



# CONSIDERATIONS REGARDING THE HUMAN RESOURCE MANAGEMENT IN THE ROMANIAN TRADE ENTERPRISES

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**Abstract:** Our research is based on a survey conducted among 61 enterprises dealing mostly in trade sector, aimed to show the way in which human resources issues are approached. We also aimed to analyse the human resource management contribution to the increase of the performance of these enterprises, as well as their adaptation to the demands of the contemporary environment.

**Key words:** human resource management (HRM), Romanian trade enterprises

#### 1. INTRODUCTION

From the perspective of Romanian trade enterprises, Romania's integration in the EU firstly leads to the increase of competition both on the domestic market and on the external one, with companies forced to cope with the Western technologies, product supply, and price-quality ratio offered by similar companies in Western Europe. At the same time, during the past years, we have seen, as a form of globalisation (Giddens & Hutton, 2000), an afflux of large-scale distribution, mainly sustained through direct foreign investment, making visible in Romania the same major phenomena that mark commerce at world level: concentration, development of integrated distribution systems, the use of new information and communication technologies (Steger, 2002). Over 90% of the Romanian trade enterprises are micro and small companies (The National Statistics Institute, 2008); this gives them the advantage of a higher flexibility and adaptability to the changes in the environment, but this advantage given by their small size is not enough to maintain their viability in the context of the influences and demands coming from the environment.

The experience and results recorded by world famous companies show that these challenges can be successfully approached by focusing priorities towards the development of human resources (Nicolescu & Nicolescu, 2005). Our research confirms that the development of human resources through a management focused on effectiveness, efficiency, and performance is a factor that can generate competitiveness for the Romanian trade enterprises as well, in a competitive environment induced by the processes of globalisation and regional integration.

# 2. OBJECTIVE, HYPOTHESES AND RESEARCH METHODOLOGY

The general objective of the research, performed among the 61 enterprises dealing mostly in trade sector, is to show the way in which human resources are valued and developed (taking into account their role and importance within an organisation). We also aimed to analyse the human resource management contribution to the increase of the performance of these enterprises, as well as their adaptation to the demands of the contemporary competitive environment.

We have used as a research method - the survey, and as an instrument - the questionnaire (Chelcea, 2001).

During our research we have tested the following types of hypotheses (Vlăsceanu & Zamfir, 1998):

#### Hypotheses that could be tested indirectly:

1. Human resources represent a factor that determines the efficiency and competitiveness in trade enterprises, and the practice of an efficient HRM represents the basic condition for increasing organizational performance.

#### Medium rank hypotheses:

- 2. The managers are not fully aware of the role that human resources have in determining competiveness and of the fact that the efficiency of human resources management influences organisational performance.
- 3. Managerial philosophy is oriented towards maximizing profits and minimizing costs.
- 4. In trade enterprises most of the activities in HR are carried out by non-specialized persons.
- 5. Generally, the motivation process of employees in the Romanian trade enterprises is based on extrinsic reasons: obtaining a higher income, a stable work place etc;

### Hypotheses that could be tested directly:

- 6. There is a direct relation between employees' job satisfaction and organisational performance.
- 7. The higher the job satisfaction is the better the individual performance is self-assessed.
- 8. The more human resources are appreciated, the better the organisational results are perceived.

Sampling units were the enterprises dealing mostly in trade sector, from the whole country, from urban and rural area, having as stratification criteria: the size class of enterprises, according to the number of employees and the area of trade activity (wholesale, sale of motor vehicles and retail). Finally, a number of 61 enterprises accepted to be included in the research. The research was conducted over a period of one year (respectively, 2008). When approaching the aspects mentioned above, the research comprised two distinct channels: on the one hand, the managers' perception and their attitude towards the elements studied (with the help of the Questionnaire 1), and, on the other hand, the employees' perception and attitude towards the same elements (with the help of the Questionnaire 2). This approach allowed us to perform a parallel analysis regarding the more or less different or compatible approach of the two categories of respondents. Finally we obtained answers from 61 managers (human resource managers, and in their absence, we discussed with representatives of the firms: managing owners, executive managers, associates, administrators) and 298 employees all belonging to the executive area. In order to process the data we used SPSS version 13.0 (Statistical Package for Social Sciences) and Excel software for Windows. The survey results are guaranteed with a probability of 0.95, with a margin of error of  $\pm$  7%.

#### 3. RESEARCH RESULTS

Following the analysis of the results we obtained, we can conclude that all the hypotheses were confirmed.

Moreover, apart from outlining the image of the human resources issue in surveyed trade enterprises, the research has underlined, using correlation analysis (Rotariu, 1999), the existence of statistical correlations among some variables that define the report between motivation - results - satisfaction for each employee, or the influence of quality management on organizational performance etc.

Over 78% of surveyed managers do not appreciate the importance of HRM and are not aware of what its influence on organizational performance is (hypothesis no. 2). This reality is also confirmed by the fact that most of the activities in the human resource field are delegated to non-specialists, so the organisation and carrying out of these activities are unsatisfactory: more than half (60.1%) of the managers in the surveyed enterprises have never asked for consultancy services in this field and they consider they do not need such services in the future (hypothesis no. 4). It is true that a large part of the trade enterprises are small companies that do not justify the setting up of a HR department, but there can be other ways or solutions to manage human resources, so as to capitalise on the experience and training of some specialists in the field (for example outsourcing).

61.4% of surveyed managers consider human resources as important as all the other resources, 31.2% of managers think they are as important but more expensive and only 7.4% of managers consider that human resources represent the most important resource for the organization; this distribution reveals the managerial philosophy of respondents oriented mainly towards maximizing profits and minimizing costs, no matter the long term consequences of this orientation (hypothesis no. 3).

From the employees' point of view, the most important motivational factors are mainly related to extrinsic aspects of work and less to intrinsic aspects: financial rewards received (18.9%), job security (17.1%), job description (15.6%), cooperation climate (15%), career advancement (13.2%) and, finally, company reputation together with social position (10.0%) (hypothesis no. 5).

There is a direct relation between considering employees' job satisfaction and considering organizational performance by managers - the correlation coefficient is 0.493 (hypothesis no. 6); The surveyed employees with a higher job satisfaction degree have self - assess as more productive, which means that an increase in job satisfaction is related to increase individual productivity - correlation coefficient is 0.413 (hypothesis no. 7). The more human resources consider themselves appreciated and capitalized, the better the organisational results are perceived as valuable - the correlation coefficient is 0.522 (hypothesis no. 8).

#### 4. DISCUSSIONS AND CONCLUSIONS

Following the analysis and the results obtained, we can conclude that there is a general state of disorientation and confusion, a type of behaviour meant to generate substantial short-term material gain, and this can be seen both at the level of the managers and at that of the employees. This behaviour is largely sustained by the objective social, economic, and technical conditions in which the respondents operate. We are witnessing, at the same, a vacillating behaviour going either towards self-leadership, self-motivation, self-control, or towards guidance, control, or even constraint and extrinsic motivation. The explanations of this behavioural model can be found in the cultural and behavioural model that characterised the previous period, and at the same time in the inability of the managers (or the managing owners, who prevail in the small and medium-sized trade enterprises) to capitalise on and develop the human resources they have at their disposal, either due to the lack of information, of professional or material skills and abilities, or simply due to disregard.

On top of all this comes the dissolution of the general system of values without the complete consolidation of a new system of values that should be a reference point for the manifestation of a new behavioural model.

We believe that these companies' chance to stay (or become) competitive, in a competitive environment at the junction between the evolutions of the global factors (the demands imposed by globalisation and regional integration) and the factors pertaining to the specific features of the national socio-economic environment is closely connected with the **development of the human resources**. Developing the human resources through a management focused on effectiveness, efficiency and performance is a factor that can generate competitiveness and performance for the Romanian trade enterprises as well, in a competitive environment induced by the processes of globalisation and regional integration.

However, changes and progress are needed, first of all at the mental level, regarding the meaning of work and competitiveness in the new competitive context, regarding the impact of human resources quality and of the human resource management on the general performance of the company, the assimilation of the new realities, and the importance of learning at the individual and organisational level.

#### 5. FURTHER RESEARCH

The results of this analysis were forwarded to trade business environment and to the Ministry of Economy, Commerce and Business Environment in order to be used in future investigations.

We believe that it would be a viable solution for trade enterprises (but also for small companies in other fields), in their confrontation with large-scale distribution, to integrate or participate in various forms of cooperation between companies. For Romanian trade enterprises, building company networks would be an opportunity to develop human resource management and also to learn by relating to others in a cooperative environment. Public trade policies also play an important role in this respect, as they should promote and support the development of human resources within small and medium-sized enterprises, as a main means to increase their competitiveness.

Considering that the research was realised on a relatively small sample (only 61 trade enterprises) we do not argue its representativeness for the entire Romanian trade sector. However, the research conclusions can be generally identified at a macroeconomic level (this fact being confirmed by other HR similar research) and can be a starting point for further national HR research.

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