

Vol. 6, Issue 1, January 2019

# Organizational Assessment: An Input to Process Improvement

# Dr Marluna Lim Urubio

Planning and Development Head, Faculty – College of Administrative and Financial Sciences AMA International University Bahrain, Kingdom of Bahrain Member, Bahrain Management Society

Member, Philippine Institute of Industrial Engineers

**Abstract**: The research is about the organizational assessment conducted which serves as an input to process improvement. The research confirmed that HR issues can have an effect on the overall performance of the company as well as the performance and morale of the employees. The HR issues when left unattended may lead to employee dissatisfaction. These HR issues include issues on the areas of job applicant screening, job posting, employee orientation and benefits orientation, granting of mandatory benefits, issuance of employee handbook, interpretation and implementation of policies, approval of benefits like sick leave, annual leave and employee training and development. This is validated by their slight satisfaction of the access and availability of HR Staff, Consistency in the HR policies implementation as well as Communication of Information. Overall, the Human Resources Department (HRD) of any company should improve its process of information and communicate taking into account accurate information and consistent implementation of policies.

**Keywords**: Transparency, Consistency, Policy Implementation, Access and Availability, Communication of Information, Employee Handbook, Policies

## I. INTRODUCTION

Every organization has its Human Resource Department (HRD) that handles and manages the selection, hiring and development of its people, aside from being in charge of salaries and benefits.

An organizational assessment pertains to a guided process used to obtain valid information that will show the performance of an organization and the different factors that led for such performance. Assessment can be done as a whole or in part. For this research, the author will only focus on the assessment of HRD performance which is linked to the implementation of policies.

Policies and procedures are important aspects of running any organization, whether it is a profit or non-profit, government or non - governmental organizations, and even public or private ones [1].Usually, these policies and procedures are contained in a manual which other organizations call Operations Manual or Policies and Procedures Manual. Some companies will have manual for each of the department within the organization like the Engineering Manual, HR Manual, Accounting Manual, etc. In some companies they provide an employee handbook to each and every employee upon hiring. Having these types of manual is one of the best ways to streamline the operations or the business ensuring consistency in addressing certain issues within the company [2].

The management of human resources or the so called Human Resource Management (HRM) is the term which is being used to describe the formal systems that are being implemented for the management of people within any institution or organization [3]. Any human resource department has the responsibilities to do staffing, employee compensation and benefits, as well as defining/designing work. While it is the overall objective of any institution or organization to improve productivity, but HR has the specific purpose of maximizing the productivity by optimizing the effectiveness of its employees [4].

This research intends to conduct an organizational assessment which will serve as an input to process improvement in any organization.



Vol. 6, Issue 1, January 2019

Specifically, it intends to answer the following questions:

- 1. What is the existing HR related issues and concerns which employees are experiencing?
- 2. How are these issues affecting the following?
- a. Operations of the company as a whole, b. Performance of the employees and c. Morale of the employees 3. What recommendations can be done to address the issues and improve the following?
- a. overall performance of the company through HR initiatives, b. Performance of the employees and c. Morale of the employees

Objectives of the study

- 1. To gather information on the existing HR issues and concerns of the employees.
- 2. To understand how these issues are affecting the operations of the company as well as the performance and morale of the employees.
- 3. To propose recommendations that will improve HRD operations and thus help improve their performance and morale.

This research will be of benefit to the following:

**Company** – the output of the study which is a policies and procedures manual will serve as a guide to the company on how to properly address issues consistently, therefore resulting to better operation and higher morale of employees.

**Employees** – the output of the study will benefit the employees since the study will discuss HR issues and concerns which when addressed will benefit the employees.

**Other Researchers** – results of this research will serve as basis for other researchers who may want to do further studies on the same topic.

# II. RESEARCH METHODOLOGY

The researcher used descriptive – evaluative approach in order to answer the questions stated in the statement of the problem. The descriptive research is usually the most effective way to incorporate the accumulation of facts, data and figures. Although this has not been the sole basis for analysing the actual data within the company an interpretative and explanatory technique was used to process or analyse the raw data that led to consolidating information and eventually arrive at conclusions and recommendations. A questionnaire was distributed to the respondents.

The questionnaire is very simple and easy to comprehend and has questions pertaining to the following: Access and Availability of HR Staff, Consistency of HR Policies Implementation, Communication and Information. Additional questions on issues perceived by the employees on the effects of the issues to the operations of the company, performance of employees and morale of employees. Suggestions were also asked on the ways to address the issues.

The questionnaire that has been adapted for the research has multiple choice questions and Likert Scale questions. [5]. In addition, there are also questions that are answerable by 'yes 'or 'no'. These are the questions related to some issues that are related to HR function.

## III. RESULTS AND DISCUSSION

1. The existing HR related issues and concerns of the employees were on the following:

With 50 respondents (Batch 1 with 24 respondents and Batch 2 with 26 respondents) out of 60 total employees or an equivalent of 83.33% respondents, the graph below shows that a bigger percentage of the employees are having issues on the following: a. Job applicant screening with 56%, b. Job posting process with 68%, c. New employee orientation and benefits information with 72%, d. Mandatory benefits as required by Bahrain Law with 76%, e. Employee handbook with 68%, f. Policies interpretation and implementation with 72%, g. benefits like approving sick leave applying / approving vacation leave, airline ticket issuance for expatriates with 70% and Employee training and development with 76%.

Few respondents have written their concern aside from answering the items provided in the questionnaire. These items are as follows: 1) HR knows the policies but there is no transparency in implementation, 2)Lack of focus on employees, 3)No flexibility, 4)Issues on benefits and appraisals, 5) Giving benefits to employees take too much time, 6)People need training, 7)HR department is too lazy to reply to employees' concern, 8)No employee handbook is given and 9)No airline ticket issued to expatriates

On the other hand, respondents were asked about their satisfaction on the access and availability of the HR, consistency of implementation of HR policies and effectiveness of communication and information.



#### Vol. 6, Issue 1, January 2019

In summary, it is clear for HR Access and Availability, that Batch 1 composed of 24 respondents were not satisfied with a mean rating of 1.45 while Batch 2 with 26 respondents is slightly satisfied with a mean rating of 2.37. The mean average is 1. 91 which is slightly satisfied. For the consistency of implementation of policies, Batch 1 is not satisfied with a mean rating of 1,46 while Batch 2 is slightly satisfied with a mean rating of 2.37. The mean average of the 2 batches of respondents is 1.93, which is also slightly satisfied. For the Communication and Information, the HRD is rated at its lowest by the 1<sup>st</sup> batch of respondents which is 1.39 while batch 2 rated 1.69 which is slightly satisfied. Again, the mean average is 1.69 which is slightly satisfied also.

2. On the effects of the above HR issues on the following:

#### a. Operations of the company as a whole

Seventy four percent (74%) of the respondents believed that the operations of the company are affected because of the prevailing HR issues which remains to be unsolved or unclear while 24% believed otherwise. There is 2 % who did not answer the question.

#### b. Performance of the employees

On performance of employees being affected by HR Issues, there is 74% of the respondents who believed that performance of the employees is affected while 22% believed otherwise.

An article published online affirmed that HR practices can directly or indirectly connected to outcomes of the company in the form of financial outcomes which can be measured through the profit the company is getting; organizational outcomes which can be measured through customer satisfaction: and HR outcomes which can be measured through the frequency of absences of employees. [6]

From the same publication, it was reiterated that the impact of HR practices on the outcomes for both HR and organizational is proven to substantially larger than their impact on financial outcomes[7].

The publication also concluded that employee attitudes (which are HR concerns and a function of how happy they are with the company) are important between HRM and employee performance. [8]

HRM practices which is implemented effectively is considered a main factor in every company's success. These practices include training and development, presence of a clear understanding on compensation and incentive, good HR planning as well as employee performance appraisal. [9]

.For some organizations in Pakistan, the declining performance is concluded to be due to lack of understanding of the HRM practices .[10] The study also concluded that HR should strengthen and focus on training, performance appraisal and compensation practices that will lead to enhancing the performance level of employees. It also said that alignment HR practices to support performance will be beneficial for all stakeholders [11].

## c. Morale of the employees

On the morale of employees being affected by HR Issues, there is 78% of the respondents who believed that performance of the employees is affected while 20% believed otherwise.

The study conducted by Accountemps summarizes that 33% of respondents believe that morale issue in the workplace stems from inadequate communication from management [12]. While Accountemps said that the inadequate communication comes from management, HR is the arm of the management who is also tasked to cascade communications from top to bottom, especially on issues affecting employees.

1. On recommendations which can be done to address the issues and improve the following:

a. Overall performance of the company through HR initiatives.

The overall performance of the company will be improved through HR initiatives which can come from recruitment, job safety, employee relations, compensation and benefits, labor law compliance and training and development. [13]

A successful recruitment process would mean putting the right people to the right position on the right time. This plays a key role in ensuring that the company has a competent workforce. Recruitment starts from job postings, sourcing of candidates, screening applicants based on job requirements, shortlisting applicants after preliminary interviews and ensuring that final selection is made afterwards.

**Job Safety:** One of the main functions of HR is to ensure that there is a safe work environment for all employees. The Occupational Safety and Health Act of 1970 spells that it is the employers obligation to provide a safe working environment for employees. [14] As it is, ensuring that a safety training is conducted is a look out of the HRD.

**Employee Relations:** HR has the obligation to maintain employee and employer relations or the so called labor relations. Employee relations through HR are done with the aim of strengthening the employer-employee relationship which is usually done through measuring job satisfaction, employee engagement and resolving workplace conflict. [15]



#### Vol. 6, Issue 1, January 2019

**Compensation and Benefits:** Any company who wants their employees to be effective should ensure that employee compensation and benefits are given on time and as par with the compensation in the similar industries. It is the function of HR to conduct benchmarking studies or environmental scanning to know whether the compensation and benefits are still competitive.

**Labour Law Compliance:** One of the most critical function of the HR is compliance with labor and employment laws. Not following this can result to various workplace complaints that can hamper the overall performance of the company.

**Training and Development:** For continuous professional development, employers must provide employees with the necessary training which can make them more productive, In some cases, it can mean giving new employees extensive orientation training to help them transition into a new organizational culture. Some HR departments provide leadership training and professional development which the employees can use in better performing their function in the company. [16]

As for the feedback of the employees through the survey, company performance can be improved when employees are working with clear information on policies and procedures. On the other hand, it is not just information on policies and procedures but also implementation of the policy consistency to everyone,

## b. Performance of the employees

An improved performance of the employees leads to improving the overall performance of the company. However, improving the performance of the employees start from employee satisfaction on their job and the company itself. As per feedback from the survey, there is a comment that to improve employee performance, as regular training and seminar should be conducted to the employees. [17]

c. Morale of the employees

As for improving the moral of the employees, suggestion of the employees is for the company to conduct get together among employees to uplift their morale and also strengthen team work.

One comment said that the company should ensure that it has a new confident HR that can communicate every company policies and rules to employees effectively and clearly

## CONCLUSION

Findings, Conclusions and Recommendations

This chapter presents the summary of findings that were taken after processing and interpreting the data, after which the conclusions are drawn and eventually, coming up with the recommendations to further improve the incentive programs and its implementation.

Findings of the Study

1. On the existing HR related issues and concerns of the employees

It is evident that a bigger percentage of the employees of the company believes that there are HR issues on the areas of job applicant screening, job posting, employee orientation and benefits orientation, granting of mandatory benefits, issuance of employee handbook, interpretation and implementation of policies, approval of benefits like sick leave, annual leave and employee training and development. This is validated by their slight satisfaction of the access and availability of HR Staff (1.91), Consistency in the HR policies implementation (1.93 as well as Communication of Information (1.69). The employees also gave comments like HR knows the policies but there is no transparency in implementation, Lack of focus on employees, No flexibility, Issues on benefits and appraisals. Giving benefits to employees take too much time, People need training and the worst feedback is that HR department is too lazy to reply to employees' concern. Other comments include No employee handbook is given and No airline ticket issued to expatriates.

2. On how these are issues affecting the operations of the company as a whole.

Seventy four percent of the (74%) employees believed that the above- mentioned issues are affecting the overall performance of the company, while 74% also believes that the performance of the employees are affected while 78% of the employees believes that the morale of the employees are affected by these issues.



#### Vol. 6, Issue 1, January 2019

3. On the recommendations which can be done to address the issues and improve the overall performance of the employee and company as well through HR initiatives, employees are quick to recommend that HR should conduct regular trainings for the employees. When employee performance improves as a result of training, then company performance improves. In improving the morale of the employees, the finding is that employees want to have more get together to promote teamwork. The employees also reflect disgust over the existing HRD as proven by their comment that a new confident HR is needed that can communicate every company policies and rules to employees effectively and clearly.

#### Conclusion

1. Based from the findings, it is evident that there are HR issues that need to be addressed in the company.

2. The findings also lead to the conclusion that they are not very satisfied with how things are going with the HRD of the company as they rated the access and availability of HR Staff, Consistency in the HR policies implementation as well as Communication of Information as slightly satisfied.

3. It is concluded that there are plenty of HR issues that need to be addressed so that the performance of the company as well as morale and performance of the employees can be maximized.

#### Recommendations

Since HR issues which employees believe to exist are affecting the company performance as well as the performance and morale of the employees, the following are recommended to be done:

For the Job applicant screening and Job posting process, the HRD should come up with specific policy that should be implemented whenever a vacancy is available. The screening process should also be well defined in the policy for transparency.

For New employee orientation and benefits information

The HRD should come up with a specific program for employee orientation. During the orientation, all policies that are related to employees should be discussed.

For the mandatory benefits as required by Bahrain Law

All companies are mandated to follow the required Bahrain Labor Laws. For the purpose of clarity, the HRD should make an orientation program for all employees that would discuss the mandated Bahrain Labor Law.

For Employee handbook

It is recommended that all the company should issue an employee handbook containing all the policies related to employees, This handbook should be received by the employee and be returned back the moment he separates from the company.

On Policies interpretation and implementation

The HRD should ensure that the interpretation of policies across the company is one and the same, Doubts on HRD's knowledge of the policy stems from not being able to stand firm on the interpretation of policies or having a different interpretation with the higher management. It is recommended that HRD and the top management should have same interpretation of policies as well consistent implementation of policies.

On Benefits like approving sick leave applying / approving vacation leave, airline ticket issuance for expatriates

The employees' concern is that approval of their leaves takes too much time. The HRD should come up with document flow and the allowable time a certain document should stay in one office for approval. In this way, the documents for approval will not stay idle in one office. For the airline ticket issuance for expatriates, this has to follow what is stipulated in their contract.

For Employee training and development

The HRD should come up with policy on how to facilitate employee training and development. There should be specific criteria in sending an employee for training along with allowances (per diem), air ticket, visa and other travel related costs.

On the issue of Access and Availability

The HRD staff should ensure that the office is manned all the time except during break. HRD should post their timing and educate all employees on their timings so that employees would not be upset when they can not attend to their needs.

On Consistency of HR policies and implementation

As said earlier, HRD should be confident and exhibiting solid understanding when discussing and answering queries on the policies. It is also equally important that policies are consistently implement to all.

On Communication of Information



Vol. 6, Issue 1, January 2019

It is recommended that the HRD should provide accurate information. This information can be provided through meetings and well as emails. For employees to be sure to understand the policy or any information, the HRD should ensure that e received copy of the information is signed by the employees. In that case, employees can not say that they are not informed.

## REFERENCES

- [1]. Why are HR Policies and Procedures Important? http://www.vitil.com.au/news-why-are-hr-policies-and-procedures-important. Published on Published on June 2, 2016
- [2]. Joan Pynes, HRM fro Public and Non Profit Organization : A Strategic Approach, January 2009
- [3]. Human Resource Management, https://www.inc.com/encyclopedia/human-resource-management.html
- [4]. John Sullivan, Increasing Employee Productivity: The Strategic Role That HR Essentially Ignores, May 2011, <u>https://www.ere.net/increasing-employee-productivity-the-strategic-role-that-hr-essentially-ignores/</u>
- [5]. https://www.britannica.com/topic/Likert-Scale
- [6,7,8]. Brenda Vermeeren, Bram Steijn, Lars Tummers, Marcel Lankhaar, Robbert-Jan Poerstamper, Sandra van Beek, HRM and its effect on employee, organizational and financial outcomes in health care organizations, .) Human Resource Health. 2014; 12: 35. Published online 2014 Jun 17. doi: 10.1186/1478-4491-12-35PMCID: PMC4075604PMID: 24938460
- [9]. ShanthiNadarajaha, Vimala Kadiresanb, Ramesh Kumarc, Nurul Nissa Ahmad Kamilab Dr.Yusliza Mohd.Yusoffabc, The Relationship of HR Practices and Job Performance of Academicians towards Career Development in Malaysian Private Higher Institutions, Procedia - Social and Behavioral Sciences
- [10,11]. HRM Muhammad Maqsood KhalidPractices and Employee Performance in Pakistan https://www.researchgate.net/publication/260635420 \_HRM \_Practices\_and\_Employee\_Performance\_in\_Public\_Sector\_Organizations\_in\_Pakistan\_An\_Empirical\_study · March 2014
- [12]. https://www.hcamag.com/hr-news/low-employee-morale-linked-to-lack-of-communication-180904.aspx Low employee morale linked to lack of communication HomeNews Iain Hopkins30 Oct 2013
- [13]. Six Main Functions of a Human Resource Department
- by Ruth Mayhew; Updated February 20, 2018 http://smallbusiness.chron.com/six-main-functions-human-resource-department-60693.html [14]. Six Main Functions of a Human Resource Department
- by Ruth Mayhew; Updated February 20, 2018 http://smallbusiness.chron.com/six-main-functions-human-resource-department-60693.html [15, 16, 17]. Six Main Functions of a Human Resource Department
- by Ruth Mayhew; Updated February 20, 2018 http://smallbusiness.chron.com/six-main-functions-human-resource-department-60693.html

## BIOGRAPHY

**Dr Marluna Lim Urubio** completed her Bachelor of Science in Management and Industrial Engineering from Mapua Institute of Technology while she took her Master in Engineering Management with specialization in Manufacturing Management from Pamantasan ng Lungsod ng Maynila. She earned her Ph.D in Technology Management from the Technological University of the Philippines. Her dissertation is about the solar technology implementation in the Philippines. She has taught in Mapua Institute of Technology as well as De La Salle University Dasmarinas where she was Dean of Engineering, Architecture and Technology. She presented lectures in Widja Mandala Catholic University in Surabaya Indonesia and has a wide industry exposure in semiconductor industry. Currently, she is an Assistant Professor in the College of Administrative and Financial Sciences and concurrently the Head of Planning and Development Department at AMA International University Bahrain

## TABLES

Table 1: Frequency Distribution on the Presence of HR issues**Error! Not a valid link.** 

 Table 2: Employee Satisfaction On The Access And Availability Of The HR, Consistency of Implementation Of HR

 Policies And Effectiveness Of Communication And Information

	Access And Availability	Descriptive Meaning	Consistency Of Implementation	Descriptive Meaning	Communication And Information	Descriptive Meaning
Batch 1	1.45	Not Satisfied	1.49	Not Satisfied	1.39	Not Satisfied
Batch 2	2.37	Slightly Satisfied	2.37	Slightly Satisfied	1.99	Slightly Satisfied
Average	1.91	Slightly Satisfied	1.93	Slightly Satisfied	1.69	Slightly Satisfied



Vol. 6, Issue 1, January 2019

	Issues Affecting the Operations of the Company	Issues Not Affecting the Operations of the Company	No Answer
Batch 1	20	4	0
Batch 2	17	8	1
Total	37	12	1
Percentage	0.74	0.24	0.02

# Table 3 : On HR Issues Affecting the Operations of the Company

# Table 3 : On HR Issues Affecting the Performance of the Employees

	Issues Affecting the Performance of Employees	Issues Not Affecting the Performance of Employees	No answer
Batch 1	21	3	0
Batch 2	16	8	2
Total	37	11	2
Percentage	0.74	0.22	0.04

## Table 3 : On HR Issues Affecting the Morale of the Employees

	Issues Affecting the Morale of Employees	Issues Not Affecting the Morale of Employees	No answer
Batch 1	20	4	0
Batch 2	19	6	1
Total	39	10	1
Percentage	0.78	0.20	0.02