



THE HUMAN RESOURCES – A PROFITABLE INVESTMENT AND THE MOST VALUABLE ASSET OF A SUCCESSFULLY COMPANIES

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ABSTRACT

The elaboration of the strategy from the area of human resources represents the result of a continuous analysis process of all the firm activities, as well as the directions in which the firm is headed.

This approach of the personnel strategies requires a general evaluation of the firm, analyze of the business plan, as well as the identification of the specific problems from the area of human resources.

KEYWORDS:

Human resources, management, functions, firm, personnel, investments, efficiency

1. PRELIMINARIE NOTES

The structural changes appeared after 1989 made possible, on economic plan, the appearance of numerous commercial companies. The number of commercial companies has continuously increased, and each one of them needed well-organized and qualified labor force. In the new informational society, the human capital has replaced the financial capital, as strategic resource.

Therefore, the human resources represent one of the most important investments of an organization. The human resources manager may be regarded as a key member of the firm, indispensable for any economical activities, because, regardless of the dimension of the workforce involved, ensures the optimal administration of this investment.

2. THE MANAGEMENT REGARDED AS PERSONNEL

It is asked, many times, the question why a firm has such a big success, or why it failed? The answer is almost always the same: it had a good or bad management.

The management regarded as personnel, refers to the people that, in different collective, are responsible of the coordination and the management of the organization. The managers are individuals that lead a certain hierarchical level of the organization.

The management, well understood and applied, brings a substantial profit to the organization. Therefore, the persons involved in this process have the possibility to show their qualities and to advance the hierarchical stages, just to the top of the pyramid.

In conclusion, the management can be regarded as personnel who, wanting to build a career in an area has to study the discipline of management, in order to practice it in the process of management. Is the process, which presupposes that one, or many persons coordinate the activity of other persons, in order to achieve results, that no person who acts alone can achieve.

The consultants and the managers affirm that the employees represent the most precious asset of an organization. Thus, depending on the desired purpose, the general management has devised in an innumerability of specialized areas, among which the human resources management is situated. Thus, in the General Management the place of human resources management is well defined.

In the specialty literature, published so far, the aspects regarding the recruitment, selection, integration, perfection, and stimulation, during the entire process of hiring and firing of personnel are emphasized. In other words, the human resources management can be defined as a complex of rules, interdisciplinary conceived, regarding the recruitment, selection, integration, the ergonomic use of labor, material and moral stimulation, until the cease moment of the work contract.

The success of an organization depends on the quality of the human resources, of the procedures in which the attraction and maintain of the most brilliant talents are done, in order to realize the most difficult tasks with the same enthusiasm as the easy ones. In the system "human-task", the human component is the central, because is needed the answer to all the factor's solicitations.

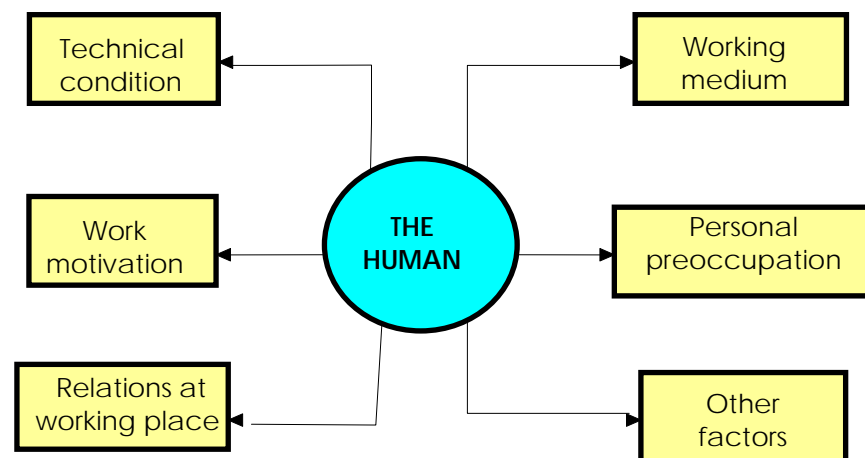


Figure 1. "Human-task" system

The human resources represent one of the most important investments of an organization, whose results become more and more obvious in time. Human resources are the only resources capable to produce and reproduce all the other resources of an organization. People are the active resources of an organization, because their potential, experience and passion, initiative and development, actively contribute to the growth of the organizational efficiency and effectiveness. The human resource of an organization, although is not obvious in the bookkeeping, is defined, in numerous specialty studies, as "the most valuable asset" of the organization.

The human resources management constitutes the complex of activities oriented to the efficient utilization of the organization's personnel, in the purpose of realizing the objectives, and satisfying the needs of the employees.

Human Resource Management (HRM) is both an academic theory and a business practice that addresses the theoretical and practical techniques of managing a workforce. The theoretical discipline is based primarily on the assumption that employees are individuals with varying goals and needs, and as such should not be thought of as basic business resources, such as trucks and filing cabinets.

Human Resource Management is seen by practitioners in the field as a more innovative view of workplace management than the traditional approach. Its techniques force the managers of an enterprise to express their goals with specificity so that they can be understood and undertaken by the workforce, and to provide the resources needed for them to successfully accomplish their assignments. As such, Human Resource Management techniques, when properly practiced, are expressive of the goals and operating practices of the enterprise overall.

The field also encompasses the sometimes arcane details of what is traditionally referred to as personnel management. Personnel management as a term describes those activities that are necessary in the recruiting of a workforce, providing its members with payroll and benefits, and administering their work-life needs. In many locales, these activities can require a considerable amount of regulatory knowledge and effort, and many enterprises can benefit from the recruitment and development of personnel with these specific skills.

Personnel selection is the process used to hire (or, less commonly, promote) individuals. Although the term can apply to all aspects of the process (recruitment, selection, hiring, aculturaization, etc.) the most common meaning focuses on the selection of workers.

The goal of personnel selection, as all business processes, is to ensure an adequate return on investment. In the case of selection, this entails assurances that the productivity of the new hires produce more value than the costs of recruiting, selecting, and training them.

The human resources represent the creative, active and coordinative element in an organization's activity, because it decisively influences the efficiency of material, financial and informational resources utilization. To describe people as "resources" underlines their importance and shows the fact that the human resources management requires high levels of sincere preoccupation for the people, attention and professionalism.



Figure 2. The functions of the human resources management

The functions of the human resources management in the figure 2 are presented. In the middle of the figure are situated the external influences: the legislative process, the labor market, the unions, the cultural context (including the managerial practice) and the economical conjuncture, that have an important impact upon the human resources management. The external circles of the figure represent the main activities of an organization, included in the human resources management. The human resources management represents a process that requires the exercise of four functions:

- Ensurence,
- Development,
- Motivation,
- Mentaining The Human Resources.

The detailed activities of the functions of Human Resources in the Figure 3 are presented graphically.

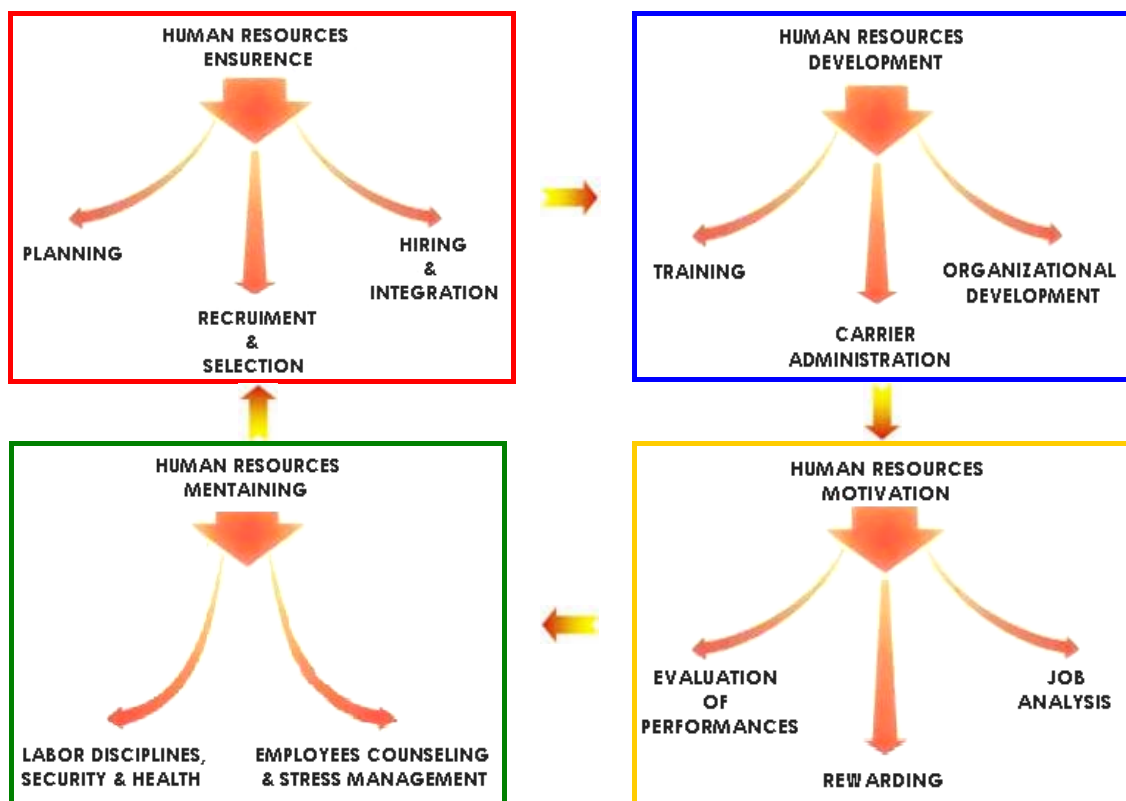


Figure 3. The functions of the human resources management
– Detail of functions and activities

3. THE STRATEGIES IN THE AREA OF HUMAN RESOURCES

The elaboration of the strategy from the area of human resources represents the result of a continuous analysis process of all the firm activities, as well as the directions in which the firm is headed.

This approach of the personnel strategies requires a general evaluation of the firm, analyze of the business plan, as well as the identification of the specific problems from the area of human resources.

Philip Kotler realized that highly performance firm is "a firm whose model is based upon four factors: business beneficiaries, processes, resources and the organization."

The concept of the external medium represents the medium in which the firm performs and contains a sum of factors with a complex, heterogeneous structure. The connection that exists between the firm and these factors is, usually, of indirect nature, their influence being on a long term.

There are known five functions of an organization: Research-development, Production, Commercial, Financial and Personnel (see figure 4).

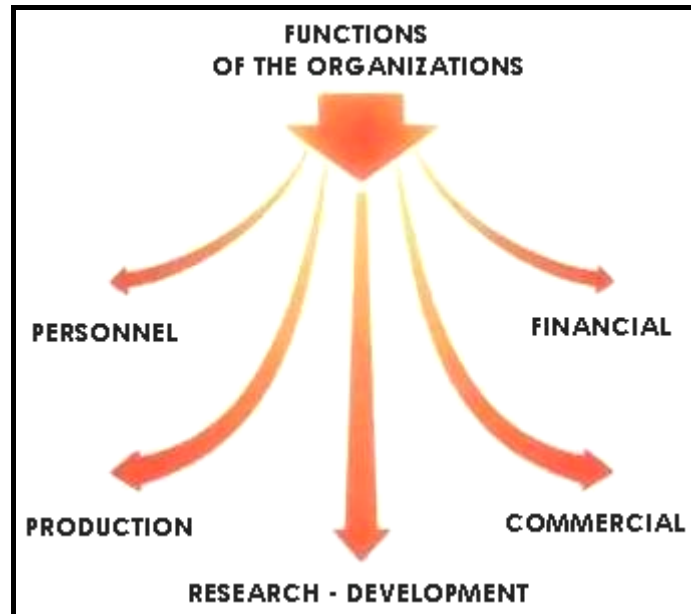


Figure 4. Functions of the organizations

Obviously, from our point of view, the most important of all is the personnel function, because, depending on the quality and the correct development of this function, the organization will have trained people to perform all the other functions.

The only chance a company has to become strong on the market is to invest in human resources. But it must choose the right and useful employee for the firm. Also, organizations must be preoccupied for the continuously professional improvement of the employees. Specialists in human resources within the organizations have, among others, this generous mission, to maintain and increase the human riches of the company. Therefore, the Human Resources Department has the obligation to attract the most qualified people, to keep them in the firm and to offer them training solutions.

The personnel costs are often the most important component of the operational costs from the company, reaching, sometimes, 35...40% from them. On the other hand, the human resources capital is the most dynamic element of the organization. The personnel fluctuation may suddenly grow, the employees motivation may vary, the individual performance can manifest dramatic changes.

A qualified employee can be a profitable investment for the company. This implicates: measurement, evaluation, comparison and improvement of the human resources management indicators in the firm, in order to create the premises of its global development.

The human resources management efficiency – is a relative new concept whose purpose is to answer to all the human resources problems. Although nobody expects the Human Resources Department to make money – because is in a high degree just a support for the firm – there is an increasing pressure for justifying it's existence through human resources efficiency.

4. SOME CONCLUSIONS

The Human Resources Management (HRM) function includes a variety of activities, and key among them is deciding what staffing needs you have and whether to use independent contractors or hire employees to fill these needs, recruiting and training the best employees, ensuring they are high performers, dealing with performance issues, and ensuring your personnel and management practices conform to various regulations. Activities also include managing your approach to employee benefits and compensation, employee records and personnel policies. They should always ensure that employees have personnel policies, which conform to current regulations. These policies are often in the form of employee manuals, which all employees have.

Note that some people distinguish a difference between HRM (a major Management activity) and HRD (Human Resource Development, a profession). Those people might include Human Resources Management in the area of Human Resource Development, explaining that Human Resource Development includes the broader range of activities to develop personnel inside of organizations, including career development, training, organization development, etc. There is a long-standing argument about where HR - related functions should be organized into large organizations.

The Human Resources Management function and Human Resource Development profession have undergone tremendous change over the past 20-30 years. Many years ago, large organizations looked to the "Personnel Department," mostly to manage the paperwork around hiring and paying people. More recently, organizations consider the "HR Department" as playing a major role in staffing, training and helping to manage people so that people and the organization are performing at maximum capability in a highly fulfilling manner.

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