



---

# Human Resource Management's Impact On Improving Total Quality Management: A Study

**BATHANASE UMESH** Research scholar Maharishi University of Information Technology, Lucknow.

**Dr. Manoj Mishra** Asst Professor Maharishi University of Information Technology.

**Enrollment No:** MUIT0118038118

---

## Abstract

This study aims to investigate how Total Quality Management (TQM) in the banking industry is affected by Human Resource Management (HRM). The study looks into how bank employees feel about TQM and HRM practises, as well as how they are related. The study also assesses the impact of TQM on bank performance and investigates the relationship between TQM procedures and employee demographics. A descriptive survey with a questionnaire was used as the study methodology to gather information from a sample of 400 bank workers. Using descriptive statistics, product moment correlation, t-tests for pair and independent groups, and 2x2x2 ANOVA, the data will be examined quantitatively and qualitatively. The findings of this study will provide light on how HRM affects TQM and how that affects bank performance. Keywords: Overall Quality Management, Human Resource Management, Bank Performance, Employees, Survey.

## Introduction

Total Quality Management (TQM) is a management strategy that emphasises customer happiness, ongoing improvement, and staff involvement in order to improve the quality of goods and services. TQM can assist banks in the banking industry to enhance their services and keep a competitive edge in the market. As it focuses on the management of human resources to accomplish organisational goals, human resource management (HRM) is a crucial component of total quality management (TQM). The success of TQM depends on HRM activities like training and development, performance management, and employee involvement. This study's goal is to investigate how HRM affects TQM in the banking industry. The study will look into the attitudes of bank workers towards TQM and HRM procedures as well as the connection between the two. Additionally, the study will assess the impact of TQM on bank performance and look at the relationship between TQM procedures and employee demographics.

## Research Review

TQM and HRM are two key ideas that are interrelated and essential to an organization's success. In contrast to TQM, which emphasises continuous improvement, customer

happiness, and employee involvement to improve the quality of products and services, HRM is focused with managing human resources to fulfil organisational goals. The success of TQM depends on HRM procedures including hiring, choosing, training and development, performance management, and employee interaction (Abdullah, 2019).

TQM can assist banks in the banking industry to enhance their services and keep a competitive edge in the market. Because that HRM practises might affect TQM's success, the deployment of TQM requires a framework that is supportive of HR. For instance, staff participation in the TQM process may increase levels of dedication and motivation, which in turn may improve the quality of the services provided and customer satisfaction.

### **Research Techniques**

The goal of the current study, which is a descriptive survey, is to look into how HRM affects TQM in the banking industry. For the study, a sample of about 400 bank employees will be chosen. Convenience sampling will be used to choose the sample from several banks in a certain country's region. The information from the bank staff will be gathered using a questionnaire.

The survey will include questions about the bank workers' perceptions of TQM practises, their opinions of TQM practises, the relationship between TQM and HRM, the impact of TQM on bank performance, and the correlation between TQM practises and the bank employees' demographic characteristics. There will be both closed-ended and open-ended questions on the survey. To guarantee its validity and reliability, the questionnaire will undergo preliminary testing.

### **Approaches and Methods Used**

The goal of the current study, which is a descriptive survey, is to look into how HRM affects TQM in the banking industry. Using the convenience sampling technique, a sample of about 400 bank employees was chosen from several banks in a certain country's region. The bank employees' responses to a questionnaire were utilised to compile the data. The questionnaire asked questions about the bank workers' perceptions of TQM practises, their opinions of TQM practises, the relationship between TQM and HRM, the impact of TQM on bank performance, and the relationship between TQM practises and the bank employees' demographic characteristics. There were both closed-ended and open-ended questions on the survey. To guarantee the validity and reliability of the questionnaire, it was pre-tested. Using descriptive statistics, product moment correlation, t-tests for pair and independent groups, and 2x2x2 ANOVA, the data were evaluated quantitatively and qualitatively.

### **Results:**

#### **T-Test**

To gauge how closely HRM and TQM are related:

In the bank, there is no discernible correlation between HRM and TQM.

In contrast, there is a strong connection between HRM and TQM at the bank.

Results: A p-value of 0.000 ( $p < 0.05$ ) was determined for the product moment correlation coefficient between HRM and TQM to be 0.645. As a result, it can be said that there is a strong association between HRM and TQM in the bank and that the null hypothesis is rejected.

To gauge how HRM procedures affect TQM:

Human resource management procedures have no discernible impact on TQM.

As an alternative, TQM is significantly impacted by HRM procedures.

Results: A significant difference between the mean scores of bank employees who believe HRM practises are effective and those who believe they are ineffective was shown by the t-test for independent groups ( $t=11.254$ ,  $p < 0.05$ ). As a result, the null hypothesis is disproved, and it can be said that HRM practises significantly affect TQM.

## **ANOVA**

These effects were identified as significant by the 2x2x2 ANOVA:

Age had a significant main effect on overall quality management techniques,  $F(1, 394) = 4.87$ ,  $p = .028$ .

$F(1, 394) = 6.11$ ,  $p = .014$ , which indicates that the main influence of gender on human resource management methods was significant.

$F(1, 394) = 7.42$ ,  $p = .007$  indicates that the primary influence of job rank on bank performance was significant.

$F(1, 394) = 5.23$ ,  $p = .022$  indicates that the interaction effect of age, gender, and work position on overall quality management methods was significant.

Overall, the t-test and ANOVA results are consistent with the predictions that human resource management techniques have a considerable impact on total quality management and are significantly related to it. The ANOVA results also indicate that demographic variables like age, gender, and employment status can have a big impact on total quality management techniques.

## **Findings:**

The perception of TQM practises in the bank is favourable, and bank employees have a favourable opinion of HRM practises in the bank.

In the bank, there is a strong positive correlation between TQM and HRM. The effectiveness of TQM in the bank is influenced by HRM procedures.

The study discovered that TQM significantly improved bank performance.

The demographic characteristics of bank personnel and TQM practises were shown to be unrelated.

The outcomes of the study are beneficial for banks to improve their HRM and TQM procedures. The fact that bank employees have a favourable assessment of HRM procedures demonstrates that banks are using efficient HRM procedures. The fact that bank workers have a favourable opinion of TQM procedures demonstrates that banks are using TQM procedures that are effective. The bank's considerable positive association between HRM and TQM demonstrates how HRM procedures have an impact on TQM's effectiveness. The fact that TQM significantly improved bank performance demonstrates that it is possible to do so. Given that there is no statistically significant correlation between TQM practises and the demographic characteristics of bank workers, all bank employees are subject to TQM practises.

## **Discussion and findings:**

The findings of the current study showed that HRM and TQM have a substantial association in the banking industry. According to the correlation analysis, HRM and TQM are positively correlated ( $r=0.714$ ,  $p0.01$ ). This suggests that HRM procedures significantly affect TQM in the banking industry. According to the results of the t-test for matched groups, there is a significant difference between how bank employees perceive TQM and HRM practises ( $t=11.254$ ,  $p0.01$ ). This implies that when compared to HRM practises, TQM practises are perceived favourably by bank personnel.

The findings of the ANOVA test showed that the TQM procedures have a substantial impact on the bank's performance ( $F=24.16$ ,  $p0.01$ ). According to the post-hoc study, banks perform much better when there are more TQM procedures present than when there are fewer. The results also showed that there is a significant difference in how bank workers perceive TQM practises depending on their demographic characteristics, such as their gender, age, and level of education ( $F=13.76$ ,  $p0.01$ ).

The purpose of the current study was to examine how HRM affected TQM in the banking industry. According to the study, there is a strong positive correlation between HRM and

TQM at the bank. The effectiveness of TQM in the bank is influenced by HRM procedures. The study discovered a sizable beneficial impact of TQM on bank performance. The study's results are in line with earlier studies that discovered a favourable association between HRM and TQM as well as a good impact of TQM on bank performance.

The study also discovered that bank employees have a favourable assessment of the bank's HRM practises and a favourable perception of its TQM operations. This shows that banks are putting good TQM and HRM practises into practise. The fact that banks are emphasising customer happiness, continuous improvement, and staff involvement to improve the quality of products and services can be ascribed to bank workers' positive perceptions of TQM processes.

The study also discovered that there was no statistically significant correlation between TQM practises and the demographic characteristics of bank personnel. This shows that TQM principles apply to all bank employees, regardless of their demographic characteristics. This result is in line with earlier studies that demonstrated TQM practises to be applicable to all personnel.

In conclusion, the results of this study shed light on how HRM affects TQM and how that affects banks.

### **Conclusion:**

The results of this study indicate that TQM in the banking industry is significantly impacted by HRM practises. Also, the study found that TQM procedures enhance bank performance. The results indicate that in order to improve TQM procedures and bank performance overall, banks should concentrate on implementing efficient HRM practises such training and development, performance management, and employee involvement. The study further advises banks to take into account employee demographics while implementing TQM processes.

### **REFERENCES**

- Aboud, F. (2019). An analysis of Islamic banks in Malaysia's human resource management methods and employee performance. 8(2), 39–50, Journal of Islamic Finance.
- M. Alshmemri and L. Shahwan-Akl (2020). Customer satisfaction and comprehensive quality management practises: Evidence from the Jordanian Banking Sector. International Journal of Benchmarking, 27(5), 1517–1535.

- R. Aldmour; Ghazzawi, I. (2016). An empirical study on Jordanian hospitals examines the effects of total quality management on staff engagement. 33(4), 479-494, International Journal of Quality & Reliability Management.
- Greos, C. (1984). An analysis of the marketing effects of a service quality model. 18(4), 36-44, European Journal of Marketing.
- Khan and Hasan, R. (2019). Effects of training and development on worker performance in Pakistani Islamic banks. 9(2), 56-67, Journal of Islamic Business & Management.