

# The importance of human resources in the success of companies in Romania

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**Abstract** An entrepreneur can't develop the business field without the help of his employees. To get to the peak he needs to have a strong team. This team can be built only if the human resource of the company is appreciated, trained and encouraged by the managers. But is it correct to say human resource? Because we can't associate people with the financial resources, the material and the informational resources of a company are the resources, not people. People are more important than the other resources, people are the company it self. The firms that have managed to understand this are the ones that era the most successful.

**Keywords** – human resource, manager, people, company, successful, best firms.

## I. INTRODUCTION

Human resources are the first strategic resources of a company, in the new information society human capital replaces financial capital as a strategic resource. Human resources are unique regarding their capacity of growing and developing, their capacity of knowing and beating their own limits.

The success of a company, it's competitiveness degree, starts from the premise that people are the most valuable asset of a company.

## II. HUMAN RESOURCES PERFORMANCE INDICATORS

### A. Performance indicators

Human resources performance indicators make a prediction regarding work behavior. These essential information about the employees, describe significantly behavioral tendencies regarding jobs in the following areas: productivity, work quality, initiative, team work, problem solving, stress and conflict reactions, motivation. The management report is very important useful for the managers for knowing how to motivate employees, how to make them more efficient.

### B. Managerial competences of the human resources manager

In the last years more often it is speaking about emotional intelligence in management. Meaning that an emotionally intelligent manager is capable of bringing success to the company he works for, by maximizing the profit and giving

sustainability to the firm. Precisely like that should also be the human resource manager. For being able to obtain results through others, the human resource manager should hold a series of abilities like: giving feedback, delegation, motivation, team building, communication, conflict mediation, strong organizational culture.

### C. Human Resources costs

The human resources costs analysis follows it's evolution and tendencies. Their structure may follow many criteria like tariff salaries, negotiated ones, increases, prizes, taxes, all these have importance in setting the costs because they are covered by normative documents. An other area is the personnel categories useful for marking the mutations produced in the personnel structure, the wages forms to characterize their efficiency.

### D. Human resources administration

In this analysis it has o be taken into consideration that work is taking place as a active production factor and not as a stored resource. So this analysis issues circumscribe as a quantitative insurance with work force and the utilization of the work force efficiently. The main issues that are object of the analysis of human resources administration are: the necessary personnel of the company is established due to the specific criteria for each category. The dimension of the number of employees is a very important problem in the efficiency and the growth of the motivation factors. The personnel dynamic has the role of highlighting the technical economical potential of this aspect. Other performance indicators are given in Table 1.

TABLE 1  
HUMAN RESOURCES PERFORMANCE INDICATORS

| Indicators               | Features                                                                            |
|--------------------------|-------------------------------------------------------------------------------------|
| Personnel stability      | Fluctuation of personnel                                                            |
| Work force qualification | Qualification situation at a given moment, it's evolution and the trained personnel |
| Work time use            | Full use of work time <=> work force efficiency                                     |
| Work productivity        | Efficiency of a work quantity                                                       |

### E. The implementation if a performance management system

Performance management for the employees starts even before they start the activity in the company. The way a company communicates with the candidates and applicants, forms opinions about that company. Then this process continues with the first days of work for the new w employees: positive experience during the orientation process,

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training plan and appropriate work space, are aspects that can have impact on the performance. It is appreciated that the following ways work well in realizing an efficient performance management: the accountability of the employees regarding their performances and direct results. The education of all employees for identifying and developing their strong points and abilities, the review of the performance evaluation in order to identify and develop the employees abilities.

But management performance and evaluation systems are a weak point in the organizations management. Performance management includes the whole relationship a company has with it's employees.

#### F. Companies, without performance management

It is considered that in this moment there are no performance management classes as a standard program, but one of the causes for this lack, is the attitude it works like this to. Managers consider that getting profit means reaching some spectacular performances and so they don't see the meaning of an investment in this product. The role of a performance management system is to afford to an organization to establish the level of performance wanted, to evaluate and to sustain performance during a period of time and to act in sustaining the performance during the next period of time, including performance bonuses. All the employees should know the objectives and the work plan of the company, which is the role of each employee in the organization, and in the same time the manager should know the potential of each employee.

#### G. Market research

In order to study the theories stated above a market research has been done. It was a instrumental research that wants to evaluate the actual situation regarding the importance of human resources in the companies that have reached a certain level of performance from Romania. The research method is the survey, and the instrument is the questionnaire. The targeted markets are the firms that were selected by the „Capital” magazine named suggestive „The best companies you want to work for”. As a result of the survey only 16 firms responded to the questionnaire from 70, and the results will me showed in the figures that follow.

#### H. Work experience

The questioned persons were the human resources managers of which 38% work in that company from over 10 years and they were all women. Most of the persons that have high functions in a firm have also work experience in the organization. The companies that have performances keep inside them their employees for a long period of time, 38% had a average work experience of three to five years and of five to ten years.

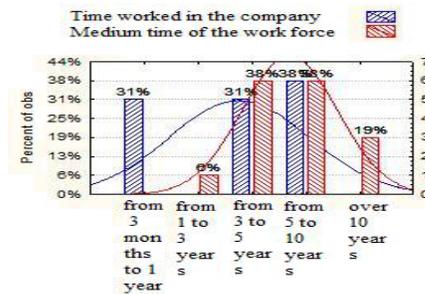


Fig. 1. Work experience

#### I. Personnel circulation

Regarding the number of persons hired, and those who left the company there is a certain balance. There were not made many employments and also not so many resignations, the number is closely linked to the total number of employees of the company. In average 27% of the companies hired between twenty and thirty persons and 23% hired between thirty and fifty persons. The differences between the years 2006, 2007 and 2008 were very little. Regarding the dismissals and resignations 42% of the companies had under twenty events like this, even if in 2008 their frequency had risen a little, not even the most performance companies are not immune to a world crisis.

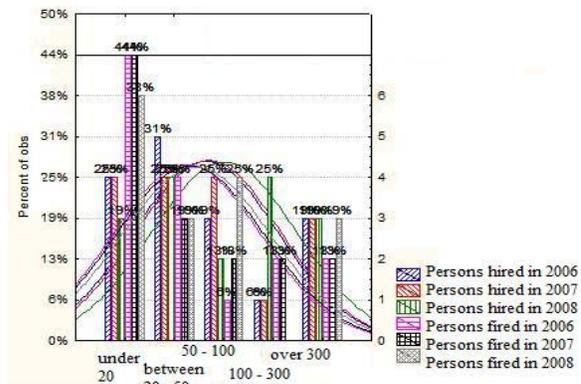


Fig. 2. Personnel circulation

#### J. Training

88% of the firms sent their employees to over thirty training programs and 63% held in the last years over 14 programs.

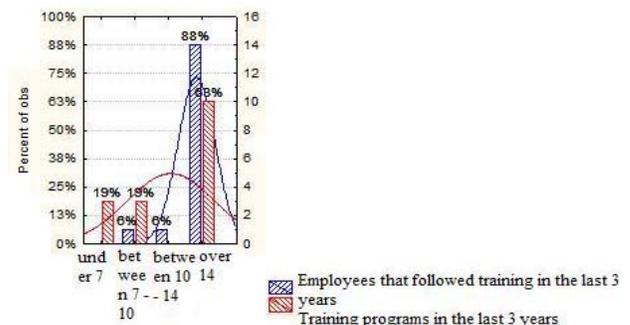


Fig. 3. Training

### K. Motivation

Most of the companies motivate their employees using a merit wage plus bonuses with a percentage of 56%. The employees of the investigated firms have a high percentage 50% rate, benefits like dentist, fitness, swimming, etc. 31% offer in a very big manner benefits.

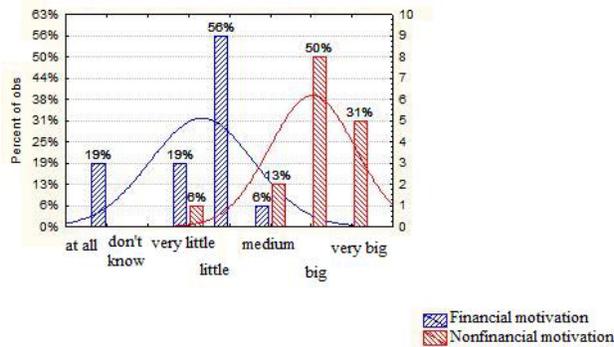


Fig. 4. Motivation

### L. Feedback

50% of the firms recognize the work of the employees with respect, warmth and thanks in a big manner, and 44% of them give feedback in a big manner, and 38% in a very big manner.

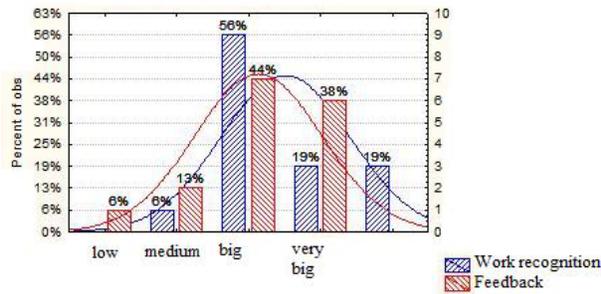


Fig. 5. Feedback

### M. Communication

50% of the firms organize often, and 38% organize them in a medium manner. 63% of the firms tell very clearly what they want from their employees.

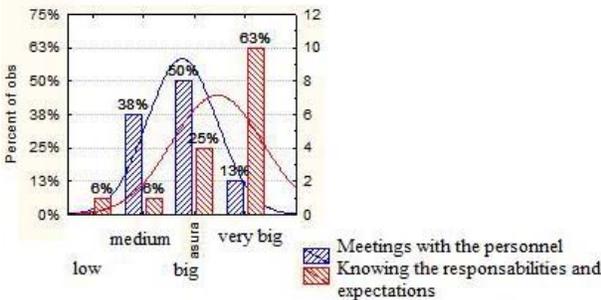


Fig. 6. Communication

### N. Employees knowledge

Firms know very well what are the professional objectives of their employees and 63% of the companies know what the stress factors that bother their employees.

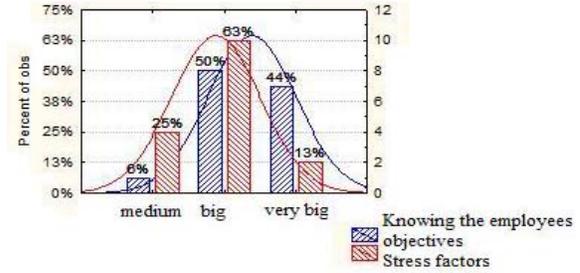


Fig. 7. Employees knowledge

## III. ADDITIONAL REMARKS

The questioned companies are very well equipped from the point of view of technology and utilities, like the work space in order to assure decent activities. Most of the firms have between fifty and two hundred and fifty employees, and even more than 250. The average age of the employees was between 25 and 45 years old.

## IV. CONCLUSION

In order to have good results a employee has to be firstly very motivated. A good company is formed from a good personnel, and in order for the employees to reach performance they have to follow many training programs. The programs have to be destined for all the employees, from managers to workers. Communication is one of the key elements in the performance of a company that can be reached through a high number of meetings and giving feedback, discussing all the problems that can appear a company. Each employee has to know exactly what he has to do every day and what are the expectations of the boss.

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