

Human Resources Management - A Process Adapted to 2022

Ionuț-Claudiu Popa

Raluca-Giorgiana (Popa) Chivu

The Bucharest University of Economic Studies, Romania

claudiu.popa@mk.ase.ro

raluca.chivu@mk.ase.ro

Florina (Mihai) Floroiu

"Valahia" University of Târgoviște, Romania

florinam1974@gmail.com

Abstract

Human Resource Management (HRM) is a collective term for all formal systems created to help manage employees and other stakeholders within an entity. Human resource management has three main functions: recruiting and compensating employees and assigning work. In the corporate world, the role of HRM is unlikely to change significantly.

In this article, we have conducted quantitative research in the form of a questionnaire, and the objectives include: analyzing the opinions of specialists working in the HRM segment, highlighting the best tools that contribute to improving current HR processes and highlighting how which specialists in this field can implement in the recent activity the latest generation tools.

Because of the results obtained, it can be highlighted that in Romania, the processes in the HRM area are in a comprehensive development process, that in our country, it is necessary to use policies that have proven to be successful and used. Furthermore, in public and private entities in other states, internet of things technology can be one of the tools that can be used successfully to achieve the new goals of human resource management.

Key words: HRM, change, strategies, adaptation, novelty

J.E.L. classification: E24, O15

1. Introduction

In a highly volatile global market, new solutions must be constantly adapted. Strategic management involves the formulation of an initiative and the implementation of significant objectives by stakeholders to mitigate the unexpected context and optimize organizational goals. Strategic management is also the art and science of formulating, implementing, and evaluating cross-functional decisions that contribute to forming the ideal framework so that an organization can achieve its goals. From the above definition, the idea can be extended that strategic management focuses on integrating management, marketing, finance and accounting, production and research operations to achieve organizational success (Ansoff et al., 2018)

Strategic management aims to exploit and create new and different opportunities in the medium and long term by adapting current policies in organizations.

The strategic management process captures four stages: substantiating the strategy, formulating the components of the system, implementing the plan, and evaluating the design. The rationale for the approach is to analyze the organization's external and internal environments, identify its opportunities and external threats, and determine its strengths and weaknesses (Greenwood, MR, 2002).

Formulation of strategy components includes developing a vision and mission, setting long-term goals, generating alternative strategies, and choosing specific procedures to follow. Issues in formulating the system include the decision on how an entity can expand its business, whether

there is an opportunity for expansion or diversification, or whether there is an opportunity to enter international markets. Also, at this stage, the realistic chance of the idea of a merger or the formation of a joint venture is analyzed.

Strategic activities are formulated, implemented and evaluated at different hierarchical levels: the corporate, strategic, and functional levels. Strategic management encourages organizational competitiveness through specific actions to improve communication and interaction between managers and employees at different hierarchical levels. Most small businesses and some large businesses do not have strategic business divisions or units; they have only corporate and functional groups (David, FR et al., 2016)

Due to the problems caused by the pandemic that began in the first part of 2020, several companies have repeatedly changed their practices, diversifying their offer and innovating to maintain their standards and policies, and achieving unpredictable revenues in 2019 (Drnevich et al., 2020).

A competitive advantage exists when an organization can produce its goods or services more efficiently or for less money than its competitors. Successful organizations focus their competitive strategy on one of two areas: Cost management Focusing on cost reduction and low-price market leadership is the nature of this competitive approach. This strategy will require a business to focus on high productivity, purchasing power to negotiate the lowest cost of production inputs and simplified distribution channels. Differentiation A differentiation strategy is less cost-focused and more likely to invest in high-quality items such as material, functionality, or durability. In addition, the brand of the product or service is highly developed and well communicated. A competitive strategy is just one factor in business management. An experienced HR professional must understand the organizational design factors determining how to implement this strategy (Aaltonen & Ikävalko, 2002).

2. Theoretical background

An organization is an environment that relies on interdependence to survive. The whole is more significant than the parts, so the atmosphere breaks down if the parts are deficient. Similar to the nervous system of an organism or a technical picture, specific components work based on the inputs that lead to the outputs. Between inputs and results are the processes from which the work is performed. Human resources teams work both diagnostically and prescriptively. When part of an entire system is defective, HR can lead teams to identify the deficiency in people, processes, or organizational design. Driving to the root is necessary so any intervention strategy - the prescription - can address the cause instead of just the symptoms. Human resources also serve the system by defining each role and the knowledge, skills and abilities of the people needed to do the work so that availability is reduced and efficiency is improved. There is a ripple effect when a decision is made at any level within an organizational system. Thus, systems theory requires a holistic approach, with an eye on the whole system, instead of just the broken component (Budhwar & Mellahi, 2018).

When you learn new concepts, you will find it helpful to look at them from opposite perspectives - in this case, silos versus systems. In business, silos refer to independent business units with little or no shared information. Instead, business systems are those systems that are designed to optimize the connection between data, people, and innovative solutions. Systemic thinking is what Peter Senge called the "fifth discipline" of a learning organization. Systemic thinking is a change of mind from seeing only the whole parts and then creating an environment in which employees take ownership. This environment is one in which employees feel free to express opposing views, are open to new ideas, and know that they need to work together to achieve organizational goals. Systemic thinking is built on an agency basis, the statement that successful organizations are made up of teams that "continually improve their ability to create their own future" (Peter Senge, Image Books, 2006. *The Fifth Discipline: The Art and Practice*) of the Learning Organization). This requires flexibility, adaptability and creative supply with new ways to get results at all levels of the organization. It also requires a change in the traditional management structure as directors and the reform of leaders as system architects. In this way, employees are expected to seek feedback and are allowed to use their natural motivators, individual impulse and

creativity to solve problems and get results. As I mentioned earlier, systemic thinking is the fifth discipline, so we need to ask ourselves, "Well, what are the other four disciplines then?" Senge's research team developed the learning organization concept, where groups look for new knowledge and then apply change and project management planning to adopt new ways of doing things. It is a profound work that requires intentional concentration. The five disciplines that characterize an actual learning organization are the following: 1. Personal mastery: An individual process that clarifies and deepens our unique vision, followed by action steps to achieve that vision. 2. Mental models: deep-rooted attitudes and beliefs formed by employees in response to their organization. It often presents as a form of bias that blinds their ability to see reality clearly. 3. Common vision: According to Senge, "people do not play by the rules of the game, but feel responsible for the game." These signs an effective employee can maintain vision without ignoring reality. Systemic thinking anchors vision in realistic needs about what will be needed to achieve the desired result (Chelladurai & Kim, 2022)

3. Strategic planning

A strategy is a planned course of action. Building that action plan requires identifying the inputs from which a management team can coordinate efforts to achieve the desired results. This process requires a level of analysis that begins with data collection and ends with the evaluation of results, the framework for the strategic planning process (Miller et al. 2017).

Several well-known tools are used to scan the environment. Watching the environment is to identify the forces that shape organizational decision-making. These are classified as internal and external forces that must be considered when establishing a course. Internally, an organization should have a clearly stated mission, vision, and values (MVV). The company's mission defines the purpose for which the organizational effort will be applied. Values represent what the company believes in - attitudes and beliefs about which they are not willing to compromise in their day-to-day business. The vision is forward-looking, describing where the company wants to be. A well-made and authentic MVV serves the organization in many ways. As Patrick Lencioni, author of *The Five Dysfunctions of a Team* (Jossey-Bass, 2002), puts it, "If everything is important, then nothing is." For example, defining the MVV before the strategic planning process and then using it to guide action planning ensures that the company applies its resources (people, time and money) to the best use. And while the MVV remains relatively stable over time, the strategic planning process needs to be more agile, using the MVV as a link to launch efforts appropriate to the current environment (Schlechty, PC, 2002).

Numerous external forces lead to organizational decisions. These forces are conditions and events that require a corporate response. You can plan some of these forces, while others require a more reactive approach. In the following, we review some useful analysis tools for scanning the external environment.

The IPO model

The Input-Process-Output (IPO) model helps scan the environment. The entries will reveal constraints, such as an unqualified management team. The process review will include examining functional needs to achieve organizational strategy, such as having effective enterprise software. The results are best described as strategic intervention, such as gaining new market share, increasing sales, reducing costs or improving diversity (Blaga, 2015).

FISH

FISH is an acronym for external forces that requires attention when developing a strategy. These are as follows: Political. These are the forces shaped by government regulations and political agendas. In the two-party political system in the United States, priorities change depending on which party is in office and how many times every four years. Impact issues include immigration, taxation and global trade (Irawanto, 2017).

Economic

The economy has a significant impact on strategic business decisions. Expansion plans, for example, may need to be scaled according to labour supply and demand. Other economic factors determining the strategy include household income, consumer confidence and interest rates on business loans. Social factors drive organizational behaviour in many ways. Current examples

include the impact of racism on diversity in the workplace, an older or younger workforce and the cost of graduating from university. Technological technology is perhaps the fastest change of all external forces and is an area of significant human resource spending in the next few years. Factors include securing employee and customer data, technological trends, and innovative iterations that can improve competitiveness. Legal forces are similar to political parties in that they are built on government-adopted regulations. Law enforcement is the focus of this force, as well as the fight against labour lawsuits and patent infringement. Environment Environmental forces are related to responsible business practices supporting our environmental resources. Consider water use, pollution, and global warming (Pudelko, 2006).

The SWOT analysis

Assessing the internal strengths and weaknesses of an organization or department, as well as external threats and opportunities, is the focus of SWOT analysis. A strategic analysis tool, SWOT (strengths, weaknesses, opportunities and threats), details what is most important at a given time. From this, action plans can be developed to maximize internal strengths, minimize the impact of internal weaknesses, mitigate or eliminate external threats to competitiveness, and take advantage of external opportunities (Suksup et al., 2020).

Growth rate matrix

The growth rate matrix was developed by Bruce Henderson and first published in 1964 by The Boston Consulting Group in an essay entitled "Perspectives." This information provides us with the context to understand the instrument in that it is changing its outlook towards growth, as opposed to decline or status quo. From this point of view, a business can determine a strategy for products, services or investments. The horizontal perspective indicates the direction of market share, with the vertical axis delimiting the market's growth rate (Nuttin, 1964).

The strategic planning process

The strategic planning process is a coherent roadmap that guides organizational decision-making. The environmental scan identifies the conditions under which the strategy can be formulated and then translated into actionable plans for implementation and evaluation.

Strategy formulation

Simon Sinek, the author of Start With Why, notes that business is a creative process that requires continuous improvement and adaptation. He claims that the result is less important than the process. If Sinek is correct, the formulation stage of the strategic planning process becomes a key factor for competitiveness and achieving excellence through disciplined process management. Sinek's opinion also takes into account the whole vision that is at the heart of systems theory. It requires consideration not only of the transactional components of the business, such as growth goals, but also less tangible (but just as important) concepts such as ethical behaviour. In this way, the strategy's formulation must consider the needs of all stakeholders. Finally, the formulation of the system refers to taking over the internal and external data collected by scanning the environment and defining the targets over time. It includes conversations about Budgets: Both operational and strategic tracking tools: How will progress be measured? Staff needed: Human resources are required to achieve results. Training needs: Identifying the short and long-term goals needed to complete the strategy Technology needs: Understanding the system's current capabilities and what may need to be upgraded or replaced. Communication: Planning how the strategy will be communicated at all organizational levels. Once the design has been formulated, setting goals can begin. The focus of setting goals is to align the efforts of each business unit to achieve synergy. Proper alignment can serve as an effort multiplier. From the organizational strategy, the individual departments and objectives are set to focus on what has been identified as the most important. For example, consider a strategic 7% increase in sales in the new fiscal year. Human resources can support this goal by hiring quality team members to handle additional sales. Learning and Development can support this goal by designing training programs for new products or services that will be needed for results. Marketing can create campaigns to stimulate consumer messages. Production will identify what is required to support additional production. In short, setting goals that flow from the core strategy and align with other business units will increase the chances of positive outcomes (Hansen, 2017).

4. Research methodology

The aim pursued through this article was to identify coherent, current solutions that can be used in the future to build efficient management of human resources in Romania. Furthermore, the elements that make up the concept of HRM (human resource management) were highlighted, as well as the natural way they can be integrated into companies.

In terms of objectives, we can highlight that the current level of processes used in human resource management in Romania was analyzed, methods by which it can be improved, what are the technologies through which human resources processes can be effectively quantified and whether the entities that apply these policies are open for the implementation of new standards.

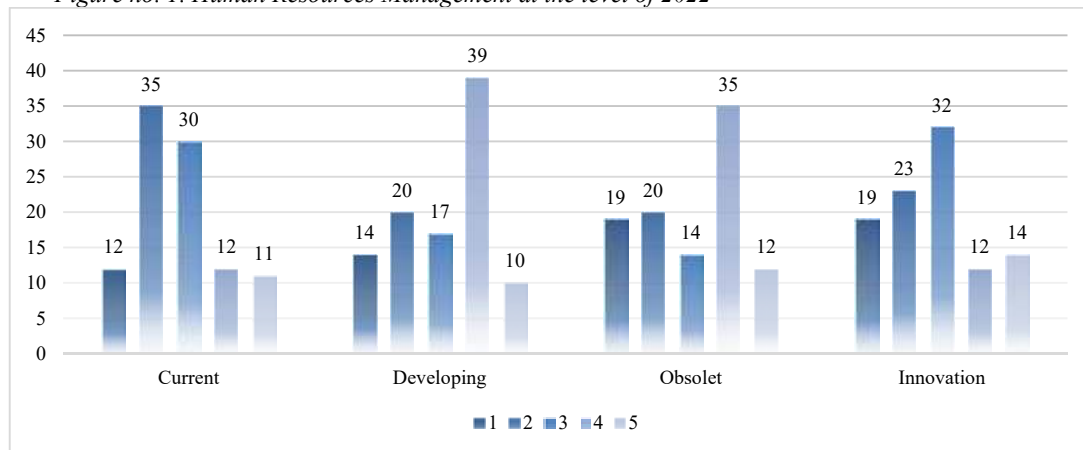
The research was based on a sample of 100 people and had a questionnaire consisting of 21 questions as a research tool, five of which were classified and identified. In Romania, this was done between March and May 2022 by sending the questionnaire to specialists from public and private companies. This questionnaire was applied through Google Forms.

5. Findings

Through the following questionnaire, we aimed to analyze the opinion of specialists in human resources on how to efficiently manage the most critical resource in an entity, namely employees.

5.1. To what extent do you consider that the following elements define, at the level of 2022, the Human Resources Management processes in Romania?

Figure no. 1. Human Resources Management at the level of 2022



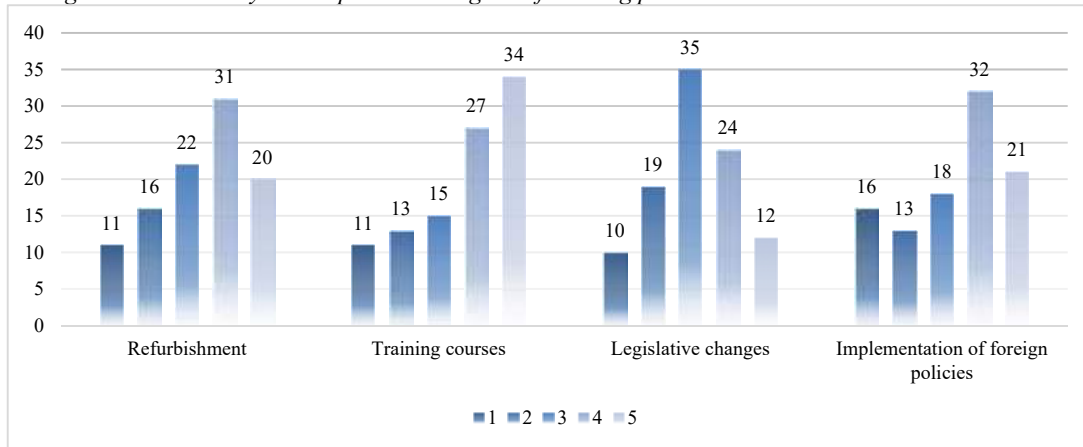
Source: Graph made by the authors during the research

1. Current : $1 \times 12 + 2 \times 35 + 3 \times 30 + 4 \times 12 + 5 \times 11 = 275/100 = \mathbf{2.75}$
2. Developing: $1 \times 14 + 2 \times 20 + 3 \times 17 + 4 \times 39 + 5 \times 10 = 311/100 = \mathbf{3.11}$
3. Obsolete: $1 \times 19 + 2 \times 20 + 3 \times 14 + 4 \times 35 + 5 \times 12 = 301/100 = \mathbf{3.01}$
4. Innovation: $1 \times 19 + 2 \times 23 + 3 \times 32 + 4 \times 12 + 5 \times 14 = 279/100 = \mathbf{2.79}$

As can be seen, the highest score highlighted the fact that HRM processes in Romania are constantly evolving. Although there have always been public and private entities at the national level, it should be noted that the current processes and actions of human resources management are still in Development. At the same time, analyzing the opinion of the specialists who answered this questionnaire, it was concluded that at the level of our country, they are implemented in the form of good practice models, especially within companies abroad.

5.2. To what extent can the HRM system be improved through the following processes?

Figure no. 2. HRM system improved through the following processes



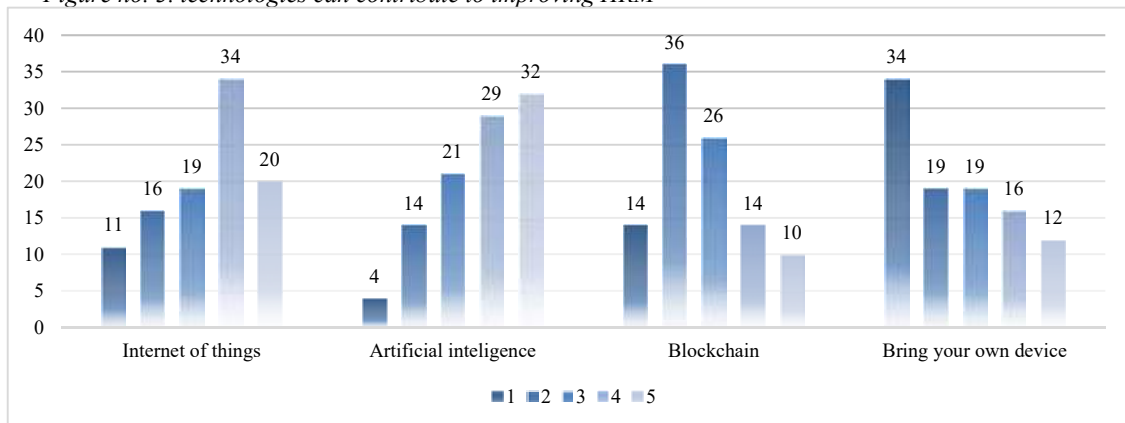
Source: Graph made by the authors during the research

1. Refurbishment : $1 \times 11 + 2 \times 16 + 3 \times 22 + 4 \times 31 + 5 \times 20 = 333/10 = \mathbf{3.33}$
2. Training courses: $1 \times 11 + 2 \times 13 + 3 \times 15 + 4 \times 27 + 5 \times 34 = 315/100 = \mathbf{3.15}$
3. Legislative changes: $1 \times 10 + 2 \times 19 + 3 \times 35 + 4 \times 24 + 5 \times 12 = 309/100 = \mathbf{3.09}$
4. Implementation of foreign policies: $1 \times 16 + 2 \times 13 + 3 \times 18 + 4 \times 32 + 5 \times 21 = 329/100 = \mathbf{3.29}$

Improving the HRM processes in Romania is a desideratum; through the answers provided by specialists in the field, it was confirmed that the restructuring of human resources management processes is necessary to view the evolution of public and private entities. The feasibility of rebuilding processes is essential for both employees and employers, but it involves consuming specific resources, especially for the latter. Even so, internal analyzes show the urgency with which these restructurings must be made.

5.3. To what extent do you think the following technologies can contribute to improving HRM processes in Romania?

Figure no. 3. technologies can contribute to improving HRM



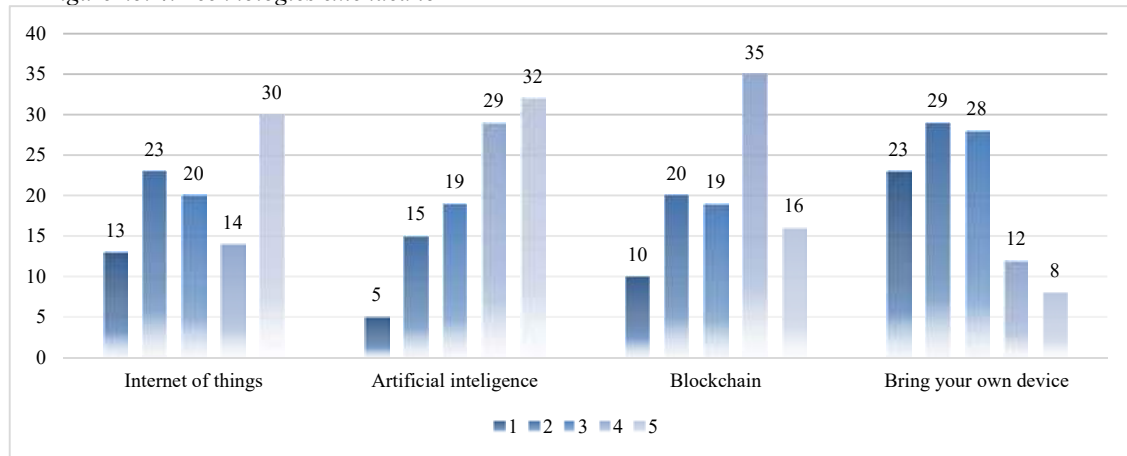
Source: Graph made by the authors during the research

1. Internet of things : $1 \times 11 + 2 \times 16 + 3 \times 19 + 4 \times 34 + 5 \times 20 = 336/100 = \mathbf{3.36}$
2. Artificial intelligence : $1 \times 4 + 2 \times 14 + 3 \times 21 + 4 \times 29 + 5 \times 32 = 371/100 = \mathbf{3.71}$
3. Blockchain: $1 \times 14 + 2 \times 36 + 3 \times 26 + 4 \times 14 + 5 \times 10 = 270/100 = \mathbf{2.70}$
4. Bring your own device: $1 \times 34 + 2 \times 19 + 3 \times 19 + 4 \times 16 + 5 \times 12 = 253/100 = \mathbf{2.53}$

Through this question, the level of impact of the elements contributing to the Development of the concept of HRM was analyzed. As can be seen, the best score was obtained by the answer "artificial intelligence", a technology that contributes to the overall Development and improvement of organizational culture. Although it is not possible to create a direct link between IoT and HRM, it can be seen that this technology contributes decisively to the "well-being of the organization", employee management, various automated processes and real-time feedback.

5.4. To what extent would you be willing to go deeper into one of the technologies listed above and implement it within the company in which you operate?

Figure no. 4. Technologies extended to HRM



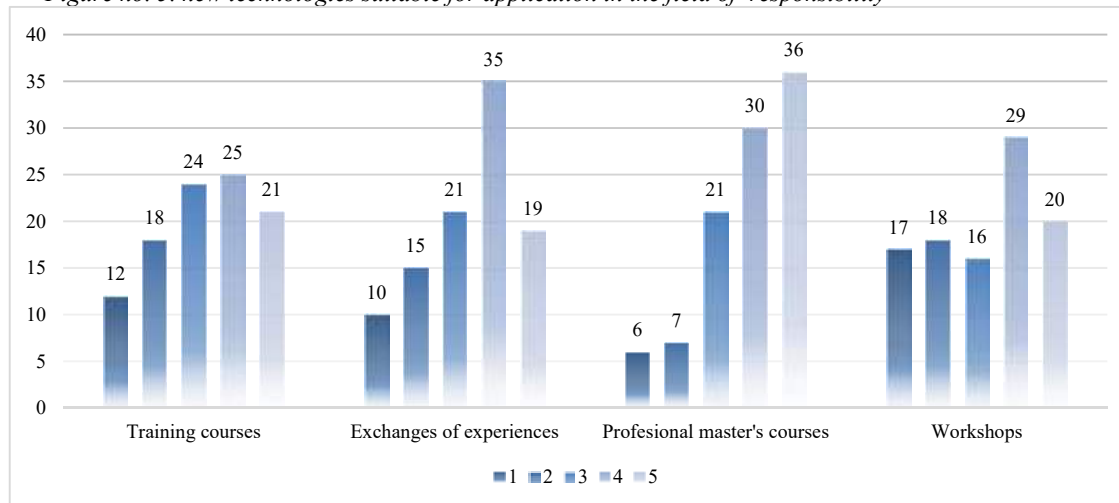
Source: Graph made by the authors during the research

1. Internet of things : $1 \times 13 + 2 \times 23 + 3 \times 20 + 4 \times 14 + 5 \times 30 = 325/100 = 3.25$
2. Artificial intelligence : $1 \times 5 + 2 \times 15 + 3 \times 19 + 4 \times 29 + 5 \times 32 = 368/100 = 3.68$
3. Blockchain: $1 \times 10 + 2 \times 20 + 3 \times 19 + 4 \times 35 + 5 \times 16 = 327/100 = 3.27$
4. Bring your own device: $1 \times 23 + 2 \times 29 + 3 \times 28 + 4 \times 12 + 5 \times 8 = 253/100 = 2.53$

Deepening new technologies is a process that will have to be followed first by the company's board and then by all the people working in the execution. However, most respondents considered that "to a large extent", they agree to acquire knowledge in the field of artificial intelligence to contribute to improving HRM processes. Also, in the opinion of HRM specialists, IoT technology is a segment suitable to be successfully implemented in private and public entities in Romania.

5.5. How can HRM specialists learn new technologies suitable for application in the field of responsibility?

Figure no. 5. new technologies suitable for application in the field of responsibility



Source: Graph made by the authors during the research

1. Training courses: $1 \times 12 + 2 \times 18 + 3 \times 24 + 4 \times 25 + 5 \times 21 = 325/100 = 3.25$
2. Exchanges of experiences : $1 \times 10 + 2 \times 15 + 3 \times 21 + 4 \times 35 + 5 \times 19 = 338/100 = 3.38$
3. Profesional master's courses: $1 \times 6 + 2 \times 7 + 3 \times 21 + 4 \times 30 + 5 \times 36 = 383/100 = 3.83$
4. Whorshops: $1 \times 17 + 2 \times 18 + 3 \times 16 + 4 \times 29 + 5 \times 20 = 317/100 = 3.17$

Following HR specialists' professional development processes, they must take the necessary steps to continuously improve. In response to this question, most respondents agreed that extended training programs, such as professional masters, are the best way to enhance their knowledge. Experts who have answered this question believe that a paradigm shift needs to be made through a comprehensive training program. It is also worth noting that this training should be institutionalized in the opinion of the specialists highlighted above.

6. Conclusions

Strategic human resource management involves going out of the ordinary, day-to-day operations of a busy HR office. It requires a strong focus on business management and the factors and forces influencing its ability to create or maintain a competitive advantage. This focus should be on the whole system rather than a single business unit. The strategic planning process is a formal way to identify the initiatives a company must take in response to several internal and external factors. These include the company's competitive philosophy, mission, vision, values, needs of stakeholders and external forces to which a company must respond. Project planning tools and models allow for a structured approach to strategy implementation. Senior leaders have a high responsibility as strategic business partners. This includes developing the need to work in a volatile, uncertain, complex and often ambiguous environment (VUCA).

New technologies are essential elements in HRM development processes. It is believed that the next few years will be the defining ones in implementing public and private entities. The current research shows that the internet of things will be widely used in Romania.

Developing these skills increases human resources' capacity to align human resource systems with organizational needs. Organizational strategy is based on people, processes and project management, none of which can be achieved without critical talent acquisition strategies.

7. References

- Aaltonen, P., & Ikävalko, H. 2002. Implementing strategies successfully. *Integrated manufacturing systems*
- Ansoff, HI, Kipley, D., Lewis, AO, Helm-Stevens, R., & Ansoff, R., 2018. Implanting strategic management. *Springer*
- Blaga, P., 2015, Models for evaluating human resources training programs. *Review of Management & Economic Engineering*, 14 (4)
- Budhwar, P., & Mellahi, K., 2018. HRM in the Middle East. In Handbook of Research on Comparative Human Resource Management. *Edward Elgar Publishing*
- Chelladurai, P., & Kim, ACH, 2022. Human resource management in sport and recreation. *Human Kinetics*
- David, F.R., David, F.R., & David, M.E., 2016. Benefits, characteristics, components, and examples of customer-oriented mission statements. *International journal of business, marketing, & decision science*, 9 (1)
- Drnevich, P.L., Mahoney, J.T., & Schendel, D., 2020. Has strategic management research lost its way ?. *Strategic Management Review*, 1 (1), 35-73
- Greenwood, MR, 2002. Ethics and HRM: A review and conceptual analysis. *Journal of Business Ethics*, 36 (3), 261-278;
- Hansen, H., 2017, *Start With Why*
- Irawanto, D.W., 2017. Indonesia Human Resource Management Practices: Cultural Dimension and PESTLE Analysis. In *Conference Proceedings International Conference on Social Science and Management ICSSAM* (pp. 574-590)
- Miller, E.L., Beechler, S., Bhatt, B., & Nath, R., 2017. The relationship between the global strategic planning process and the human resource management function. In *International Human Resource Management* (pp. 285-299). Routledge
- Nuttin, J.R., 1964. The future perspective in human motivation and learning. *Acta Psychologica* , 23 , 60-82;
- Pudelko, M., 2006. A comparison of HRM systems in the USA, Japan and Germany in their socio-economic context. *Human resource management journal*, 16 (2), 123-153
- Schlechty, P.C., 2002. Working on the Work: An Action Plan for Teachers, Principals, and Superintendents. *The Jossey-Bass Education Series*. Jossey-Bass, 989 Market Street, San Francisco, CA 94103-1741
- Sukup, C., Pimdee, P., & Sirijarupat, P., 2020. Educational human resources management strategy SWOT analysis for Thailand's OBEC. *International Journal of Innovation, Creativity and Change*, 13 (1), 105-120