

HUMAN RESOURCES MANAGEMENT IN THE CONTEXT OF ORGANIZATIONAL CHANGE

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ABSTRACT:

EVERY ORGANIZATION FACES CERTAIN DIFFICULTIES IN TERMS OF HUMAN RESOURCES. SPECIFIC PRACTICES AND POLICIES DIRECTLY AFFECT THE PERFORMANCE OF THE ORGANIZATION BECAUSE IT AFFECTS THE BEST VALUE OF THE ORGANIZATION AND HUMAN RESOURCES. IT IS NOT SURPRISING THAT, IN MOST ENTERPRISES, HUMAN RESOURCES POLICY PLAYS A KEY ROLE IN THE DEVELOPMENT AND INTEGRATION OF DEVELOPMENT STRATEGIES AND POLICIES. THE 21ST CENTURY WILL OFFER MANY CHALLENGES IN TERMS OF HUMAN RESOURCES. ORGANIZATIONS MUST LEARN TO ADAPT TO THE GROWING DIVERSITY OF THE LABOR MARKET: MINORITIES, IMMIGRANTS, EXPATRIATES, PEOPLE WITH DISABILITIES, OLDER PEOPLE AND YOUNG PEOPLE, TO MEET THE REQUIREMENTS OF THE MOST DIVERSE THAT MAY ARISE IN THE CASE OF THESE CATEGORIES. NEVERTHELESS, NO ONE CAN UNDERESTIMATE THE IMPORTANCE OF HRM. HUMAN RESOURCE MANAGEMENT CAN BE DESCRIBED AS THE COMPREHENSIVE SET OF MANAGERIAL ACTIVITIES AND TASKS CONCERNED WITH DEVELOPING AND MAINTAINING A QUALIFIED WORKFORCE- HUMAN RESOURCE – IN WAYS THAT CONTRIBUTE TO ORGANIZATIONAL EFFECTIVENESS.

KEYWORDS: ORGANIZATIONAL CHANGE, CULTURE, HUMAN RESOURCES, MANAGEMENT.

Modern management emphasizes building an organizational culture focused on integrity, the stimulation of performance, competence, initiative and innovating spirit. The evolution of informational systems demand that the management of public institutions focus mostly on developing human resources and especially developing new abilities, an increased attention being dedicated to increasing the cohesion and to developing a team spirit. A performing public institution implies a radical change of the attitudes of managers towards their subordinates, the acknowledgement of the contribution of each of them in obtaining results, the encouragement of employees to take changes, their empowerment to take decisions in their areas of competence.

Researches emphasize the fact that in general people tend to act and take decisions in accordance to their way of perceiving reality and issues arise exactly from the fact this perception differ from one individual to another. Reality is perceived through the lens of one’s own assumptions, attitudes and values. The change in the environment in which the organization operates implies the change of perceptions, value, and beliefs. ¹At an organizational level, the change in

¹ Holt, A. (2016). THE UNEMPLOYMENT AND THE ECONOMIC CRISIS. *Analele Universitatii” Constantin Brancusi” din Targu Jiu. Serie Litere si Stiinte Sociale*, 385-392.

paradigm concerns primarily the strategy of the enterprise, the style of management, the structure of the organization, the changes concerning the personnel.²

The management of change implies a systemic succession of processes together with permanent feedback. A briefer definition, but sufficiently encompassing is the one presented by Prof .Dr. Verboncu Ioan who states that —”changes do not concern only the simple maintenance of the functioning of the organization, but they target the renewal of the organization in its whole”³ . In the economy of the enterprise —change management is the development, management and systematic evaluation of the changes within an enterprise . Change can take the shape of novelties, adaptations, improvements as well as eliminating past mistakes. Changes undergone and ongoing demand a new type of management defined by new demands, new requirements such as: value for clients, value for shareholders, value for personnel, vision and culture; a new approach to strategy, growth and creativity; fusion and integration; speed and flexibility. While every change program is unique, the experiences of the industrial company’s managers offer insights into many of the factors that, we find, make it possible to sustain a profound transformation. Far too often, leaders ask everyone else to change, but in reality this usually isn’t possible until they first change themselves.⁴ This way, Tolstoy’s dictum —Everyone thinks of changing the world, but no one thinks of changing himself is a useful starting point for any executive engaged in organizational change. After years of collaborating in efforts to advance the practice of leadership and cultural transformation, we’ve become convinced that organizational change is inseparable from individual change. Simply put, change efforts often falter because individuals overlook the need to make fundamental changes in themselves.⁵

As the global economy expands, as more products and services compete on a global basis and as more and more firms operate outside their countries of origin, the impact on various business functions becomes more pronounced.⁶ Practitioners in all business functions must develop the knowledge, skills, and experience in the international arena which will enable them and their firms to succeed in this new environment. This new reality is just as true (if not more so, as this book will demonstrate) for the HRM function as it is for other business disciplines, such as finance or marketing, which often get more attention. The purpose of this article is to describe the knowledge, skills, and experiences necessary for the successful management of the IHR function, a function that is increasingly performed by all employees in companies, including HR professionals (in the HR department), managers and non-managers.⁷

In the case of Human Resources Management, internationalization can take many forms. For practical purposes, HR managers in most types of firms⁸ can or will confront at least some aspects of internationalization. This is to say, the globalization and technology factors that have

² Holt, A. G. (2017). THE QUALITY OF HUMAN RESOURCES IN EUROPEAN ORGANIZATIONS. *Analele Universitatii” Constantin Brancusi” din Targu Jiu. Serie Litere si Stiinte Sociale*, (4), 43-50.

³ Nicolescu,O, Verboncu, I (2008), The basics of organizational management, University Publishing House, p.24-28.

⁴ Aaron De Smet, Johanne Lavoie, Elizabeth Schwartz Hioe, Developing better change leaders. Putting leadership development at the heart of a major operations-improvement effort paid big dividends for a global industrial company, McKinsey Quarterly ,April 2012

⁵ Nate Boaz , Erica Ariel Fox, Change leader, change thyself, McKinsey Quarterly ,March 2014

⁶ Panagoreț Andreea Anamaria,“Tendințe și perspective în evoluția managementului întreprinderilor mici și mijlocii din România”, Editura Bibliotheca, Târgoviște, 2012, ISBN: 978-973-712-687

⁷ Idem

⁸ Chirculescu Maria Felicia, Financial crisis effects on SMEs in Romania, Annals of the “Constantin Brâncuși” University of Targu Jiu, Economy Series, No Special/ 2016, pag. 29-33

led to there being “no place to hide” for business, in general, have also led to there being no place to hide for the HR professional. Human resource professionals can find themselves involved in – and therefore must understand – IHRM issues in any of the following possible situations (which include HRM positions in all types of firms, not just international HR positions within the types of firms usually focused on, working at the headquarters of a multinational enterprise or in the parent-country operations). In all cases, the international aspects of the situation increase the exposure and liabilities for HR managers and place on them ever-increasing demands for new, internationally focused competencies. This text is dedicated to helping develop the understanding and competencies necessary for HR managers to succeed (personally and professionally as business contributors) in the international arena.⁹

The strategic HRM approach deals with the question of whether the strategic goals of the organization can have a direct impact on HR strategy and HR practices. It investigates the processes involved in aligning the strategic orientation of an organization with the architecture of HRM. Regardless of whether the strategy of an organization addresses profit concerns or nonprofit goals, there is a central assumption that the organization’s strategic orientation is a main influence on the architecture of HRM. Conceptual foundations of this perspective focus on the dynamics of the environment (e.g., stable or volatile), situational factors, external and internal stakeholders, and the like, which can affect the strategic orientation of an organization.¹⁰

Within the strategic perspective, a vertical approach assumes that the effectiveness of HRM can only be measured in terms of how well it supports the goals of the organization. Therefore, it is argued that HR practices have to be focused on the core elements of the strategy¹¹. This perspective examines the degree to which the architecture of HRM depends on this strategic orientation and how the organization’s HR practices fit with its strategy. Empirical evidence shows that within various branches this vertical “fit” is comparable but has to be customized to local circumstances¹². Indeed, HR practices result from the values, mission, and strategic goals of the organization. Thus, external threats and opportunities have to be considered as well as internal strengths and capabilities¹³. Furthermore, specific emphasis has been given to stakeholder interests and situational factors¹⁴, as the effects of HR practices are not only related to strategy but also have consequences for individual and societal well-being. In the horizontal approach, the underlying assumption is that organizations can bundle HR practices that will lead to specific HR goals that, in turn, support the strategy of an organization.¹⁵ This approach investigates how HR practices fit with and support each other to achieve organizational goals.

⁹ Idem

¹⁰ Pynes, J. E. (2008). *Human resources management for public and nonprofit organizations: A strategic approach* (Vol. 30). John Wiley & Sons.

¹¹ Tichy, N. M., Fombrun, C. J., & Devanna, M. A. (1984). The organizational context of strategic human resource management. In C. J. Fombrun, N. M. Tichy, & M. A. Devanna (Eds.), *Strategic human resource management* (pp. 19-31). New York: Wiley

¹² Wright, P. M., Snell, S. A., & Dyer, L. (2005). New models of strategic HRM in a global context. *International Journal of Human Resource Management*, 16(6), 875-881

¹³ Idem

¹⁴ Beer, M., Spector, B., Lawrence, P., Mills, D., & Walton, R. (1984). *Managing human assets*. New York: Free Press

¹⁵ Pynes, J. E. (2008). *Human resources management for public and nonprofit organizations: A strategic approach* (Vol. 30). John Wiley & Sons.

Take, for example, research by Guest (1997),¹⁶ who demonstrated that the combination of single status, reward, job security, and internal promotion fit synergistically with the enhancement of employee motivation.¹⁷ Managers have different assumptions as to which practices will lead to specific organizational goals. A “fit” is identified when organizations define their goals and use a synergistic bundle of HR practices. Therefore, the strategic approach assumes that every organization has its own unique HRM architecture. Different contexts and specific goals lead to different usage, application, and effects of HR practices.

In facing their changing environments, organizations have to examine whether their resources are adequate and properly used¹⁸. As a consequence, organizations have to distinguish between resources to be procured and those to be developed and improved. The resource-based view states that investments into valuable and rare resources enhance the effectiveness and efficiency of the processes and outcomes of an organization.¹⁹ The underlying assumption is that continuous investments into these resources increase the possibility to specify core competencies, which enable better outcomes according to the needs of clients or lead to competitive advantages within the organizational field²⁰. Available resources, either owned or controlled by an organization, have to be combined with capabilities.²¹ These capabilities can be thought of as intermediate goods generated by the organization to provide enhanced performance as well as strategic flexibility. From this point of view, the architecture of HRM stems from identifying HR behavior relevant for the success of the organization and transferring these resources into strategic options that are supported by HR practices. Shifting these theoretical foundations to human resources, this perspective ties HR practices to the characteristics of the HR base. Employees are interpreted as valuable resources that contribute to the success of the organization.²² As such, employees are an investment and not a cost category. It is argued that the valuable and rare characteristics of human resources (e.g., skills and motivation) have to be continuously developed by specific HR practices closely linked to the anticipated core competency (De Saà-Pérez & García-Falcón, 2002)²³. Gratton (2003),²⁴ for example, suggests

¹⁶ Guest, D. E. (1997). Human resource management and performance: A review and research agenda. *The International Journal of Human Resource Management*, 8(3), 263-276.

¹⁷ Chirculescu Maria Felicia, Influence of the size of revenue direct taxation salary for different categories of taxpayers, *Annals of the “Constantin Brâncuși” University of Targu Jiu, Economy Series, Issus 4/2013*

¹⁸ Barney, J. B., & Hesterly, W. S. (2005). *Strategic management and competitive advantage concepts*. Upper Saddle River, NJ: Pearson

¹⁹ Pynes, J. E. (2008). *Human resources management for public and nonprofit organizations: A strategic approach* (Vol. 30). John Wiley & Sons.

²⁰ Idem

²¹ Flavius Cristian Marcau, “Democratization in the former Communist State: imposition or necessity?”, in *Research and Science Today* 1(7)/2014, March 2014, 81-85

²² Roxana Dobrițoiu, "General issues relating to the active involvement of citizens in resolving local issues of interest", *Analele U.C.B., Seria Litere și Științe Sociale* nr. 3/2017. http://www.utgjiu.ro/revista/lit/pdf/2017-03/02_Roxana_DOBRI%C5%A2OIU_GENERAL_ISSUES_RELATING_TO_THE_ACTIVE_INVOLVEMENT_OF_CITIZENS_IN_RESOLVING_LOCAL_ISSUES_OF_INTEREST.pdf

²³ De Saà-Pérez, P., & García-Falcón, J. M. (2002). A resource-based view of human resource management and organizational capabilities development. *International Journal of Human Resource Management*, 13(1), 123-140.

²⁴ Gratton, L., & Truss, C. (2003). The three-dimensional people strategy: Putting human resources policies into action. *Academy of Management Executive*, 17(3), 74-86.

linking extant HR practices to future HR practices to ensure that the development of employees' skills²⁵ meets the demands of the changing environment.²⁶

The adoption of new organizational forms adapted to specific national HRM has to be nowadays on the European political agenda. Although there is increasing recognition at both the European and national levels of the importance of new forms of work organization for competitive performance, the suspicion mirroring life²⁷ debate and policy initiatives are seriously hampered by the idea of a uniform direction of organisational change. This has impoverished the policy debate by precluding a serious discussion of the normative consequences of the alternative models that are available for achieving the combined goals of organisational learning and problem-solving²⁸. Furthermore, the debate up to now has failed to address in a serious manner the relation between organisational change and wider labour market and institutional setting.²⁹

²⁵ Roxana Dobrițoiu, "Citizen - an important resource in administrative decisions", *Horizons for Sustainability*, 2(5)/2017, p. 24-28 http://ippase.utgjiu.ro/wp-content/uploads/2018/03/3..Roxana_DOBRI%C8%9AOIU_-CITIZEN_-AN_IMPORTANT_RESOURCE_IN_ADMINISTRATIVE_DECISIONS.pdf

²⁶ Pynes, J. E. (2008). *Human resources management for public and nonprofit organizations: A strategic approach* (Vol. 30). John Wiley & Sons.

²⁷ Mirabela Rely Odette CURELAR, Sheilla Patricia STAMATOIU, THE FANTASTIC IN ROMANIAN LITERATURE – A MOTIVATING FACTOR OF LIFE, *Annals of the “Constantin Brâncuși” University of Târgu Jiu, Education Sciences Series*, Issue No. 2/2019, p.8.

²⁸ Flavius Cristian Mărcău, „Central and Eastern Europe – necessary stages of democracy construction”, *Research and Science Today*, No. 2(8)/2014, November 2014, pp. 93-102

²⁹ Panagoreț Andreea Anamaria, “Tendențe și perspective în evoluția managementului întreprinderilor mici și mijlocii din România”, Editura Bibliotheca, Târgoviște, 2012, ISBN: 978-973-712-687

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