

# MAPPING EXPECTATIONS OF FUNCTIONAL UNITS' LINE MANAGERS AGAINST THE PERCEPTIONS OF HUMAN RESOURCES DEPARTMENT (HRM)

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## **ABSTRACT**

*This paper proposes that performance improvement could be achieved by improving the relationship between HRM and functional units in the form of a relationship between supplier and customer. Accordingly, the paper proposes that differences may be found between functional units' expectation of the service delivered and the perception of HRM with respect to that service. The paper also proposes that Gap analysis approach could be used in analysing the performance of those services. The paper points to the possibility of finding perception gaps and expectation gaps. In addition, the paper suggests that those gaps may impact on the performance from the perspectives of quality, cost and speed of delivery of the service.*

*It is envisaged that this research could assist management in controlling cost and avoid wastage and improve organisational performance.*

## **INTRODUCTION**

According to Bernardin and Beatty (1984), measure of organisational performance may be considered to be simply a measure of the outcomes produced from a specific task or process. Soliman (1998) reported that usually organisational processes contribute differently to the performance of the organisation. This means the impact of some processes on organisational performance may be more significant than others.

Ortenblad (2001) advocates that organisational processes should facilitate change and innovation. As such Human resources Management (HRM) is considered as one of those organisational processes that deal with other functional processes either individually or collectively to advance the cause of the organisation. In HRM perspective, organisational functional units are such units that interact with HRM on the basis of customer-supplier relationship.

Chang and Lee (2007) pointed out that the role of HRM processes in developing the organisation has not been fully covered in the literature.

According to Rebelo and Gomes (2008) HRM processes should be more oriented towards the delivery of services that help organisations to enhance its performance.

Human resources departments encompass people who commit the organisation to promises that must be delivered. Some of those promises are for expected services to functional units. Therefore HRM must be empowered and resourced to deliver those services as expected by functional units. However, HRM must also be persuaded by the type and suitability of the requested service, i.e. HRM must perceive that the service is in line with the functional units' strategic intent. But more importantly, the service must be perceived by HRM to meet certain standards and that organisations must ensure that its internal communications processes are coherent and able to handle a wide range of services with different standards.

According to Addicott, McGivern and Ferlie (2006), all organisations have internal processes as part of their business strategy. Most of those processes are concerned with meeting organisational objectives and improving performance and competitive advantages. Naturally, some of the processes act as internal communication channels that deal with delivering services to organisational functional units including HRM.

Soliman and Spooner (2000) pointed out that HRM must have appropriate knowledge, skills and expertise, provided by formal training, learning-by-doing, and effective processes and procedures that assist in the delivery of those services to functional units.

A crucial aspect within organisational processes is sharing available resources between organisational functional units. It should be noted that HRM usually delivers services to functional units through the organisational internal supply chain. This means the actual utilisation of the resources forms a central element within the HRM process, which rests largely on the company culture (Beijerse, 2000).

According to Davenport (1999), a core competence for the future of organisations is to categorise and organise key organisational processes. It should be noted that Ulrich (1998) recommended that HRM should play a more proactive role in shaping the organisation's future and realise its vision. Soliman (2000) on the other hand suggested that change management concept

could help shape decisions and improve performance as suggested by Ulrich (1998).

It is now clear that HRM is a key in the organisational process that delivers services to other functional units, and is important for decision making. However, risk(s) may lie in the likelihood of delivery of services being lost or being unsatisfactorily performed. In order to avoid these risks, map(s) of those service delivery processes may be developed to identify weakness, mismatches and other activities that could render those processes vulnerable.

According to Saravanan and Rao (2007), the performance of HRM processes could be measured by measuring the outcomes of HRM sub-processes. Soliman (1998) has indicated that there must be a limit for the details sought from those sub-processes to ensure that the performance aims and objectives are not over-buried in very detailed processes. Soliman and Youssef (2003) have reported that performance measurement is critical in enterprise knowledge management and to some extent this is dependent on the way the quality performance outcomes and measures are adopted by the organisation. Some of this adoption is based upon whether performance assessment is conducted for service or manufacturing processes (Abdul-Rashid & Normah, 2004; Dunk, 2002; Stewart, Senga & William, 2001). Irrespective of this, performance measures of HRM processes should also deal with customer-supplier activities.

### **MAPPING HRM PROCESSES**

McAdam and McCreedy (2000) pointed out that HRM processes may be distinguished from other processes by a greater focus on the delivery of services to other functional units. Clearly, the more efficient those processes, the more likely that reworking of defective activities are reduced and time and resource wastage is minimised or avoided (Thompson & Walsham 2004). Therefore, internal communications processes must be clear in order to assist HRM staff to get round performance problems occurring in these processes. For example Demarest (1997) and Soliman (1998) suggest that to successfully manage HRM there is a need to understand the three relevant infrastructures that impact of organisational performance, namely cultural infrastructures, organisational infrastructures, and the technical infrastructures. Furthermore, according to Soliman (1998), in order to improve the process performance, performance must be measured using appropriate scales or techniques.

It should noted that Rose (1995) pointed out that in HRM performance measurement, staff should be able to decide firstly which activity it is important to measure; secondly, how to measure the performance of that activity; and thirdly, how to improve its performance. This implies that

performance appraisals in HRM could be used to determine the level at which the activity should optimally function.

Maps have been defined by a number of authors as databases. However one general mapping definition by Davenport and Prusak (1998, p. 72) is that maps are cleverly constructed databases that point to knowledge or information but does not contain it.

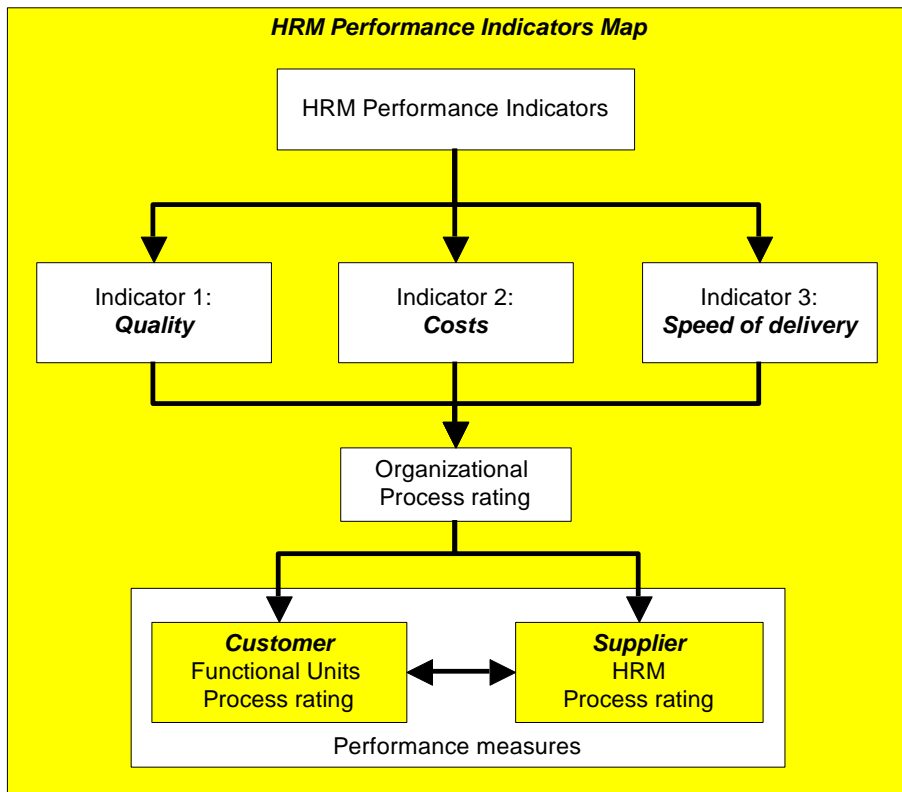
Soliman (1998) provided a method for limiting the mapping effort based on some established criteria. However, Soliman and Spooner (2000) expanded the early work of Clark and Staunton (1989) and Soliman (1998) to include the mapping of HRM knowledge. The work of Soliman and Spooner (2000) did not exclude other organisational activities such as quality management. Mehrez (2010) has expanded the Soliman and Spooner (2000) approach for knowledge gaps to incorporate quality management and provided a finding that points to the existence of quality gaps.

It is important to mention that early work on process mapping was applied to pharmaceutical processes to identify weaknesses in pharmaceutical processes (Seeman & Cohen, 1997). One of the benefits of process mapping has been shown to be better-informed managerial decision making. This has been confirmed by Soliman and Spooner (2000) who used the process mapping method to knowledge management mapping in order to identify what knowledge is essential and where this knowledge resides and provide an answer to the main activities of HRM strategies in knowledge management (Rumizen, 2002). Furthermore, Mehrez (2010) adapted the knowledge mapping techniques to identify weakness and gaps in quality management programs.

HRM performance indicators can be categorised in three main measures; HRM process quality attributes (Performance Level 1), HRM process cost of including cost of conformance or non-conformance (Performance Level 2), and HRM process speed of delivery of service (Performance Level 3). In other words, the performance of organisational internal processes may be affected by the performance level i.e. Level 1 (quality), Level 2 (cost) and Level 3 (speed of delivery). This in turn could ultimately affect the relationship between the internal customer (i.e. various functional units) and the internal supplier (Human Resources Department). The performance indicators map is as shown in Figure 1 below.

Functional units' staff as well as HRM staff could have different expectations or perceptions due to a number of factors such as culture,

familiarity with the service, and interpretation of the service. These difficulties in interpretation or misinterpretation may lead to another



**Figure 1: Performance Indicator Map**

type of gap, namely *Interpretation Gaps*. However, as well as *Expectation Gaps*, *Perception Gaps*, there are other important gaps such as *Standards Gaps*, *Delivery Gaps* and *Interpretation Gaps* which are considered to be *Internal Communications gaps*. However this study is concerned with *Expectation Gaps* and *Perception Gaps* as shown below.

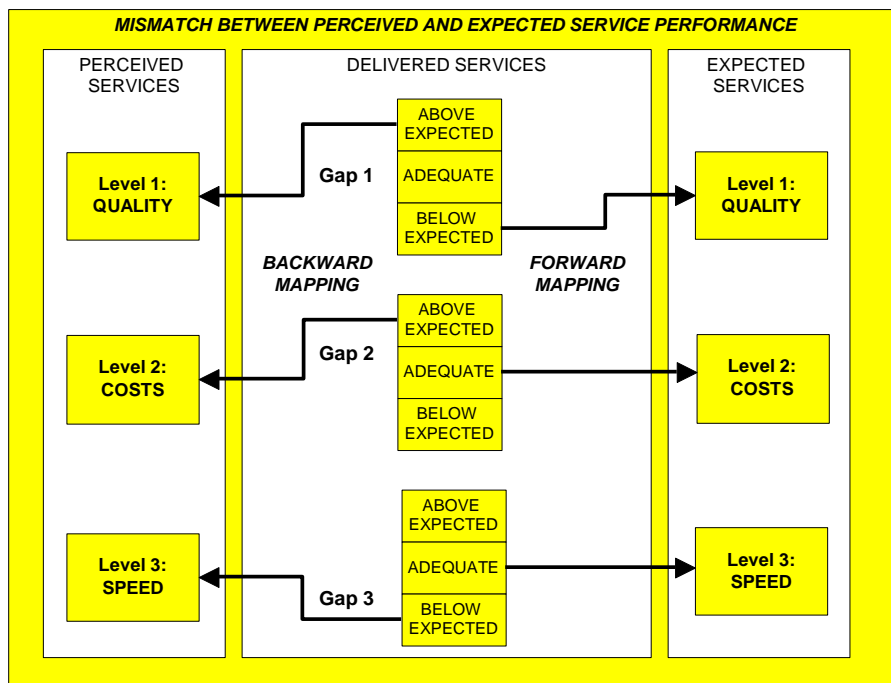
### **MAPPING FUNCTIONAL UNITS' EXPECTATIONS (*EXPECTATION GAPS*)**

Maps of customers' expectations could be constructed to assist management in developing or improving their performance models or programs. Those maps are also useful in identifying any mismatch between customers (organisational units) expectation and supplier HRM) perception of the service. These mismatches or defects have been referred to by Mehrez (2010) and Soliman (2009) as *gaps* that should be either removed or avoided. Moreover, it will be important to determine whether the functional units' expectation of the service is consistent with the HRM perception of the level of that service i.e. quality, cost

and speed of delivery. Gaps generated due to mismatch of functional units' expectation and to the appropriate service levels are named *Expectation Gaps*. These *Expectation Gaps* are in fact gaps generated due to mapping performance activities of the expected service against those of the services delivered to functional units. This type of mapping was named by Soliman and Spooner (2000) as forward mapping.

Therefore the role of forward mapping is to identify any gap that might exist between the *expected* and *delivered* services. That is forward mapping identifies for each indicator for each service whether the delivered service is as expected by the functional unit. For example forward mapping identifies at Performance Indicator level 1 whether the quality of the service received is as it was expected namely, above expected, adequate, or below expected.

It should be noted that these mismatches would be a potential source of performance Gaps that should either be removed or avoided. The starting point in the identification of performance gaps is to determine whether the functional units' expectation of the service is consistent with the HRM perception of that service i.e. quality, cost and speed of delivery. Alternatively as mentioned above, the organisational processes may be subjected to either *Expectation Gaps* or *Perception Gaps*.



**Figure 2: Forward and Backward Mapping of performance indicators.**

A map describing the relationship between the *Expectation Gaps* or *Perception Gaps* is as shown in the following figure (figure 2) below. It should be noted that there could be three types of gaps (combination of *Expectation Gaps* or *Perception Gaps*) where organisational functional processes may be at risk. Therefore it is necessary that HRM be aware of these potential gaps and manages the problems associated with those gaps.

However, if there is a mismatch between the received and expected service, then a *Forward Gap* is found. In other words a quality mismatch or quality gap as named by Soliman (2009) and Mehrez (2010), is found. This type of gap may be named as *Forward Gap Type 1*. Similarly for the other two Performance Indicator levels, namely, cost and speed of delivery, it is possible to find *Forward Gap Type 2* and *Forward Gap Type 3*. A description of these types of gaps is shown in the diagram in Figure 2.

### **MAPPING HRM PERCEPTION (*PERCEPTION GAPS*)**

HRM perception may be defined as the impression HRM staff receive when they are assigned a service by functional units. Usually the functional unit staff would determine the appropriate service level i.e. quality, cost and speed of delivery of the service and/or goods. However, HRM staff may also use their own opinion of what the service level should be in order to improve effectiveness of the service, reduce risks of rework and ultimately enhance organisational performance. HRM processes are such that they interact with the other processes in other functional units. On one hand the HRM processes receive requests from other functional units and in turn the HRM processes deliver the requested services back to those functional units. Therefore, there could be a mismatch between what the functional units expect and how HRM perceives those requested services.

As shown in figure 2 above, mapping the *perceived* against the *delivered* services, could be named *Backward Mapping*. Similarly, as mentioned above in expectation mapping, *Backward Mapping* could lead to identification of backward gaps. Accordingly, *Backward Gap Type 1* and *Backward Gap Type 2* and *Backward Gap Type 3* could result from *Backward Mapping*. That is, the *Backward Gap Type 1* is a possible outcome of mapping Performance Indicator Level 1 (quality) and similarly *Backward Gap Type 2* and *Backward Gap Type 3* are possible outcomes of mapping Performance Indicator Level 2 (cost) and Level 3 (speed of delivery) respectively.

The difference between what an organisation can and must do highlights the strategic deficiencies and here the human resources department [or owner/manager] can ensure that future recruitment is aligned with the strategic plan of the organisation. Backward knowledge mapping identifies the

knowledge gaps. Assessing what employees know against what they should know identifies training opportunities to overcome existing knowledge deficiencies. Again, the human resources department acts to ensure that the workforce fits within the strategic plan of the organisation. Clearly a major role of the human resources department is assisting in overcoming any strategic and knowledge shortcomings through recruitment and training as well as re-training the existing workforce. The process of forward knowledge mapping serves as the exploration of strategic opportunities for the organisation, while the backward knowledge mapping may be considered as the alarm-bell for strategic deficiencies, which the organisation must overcome (Soliman, 2000. pp. 344–5).

Clearly HRM must understand the level of services the functional units require and define it properly. Once a definition has been agreed too, HRM should then develop standards for delivering those services. Any misunderstanding of those standards is likely to generate *Standards Gaps*. Therefore, it is possible to define the *Standards Gaps* as the gap between HRM understanding and the translation to the standards as requested by functional units. It should be noted that creation of standards by HRM may also lead to identification of functional units' service delivery gaps which is referred to in this research as Delivery Gaps.

### **THE RESEARCH PROBLEM**

A key consideration that has is not been addressed in past studies is to identify the level of compatibility between suppliers' perception and customers' expectations. In other words the supplier's perceptions of how the service should and is actually performed should be mapped against the customer's expectation of how the service should and is actually performed.

This research investigates whether differences, or *gaps*, may exist between the *expectations* of management of functional units and the *perception* of HRM, and if so, the magnitude of such differences, in order for HRM to supply an effective service to functional units. For example, HRM may think that it is very important for functional units to receive a service on time while functional units may believe that it is more important to receive the service on budget. This conflict between expectations and perceptions may result in gaps. The research problem could further be stated as:

1. Is there any difference (gaps) between HRM and functional units in which service is to be delivered?
2. Is there any difference (gaps) between what the expectation of functional units and the perception of HRM about the level of service to be delivered?
3. Do these differences (gaps) influence the performance of the service to be delivered?



## ANALYSIS OF THE CONCEPTUAL MODEL

The above research problem could lead to the formulation of hypotheses that could be used to investigate whether:

1. *Expectation Gaps* could be found in organisational functional units seeking services from HRM; and.
- a) *Perception Gaps* could be found in organisational HRM in charge of delivering services to functional units.

Results from the above analysis could be summarised in the following table:

Performance Indicator levels	Backward Mapping	Forward Mapping
Level 1	Backward Gap Type 1	Forward Gap Type 1
Level 2	Backward Gap Type 2	Forward Gap Type 2
Level 2	Backward Gap Type 3	Forward Gap Type 3

It is also possible that mapping *Expectation of Functional units* and *Perception of HRM* may lead to the construction of the following Performance Gap Matrix which is shown in Figure 3 below.

It should be noted the above gaps may in fact be combination of Backward Gaps and Forward Gaps depending on which processes is mapped i.e. whether processes of Functional units is mapped on HRM processes or otherwise.

<b>PERFORMANCE GAP MATRIX</b>				
<b>HRM Perception</b>	ABOVE EXPECTED	Gap 3	Gap 2	Gap 1
	ADEQUATE SERVICE	Gap 2	Gap 1	Gap 2
	BELOW EXPECTED	Gap 1	Gap 2	Gap 3
		BELOW EXPECTED	ADEQUATE SERVICE	ABOVE EXPECTED
		<b>Functional Unit's Expectation</b>		

**Figure 3: Performance Gap Matrix.**

## CONCLUSIONS AND DISCUSSION

The aim of this paper is to investigate if differences can be found between the expectations of functional units and the perception of HRM with respect to the delivery of service.

Gap analysis approach is shown to be a powerful method in analysing the performance of customers' expectations and suppliers' perception. This paper seeks to shed light on the importance of such analysis which may affect the management of the services and relationship between functional units and HRM.

A number of issues have been raised in this paper. Firstly, HRM, as well as functional units, tend to think the same way in assessing the performance services delivered. However, both functional units and HRM believe that the actual delivery of the service differs from what was expected, thus raising the possibility that *internal communication gaps* may exist.

Secondly, it is also important to investigate if the *internal communication gaps* may be related to the existence of knowledge gaps resulted from ineffective or inefficient management. The existence of such knowledge gaps may lead to the existence of strategic gaps (Soliman & Spooner, 2000). It may be possible to identify various types of gaps with respect to functional units' expectations and HRM perceptions (Soliman, 2009; Soliman & Mehrez, 2009).

Thirdly, more investigation may be required with respect to differences between importance and performance from the perspectives of each quality performance dimension. While this paper presents a general conclusion of the existence of perceptions and expectation gaps, more investigation is likely to identify the significance of those gaps on the overall organisational performance.

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