Human Resource Management

Also by Frank Burchill

LABOUR RELATIONS

Human Resource Management

The NHS: A Case Study

Frank Burchill

and

Alice Casey

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*To Bernard and Bridie
Molly and Peter*

Abbreviations

AAC	Advisory Appointments Committee
A&C	administrative and clerical
A&E	accident and emergency
ACAS	Advisory, Conciliation and Arbitration Service
ACB	Association of Clinical Biochemists
AEEU	Amalgamated Engineering and Electrical Union
AHA	Area Health Authority
APEX	Association of Professional, Executive, Clerical and Computer Staff
ASC	Ancillary Staff Committee
ASTMS	Association of Scientific, Technical and Managerial Staffs
AUEW	Amalgamated Union of Engineering Workers
BAOT	British Association of Occupational Therapists
BDA	British Dental Association
BDA	British Dietetic Association
BHA	British Hospitals Association
BMA	British Medical Association
<i>BMJ</i>	<i>British Medical Journal</i>
BOS	British Orthoptic Society
BQA	British Quality Association
CATS	credit accumulated transfer schemes
CBI	Confederation of British Industry
CDNA	Community and District Nursing Association
CENTEC	Central England Enterprise Council
CEO	chief executive officer
COHSE	Confederation of Health Service Employees
COSHH	Control of Substances Hazardous to Health Regulations 1988
CPSM	Council for the Professions Supplementary to Medicine
CRE	Commission for Racial Equality
CSP	Chartered Society of Physiotherapists
DDRB	Doctors' and Dentists' Review Body

DGH	district general hospital
DGM	district general manager
DHA	District Health Authority
DHSS	Department of Health and Social Security
DMT	district management team
DMU	directly managed unit
DNA	District Nursing Association
DOCAS	deduction of contributions at source
DOH	Department of Health
DPO	district personnel officer
EC	European Community
EETPU	Electrical, Electronic, Telecommunications and Plumbing Union
EL	executive letter
EOC	Equal Opportunities Commission
EOP	equal opportunities policy
EPA	Equal Pay Act 1970
EP(C)A	Employment Protection (Consolidation) Act 1978
EU	European Union
EVA	Equal Value Amendment 1983
FCE	finished consultant episode
FTE	full time equivalent
GDC	General Dental Council
GMB	GMB Union
GMBATU	General Municipal, Boilermakers and Allied Trades Union
GMC	General Medical Council
GNP	gross national product
GP	general practitioner
GPF	general practitioner fundholder
GWC	General Whitley Council
HCA	health care assistant
HCHS	hospital and community health services
HCSA	Hospital Consultants' and Specialists' Association
HPA	Hospital Physicists Association
HR	human resource
HRM	human resource management
HSC	Health and Safety Commission
HSCC	hospital staff consultative committee
HSE	Health and Safety Executive

HSWA	Health and Safety etc at Work Act 1974
HVA	Health Visitors' Association
IHSM	Institute of Health Service Management
ILO	International Labour Organisation
IPD	Institute of Personnel and Development
IR	industrial relations
JCC	joint consultative committee
JIT	just-in-time
JNC	joint negotiating committee
JSC	joint staff committee
JSCC	joint staff consultative committee
JSSC	joint shop stewards committee
LEU	local employment unit
MHSWR	Management of Health and Safety at Work Regulations 1992
MLSO	medical laboratory scientific officer
MSF	Manufacturing, Science and Finance
NAHAT	National Association of Health Authorities and Trusts
NAHA	National Association of Health Authorities
NALGO	National and Local Government Officers Association
NHS	National Health Service
NHSE	National Health Service Executive
NHSTD	National Health Service Training Directorate/Division
NUPE	National Union of Public Employees
NVQ	National Vocational Qualification
OME	Office of Manpower Economics
PAM	professions allied to medicine
PBR	payment-by-results
PCR	professional contribution rating
PES	public expenditure survey
PI	performance indicator
PM	personnel management
POWAR	place of work accredited representatives
PRB	pay review body
PRP	performance-related pay
PT'A'	Professional and Technical Council 'A'
PT'B'	Professional and Technical Council 'B'
QAT	quality action team

RAWP	resource allocation working party
RCM	Royal College of Midwives
RCN	Royal College of Nursing
RHA	Regional Health Authority
RIDDOR	Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1985
RM	registered midwife
RN	registered nurse
RO	regional office
SEA	Single European Act
SEN	state enrolled nurse
SGT	self-governing trust
SHO	senior house officer
SoC	Society of Chiropodists
SoR	Society of Radiographers
SRN	state registered nurse
TGWU	Transport and General Workers Union
TQC	total quality control
TQI	total quality improvement
TQM	total quality management
TUC	Trade Union Congress
TULR(C)A	Trade Union and Labour Relations (Consolidation) Act 1992
TURERA	Trade Union Reform and Employment Rights Act 1993
UCATT	Union of Construction, Allied Trades and Technicians
UGM	unit general manager
UKCC	United Kingdom Central Council
ULC	unit labour cost
UNISON	public sector trade union formed by a merger of COHSE, NALGO and NUPE
USDAW	Union of Shop, Distributive and Allied Workers
VDU	visual display unit
WHO	World Health Organisation
WTE	whole time equivalent

Introduction

The objective of this book is to provide an introduction to those topics generally associated with the term 'human resource management' (HRM). It is intended that this will be a broad introduction, but linked together by reference to a coherent set of examples of practice applied within the National Health Service. These examples reflect practice at the time of writing. They are not presented in any prescriptive sense, but simply to help illustrate the topics considered and, perhaps, to generate a better understanding of the issues raised.

As a term, HRM is not treated as problematic. It is simply treated as one which is generally replacing 'personnel management' as a title for the area of study under consideration. Current texts with HRM in the title usually end up discussing practice in the three major areas traditionally associated with personnel management texts: resourcing; development; employee relations. Torrington and Hall (1995), which keeps personnel management as its main title, clearly follows this pattern. Storey and Sisson (1993), which has the title 'Managing Human Resources and Industrial Relations', focuses exactly on the same three areas.

This is not to say that all such texts have identical concerns or analyses. The separating out of HRM and industrial relations in the text referred to above is of some significance. According to Storey and Sisson (1993:2), 'personnel management could be traditionally understood as concerned with policies and practices directed towards the *individual* employee, whereas, industrial relations could be suitably regarded as concerned with *collective* labour issues' (italics in original). Torrington and Hall (1991: especially 501–35) have not been inhibited by such a distinction – they include a consideration of collective labour issues. The above comment is also at odds with Clegg (1979:1).

What is industrial relations? The answer which is assumed in this book is that it is the study of the rules governing employment, together with the ways in which rules are made and changed, interpreted and administered. Implicit in this defini-

tion is the notion that industrial relations is as concerned with those policies which are directed at the individual as it is with those directed at the collective. It could, however, be argued that the section on collective issues in Torrington and Hall derives from the subject matter of industrial relations and that the distinctive feature of personnel management is its concern with resourcing and development.

There is another distinction. Texts on personnel management are generally prescriptive. They usually attempt to describe 'good' or 'effective' practice. Texts on industrial relations tend to be analytical, have a historical perspective and place emphasis on the importance of power and shifts in its balance. There is no reason why such an analysis should not be applied to the whole field of personnel management. This would lead us to examine what is going on within the three areas of activity and perhaps explore why.

Attempts to identify the substance of HRM usually consist of producing a list of characteristics supposedly describing personnel management/industrial relations (PM/IR) and a contrasting list for HRM (see Storey, 1992:35). In such models we find, for example, that PM/IR tends to be pluralist, HRM, unitarist; the business plan is marginal to PM/IR but central to HRM; 'facilitation' is prized by HRM as a managerial skill rather than 'negotiation', which is favoured by PM/IR, and so on. Similarly, there are 'hard' and 'soft' versions of HRM.

It is possible to argue that in the traditional areas of concern for students of personnel management there have been widespread changes of practice, with common elements, but unevenly distributed. These changes can be primarily located in the 1980s and the 1990s. The interesting questions are: What are these changes? Why have they taken place? Why are there variations? Why do they occur unevenly? Whether a particular combination of changes or practices constitutes HRM as opposed to PM/IR is singularly uninteresting. Hence the lack of concern relating to the title used in this text.

Storey and Sisson (1993:50) say: 'Superficially, given the reduction in overt industrial conflict and the apparent increase in attention to human resource matters by general and line managers as well as personnel specialists, the industrial relations and HR problem might seem to be close to a solution.' As far as the

authors of this text are concerned there is no 'problem' and therefore no 'solution'. There are areas of activity and change which are worthy of study. These areas of activity for the purpose of this text are the human resourcing of organisations in industry, the development of staff in these organisations, and what is variously called 'employee', 'labour' or 'industrial' relations. Participants in these activities will perceive both problems and solutions. The origins of such perceptions will need to be examined and placed in the context of wider economic and political considerations.

The NHS has been variously reorganised since its creation in 1948. In 1990, the NHS and Community Care Act was a major step in the radical reforms of the NHS which had progressed throughout the 1980s. This introduced the internal market and brought into full play a whole range of commercial practices generally associated with the private sector. The rhetoric of financial accountability was used to put pressure on NHS costs and in particular labour costs. Compulsory competitive tendering had already preceded this development. These changes put tremendous pressure on the general employment and HRM practices of employing units, such as hospitals and community units, as they became trusts and are judged by financial criteria.

Paralleling these developments were general pressures from the National Health Service Executive (NHSE) to mimic the HRM practices of the private sector. NHS trusts, to varying degrees, have absorbed the practice of issuing mission statements, talking about total quality and world excellence, introducing performance-related pay and attempting the range of flexibilities in terms of employment practices. The dismantling of Whitley and the pay review bodies have drawn trusts into local pay determination. So far, trusts have generally held back from derecognition of unions. Whether this is to facilitate the shorter-run changes remains to be seen.

This book has been written in the midst of wholesale change in the NHS. It examines the range of HRM policies of a trust. The objective is to provide a case study which allows background and theoretical analysis of such policies to be given practical content. As such, the text should be of use to general students of the subject. It also chronicles the experiences of a trust in this important period of NHS development.

The text is structured in such a way that it allows for the statement of basic HRM principles which are then related to practice in a trust. This is therefore a general text on HRM with practical examples which follow in an integrated fashion. It begins with human resource planning, a topic which allows for an overview of the subject of HRM and the organisation under consideration. This is followed by some examination of the debate relating to the meaning of HRM which is used to provide a device for introducing a discussion of current management practices and their origins. Most of what follows the Chapter 2 section on current management practices is relatively straightforward. For teaching purposes, a chapter has been included which contains case studies. This is very much rooted in changes taking place at the time of writing and in particular the development of bargaining. It is the authors' view that the issues arising, and the effects on practice, will continue for a long time to be of importance, not only in the NHS, but in other industries also.

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ALICE CASEY

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