (1926) stated the functions of supervision in the following terms.

Administrative: This involves the promotion and maintenance of good standards of work, co-ordination of practice with policies of administration, the assurance of an efficient and smooth-running office;

Educational*:* The educational development of individual worker in a manner calculated to evoke her fully to realise her possibilities of usefulness; and.

Supportive: The maintenance of harmonious working relationships, the cultivation of *esprit de corps* (Kadushin,1992).

The primary foci of supervision according to Hawkins and Shohet, 1989; 2007 are:

- to provide a regular space for the supervisees to reflect upon the content and process of their work
- to develop understanding and skills within the work
- to receive information and another perspective concerning one's work
- to receive both content and process feedback
- to be validated and supported both as a person and as a worker
- to ensure that as a person and as a worker is not left to face unnecessary difficulties, problems and projections alone
- to have space to explore and express personal distress, , transference or counter-transference that may be brought about by the work
- to plan and use their personal and professional resources better
- to be pro-active rather than re-active
- to ensure quality of work.

The basic functions of the supervisor are

Planning

The first thing a new supervisor needs to learn is how to plan. This includes planning for personal tasks, employee workloads, coaching and developing staff and for implementing corporate goals. There are two basic levels of planning that supervisors are responsible for – long-term strategic goals and short-term tactile planning. Long-term or strategic planning focuses on the big picture, providing a framework from which the team operates. Short-term or tactile planning focuses on the daily operations of the team in meeting the long-term goals of the organisation.

Organising

Once the long and short-term planning goals are in place, the supervisor needs to organise accordingly. This includes prioritising the workload based on business goals and then distributing the tasks to team members. Delegating is also a valuable part of organising the workload and can be used to promote career development.

Resourcing

Resourcing is a term used to identify what is needed to get the job done. This includes budget, staff requirements and support networks such as internet and the human resources department. It is important for

supervisors to know what resources are available and how to access them. It is recommended that supervisors develop a resource database that can be accessed personally and for employee situations.

Leading

Beyond the tactile duties of the supervisor, leadership is the part that inspires productivity and encourages employee. According to management consultants, Kouzes and Posner, leadership is a combination of five practices that can be learnt. These practices combine self-discipline with clear goals and recognition along the way.

Monitoring

Monitoring is the practice of ensuring work is being done according to the plan. There are numerous ways to measure progress including performance contracts/appraisals, monitoring qualitative and quantitative results, client feedback and project management tools/programmes. Coaching employees on a regular basis is a critical part of monitoring performance, while building trust and developing competencies throughout the performance period.

3.4   What is Quality Control?

Quality control is a process that is used to ensure a certain level of quality in a product or service. It might include whatever actions a business deems necessary to provide for the control and verification of certain characteristics of a product or service. Most often, it involves thoroughly examining and testing the quality of products or the results of services.

This approach places emphasis on three aspects:

- elements such as controls, job management, defined and well managed processes, performance and integrity criteria, and identification of records
- competence, such as knowledge, skills, experience, and qualifications
- soft elements, such as personnel integrity, confidence, organisational culture, motivation, team spirit, and quality relationships.

Controls include product inspection, where every product is examined visually, and often using a stereo microscope for final detail before the product is sold into the external market. Inspectors will be provided with

lists and descriptions of unacceptable product defects such as cracks or surface blemishes for example.

Quality control emphasises testing of products to uncover defects and reporting to management who make the decision to allow or deny product release, whereas quality assurance attempts to improve and stabilise production (and associated processes) to avoid, or at least minimise, issues which led to the defect(s) in the first place.

Quality control also might involve evaluating people. If a company has employees who do not have adequate skills or training, have trouble understanding directions or are misinformed, the quality of the company's products or services might be diminished. This is especially important for service-oriented companies, because the employees are the product that they provide to customers.

Often, quality control is confused with quality assurance. Though the two are similar, there are some basic differences between them. Quality control is concerned with examining the product or service i.e. the end result. Quality assurance is concerned with examining the process that leads to the end result. A company would use quality assurance to ensure that a product is manufactured in the right way, thereby reducing or eliminating potential problems with the quality of the final product. Companies that engage in quality control typically have a team of workers who focus on testing a certain number of products or observing services being done. The products or services that are examined usually are chosen at random.

For contract work, particularly work awarded by government agencies, quality control issues are among the top reasons for not renewing a contract.

Total quality control, also called total quality management, is an approach that extends beyond ordinary statistical quality control techniques and quality improvement methods. It implies a complete overview and re-evaluation of the specification of a product, rather than just considering a more limited set of changeable features within an existing product. If the original specification does not reflect the correct quality requirements, quality cannot be inspected or manufactured into the product. For instance, the design of a pressure vessel should include not only the material and dimensions, but also operating, environmental, safety, reliability and maintainability requirements, and documentation of findings about these requirements.

A fully documented quality management system (QMS) will ensure that two important requirements are met:

- customers' requirements: This entails confidence in the ability of the organisation to deliver the desired product and service consistently meeting their needs and expectations.
- organisation's requirements – both internally and externally, and at an optimum cost with efficient use of the available resources – materials, human, technology and information.

These requirements can only be truly met if objective evidence is provided in the form of information and data, to support the system activities, from the ultimate supplier to the ultimate customer.

A QMS enables an organisation to achieve the goals and objectives set out in its policy and strategy. It provides consistency and satisfaction in terms of methods, materials, equipment, etc, and interacts with all activities of the organisation, beginning with the identification of customer requirements and ending with their satisfaction, at every transaction interface.

It can be envisaged as a "wedge" that both holds the gains achieved along the quality journey, and prevents good practices from slipping. Management systems are needed in all areas of activity, whether large or small businesses, manufacturing, service or public sector. A good QMS will:

- set direction and meet customers' expectations
- improve process control
- reduce wastage
- lower costs
- increase market share
- facilitate training
- involve staff
- raise morale

The quality control system is therefore designed to:

- provide routine and consistent checks to ensure integrity, correctness, and completeness;
- identify and address errors and omissions;
- document and archive inventory material and record all quality control activities.

SELF-ASSESSMENT EXERCISE

i.   What is quality control?
ii.   What is the purpose of quality control system?

3.5   Types of Quality Control

To ensure item production and system operation function at their best, businesses use quality control. Quality control monitors not only the product itself, but also the way it is produced, stored and transported. Some quality control is voluntary, but sometimes quality control records must be kept for state and federal regulations. To make a product that is reliable and trustworthy, businesses use different types of quality control through every aspect of production.

Internal quality control

When a company institutes protocol to check their system, this is called internal quality control. This can range from routine checking of equipment, having a co-worker go over another employee's data analysis, or running standards and controls on a regular basis. It is generally up to management to decide if internal quality control measures are reliable and performed as needed.

External quality control

When products or data is sent to an outside business not affiliated with the company, this is external control. One example of external control is in food production. A food company may routinely analyse the nutritional value or shelf life of a food item it produces in its own laboratory, but to verify its results, the food item will also be sent to an outside laboratory. This verification by an outside lab is important to obtain food and drug administration (FDA) labelling and to prove to the FDA that the food company's production methods are sound.

Proficiency testing quality control

A special type of quality control often done on a volunteer basis or to gain accreditation is proficiency testing. In this type of quality control, the company is sent a series of tests to perform. The results are sent back and the company receives a grade on its proficiency. This type of testing is often done in laboratories, where sensitive equipment and complex protocols need to be verified as accurate before the lab is allowed to continue its work.

3.6   Benefits of Quality Control

The basic goal of this process is to ensure that the products or services that are provided meet specific requirements and characteristics, such as being dependable, satisfactory, safe and fiscally sound:

- It ensures better products and services, which ultimately establish a good reputation for a company and higher revenue from having more satisfied customers.
- **Uniformity:** Whether you are providing a product or service, any defect can have a dire impact on your bottom line, such as through losing repeat business and lowering your reputation. Quality control programmes are set up to prevent or greatly reduce defects.
- **Detection in manufacturing:** Quality control programmes allow companies to detect any defective products (often through software and inventory monitoring) and remove them before reaching the consumer.
- **Detection in service industry:** Quality control or feedback surveys can be distributed to customers to monitor satisfaction levels. Businesses can take this information to improve (or maintain) their customer service efforts.
- **Prevention:** The cost of finding defective products averages 20 to 40 per cent of total sales. Quality control programmes help prevent defects by identifying issues before they occur.
- **Considerations**: Thousands of people are injured each year from faulty products. Implementing a quality control program can save companies millions in potential lawsuits.

SELF-ASSESSMENT EXERCISE

i.   Mention the types of quality control.
ii.   What are the benefits of quality control?

4.0   CONCLUSION

Supervision is defined as a relationship between senior and junior member of a profession that is evaluative, extends over time, serves to enhance the skills of the junior person, and monitors the quality of the services offered by the junior person, and acts as gate keeping to the profession.

5.0   SUMMARY

In this unit, we have discussed supervision and quality control, the types of supervision and quality control as well as the functions of supervision

and benefits of quality control. Supervision has been shown to have three aspects: administration; education and support
We have also discussed the functions of a supervisor.

6.0   TUTOR – MARKED ASSIGNMENT

1.   Define supervision.
2.   Discuss the functions of a supervisor.
3.   What is quality control?
4.   List and explain the types of quality control.

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UNIT 5 MANAGEMENT CONTROL SYSTEMS IN THE HOTEL INDUSTRY

CONTENTS

1.0 Introduction
2.0 Objectives
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    3.2 Types of Management Control Systems
    3.3 Managerial Approaches to Implementing Controls
    3.4 The Primary Types of Organisational Control
    3.5 Differences between Strategic and Operational Control
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1.0 INTRODUCTION

In the last unit, we discussed supervision and quality control. In this unit, we shall be looking at management control systems. Essentially, controlling involves the measurement and correction of activities of subordinates to make sure that objectives and plans to achieve them are being accomplished. Various control systems and techniques have been put in place to enable management attain its goals. The elements of controlling, production and financial control, human resource control, and organisational change and development all come into play in the achievement of objectives and plans. Emphasis is therefore placed on the importance of developing an integrated control system and strategic management, which will enable managers to monitor the performance of all resources devoted to the achievement of organisational performance. The basic premise of strategic management is that the chosen strategy will achieve the organisation's mission and objectives.

A firm's successive strategies are greatly affected by its history and often take shape through experimentation and ad hoc refinement of current plans, a process James Quinn has termed "logical incrementalism." Therefore, the reexamination of past assumptions and the comparison of actual results with earlier hypotheses have become common features of strategic management.

2.0   OBJECTIVES

At the end of this unit, you should be able to:

• explain management control systems
• differentiate between types of management control systems
• outline management approaches to implementing controls
• explain differences between strategic and operational controls.

3.0   MAIN CONTENT

3.1   Definition of Control Management Control System

Control is a systematic effort to:

• set performance standards with planning objectives,
• design information feedback systems,
• compare actual performance with these predetermined standards,
• determine whether there are any deviations and to measure their significance and,
• take any action required to assure that all corporate resources are being used in the most effective and efficient way possible in achieving corporate objectives.

Management control system (MCS) as defined by Wikipedia is a system which gathers and uses information to evaluate the performance of different organisational resources like human, physical, financial and also the organisation as a whole considering the organisational strategies. It influences the behaviour of organisational resources to implement organisational strategies.

Anthony and Govindarajan (2007) defined management control as the process by which managers influence other members of the organisation to implement the organisation's strategies. Management control systems are tools to aid management for steering an organisation toward its strategic objectives and competitive advantage.

According to Horngren *et al.* (2005), management control system is an integrated technique for collecting and using information to motivate employee behaviour and to evaluate performance. Management control is concerned with coordination, resource allocation, motivation, and performance measurement. The practice of management control and the design of management control systems draw upon a number of academic disciplines.

Management control involves extensive measurement and it is therefore related to and requires contributions from accounting especially management accounting. It also involves resource allocation, decisions, is therefore related to, and requires contribution from economics especially managerial economics. MCS involves communication, and motivation, which means it, is related to, and must draw contributions from social psychology especially organisational behaviour.
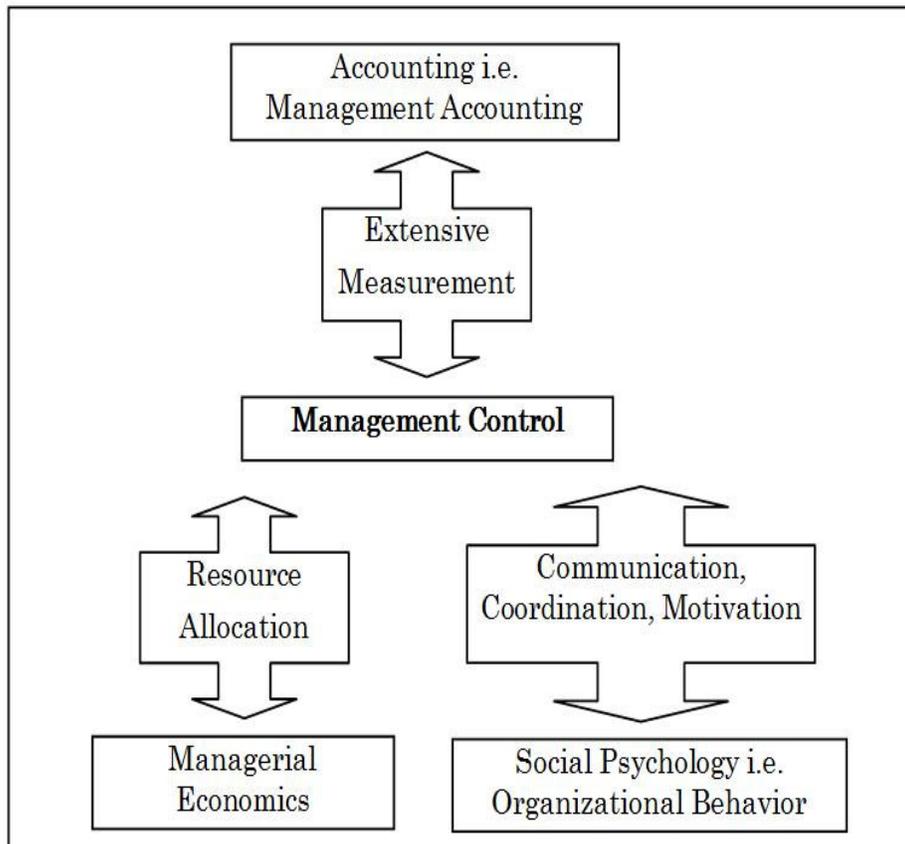

Fig. 5.1: Management Control Systems as an Interdisciplinary Subject

Management control systems use many techniques such as:

- balanced scorecard
- total quality management (TQM)
- Kaizen (continuous improvement)
- activity-based costing
- target costing
- benchmarking and bench trending
- budgeting
- capital budgeting
- programme management techniques, etc.

3.2 Types of Management Control System

Management can implement controls:

- before an activity commences,
- while the activity is going on, or
- after the activity has been completed.

For example, a local automobile dealer can focus on activities before, during, or after sales of new cars. Careful inspection of new cars and cautious selection of sales employees are ways to ensure high quality or profitable sales even before those sales take place. Monitoring how salespeople act with customers is a control during the sales task. Counting the number of new cars sold during the month and telephoning buyers about their satisfaction with sales transactions are controls after sales have occurred.

These types of controls are formally called:

- feedforward,
- concurrent, and
- feedback
- controls.

Feed forward control

Feed forward control is sometimes called preliminary control, pre-control, preventive control, or steering control. It focuses on the regulation of inputs (human, material, and financial resources that flow into the organisation) to ensure that they meet the standards necessary for the transformation process. It attempts to identify and prevent deviations in the standards before they occur. These controls are evident in the selection and hiring of new employees. For example, organisations attempt to improve the likelihood that employees will perform up to standards by identifying the necessary job skills and by using tests and other screening devices to hire people with those skills.

Feed forward controls are desirable because they allow management to prevent problems rather than having to cure them later. Unfortunately, these controls require timely and accurate information that is often difficult to develop.

However, some authors use the term "steering control" as a separate type of control designed to detect deviation from standard or goal to allow correction to be made before a particular sequence of actions is completed.

Concurrent control

Concurrent control monitors ongoing employee activity to ensure consistency with quality standards. These controls rely on performance standards, rules, and regulations for guiding employee tasks and behaviors. Their purpose is to ensure that work activities produce the desired results. Since concurrent control involves regulating ongoing tasks, it requires a thorough understanding of the specific tasks involved and their relationship to the desired goal and product.

Concurrent control sometimes is called screening or yes-no control, because it often involves checkpoints at which determinations are made about whether to continue, take corrective action, or stop work altogether on products or services. For example, many manufacturing operations include devices that measure whether the items being produced meet quality standards. Employees monitor the measurements; if they see that standards are not being met in some area, they make a correction themselves or let a manager know that a problem is occurring.

Feedback control

This type of control involves reviewing information to determine whether performance meets established standards. For example, suppose that an organisation establishes a goal of increasing its profit by 12 per cent next year. To ensure that this goal is reached, the organisation must monitor its profit on a monthly basis. After three months, if profit has increased by three per cent, management might assume that plans are going according to schedule.

Feedback has two advantages over feedforward and concurrent control:

- Feedback provides managers with meaningful information on how effective its planning effort was. If feedback indicates little variance between standard and actual performance, this is evidence that planning was generally on target.
  If the deviation is great, a manager can use this information when formulating new plans to make them more effective.
- Feedback control can enhance employees' motivation.

The major drawback of this type of control is that, the time the manager has the information and if there is significant problem, the damage is already done. However, for many activities, feedback control fulfills a number of important functions.

However, it is important to note that feedforward, concurrent, and feedback control methods are not mutually exclusive. Rather, they are usually combined into a multiple control system.

Strategic control points

Managers design control systems to define standards of performance and acquire information feedback at strategic control points.
Strategic control points are those activities that are especially important for achieving strategic objectives. When organisations do not have multiple control systems that focus on strategic control points, they often can experience difficulties that cause managers to reevaluate their control processes.

3.3 Managerial Approaches to Implementing Controls

Regardless of whether the organisation focuses control on inputs, production, or outputs, another choice must be made between different approaches to control. There are three control approaches regarding the mechanisms managers will use to implement controls:

- market control,
- bureaucratic control, and
- clan control.

Market control

Market control involves the use of price competition to evaluate output. Managers compare profits and prices to determine the efficiency of their organisation. In order to use market control, there must be a reasonable level of competition in the goods or service area and it must be possible to specify requirements clearly.

Market control is not appropriate in controlling functional departments, unless the price for services is set through competition and it is representative of the true value of provided services.

Bureaucratic control

Bureaucratic control is the use of rules, policies, and hierarchy of authority, written documentation, reward systems, and other formal mechanisms to influence employee behaviour and assess performance. Bureaucratic control can be used when behaviour can be controlled with market or price mechanisms.

Clan control

Clan control represents cultural values. It is almost the opposite of bureaucratic control. Clan control relies on values, beliefs, corporate culture, shared norms, and informal relationships to regulate employee behaviours and facilitate the reaching of organisational goals.

Organisations that use clan control require trust among their employees. Given minimal direction and standards, employees are assumed to perform well. Indeed, they participate in setting standards and designing the control systems.

SELF-ASSESSMENT EXERCISE

i.   What is management control system?
ii.   List the types of management control system.

3.4   The Primary Types of Organisational Control

There are three primary types of organisational control:

- strategic control,
- management control, and
- operational control.

Strategic control

Strategic control is the process of evaluating strategy. It is practiced both after the strategy is formulated and after it is implemented. Strategic control is concerned with tracking the strategy as it is being implemented, detecting any problems areas or potential problem areas, and making any necessary adjustments.

Newman and Logan use the term "steering control" to highlight some important characteristics of strategic control. Ordinarily, a significant time span occurs between initial implementation of a strategy and achievement of its intended results. During that time, numerous projects are undertaken, investments are made, and actions are undertaken to implement the new strategy.

In addition, the environmental situation and the firm's internal situation are developing and evolving. Strategic controls are necessary to steer the firm through these events. They must provide some means of correcting the directions based on intermediate performance and new information.

The importance of strategic control

Henry Mintzberg, one of the foremost theorists in the area of strategic management, tells us that no matter how well the organisation plans its strategy, a different strategy may emerge. Starting with the intended or planned strategies, Mintzberg related the five types of strategies in the following manner:

1.   Intended strategies that are realised; these may be called deliberate strategies.
2.   Intended strategies that are not realised; these may be called unrealised strategies.
3.   Realised strategies that were never intended; these may be called emergent strategies.

Recognising the number of different ways that intended and realised strategies may differ underscores the importance of evaluation and control systems so that the firm can monitor its performance and take corrective action if the actual performance differs from the intended strategies and planned results.

Management control

Management control focuses on the accomplishment of the objectives of the various sub strategies comprising the master strategy and the accomplishment of the objectives of the intermediate plans (for example, "are quality control objectives being met?").

Where management control is imposed, it functions within the framework established by the strategy. Normally these objectives (standards) are established for major subsystems within the organisation, such as strategic business units (SBUs), projects, products, functions, and responsibility centres.

Typical management control measures include return on investment (ROI), residual income, cost, product quality, and so on. These control measures are essentially summations of operational control measures. Corrective action may involve minor or major changes in the strategy.

Operational control

Operational control is concerned with individual and group performance as compared with the individual and group role prescriptions required by organisational plans (for example, "are individual sales quotes being met?").

Operational control serves to regulate the day-to-day output relative to schedules, specifications, and costs. For example:

- Is the output of product or service the proper quality and is it available as scheduled?
- Are inventories of raw materials, goods-in-process, and finished products being purchased and produced in the desired quantities?
- Are the costs associated with the transformation process in line with cost estimates?
- Is the information needed in the transformation process available in the right form and at the right time?
- Is the energy resource being utilised efficiently?

The most difficult task of management concerns monitoring the behaviour of individuals, comparing performance to some standard and providing rewards or punishment as indicated. Sometimes this control over people relates entirely to their output.

Each of these types of control is not a separate and distinct entity and, in fact, may be indistinguishable from others. Moreover, similar measurement techniques may be used for each type of control.

Operational control systems are designed to ensure that day-to-day actions are consistent with established plans and objectives. It focuses on events in a recent period. Operational control systems are derived from the requirements of the management control system.
Corrective action is taken where performance does not meet standards. This action may involve training, motivation, leadership, discipline, or termination.

3.5   Differences between Strategic and Operational Control

The differences between strategic and operational control are highlighted by reference to a general definition of management control. Management control is the set of measurement, analysis, and action decisions required for the timely management of the continuing operation of a process." Hence, the differences are based on:

- measurement
- analysis and
- action

Measurement

- Strategic control requires data from more sources. The typical operational control problem uses data from very few sources.

- Strategic control requires more data from external sources. Strategic decisions are normally taken with regard to the external environment as opposed to internal operating factors.
- Strategic controls are oriented to the future. This is in contrast to operational control decisions in which control data give rise to immediate decisions that have immediate impacts.
- Strategic control is more concerned with measuring the accuracy of the decision premise. Operating decisions tend to be concerned with the quantitative value of certain outcomes.
- Strategic control standards are based on external factors. Measurement standards for operating problems can be established fairly by past performance on similar products or by similar operations currently being performed.
- Strategic control relies on variable reporting interval. The typical operating measurement is concerned with operations over some period: pieces per week, profit per quarter, and the like.
- Strategic control requires data from more sources. The typical operational control problem uses data from very few sources.

Analysis

- Strategic control models are less precise. This is in contrast to operational control models, which are generally very precise in the narrow domain they apply.
- Strategic control models are less formal. The models that govern the considerations in a strategic control problem are much more intuitive, therefore, less formal.
- The principal variables in a strategic control model are structural. In strategic control, the whole structure of the problem, as represented by the model, is likely to vary, not just the values of the parameters.
- The key need in analysis for strategic control is model flexibility. This is in contrast to operating control, for which efficient quantitative computation is usually most desirable.
- The key activity in management control analysis is alternative generation. This is different from the operational control problem, in which in many cases all control alternatives have been specified in advance. The key analysis step in operations is to discover exactly what happened.
- The key skill required for management control analysis is creativity. In operational control, by contrast, the formal review of outcomes to discover causes means that they skill required is the ability to do technical, even statistical, analysis of the data received.

Action

- The relationship between action and outcome is weaker in strategic control. This is not surprising, as the most desirable area for control in strategic problems -the environment -is the least subject to direct action.
- The key action variables in strategic control are organisational. In the operational control problem, technical factors such as labour levels, production levels, choice of materials, and the like are the predominant control levels.
- Alternative actions in strategic control are less easy to choose in advance. In strategic control problem, it is possible to choose all possible action responses to received data in advance. In an operational control problem, the few responses possible can usually all be worked out before any operating data received.
- The greatest error in strategic control is omitting a worthwhile action. In operating control, the most typical errors are those of omissions (e.g., complaints about too many people employed, too many defects, and too much inventory). In the strategic control problem, errors of omission are much more serious (e.g., not moving into a business opportunity when it presents itself, not undertaking a particular social program, not applying resources to meet that challenges in the best fashion).
- The time for strategic control is longer. The period in which control has an impact is longer for strategic problems that for operating problems.
- The timing of strategic control is events oriented. By contrast, operating decisions tend to be made on a periodic basis, and they are usually measured accordingly.
- Strategic control has little repetition. Not even the structure is the same as past problems, much less the technical details. Operating problems, by way of contrast, tend to repeat their structure.

SELF-ASSESSMENT EXERCISE

i.   List the types of organisational control.
ii.   What are the differences between strategic and operational control based on?

4.0   CONCLUSION

Control is a systematic effort to set performance standards with planning objectives, design information feedback systems, compare actual performance with these predetermined standards, determine whether there are any deviations and to measure their significance and, take any action required to assure that all corporate resources are being used in

the most effective and efficient way possible in achieving corporate objectives.

Management control system is an integrated technique for collecting and using information to motivate employee behaviour and to evaluate performance.

Management can implement controls before an activity commences, while the activity is going on, or after the activity has been completed. Types of management control system are feedforward, Concurrent, and feedback controls.

Strategic control points are those activities that are especially important for achieving strategic objectives.

Managerial approaches to implementing controls are market, bureaucratic and clan controls. The primary types of organisational control are strategic, management and operational controls. The differences between strategic and operational control are based on measurement, analysis and action.

5.0   SUMMARY

In this unit, we have discussed control and management control systems (MCS). We have also seen how MCS is an interdisciplinary subject. You have also been exposed to the types of MCS and management's approach to implementing control.

You have also learnt the types of organisational control, the importance of strategic control, as well as the differences between strategic and operational control.

6.0   TUTOR-MARKED ASSIGNMENT

1.   Define the following terms:

- control
- management control system
- strategic control points

2.   Explain the primary types of organisational control.
3.   Discuss the types of management control system.

7.0 REFERENCE/FURTHER READING

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MODULE 3

Unit 1   Communication and Formal Organisations
Unit 2   Leadership and Management
Unit 3   Human Resource Management
Unit 4   Job Security and Work Environment
Unit 5   Total Quality Management

UNIT 1   COMMUNICATION AND FORMAL ORGANISATION

CONTENTS

1.0   Introduction
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         3.1   What is Communication?
         3.2   The Communication Process
         3.3   Types of Communication
         3 4   Communication Channel
         3.5   Barriers to Effective Communication
         3.6   Improving your Communication Skills
         3.7   What is a Formal Organisation?
         3.8   Organisational Communication
4.0   Conclusion
5.0   Summary
6.0   Tutor-Marked Assignment
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1.0   INTRODUCTION

Communication has been derived from the Latin word *communis*, meaning, "To share." Communication requires a sender, a message, and an intended recipient, although the receiver need not be present or aware of the sender's intent to communicate at the time of communication; thus communication can occur across vast distances in time and space. Communication requires that the communicating parties share an area of communicative commonality. The communication process is complete once the receiver has understood the message of the sender. Feedback is critical to effective communication between parties.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

• define communication
• explain types of communication and communication process
• state the barriers to communication
• explain formal organisation and organisational communication.

3.0 MAIN CONTENT

3.1 What is Communication?

Communication is simply the act of transferring information from one place to another.

Although this is a simple definition, when we think about how we may communicate, the subject becomes a lot more complex. There are various categories of communication and more than one may occur at any time. Communication is the essence of human interaction and learning. The nature of communication is dependent on interaction between two or more individuals and understanding is constructed through that interaction.

Communication is a basic human right and essential to our quality of life as a social species. As human beings, we use communication to: relate to others, socially connect, greet, call attention, share feelings, express an opinion, agree, disagree, explain, share information, question, answer, tease, bargain, negotiate, argue, manipulate, compliment, comment, protest, complain, describe, encourage, instruct, provide feedback, show humor, discuss interests, be polite, make friends, express interest or disinterest, etc.

Communication is exchanging information in the form of messages, symbols, thoughts, signs and opinions. Communication of information, messages, opinions, speech and thoughts can be done via different forms of modern communication media, like internet, telephone and mobile. Some of the basic ways of communication are by speaking, singing, sign language, body language, touch and eye contact. These basic ways of communication are used to transfer information from one entity to other.

3.2 Types of Communication

There are many different types of communication, depending on the medium used for communication or the way in which information is

exchanged. They can be classified into four basic types. Let us discuss the four basic types of communication.

1.   Verbal communication

Verbal communication includes sounds, words, language and speaking. Language is said to have originated from sounds and gestures. There are many languages spoken in the world. The basis of language formation is: gender, class, profession, geographical area, age group and other social elements. Speaking is an effective way of communicating and is again classified into two types, viz: interpersonal communication and public speaking.

Good verbal communication is an inseparable part of business communication. In a business, you come across people from various ages, cultures and races. Fluent verbal communication is essential, to deal with people in business meetings. In addition, in business communication, self-confidence plays a vital role which when combined with fluent communication skills can lead to success.

Public speaking is another verbal communication in which you have to address a group of people. Preparing for an effective speech before you start is important. In public speaking, the speech must be prepared according to the type of audience you are going to face. The content of your speech should be authentic and you must have enough information on the topic you have chosen for public speaking. All the main points in your speech must be highlighted and these points should be delivered in the correct order. There are many public speaking techniques and these techniques must be practiced for an effective speech.

2.   Non-verbal communication

Non-verbal communication involves physical ways of communication, like, tone of the voice, touch, smell and body motion. Creative and aesthetic non-verbal communication includes singing, music, dancing and sculpturing. Symbols and sign language are also included in non-verbal communication. Body is a non-verbal. Body posture, language and physical contact is another form of communication. Body posture matters a lot when you are communicating verbally to someone. Folded arms and crossed legs are some of the signals conveyed by a body posture. Physical contact, like, handshaking, pushing, patting and touching expresses the feeling of intimacy. Facial expressions, gestures and eye contact are all different ways of communication. Reading facial expressions can help you know a person better.

3.   Written Communication

Written communication involves putting down the words, which you want to communicate on paper. Good written communication is essential for business purposes. Written communication is practiced in many different languages. E-mails, reports, articles and memos are some of the ways of using written communication in business. The written communication can be edited and amended many times before it is communicated to the second party to whom the communication is intended. This is one of the main advantages of using writing as the major means of communication in business activity. Written communication is used not only in business but also for informal communication purposes. Mobile SMS is an example of informal written communication.

4.   Visual Communication

The last type of communication is the visual communication. Visual communication is visual display of information, like topography, photography, signs, symbols and designs. Television and video clips are the electronic form of visual communication.

Effective communication is essential for the success of any type of business. Informally too, nothing can be achieved without proper communication. Therefore, developing communicative skills is necessary. One must understand that all the four types of communication are equally important and one must develop communicative skills in all the mediums. Communicative media is growing day by day to ensure clarity and to eliminate the ambiguity in communication.

Types of communication based on purpose and style

Based on style and purpose, there are two main categories of communication and they both have their characteristics. Communication types based on style and purpose are:

- formal communication
- informal communication

Formal Communication

In formal communication, certain rules, conventions and principles are followed while communicating message. Formal communication occurs in formal and official style. Usually professional settings, corporate meetings and conferences are carried out in formal patterns.

In formal communication, use of slang and foul language is avoided and correct pronunciation is required. Authority lines are needed to be followed in formal communication.

Informal Communication

Informal communication is done using channels that are in contrast with formal communication channels. It is just a casual talk. It is established for societal affiliations of members in an organisation and face-to-face discussions. It occurs among friends and family. In informal communication use of slang and foul language is not restricted. Usually, informal communication is done orally and using gestures.

Informal communication, unlike formal communication, does not follow authority lines. In an organisation, it helps in finding out staff grievances as people express more when talking informally. Informal communication helps in building relationships.

3.3   The Communication Process

The sender through a communication channel sends a message or communication to a receiver, or to multiple receivers. The sender must encode the message (the information being conveyed) into a form that is appropriate to the communication channel, and the receiver(s) then decodes the message to understand its meaning and significance. Hence, communication process is the sharing of meaningful information between two or more people with the goal of the receiver understanding the sender's intended message.

Misunderstanding can occur at any stage of the communication process. Effective communication involves minimising potential misunderstanding and overcoming any barriers to communication at each stage in the communication process.

An effective communicator understands their audience, chooses an appropriate communication channel, hones their message to this channel and encodes the message to reduce misunderstanding by the receiver(s). They will also seek out feedback from the receiver(s) as to how the message is understood and attempt to correct any misunderstanding or confusion as soon as possible. Receivers can use clarification and reflection as effective ways to ensure that the message sent has been understood correctly.

SELF-ASSESSMENT EXERCISE

i.   What is communication?
ii.   List the types of communication.
iii.   Define the communication process.

3.4   Communication Channel

Communication channel is a medium through which a message is transmitted to its intended audience, such as print media or broadcast (electronic) media. It connotes the way in which we communicate. There are multiple communication channels available to us today, for example face-to-face conversations, telephone calls, text messages, email, the internet (including social media such as Facebook and Twitter), radio and TV, written letters, brochures and reports to name just a few.

Choosing an appropriate communication channel is vital for effective communication as each communication channel has different strengths and weaknesses. For example, broadcasting news of an upcoming event via a written letter might convey the message clearly to one or two individuals but will not be a time or cost effective way to broadcast the message to a large number of people. On the other hand, conveying complex, technical information is better done via a printed document than via a spoken message since the receiver is able to assimilate the information at their own pace and revisit items that they do not fully understand. Written communication is also useful as a way of recording what has been said, for example taking minutes in a meeting.

Encoding messages

All messages must be encoded into a form that can be conveyed by the communication channel chosen for the message. We all do this every day when transferring abstract thoughts into spoken words or a written form. However, other communication channels require different forms of encoding, e.g. text written for a report will not work well if broadcast via a radio programme, and the short, abbreviated text used in text messages would be inappropriate if sent via a letter. Complex data may be best communicated using a graph or chart or other visualisation.

Effective communicators encode their messages with their intended audience in mind as well as the communication channel. This involves an appropriate use of language, conveying the information simply and clearly, anticipating and eliminating likely causes of confusion and misunderstanding, and knowing the receivers' experience in decoding

other similar communications. Successful encoding of messages is a vital skill in effective communication.

Decoding messages

Once received, the receivers need to decode the message, and successful decoding is a vital skill. Individuals will decode and understand messages in different ways based upon any barriers to communication, which might be present, their experience and understanding of the context of the message, their psychological state, and the time and place of receipt as well as many other potential factors. Understanding how the message will be decoded, and anticipating as many of the potential sources of misunderstanding as possible, is the art of a successful communicator.

Feedback

Receivers of messages are likely to provide feedback on how they have understood the messages through both verbal and non-verbal reactions. Effective communicators should pay close attention to this feedback, as it is the only way to assess whether the message has been understood as intended, and it allows any confusion to be corrected. Bear in mind that the extent and form of feedback will vary according to the communication channel used. For example feedback during a face-to-face or telephone conversation will be immediate and direct, whilst feedback to messages conveyed via TV or radio will be indirect and may be delayed, or even conveyed through other media such as the Internet

3.5   Barriers to Effective Communication

There are many reasons why interpersonal communications may fail. In many communications, the message may not be received exactly the way the sender intended and hence it is important that the communicator seek feedback to check that their message is clearly understood.

There exist many barriers to communication and these may occur at any stage in the communication process. Barriers may lead to your message becoming distorted and you therefore risk wasting both time and money by causing confusion and misunderstanding. Effective communication involves overcoming these barriers and conveying a clear and concise message. Some common barriers to effective communication include:

- The use of jargon, over-complicated or unfamiliar terms.
- Emotional barriers and taboos.
- Lack of attention, interest, distractions, or irrelevance to the receiver.

- Differences in perception and viewpoint.
- Physical disabilities such as hearing problems or speech difficulties.
- Physical barriers to non-verbal communication.
- Language differences and the difficulty in understanding unfamiliar accents.
- Expectations and prejudices, which may lead to false assumptions or stereotyping. People often hear what they expect to hear rather than what is actually said and jump to incorrect conclusions.
- Cultural differences: The norms of social interaction vary greatly in different cultures, as do the way in which emotions are expressed. For example, the concept of personal space varies between cultures and between different social settings.

A skilled communicator must be aware of these barriers and try to reduce their impact by continually checking understanding and by offering appropriate feedback.

All the barriers to communication can be categorised as:

Language barriers

Language and linguistic ability may act as a barrier to communication. However, even when communicating in the same language, the terminology used in a message may act as a barrier if it is not fully understood by the receiver(s). For example, a message that contains a lot of specialist jargon and abbreviations will not be understood by a receiver who is not familiar with the terminology used. Regional colloquialisms and expressions may be misinterpreted or even considered offensive.

Psychological barriers

The psychological state of the receiver will influence how the message is received. For example, if someone has personal worries and is stressed, he/she may be preoccupied by personal concerns and not as receptive to the message as if they were not stressed. Stress is an important factor in interpersonal relationships.

Physiological barriers

Physiological barriers may result from the receiver's physical state: for example, a receiver with impaired hearing may not grasp the entirety of a spoken conversation especially if there is significant background noise.

Physical barriers

An example of a physical barrier to communication is geographic distance between the sender and receiver(s). Communication is generally easier over shorter distances as more communication channels are available and less technology is required. Although modern technology often serves to reduce the impact of physical barriers, the advantages and disadvantages of each communication channel should be understood so that an appropriate channel can be used to overcome the physical barriers.

Systematic barriers

Systematic barriers to communication may exist in structures and organisations where there are inefficient or inappropriate information systems and communication channels, or where there is a lack of understanding of the roles and responsibilities for communication. In such organisations, individuals may be unclear of their role in the communication process and therefore not know what is expected of them.

Attitudinal barriers

Attitudinal barriers are behaviours or perceptions that prevent people from communicating effectively. Attitudinal barriers to communication may result from personality conflicts, poor management, and resistance to change or a lack of motivation. Effective receivers of messages should attempt to overcome their own attitudinal barriers to facilitate effective communication.

3.6   Improving your Communication Skills

The importance of communication skills in interpersonal relationships cannot be overstressed. An understanding of the factors that affect communication and effective communication skills are necessary in many areas of life. Of equal importance are the different types of non-verbal messages that lead to a greater understanding of communication. To be an effective communicator, you should take into consideration both the verbal and non-verbal components of messages.

Empathise

Empathy is trying to see things from the point-of-view of others. When communicating with others, try not to be judgemental or biased by preconceived ideas or beliefs - instead view situations and responses from the other person's perspective. Stay in tune with your own

emotions to help enable you to understand the emotions of others. If appropriate, offer your personal viewpoint clearly and honestly to avoid confusion. Bear in mind that some subjects might be taboo or too emotionally stressful for others to discuss.

Encourage

Offer words and actions of encouragement, as well as praise to others. Make other people feel welcome, wanted, valued and appreciated in your communications. If you let others know that they are valued, they are much more likely to give you their best. Try to ensure that everyone involved in an interaction or communication is included through effective body language and the use of open questions.

Learn to listen

Listening is not the same as hearing; learn to listen to not only the words being spoken but how they are being spoken and the non-verbal messages accompanying them. Use the techniques of clarification and reflection to confirm what the other person has said and avoid any confusion. Try not to think about what to say next while listening; instead clear your mind and focus on the message being received. Your friends, colleagues and other acquaintances will appreciate good listening skills.

Be aware of others' emotions

Be sympathetic to other people's misfortunes and congratulate their positive landmarks. To do this, you need to be aware of what is going on in other people's lives. Make and maintain eye contact and use first names where appropriate. Do not be afraid to ask others for their opinions as this will help to make them feel valued. Consider the emotional effect of what you are saying and communicate within the norms of behaviour acceptable to the other person.

Treat people equally

Always aim to communicate on an equal basis and avoid patronising people. Do not talk about others behind their backs and try not to develop favourites by being fair to treating people; this will earn you their trust and respect. Check that people understand what you have said to avoid confusion and negative feelings. Encourage open and honest feedback from the receiver to ensure your message is understood. If confidentiality is an issue, make sure its boundaries are known and ensure its maintenance.

Attempt to resolve conflict

Learn to troubleshoot and resolve problems and conflicts as they arise. Learn how to be an effective mediator and negotiator. Use your listening skills to hear and understand both sides of any argument - encourage and facilitate people to talk to each other. Try not to be biased or judgemental but instead ease the way for conflict resolution.

Communicate effectively

Do not say the first thing that comes into your mind, instead take a moment and pay close attention to what you say and how you say it. Focus on the meaning of what you want to communicate. Aim to increase understanding by considering how the other person might receive your message. By communicating clearly, you can help avoid misunderstandings and potential conflict with others. By speaking eloquently, you will become more intelligent and mature. Also, be aware of the messages you are sending via non-verbal channels: make eye contact and avoid defensive body language. Present information in a way in which its meaning can be clearly understood. Pay particular attention to differences in culture, past experiences, attitudes and abilities before conveying your message. Avoid jargon and over-complicated language; explain things as simply as possible. Request clarification if unclear about a message. Always avoid racist and sexist terms or any language that may cause offence.

Use humour

Laughing releases endorphins that can help relieve stress and anxiety; most people like to laugh and will feel drawn to somebody who can make them laugh Use your sense of humour to break the ice, to lower barriers and gain the affection of others., but do ensure your humour is appropriate to the situation. By using appropriate humour, you will be perceived as more charismatic.

Maintain a positive attitude and smile

Few people want to be around someone who is frequently miserable. Do your best to be friendly, upbeat and positive with other people. Maintain a positive, cheerful attitude to life: when things do not go as planned, stay optimistic and learn from your mistakes. If you smile often and stay cheerful, people are more likely to respond positively to you.

Only complain when absolutely necessary

People will not be drawn to you if you are constantly complaining or whining. If something makes you angry or upset, wait for a few hours and calm down before taking action. If you do complain, do so calmly, try to find some positive aspects to the situation and avoid giving unnecessary criticism.

3.7   What is a Formal Organisation?

An organisation is a social unit of people, systematically structured and managed to meet a need or to pursue collective goals on a continuing basis. All organisations have a management structure that determines relationships between functions and positions, and subdivides and delegates roles, responsibilities, and authority to carry out defined tasks. Organisations are open systems in that they affect and are affected by the environment beyond their boundaries.

A formal organisation is a fixed set of rules of intra-organisation procedures and structures. As such, it is usually set out in writing, with a language of rules that ostensibly leave little discretion for interpretation. In some societies and in some organisation, such rules may be strictly followed; in others, they may be little more than an empty formalism.

 To facilitate the accomplishment of the goals in a formal organisation:

- work is delegated to each individual of the organisation. He/she works towards the attainment of definite goals, which are in compliance with the goals of the organisation.

To facilitate the co-ordination of various activities:

- the authority, responsibility and accountability of individuals in the organisation must be well defined. This ensures effective co-ordination of various activities of the organisation.

To aid the establishment of logical authority relationship:

- the responsibilities of the individuals in the organisation are well defined. They have a definite place in the organisation due to a well-defined hierarchical structure, which is inherent in any formal organisation.

Formal organisation permits the application of the concept of specialisation and division of labour. Division of work amongst

individuals according to their capabilities helps in greater specialisations and division of work. It also creates more group cohesiveness.

Characteristics of a formal organisation

- Well defined rules and regulation
- Arbitrary structure
- Determined objectives and policies
- Status symbol
- Limitation on the activities of the individual
- Strict observance of the principle of co-ordination
- Messages are communicated through scalar chain

Importance of organisations

- Bring together resources to achieve desired goals and outcomes
- Produce goods and services efficiently
- Facilitate innovation
- Use modern manufacturing and computer based technology
- Adapt to and influence a changing environment
- Create value for owners, customers and employees
- Accommodate ongoing challenges of diversity, ethics, and the motivation and coordination of employees

3.8 Organisational Communication

Organisational communication is a subfield of the larger discipline of communication studies. As a field, organisational communication involves the consideration, analysis, and criticism of the role of communication in organisational contexts.

Key principles to effective internal organisational communications

- Unless management comprehends and fully supports the premise that organisation must have high degrees of communications, the organisation will remain stilted. Too often, management learns the need for communication by having to respond to the lack of it.
- Effective internal communications start with effective skills in communications, including basic skills in listening, speaking, questioning and sharing feedback.

These can developed with some concerted review and practice. Perhaps the most important outcome from these skills is conveying that you value hearing from others and their hearing from you.

- Sound meeting management skills go a long way toward ensuring effective communications, too.
- A key ingredient to developing effective communications in any organisation is each person taking responsibility to assert when they do not understand a communication or to suggest when and how someone could communicate more effectively.

Basic structures/policies to support effective internal communications

Internal communication can be looked at as communications downward and upward.

Downward communications:

- Ensure every employee receives a copy of the strategic plan, which includes the organisation's mission, vision, values statement, strategic goals and strategies about how those goals will be reached.
- Ensure every employee receives an employee handbook that contains up-to-date personnel policies.
- Develop a basic set of procedures for how routine tasks are conducted and include them in standard operating manual.
- Ensure every employee has a copy of his or her job description and the organisation chart.
- Regularly hold management meetings (at least every two weeks), even if there is nothing pressing to report. If you hold meetings only when you believe there is something to report, then communications will occur only when you have something to say communications will be one way and the organisation will suffer.
- Hold staff meetings every month to report how the organisation is doing, major accomplishments, concerns, announcements about staff, etc.
- Leaders and managers should have face-to-face contact with employees at least once a week. Even if the organisation is over 20 employees (large for a non-profit), management should stroll by once in a while.
- Regularly hold meetings to celebrate major accomplishments. This gives employees a sense of direction and fulfillment, and let them know that leadership is on top of things.
- Ensure all employees receive yearly performance reviews, including their goals for the year, updated job descriptions, accomplishments, needs for improvement, and plan to help the employee accomplish the improvements. If the non-profit has

sufficient resources (a realistic concern), develop a career plan with the employee, too.

Upward communications

- Ensure all employees give regular status reports to their supervisors. Include a section for what they did last week, will do next week and any actions/issues to address.
- Ensure all supervisors meet one-on-one at least once a month with their employees to discuss how everything is going, hear any current concerns from the employee, etc. Even if the meeting is chitchat, it cultivates an important relationship between supervisor and employee.
- Use management and staff meetings to solicit feedback. Ask how things are going. Do a round table approach to hear from each person.
- Act on feedback from others. Write it down and get back to it.
- Respect the "grapevine." It is probably one of the most prevalent and reliable forms of communications. Major "movements" in the organisation usually first appear when employees feel it is safe to venture their feelings or opinions to peers.

Develop a basic communications plan

Whether planning your internal or external communications efforts, it helps a great deal to develop a communications plan, either informally or formally. For example, consider:

- What key messages do you want to convey?
- To what key stakeholders do you want to convey the key messages (e.g., consider clients, funders, community leaders, service providers, etc.)?
- What is the best approach to reach each key stakeholder, including who/how should the message be conveyed?
- How will you know if you are reaching these stakeholders or not?

SELF-ASSESSMENT EXERCISE

i.   Define communication channel.
ii.   What are the barriers to effective communication?
iii. What is a formal organisation?

4.0   CONCLUSION

Communication is simply the act of transferring information from one place to another.

The types of communication are verbal, non-verbal, written and visual communication.

The various barriers to communication are language, psychological, physiological, physical, systematic and attitudinal barriers.

A formal organisation is a fixed set of rules of intra-organisation procedures and structures. Characteristics of a formal organisation are well-defined rules and regulation*,* arbitrary structure, determined objectives and policies, status symbol, limitation on the activities of the individual, strict observance of the principle of co-ordination and messages are communicated through scalar chain.

Organisational communication is the consideration, analysis, and criticism of the role of communication in organisational contexts.

5.0   SUMMARY

We have defined communication and discussed the types of communication, barriers to communication and how to improve communication skill. We have also discussed formal organisations and their characteristics. Key principles to effective organisational communication and basic structure to support internal communication, as well as basic communication were also discussed.

6.0   TUTOR-MARKED ASSIGNMENT

1.   Discuss the types of communication.
2.   Explain the barriers to communication.
3.   Define organisational communication and explain the key principles to effective internal communication.

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UNIT 2   LEADERSHIP AND MANAGEMENT

CONTENTS

1.0   INTRODUCTION

In the last unit, we discussed communication and formal organisation. In this unit, we shall be discussing leadership and management. Everyone manages. We manage our finances, time, career, and relationships. We tend not to think of these activities as managing or of ourselves being managers. These examples of managing or being managed are relatively simple and straightforward though we may find some of them fraught with difficulty. It is when the concept of managing is applied to organisations that complexity increases.

The practice of management and the classical management can be traced to the 19th century. The development of management as an academic discipline based on a body of knowledge that can be taught is a recent development and is generally attributed to the work of Peter Drucker in the latter half of 20th century.

2.0   OBJECTIVES

At the end of this unit, you should be able to:

- explain leadership
- describe the types of leadership
- define management
- state the differences between leadership and management.

3.0 MAIN CONTENT

3.1 What is Leadership?

Leadership is the art of influencing individuals through the provision of purpose, direction and motivation for the purpose of improvement and mission accomplishment within organisations.

Leadership sets a new direction or vision for a group to follow, i.e.: a leader is the spearhead for that new direction. Leaders will have a vision of what can be achieved, then communicate this to others, and evolve strategies for realising the vision. They motivate people and are able to negotiate for resources and other support to achieve their goals.

Attributes of a good leader

Good leaders often (but not necessarily always):

- have a sense of mission;
- are charismatic;
- are able to influence people to work together for a common cause;
- are decisive;
- use creative problem-solving skill to promote better care and a positive working environment.

3.2 Types of Leadership

Different situations require the use of different leadership styles. A good leader will be able to:

- develop flexibility to be able to use any of the styles
- recognise the different demands of each situation
- adapt appropriately, by using the style(s) that will give optimum success
- ensure one's own personality needs are met

The table below describes each of the eight leadership styles, and gives examples when the style should or should not be used.

Leadership Style		
Description	**When to use**	**When not to use**
Participative leadership		
People-oriented, motivator, builds personal relationships, likeable, interpersonal skills, cares for others	Commitment from others is critical, or sensitive situations	Decisions need to be forced through, conflict is being avoided
Ideological leadership		
Value-driven, has passion for key issues, focuses on important themes, champions the cause	This group has lost its sense of identity, or it is doing too many unimportant things	There is a problem that needs to be solved with dispassionate objectivity (e.g. technical issues)
Change-oriented leadership		
Tries new things , prototypes, introduces change, looks for unexpected outcomes, creates new opportunities, experiments	The group is 'stuck in a rut', or the status quo needs to be challenged	There are already too many initiatives under way and some stability is needed
Visionary leadership		
Develops long-term vision, produces radical ideas, foresees the future, anticipates what is outside current knowledge	Radical change is needed, change is a long-term activity	There are immediate dangers, the group may not survive in the short term

Action-oriented leadership		
Takes action, produces results, leads from the front, sets an example, does what is asked of others	There is some inertia, or lack of achievement has destroyed motivation	The group is being too expedient, current success may ebb in the future
Goal-oriented leadership		
Observes, listens, clarifies goals, establishes realistic expectations, makes aims crystal clear	The direction is vague or expectations have not been articulated	There are already too many goals or too much information
Executive leadership		
Organises, makes plans, sets measurable goals, coordinates work of different people, manages resources	There is chaos/lack of organisation, or there are no measures of achievement	There are so many processes that creativity has been stifled
Leadership theorist		
Analyses, uses models, produces explanations, compares other situations, engages in intellectual debate	The situation is complex or driven by technical solutions	People's feelings are paramount, or the group go round in circular arguments

SELF-ASSESSMENT EXERCISE

i.   What is leadership?
ii.   Enumerate the leadership styles.

3.3   What is Management?

Management in all business and organisational activities is the act of coordinating the efforts of people to accomplish desired goals and objectives using available resources efficiently and effectively. Management involves getting things done through involvement of people and making decisions.

Managers ensure that the available resources are well organised and applied to produce the best results. In the resource-constrained and difficult environments, a manager must be able to achieve optimum results.

Certain attributes required of a manager to be effective include:

• clarity of purpose and tasks;
• good organisational skills;
• ability to communicate tasks and expected results effectively;
• ability to negotiate various administrative and regulatory processes;
• good delegation skills.

Conditions for good management

Certain conditions are important for creating good management, these include:

• managers and team members need to be selected on merit;
• managers need to earn the respect of their staff and supervisors;
• managers need to have the knowledge, skills and understanding of the role, tasks and purpose of the services they deliver;
• the basic support systems must function well; there must be clear staff administration, rules and regulations;
• well planned and timely delivered supplies and equipment
• there must be clear and transparent financial processes; and
• there must be well planned and monitored activities.

A manager needs to ask these important questions:

• What exactly am I supposed to do as a manager?
• Will the resources needed be here and be on time?
• How free am I to take decisions, e.g. to move staff around?
• How can I reduce the time spent on the many routine reports I need to write?

- What and where are the tools and techniques to help me do the job well?

Conditions for being an effective manager are best when these questions have clear and positive answers so that tasks are clear, the delegation of authority is known and managers know where and when to seek support for their decisions.

Management also flourishes when the manager and the staff agree about the objectives of the work that they are doing, and can make decisions easily and with minimal risks.

Overview of manager's role and tasks

Certain roles and responsibilities managers need to manage include:

- type and coverage of services to be delivered;
- resources (staff , budgets, drugs and supplies, equipment, buildings and other infrastructure and information) available for use;
- people, including patients, partners, suppliers and staff that are important for delivering functional quality services.

No matter what type of service is offered, managers need to devise and implement strategies, make plans and budgets, seek resources, implement, monitor and evaluate the plans, learn lessons, and then design new plans.

A manager delegates some tasks to other staff members and supports and coaches them to achieve desired results. Managers use team and staff meetings and other forms of communication to communicate the appropriate messages to staff about what is to be achieved and how. Management roles include the following:

- planning
- organising
- analysing
- decision making
- coordinating
- interaction
- financial
- personnel

3.4   Types of Management

Management is an integral role of any business or organisation. The manager's position is to get the most out of the resources at hand; these resources can include people, finance and material. The objective for the manager is to plan, organise and implement those resources in a way, which will achieve the best results for the company. Here, we are going to discuss the role of a manager, the different levels of management and the types of management. The type of management is crucial; implementing the correct style for the organisation can be the thin line between success and failure.

Democratic management

In a democratic style, management will make decisions, which are agreed upon by the majority of employees, therefore the workers feel involved and important to the organisation. By involving the employees, management will be better informed to make the right decisions and harvest new ideas from the people who are involved in the day-to-day activity of the company.

Autocratic management

An autocratic manager cuts an imposing and knowledgeable figure; decisions are made quickly and forcefully without involvement from anyone else. Other people's judgements and suggestions are usually neither listened to nor considered.

Laissez-faire management

The Laissez-faire management will take a back seat role in the company, providing guidance when needed, the employees are allowed to let their own ideas and creativity flourish in their specific areas. The manager is looked upon as more of a mentor than a leader.

Paternalistic management

A paternalistic type of management encourages feedback from the workers to the leaders, essentially to maintain good morale and loyalty. This type of manager takes final decision, based on ideas and suggestions from the workers. Decisions are usually made in the best interest of the employees and business.

3.5   Types of Management Levels

Top-level management

Top-level managers are the big bosses, e.g. CEO's and directors. They are responsible for overseeing and organising the entire organisation.

Middle-level management

Examples of middle-level managers are area supervisors and department managers. They are answerable to the top-level managers. The role of middle management is to execute and monitor organisational plans handed down from the top-level managers.

Low-level management

Low-level managers are usually responsible for general supervision and motivation; examples of low-level managers are supervisors and sector leaders. Low-level managers are accountable to the middle-level managers.

Choosing the correct management style can be very tricky, but the manager ultimately has to be flexible, certain situations call for a certain styles of management. Being able to adapt to their surroundings and apply these theories can be the makings of a successful manager. Each style of management have their advantages and disadvantages, sticking to one rigid management model can lead to those disadvantages escalating, leading to low staff morale, decreasing confidence in the manager and eventually less success.

3.6   Difference between Leadership and Management

The difference between leadership and management can be illustrated by considering what happens when you have one without the other.

Leadership without management

This sets a direction or vision that others follow, without considering too much how the new direction is going to be achieved. Other people then have to work hard in the trail that is left behind, picking up the pieces and making it work.

Management without leadership

This manager controls resources to maintain the status quo or ensure things happen according to already-established plans. For example, a

referee manages a sports game, but does not usually provide "leadership" because there is no new change, no new direction - the referee is controlling resources to ensure that the laws of the game are followed and status quo is maintained.

Leadership combined with management

This manager does both - it both sets a new direction and manages the resources to achieve it.

The absence of leadership should not be confused with the type of leadership that calls for 'no action' to be taken. For example, when Gandhi went on hunger strike and called for protests to stop, during the negotiations for India's independence, he demonstrated great leadership - because taking no action was a new direction for the Indian people at that time.

In addition, what is often referred to as "participative management" can be a very effective form of leadership. In this approach, a new direction may seem to emerge from the group rather than the leader. However, the leader has facilitated that new direction whilst also engendering ownership within the group - i.e., it is an advanced form of leadership.

Sometimes, an individual may act as a figure head for change and be viewed as a leader even though he/she has not set any new direction. This can arise when a group sets a new direction of its own accord, and needs to express that new direction in the form of a symbolic leader. For example, when Nelson Mandela was imprisoned (when his ability to provide personal, direct leadership was limited), he continued to grow in power and influence as the symbolic leader for the anti-apartheid movement.   Following his release from prison, he demonstrated actual leadership by leading South Africa into a process of reconciliation rather than retribution.

SELF-ASSESSMENT EXERCISE

i.   What is management?
ii.   List the different types of management.
iii.   State the levels of management.

4.0   CONCLUSION

Leadership is about setting a new direction for a group. Management is about directing and controlling according to established principles. A good leader must have a sense of mission; be charismatic; be able to influence people to work together for a common cause; be decisive and

use creative problem solving to promote better care and a positive working environment.

Leadership styles are participative, ideological, change-oriented, visionary, action-oriented, goal-oriented, executive and leadership theorist styles.

Attributes required of a manager are effectiveness; clarity of purpose and tasks; good organisational skills; ability to communicate tasks and expected results effectively; ability to negotiate various administrative and regulatory processes; and good delegation skills.

5.0   SUMMARY

In this unit, we have defined leadership and management. We have also discussed the types of leadership and the differences between leadership and management. We also looked at the attributes of a manager, conditions for good management and the roles and tasks of a manger.

6.0   TUTOR-MARKED ASSIGNMENT

1.   List and explain the types of leadership.
2.   Discuss the attributes of a manager.
3.   Discuss the roles and tasks of a manager.

7.0   REFERENCES/FURTHER READING

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UNIT 3   HUMAN RESOURCE MANAGEMENT

CONTENTS

1.0   INTRODUCTION

In the previous unit, we discussed the different types of leadership and management. We also looked at the levels of management. In this unit, we shall be discussing human resource management.

Organisational psychology holds that successful organisations do not owe their success solely to market realities and sustainable competitive advantages. Actually, there is a lot more. Successful companies are those that consider their human capital as their most important asset. Facts and figures are the quantitative elements of successful management, yet the qualitative, i.e. the cognitive aspects, are those that actually make or break an organisation.

Human resources management (HRM) is the strategic management of the employees, who individually and collectively contribute to the achievement of the strategic objectives of the organisation. Assuming that the employees of an organisation are individuals with own mental maps and perceptions, own goals and own personalities and as such they cannot be perceived as a whole, HRM holds that the organisation should be able to employ both individual and group psychology in order to commit employees to the achievement of organisational goals.

Human resources management aims to enable the organisation achieve its strategic goals by attracting, retaining and developing employees. It functions as the link between the organisation and the employees. A company should first become aware of the needs of its employees, and at a later stage, understand and evaluate these needs in order to make its employees perceive their job as a part of their personal life, and not as a

routine obligation. To that end, HRM is very crucial for the whole function of an organisation because it assists the organisation to create loyal employees, who are committed to the realisation of organisational objectives.

2.0   OBJECTIVES

At the end of this unit, you should be able to:

- define human resources and human resource management
- explain the nature and evolution of human resource management
- outline the scope and beliefs of human resource management
- state the objectives and functions of human resource management
- discuss the futuristic vision of human resource management.

3.0   MAIN CONTENT

3.1   Definition of Human Resource Management

a.   Human resources

Human resources may be defined as the total knowledge, skills, creative abilities, talents and aptitudes of an organisation's workforce, as well as the values, attitudes, approaches and beliefs of the individuals involved in the affairs of the organisation. It is the sum total or aggregate of inherent abilities, acquired knowledge and skills represented by the talents and aptitudes of the persons employed in the organisation.
The human resources are multidimensional in nature. From the national point of view, human resources may be defined as the knowledge, skills, creative abilities, talents and aptitudes obtained in the population; whereas from the viewpoint of the individual enterprise, human resources represent the total of the inherent abilities, acquired knowledge and skills as exemplified in the talents and aptitudes of its employees.

b.   Human resource management (HRM)

Human resource management is the management of an organisation's workforce, or human resources. It has come to be recognised as an inherent part of management, which is concerned with the human resources of an organisation. Its objective is the maintenance of better human relations in the organisation by the development, application and evaluation of policies, procedures and programmes relating to human resources to optimise their contribution towards the realisation of organisational objectives.

In other words, HRM is concerned with getting better results from the collaboration of people. It is an integral but distinctive part of management, concerned with people at work and their relationships within the enterprise. HRM helps in attaining maximum individual development, desirable working relationship between employees and employers, employees and employees, and effective modelling of human resources as contrasted with physical resources. It is the recruitment, selection, development, utilisation, compensation and motivation of human resources by the organisation.

3.2   Evolution and Nature of Human Resource Management

Evolution

The early part of the century saw a concern for improved efficiency through careful design of work. During the middle part of the century, emphasis shifted to the employee's productivity. Recent decades have focused on increased concern for the quality of working life, total quality management and worker's participation in management. These three phases may be termed as welfare, development and empowerment.

Nature

Human resource management is a process of bringing people and organisations together so that the goals of each are met. The various features of HRM include:

- it is pervasive in nature as it is present in all enterprises
- it focuses on results rather than on rules
- it helps employees develop their potential fully
- it encourages employees to give their best to the organisation
- it is all about people at work, both as individuals and groups
- it tries to put people on assigned jobs to produce good results
- it helps an organisation meet its goals in the future by providing for competent and well-motivated employees.
- it tries to build and maintain cordial relations between people working at various levels in the organisation.
  it is a multidisciplinary activity, using knowledge and inputs drawn from psychology, economics, etc.

Scope and Beliefs of Human Resource Management

The scope of HRM is very wide; it is discussed below:

a.   Personnel aspect

This is concerned with manpower planning, recruitment, selection, placement, transfer, promotion, training and development, layoff and retrenchment, remuneration, incentives, productivity, etc.

b.   Welfare aspect

It deals with working conditions and amenities such as canteens, crèches, housing, transport, medical assistance, education, health and safety, recreation facilities, etc.

c.   Industrial relations aspect

This covers union-management relations, joint consultation, collective bargaining, grievance and disciplinary procedures, settlement of disputes, etc.

Beliefs

The human resource management philosophy is based on the following beliefs.

- Human resource is the most important asset in the organisation and can be developed and increased to an unlimited extent.
- A healthy climate with values of openness, enthusiasm, trust, mutuality and collaboration is essential for developing human resource.
- HRM can be planned and monitored in ways that are beneficial both to the individuals and to the organisation.
- Employees feel committed to their work and the organisation, if the organisation perpetuates a feeling of belongingness.
- Employees feel highly motivated if the organisation provides for satisfaction of their basic and higher level needs.
- Employee commitment is increased with the opportunity to discover and use one's capabilities and potential in one's work.
- It is every manager's responsibility to ensure the development and utilisation of the capabilities of subordinates.

3.4   Objectives of Human Resource Management

- To help the organisation reach its goals.
- To ensure effective utilisation and maximum development of human resources.
- To ensure respect for human beings; to identify and satisfy the needs of individuals
- To ensure reconciliation of individual goals with those of the organisation.
- To achieve and maintain high morale among employees.
- To provide the organisation with well-trained and well-motivated employees.
- To increase to the fullest the employee's job satisfaction and self-actualisation.
- To develop and maintain a quality of work life.
- To be ethically and socially responsive to the needs of society.
- To develop overall personality of each employee in its multidimensional aspect.
- To enhance employee's capabilities to perform the present job.
- To equip the employees with precision and clarity in transaction of business.
- To inculcate the sense of team spirit, team work and inter-team collaboration.

3.5   Functions of Human Resource Management

In order to achieve the above objectives, human resource management undertakes the following activities.

- Human resource or manpower planning.
- Recruitment, selection and placement of personnel.
- Training and development of employees.
- Appraisal of performance of employees.
- Taking corrective steps such as transfer from one job to another.
- Remuneration of employees.
- Social security and welfare of employees.
- Setting general and specific management policy for organisational relationship.
- Collective bargaining, contract negotiation and grievance handling.
- Staffing the organisation.
- Aiding in the self-development of employees at all levels.
- Developing and maintaining motivation for workers by providing incentives

- Reviewing and auditing manpower management in the organisation
- Potential appraisal and feedback counselling.
- Role analysis for job occupants.
- Job rotation.
- Quality circle, organisation development and quality of working life.

Major factors influencing human resource management:

HRM will be influenced by the following factors.

- Size of the workforce
- Rising employees' expectations
- Drastic changes in the technology as well as life-style changes
- Composition of workforce; new skills required
- Environmental challenges.
- Lean and mean organisations.
- Impact of new economic policy.
- Political ideology of the government.
- Downsizing and rightsizing of the organisations.
- Culture prevailing in the organisation etc.

Futuristic vision of human resource management:

a.   There should be a properly defined recruitment policy in the organisation that should give its focus on professional aspect and merit based selection.

b.   In every decision-making process there should be given proper weight age to the aspect that employees are involved wherever possible. It will ultimately lead to sense of team spirit, team-work and inter-team collaboration.

c.   Opportunity and comprehensive framework should be provided for full expression of employees' talents and manifest potentialities.

d.   Networking skills of the organisations should be developed internally and externally as well as horizontally and vertically.

e.   For performance appraisal of the employee's emphasis should be given to regular feedback, which is based on the review by superiors, peers, subordinates as well as self-review.

f.   Regular feedback will further lead to increased focus on customer services, creating of highly involved workforce, decreased hierarchies, avoiding discrimination and biases and identifying performance threshold.

g. More emphasis should be given to total quality management (TQM). This will cover all employees at all levels; it will conform to customer's needs and expectations; it will ensure effective utilisation of resources and will lead to continuous improvement in all spheres and activities of the organisation.

h. There should be focus on job rotation so that vision and knowledge of the employees are broadened as well as potentialities of the employees are increased for future job prospects.

i. For proper utilisation of manpower in the organisation, the concept of six sigma of improving productivity should be intermingled in the HRM strategy.

j. The capacities of the employees should be assessed through potential appraisal for performing new roles and responsibilities. It should not be confined to organisational aspects only but the environmental changes of political, economic and social considerations should also be taken into account.

k. The career of the employees should be planned in such a way that individualising process and socialising process come together for fusion process and career planning should constitute the part of human resource planning.

SELF-ASSESSMENT EXERCISE

i.   Define human resources.
ii. What is human resources management?
iii. Explain the scope of human resource management.

4.0   CONCLUSION

Human resources may be defined as the total knowledge, skills, creative abilities, talents and aptitudes of an organisation's workforce, as well as the values, attitudes, approaches and beliefs of the individuals involved in the affairs of the organisation.

Human Resource Management has been recognised as an inherent part of management, which is concerned with the human resources of an organisation. The scope of HRM covers personnel, welfare and industrial relations.

5.0   SUMMARY

We have explained human resources and human resource management. We have also discussed the nature and evolution of human resource management together with the scope and beliefs of human resource

management. We have also looked at its objectives, functions of its futuristic vision.

6.0   TUTOR-MARKED ASSIGNMENT

1.   Discuss the functions of human resource management.
2.   List the objectives of human resource management.
3.   Discuss the scope and nature of human resource management.

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UNIT 4   JOB SECURITY AND WORK ENVIRONMENT

CONTENTS

1.0   Introduction
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1.0   INTRODUCTION

Previously, we looked at human resource management. In this unit, we shall be discussing job security and work environment. Job security is about individuals' perception of themselves, the situation and the potential. It is not always tangible, unless the terms of employment that provide the security are all-encompassing.

Job security gives an employee the assurance or confidence that they will keep their current job. Employees with a high level of job security have a low probability of losing their job in the near future. Certain professions or employment opportunities inherently have better job security than others. A healthy work environment reinforces good relationships, respect for the individual and diversity of values; accommodates differences; and encourages effective communication. It is safe, fair, and free of discrimination and harassment. It fosters the professional satisfaction and growth of each employee, thus enabling people—individually and collectively—to work to their full potential to achieve desired results.

2.0   OBJECTIVES

At the end of this unit, you should be able to:

*   define job security
*   discuss the factors that affect job security
*   explain the points that help job security
*   discuss the work environment.

3.0   MAIN CONTENT

3.1   What is Job Security?

Job security is the assurance (or lack of it) that an employee has about the continuity of gainful employment for his or her work life. Job security usually arises from the terms of the contract of employment, collective bargaining agreement, or labour legislation that prevents arbitrary termination, layoffs, and lockouts. It may also be affected by general economic conditions.

3.2   Factors Affecting Job Security

Job security is dependent on economy, prevailing business conditions, and the individual's personal skills. It has been discovered that people have more job security in times of economic expansion and less in times of a recession. In addition, some laws (such as the Civil Rights Act of 1964) bolster job security by making it illegal to fire employees for certain reasons. Unemployment rate is a good indicator of job security and the state of the economy and is tracked by economists, government officials, and banks.

Typically, government jobs and jobs in education, healthcare and law enforcement are considered very secure while private sector jobs are generally believed to offer lower job security and it usually varies by industry, location, occupation and other factors.

Personal factors such as education, work experience, job functional area, work industry, work location, etc., play an important role in determining the need for an individual's services, and affects their personal job security. Since job security depends on having the necessary skills and experience that are in demand by employers, which in turn depend on the prevailing economic condition and business environment, individuals whose services are needed by employers tend to enjoy higher job security.

To some extent, job security also varies by employment laws of each country. A worker in continental Europe, if asked about his job security, would reply by naming the type of statutory employment contract he has, ranging from temporary (no job security) to indefinite (virtually equivalent to 'tenure' in US universities but across the whole economy). However, people's job security eventually depends on whether they are employable or not, and if businesses have a need for their skills or not, so although employment laws can offer some relief and hedge from unemployment risk, they only have a marginal contribution to job

security of individuals. Fact is individuals need to have the right skill set to have good job security.

SELF-ASSESSMENT EXERCISE

i.   What is job security?
ii.   Discuss factors affecting job security.

3.3   Points that Boost Job Security

Always be willing to learn

If you can present yourself as a problem solver and that you have not become the old dog that will not learn new tricks, you immediately increase your value. You must deliver though. People that are willing to learn will often times open up new opportunities for themselves.

Stand out

If you participate in meetings and get involved in the company's activities, they will consider you a valuable asset to the company.

Continue your education

You can always learn new things that are not even a part of your current position. This may involve enrolling in online certificate training, completing your online bachelors or masters' degree, or just even going through online tutorials.

Be trustworthy

You must be trustworthy, loyal, helpful, friendly, courteous, and kind etc. If you can be trusted along with all of the other things mentioned, your employer will trust you with new positions and new opportunities and feel you are a valuable asset to the company.

Be positive

Always be positive. A positive attitude will rub off as much as a negative attitude does. Create a positive environment and try to enjoy your job and others will talk about you and want to work with you. Employers are always looking for employees that get along well others and work well in team environments.

Show gratitude

People love hearing "thank you." It shows you value what they do for you. When you present yourself as a grateful employee, you often times will find yourself respecting your position and the time that you work in that position. You will find yourself working more effectively because you will make better use of your time.

Make suggestions and contribute

Anyone that can help the company improve their process will find themselves rewarded for their contributions. If they are not, then their jobs and positions would be reevaluated. Suggest things that will make your job easier so you can perform better and look better.

Know your value

You need to know your value. If you do not understand what you bring to the table then it will be hard for you to convince your employer that they should keep you.

Stand up for yourself

If you do not stand up for yourself, you may not find anyone else standing up for you. When it is time to lay off or downsize, it is everyone for themselves. Do not talk negatively about others, but speak positively about yourself.

Be concerned about people's well-being

This has to do with truly caring about one's position. Sometimes, it is difficult to find people who truly care about their position. If you can get involved in your position and show that you truly do care about your position, your employer will see.

3.4   The Work Environment

 Factors that influence the work environment

a.   **Type of leadership exercised by management:** The type of leadership being exercised can significantly affect the extent and the nature of employee involvement and participation in decision-making. It can also affect the degree of people's empowerment and motivation.

b.   **strengths and weaknesses of the work force:** This includes the overall competence and physical work conditions. The

competence of the work force influences its capacity to achieve desired results and its ability to change, and, consequently, its reaction to both internal and external factors.

c.   **Physical work conditions:** Physical work conditions affect individual needs and comfort, and health and safety considerations. Succinctly, the work environment is the result of a number of combined influences, each profoundly affecting the other.

Evaluating the quality of the work environment

When evaluating the quality of the work environment the following factors must be considered.

Criterion

The working environment is safe -from a physical as well as from a psychological or emotional perspective -and fosters the motivation and commitment of employees to achieve results and to improve performance, while taking into account the needs of individuals for job satisfaction.

Indicators of potential problems

- Frequent and serious accidents,
- Injuries or work-related diseases;
- High number of incidents or near misses;
- Risks to health and safety not identified;
- Absence of a consultative structure/process to deal with work environment issues;
- Higher level of absenteeism than in similar organisations;
- High turnover of key personnel or inability to recruit high-calibre candidates in spite of adequate compensation;
- Improper balance between responsibilities and authorities;
- High level of complaints, grievances or appeals;
- Lack of adequate tools, information or training for employees to perform certain important tasks;
- Low productivity resulting in high cost for service or product;
- excessive centralisation of authority resulting in long delays before decisions are made; no tangible information on status or work climate; and
- Evidence of working to rules.

Questions for consideration

Basic questions to ask when evaluation work environment are discussed below:

- Health and safety;
- Employee involvement and participation;
- Empowerment;
- Performance recognition; and
- Morale.

Health and safety

Is the work environment healthy, environmentally friendly, and safe, and does it provide for acceptable levels of risks to the physical as well as the psychological and emotional well-being of employees, taking into consideration the nature of the work performed?

Do the work environment and working conditions meet the legislative requirements for health and safety—e.g. the requirements of the Canada Labour Code, where applicable—and environmental concerns?

Are the organisation's expectations and commitment in this regard clear? Does the organisation monitor and analyze its performance in relation to the frequency/severity of accidents, absenteeism and other performance indicators associated with the work environment?

How does performance compare with that of similar or well-performing organizations?

Are necessary corrective actions taken and improvements made?

Are there mechanisms in place to capture and deal with employee concerns or complaints about various aspects of the work environment? Are these mechanisms effective and perceived as such by employees?

Employee involvement and participation

Are employees involved in aspects of policy development and strategy formulation (including the determination of organisational goals and objectives), particularly those likely to affect them?

Do quality improvement initiatives—including soliciting suggestions, running quality circles and implementing change—include the active involvement and participation of employees?

Do employees have adequate input to performance appraisals, promotions, career planning?

Empowerment

Is there a balance between responsibility assigned and capability of performing?

Is there an adequate balance between authority and responsibility?

Is there a climate supportive of delegation, initiative and innovation?

Does the work environment/organisational climate encourage, motivate and lead workers to commit to the achievement of goals, objectives and desired results?

Does the organisation provide adequate tools—including equipment, training and development and learning opportunities—to support the empowerment of employees?

Performance recognition

Do employees feel that their work is valued and recognised, and that they contribute to tangible results such as products and satisfaction of client/customer needs? Is performance—individual and collective—recognised and in a timely manner or rewarded adequately by management? Are poor performance and problem employees dealt with appropriately and in a timely manner? Are they perceived by employees to be so?

Morale

Does the organisation/division of work provide employees with a challenging, interesting and adequate variety of tasks that taps their brains and challenges their knowledge and skills while providing for learning opportunities? Are there efficient and effective communications and working relationships or a cooperative climate among employees or groups of employees, and between employees (and their elected representatives in the workplace) and management?

Are people—individually and collectively—committed to the purpose of the organisation and are they working in partnership with other stakeholders to that effect?

Is the work environment respectful of people and free of discrimination?

Does the work environment provide for the fair and equitable treatment of all workers?

Are the individual and collective needs of the work force for a satisfying work environment taken into account?

Are human considerations factored adequately into management decisions and actions in a balanced way?

Are there adequate flexible work arrangements (e.g. telework, flextime, etc.,) to permit employees to balance their work and family responsibilities?

Are surveys or other adequate methods used periodically to measure employee satisfaction? If so, are they well designed, kept confidential, independently analyzed, openly reported and acted upon where necessary?

SELF-ASSESSMENT EXERCISE

i.   List the factors that boost job security.
ii.   What are the factors that influence the work environment?

4.0   CONCLUSION

Job security is the assurance (or lack of it) that an employee has about the continuity of gainful employment for his or her work life. Points that help job security are willingness to learn, stand out, continue your education, trustworthiness, being positive, showing gratitude, making suggestions and contributions, knowing your value, standing up for yourself and caring about your position.
Factors that influence the work environment include type of leadership exercised by management, strengths and weaknesses of the work force and physical work conditions.

5.0   SUMMARY

We have explained job security and discussed the factors that affect job security as well as the factors that help job security. We have also discussed the work environment in relation to evaluation with regard to criterion, indicators of potential problems, and the basic questions to ask in evaluating the work environment.

6.0   TUTOR – MARKED ASSIGNMENT

1.   List and explain the various factors job security tends to depend on.
2.   Discuss the factors that boost job security.
3.   Discuss the questions to be asked when evaluating a work environment.

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UNIT 5   TOTAL QUALITY MANAGEMENT (TQM)

CONTENTS

1.0   INTRODUCTION

In the last unit, we discussed job security and work environment. In this unit, we shall be looking at total quality management (TQM). Total quality management is a management approach that originated in the 1950′s and has steadily become more popular since the early 1980′s. Total quality is a description of the culture, attitude and organisation of a company that strives to provide customers with products and services that satisfy their needs. The culture requires quality in all aspects of the company's operations, with processes being done right the first time and defects and waste eradicated from operations.

The importance of quality is a main concern for many organisations, both public and private. In Malaysia, most organisations have started to consider quality as an essential part of their business plan to meet the challenges of the new global environment. Among all quality practices, increasingly organisations have focused on total quality management.
According to Dean and Bowen (1994), the recognition of TQM as a source of competitive advantage has been widely promoted around the world. TQM has also been conceived by as the most global and advanced approach in the area of quality.

2.0   OBJECTIVES

At the end of this unit, you should be able to:

- define total quality management
- explain the objectives of TQM
- discuss TQM tools
- explain the elements of TQM
- define service quality
- discuss the relationship between TQM and service quality.

3.0   MAIN CONTENT

3.1   What is Total Quality Management?

Total quality management or TQM is an integrative philosophy of management for continuously improving the quality of products and processes. TQM functions on the premise that the quality of products and processes is the responsibility of everyone who is involved in the creation or consumption of the products or services offered by an organisation. In other words, TQM capitalises on the involvement of management, workforce, suppliers, and even customers, to meet or exceed customer expectations.

3.2   Objectives of Total Quality Management

The objectives of TQM are:

- to ensure customer satisfaction and performance superiority in terms of speed, cost, quality, dependability and flexibility;
- making the organisation market and customer-focused;
- guiding the organisation by its values, vision ,mission, and goals set through 'strategic planning process';
- changing the organisation from function-focused to customer-focused, where customer priorities come first in all activities.
- making the organisation flexible and learning oriented to cope with change;
- making the organisation believe in – and seek– continuous improvement as a new way of life;
- creating an organisation where people are at the core of every activity, and are encouraged and empowered to work in teams; and
- promoting a transparent leadership process to lead the organisation to excellence in its chosen field of business.

3.3 Total Quality Management Tools

Total quality management tools have been around for more than 50 years, and has revolutionised the concept of quality and process conformity. They are still used today, and successful companies appreciate that building quality into the process is the only way to be competitive.

TQM tools and their implementation capitalise on the involvement of management, workforce, suppliers, and even customers to meet or exceed customer expectations; it also focuses on building quality into the process. Some common TQM practices/tools are:

- employee involvement;
- management support and commitment;
- employee empowerment;
- information and communication;
- training and education;
- customer focus; and
- continuous improvement.

Total quality management tools facilitate quality management or quality control, compliance management, risk assessment, document control and any other component of total quality that contributes to the control, quality and validity of a product and/or service. Total quality management tools under a single platform can dramatically streamline a company's processes and increase profitability.

SELF-ASSESSMENT EXERCISE

i.   What is total quality management?
ii.   List some total quality management tools.

3.4 The Elements of Total Quality Management

There are eight elements in ensuring the success of TQM in an organisation. A successful implementation of TQM in any organisation must concentrate on the following key elements:

1. Ethics
2. Integrity
3. Trust
4. Training
5. Teamwork
6. Leadership
7. Recognition

8.   Communication

These elements can be divided into four groups according to their function. The groups are:

a.   **Foundation** – It includes: ethics, integrity and trust.
b.   **Building bricks** – It includes training, teamwork and leadership.
c.   **Binding mortar** – It includes communication.
d.   **Roof** – It includes recognition.
a.   **Foundation**

TQM is built on a foundation of ethics, integrity and trust. It fosters openness, fairness and sincerity and allows involvement by everyone. This is the key to unlocking the ultimate potential of TQM. These three elements move together. However, each element offers something different to the TQM concept.

1.   **Ethics** – Ethics is the discipline concerned with good and bad in any situation. It is a two-faceted subject represented by organisational and individual ethics. Organisational ethics establish a business code of ethics that outlines guidelines that all employees are to adhere to in the performance of their work. Individual ethics include personal rights or wrongs.
2.   **Integrity** – Integrity implies honesty, morals, values, fairness, and adherence to the facts and sincerity. The characteristic is what customers (internal or external) expect and deserve to receive. People see the opposite of integrity as duplicity. TQM will not work in an atmosphere of duplicity.
3.   **Trust** – Trust is a by-product of integrity and ethical conduct. Without trust, the framework of TQM cannot be built. Trust fosters full participation of all members. It allows empowerment that encourages pride ownership and it encourages commitment. It allows decision making at appropriate levels in the organisation, fosters individual risk-taking for continuous improvement and helps to ensure that measurements focus on improvement of process and are not used to contend people. Trust is essential to ensure customer satisfaction. Thus, trust builds the cooperative environment essential for TQM.

b.   **Bricks**

Based on the strong foundation of trust, ethics and integrity, bricks are placed to reach the roof of recognition. It includes:

1.   **Training** – Training is very important for employees to be highly productive. Supervisors are solely responsible for implementing TQM within their departments, and teaching their employees the philosophies of TQM. Training that employees require are interpersonal skills, the ability to function within teams, problem solving, decision making, job management performance analysis and improvement, business economics and technical skills. During the creation and formation of TQM, employees are trained so that they can become effective employees for the company.

2.   **Teamwork** – To become successful in business, teamwork is also a key element of TQM. By working in teams, the business will receive quicker and better solutions to problems. Teams also provide more permanent improvements in processes and operations. People feel more comfortable bringing up problems that may occur, and can find a solution from other workers. TQM organisations adopt three main teams:

    A.   Quality improvement teams or excellence teams (QIT) :These are temporary teams with the purpose of dealing with specific problems that often re-occur. These teams are set up for a period of three to twelve months.

    B.   Problem solving teams (PSTs):   These are temporary teams to solve certain problems and also to identify and overcome causes of problems. They generally last from one week to three months.

    C.   Natural work teams (NWTs): These teams consist of small groups of skilled workers who share tasks and responsibilities. These teams use concepts such as employee involvement teams, self-managing teams and quality circles. These teams generally work for one to two hours a week.

3.   **Leadership** – It is possibly the most important element in TQM. It appears everywhere in organisation. Leadership in TQM requires the manager to provide an inspiring vision, make strategic directions that are understood by all and to instill values that guide subordinates. For TQM to be successful in the business, the supervisor must be committed in leading his employees. A supervisor must understand TQM, believe in it and then demonstrate their belief and commitment through their daily practices of TQM. The supervisor makes sure that strategies, philosophies, values and goals are transmitted down throughout the organisation to provide focus, clarity and direction. A key point is that TQM has to be introduced and led by top

management. Commitment and personal involvement is required from top management in creating and deploying clear quality values and goals onsistent with the objectives of the company and in creating and deploying well-defined systems, methods and performance measures for achieving those goals.

4. **Communication**:   It binds everything together. Starting from foundation to roof of the TQM house, everything is bound by strong mortar of communication. It acts as a vital link between all elements of TQM. Communication means a common understanding of ideas between the sender and the receiver. The success of TQM demands communication with and among all the organisation members, suppliers and customers. Supervisors must keep open airways where employees can send and receive information about the TQM process. Communication coupled with the sharing of correct information is vital. For communication to be credible, the message must be clear and receiver must interpret in the way the sender intended.

There are different ways of communication such as:

A. Downward communication: This is the dominant form of communication in an organisation. Presentations and discussions are used in downward communication. By this, the supervisors are able to enlighten the employees on TQM.
B. Upward communication: By this the lower level of employees are able to provide suggestions to upper management of the affects of TQM. As employees provide insight and constructive criticism, supervisors must listen effectively to correct the situation that comes about using TQM. This forms a level of trust between supervisors and employees. This is also similar to empowering communication, where supervisors keep open ears and listen to others.
C. Sideways communication: This type of communication is important because it breaks down barriers between departments. It also allows dealing with customers and suppliers in a more professional manner.

d. **Roof**

1. **Recognition**: Recognition is the last and final element in the entire system of TQM. It should be provided for both suggestions and achievements for teams as well as individuals. Employees strive to receive recognition for themselves and their teams. Detecting and recognising contributors is the most important job of a supervisor. Wheb people are recognised, there would be

huge changes in self-esteem, productivity, quality and the amount of effort exhorted to the task at hand. Recognition comes in its best form when it is immediately following an action that an employee has performed. Recognition comes in different ways, places and time such as:

- ways – it can be by way of personal letter from top management. Also by award, banquets, plaques, trophies etc;
- places – good performers can be recognised on performance boards and in presence of top management;
- Time - recognition can be given at any time like in staff meeting, annual award banquets, etc.

3.5 Service Quality

Service quality is a term, which describes a comparison of expectations with performance. A business with high service quality will meet customer needs whilst remaining economically competitive. Improved service quality may increase economic competitiveness.

Service quality is a business administration term used to describe achievement in service. It reflects both objective and subjective aspects of service. The accurate measurement of an objective aspect of customer service requires the use of carefully predefined criteria, while the measurement of subjective aspects of customer service depends on the conformity of the expected benefit with the perceived result. This in turns depends upon the customer's imagination of the service they might receive and the service provider's talent to present this imagined service. Service quality can be related to service potential (for example, worker's qualifications); service process (for example, the quickness of service) and service result (customer satisfaction).

Criteria of service quality

A customer will have an expectation of service determined by factors such as recommendations, personal needs and experiences. The expectation of service and the perceived service result may not be equal, thus leaving a gap.

Factors, which may influence the appearance of a gap between expectation of service and the perceived service result, are:

Competence: This is the possession of the required skills and knowledge to perform the service. For example, there may be competence in the knowledge and skill of contact personnel, knowledge

and skill of operational support personnel and research capabilities of the organisation.

Courtesy: This refers to factors such as politeness, respect, consideration and friendliness of the contact personnel; consideration for the customer's property and a clean and neat appearance of contact personnel.

Credibility: This refers to factors such as trustworthiness, dependability and honesty. It involves having the customer's best interest at heart. It may be influenced by company name, company reputation and the personal characteristics of the contact personnel.

Security: This represents the customer's freedom from danger, risk or doubt including physical safety, financial security and confidentiality.
Access: This refers to approachability and ease of contact. For example, the waiting time is not excessive and there are convenient hours of operation and a convenient location.

Communication: This means informing customers in a language they are able to understand and listening to customers. A company may need to adjust its language for the varying needs of its customers. Information might include, for example, explanation of the service and its cost, the relationship between services, costs, and assurances as to the way any problems are effectively managed.

Knowing the customer means making an effort to understand the customer's individual needs, providing individualised attention, recognising the customer when they arrive and so on.

Tangibles: These are the physical evidence of the service, for instance, the appearance of the physical facilities, tools and equipment used to provide the service; the appearance of personnel and communication materials and the presence of other customers in the service facility.

Reliability: This is the ability to perform the promised service in a dependable and accurate manner. The service is performed correctly on the first occasion, the accounting is correct, records are up to date and schedules are kept.

Responsiveness: This refers to the willingness of employees to help customers and to provide a prompt timely service, for example, mailing a transaction slip immediately or setting up appointments quickly.

3.6   Total Quality Management and Service Quality

Total quality management is not only limited to product quality improvement. It also covers a wider aspect of quality in the service sector .Studies regarding the linkage between TQM and organisational performance as well as quality has shown significant and positive results.

The focus of TQM is to improve overall quality including process quality and service quality. Successful TQM implementation will give benefits in improving quality and reducing rework as well as reduction in costs of poor quality such as scrap, rework, late deliveries, warranty, replacement, etc.

Effective TQM processes can generate marked improvements in both product and service quality, which then results in increased customer satisfaction and organisation's profitability. By establishing a motivated, customer-oriented management philosophy and practice, internal service quality levels will be more favorable.

Employees' possessing organisational knowledge and skills are important in delivering service quality in which high levels of employee morale and satisfaction were found dependent on the empowerment and involvement of employees.

SELF-ASSESSMENT EXERCISE

i.   What are the elements of total quality management?
ii.   What is service quality?

4.0   CONCLUSION

Total quality management or TQM is an integrative philosophy of management for continuously improving the quality of products and processes. Some common TQM practices are employee involvement, management support and commitment, employee involvement, employee empowerment, information and communication, training and education, customer focus and continuous improvement.

The elements of TQM are ethics, integrity, trust, training, teamwork, leadership, recognition and communication.

Service quality is a business administration term used to describe achievement in service. It reflects both objective and subjective aspects of service.

5.0   SUMMARY

We have defined TQM and discussed its objectives, tools and its elements. We also explained service quality and the relationship between TQM and service quality.

6.0   TUTOR-MARKED ASSIGNMENT

1.   Explain the objectives of total quality management.
2.   Discuss the tools and elements of total quality management.
3.   Explain the relationship between service quality and total quality management.

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