

The Impact of Human Resource Development and Performance Improvement through Continuous Improvement among the Various Levels of Employee Positions in Business

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Abstract - This research presented a conceptual model to develop employees' performance using a human resource development (HRD) and business strategy (Continuous Improvement) to practice within the organization. The result from the model showed that human resource development has a positive effect on performance improvement through Continuous Improvement (CI). The researcher considers the effect from HRD with CI had the most positive effect on performance improvement among level of employee positions in business, business functional areas, and personality trait. It was empirically proven that the structural role played by HRD contributed to the employee within CI.

Keywords - Human Resource Development, Continuous Improvement, Performance Improvement

I. INTRODUCTION

Human Resources professionals play a proactive role in developing organizational strategies, supervisor's leadership skills have improved, employee's current position in the company is aligned with my individual development goals, sharing knowledge or exchanging appropriate information within the organization is encouraged. Human resources

support ways to share knowledge, corporate culture is evolving in order to promote business strategies, human resources tools (e.g., HRD online, etc.) can help employees and managers easily understand and use Human Resources Core Processes, succession planning supports talent development and ensures the next generation of leaders. Each business sector can work towards achieving the company's goal by working on their own problem areas. After being aware of problem areas, each section can create a solution and implement this into their plan for success. The steel industry is one of the basic industries which is significant for all developing countries in the world. The companies have many employees. Employees with highest knowledge and ability to work in the industry will continue to be employed. Many big organizations have success in their business because they have employees with high ability and they have great strategies. They have to employ people with high ability for business competitive advantage. This study the researcher intends to present the significant organizations that drive country forward. It is certain that every organization must have a human resource department or personnel as the main units in work performance.

II. LITERATURE REVIEWS

Peter and Ross (2003), suggested the continuous improvement (CI) discourse has benefited countless manufacturing enterprises to improve and adapt their methods of production that organizational learning frameworks provide useful ways of thinking about TQM and CI a more holistic process towards learning suggests that efforts to improve and develop behavioral routines will be more beneficial. Bessant and Caffyn (1996), suggested Continuous Improvement (CI) is a strategy utilized in organizations to improve employee work performance. Many companies have already implemented this model which has proven to generate higher success rates. There's five stages of maturity for this model. The first stage is the "Natural/background CI". This beginning stage allows problem-solving techniques to be

handled only by specialists. During this stage, solutions are not implemented for longer terms. These are quick decisions with short outcomes. No formal behavioural standards or expectations are required during this stage. Employees seek to have their problems solved by higher authority, however, outcomes may vary depending on who the employees talk to Full CI: Employees are capable of individual problem-solving. Everyone learns from their experience, good and bad. After the goals and behavioural standards are established and the staff is aware of how to function with independence, the CI model has been fully implemented and the company will begin to see major positive results. Experimentation still occurs as a way for employees to practice their autonomy.

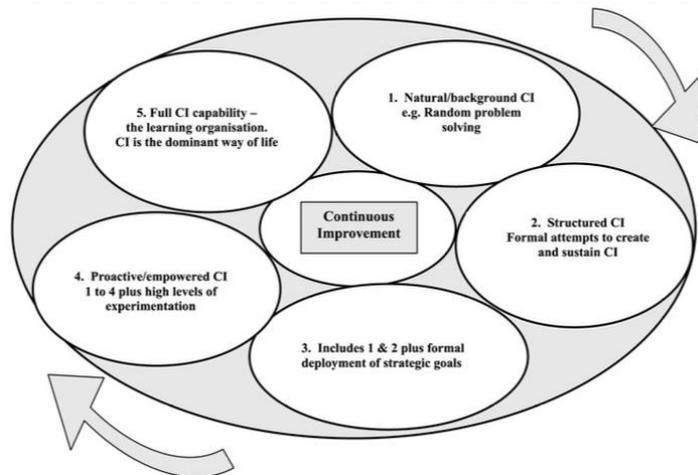


Fig. 1 Adaptive Learning Cycle of Continuous Improvement.
Adapted from Bessant and Caffyn (1996)
Source: Perter and Ross (2003)

III. CONCEPTUAL FRAMEWORK

Structural model two was conducted to test relationship Human Resource Development (HRD) and Performance Improvement (PI) through Continuous Improvement (CI) among the various levels of employee positions in business.

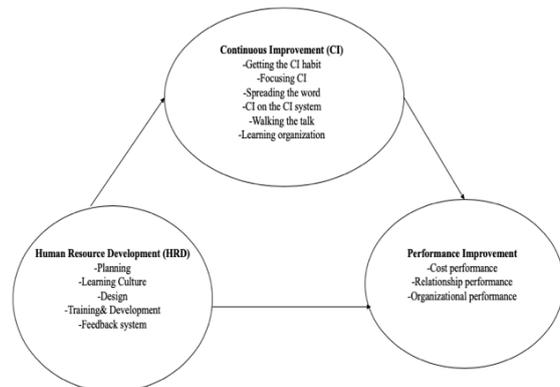


Fig. 2 Conceptual Model

According to the model, the research findings of the relationship between Human Resource Development, Continuous Improvement, and Performance Improvement. First of all, Human Resource Development had a positive effect on Continuous Improvement, Human Resource Development had a positive effect on Performance Improvement, and Continuous Improvement had positive effects on Performance Improvement. After empirically testing and analyzing the proposed model was finished, it was found from the study that each theory was used in testing and set as Hypothesis one with the direct effect. Indirect effects were seen in Human Resource Development had an indirect effect on Performance Improvement ($\beta = 0.117, 0.167, 0.273, 1.435$).

IV. RESEARCH METHODOLOGY

For this study, the target population was composed of employee in steel industry. The population frame is sampled from the steel industry in Thailand. The sample size was resulting in 622 employees from the entire population of four firms of the steel producers. The sample size was calculated according to the rule of structural equation model (SEM) which consider the number of free parameters as a rule of thumb to the determine sample size for research studios that use SEM. The suggested ratio of the sample size to the number of free parameters might be able to go as low as 10:1 under the normal and elliptical theory, especially when there are many indicators of latent variables, and the associated factor loadings are large. Though, there is even less experience on which to base a recommendation (Bentler and Chou, 1987). The amount of the sample size required by the researcher was 622 people.

V. DISCUSSION AND CONCLUSION

According to the research question; Does HRD influence Performance Improvement through CI among the various levels of employee positions in the business? That the result of structural model from each level of employee positions in business with hypothesis

testing indicated that Human Resource Development (HRD) had an influence on Performance Improvement through CI was completed. Career stages (Noe, 2010) were divided into four sessions or stages: First, exploration stage: at the first session, the individual explores an interesting career. Elements answering the question "How long will we require exploring this career?" are varied: our interests, job descriptions, values, preferences, and colleagues. Personnel under 30 years old are considered to be in this exploration stage. It takes two years for the exploration through the probation. A short-term employee is called "an apprentice". Second, establishment stage: the individual regularly searches for a proper workplace where he or she can devote himself or herself completely. In fact, the workplace must facilitate a person to get a job promotion, job stability, self-development skill and appropriate returns on responsibilities, duties and expenses. Moreover, the workplace must conform to an individual's lifestyle, organizational circumstances as well as colleagues. It takes two to ten years for this stage. Personnel whose ages are between 30 and 45 years old are considered to be in this establishment stage. Third, maintenance stage: this stage involves skills development and maintenance for another institutes' acceptance. By this stage, personnel's experience has been knowledge and skills accumulation for ten years. Personnel whose ages are between 45 and 60 years are considered to be in this maintenance stage. A status of personnel in this stage is as a mentor. Fourth, disengagement: the final stage of working in an institute is retirement when personnel must separate from the organization. Personnel who are more than 60 years old are considered to be in this disengagement stage. However, due to their full knowledge, skills and experiences, personnel at this stage can assist others by providing advice and support. The result form model two was significant with higher level in the organization from level 5 to level upper than 6 that not conforms to the study of Lin (2011), who found employee position levels did not moderate the overall relationship among HRD practices, CI abilities, and performance improvement that the hypothesis

was not supported in all level. Each level in the company achieved the highest levels of performance. These achievements have been made in areas of cost performance, relationship performance, and organizational performance. Within these higher-level positions, workers and managers will exhibit the most expertise within their own section. As they work to improve their own business sector, the whole company will benefit. The continuous strategy works best with workers who are operating at the highest levels. Each worker can achieve this if they work hard and consistently with a positive mindset. CI practice is necessary for the high levels of staff in the company such as head of department, managers, and executives. All high levels include high education and more age, so they have more experiences and learning skills. For, they can improve their skill then develop organizational performance.

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(Arranged in the order of citation in the same fashion as the case of Footnotes.)

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