

DEFINING ASPECTS OF HUMAN RESOURCE MANAGEMENT STRATEGY WITHIN THE GENERAL STRATEGY OF THE MODERN ORGANIZATION

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Abstract: *The field of human resources requires the presence and action of several categories of persons and managerial structures interested in the quality of human resources and the activities developed by them. Besides managers and employees there are also the shareholders, the unions, the customers, the different national or local agencies, the local community, etc., with major interests regarding decisions in the human resources area. In order to harmonize their activities and achieve an optimal perspective within the evolution of Human Resource Management, special attention is paid to the strategy of human resources management. According to many specialists, strategies in the field of Human Resource Management show, in the first place, that personnel function adopts a broader perspective and a more dynamic view of human resources, which enables its full integration within the other functions of the organization. In the second place, strategies in the field of Human Resource Management designate the assembly of long term objectives concerning human resources, the main modalities of achieving them and the necessary resources which guarantee that the organization's structure, value and culture as well as the utilization of its personnel contribute to fulfilling the general objectives of the organization. Therefore, we approached in this paper the problems of grounding and elaborating the Human Resource Management strategy, and we outlined their specific traits, as these are necessary aspects in order to emphasise at the end of our paper the correlation between the strategy in the field of Human Resource Management and the general strategy of the organization. Taking into account specialists and practitioners' increased interest in knowing, substantiating and implementing strategies in the area of Human Resource Management, we consider that the aspects presented in this paper are modern issues and a starting pointing in solving the great problems of organizations nowadays. Thus, contemporary economic thinking is invited to solve the numerous challenges that society faces in general, aspects that can be solved, we believe, only if a strategic Human Resource Management is achieved with great professionalism. Therefore, Human Resource Management strategies constitute a continuous challenge for organizations' researchers and a real possibility to attain performance within organizations, be they present in a national or international area.*

Keywords: *strategy; Human Resource Management strategy; the general strategy of the organization; organization; implementation; substantiation.*

JEL classification: M12

1. Introduction

When conceiving and substantiating organizations' activities, an important role is played by strategies, especially Human Resource Management strategies, elaborated and implemented by managerial organisms. The essential concretization of the prevision, the strategies of Human Resource Management contour the development of each organization in the field of human resources, and their content often decides the efficiency of the interface with the subsystems to which it belongs, the extent to which they maintain and amplify the efficiency and effectiveness of the activities developed.

In managerial practice there is a certain scepticism regarding the necessity and opportunity of Human Resource Management strategy, considering that the environment where the activity of the organization takes place is unstable, submitted to some irregular fluctuations, hence its uselessness, on the one hand; on the other hand it is considered that a plan is profitable only if it is respected, which does no longer ensure flexibility as an imperative trait that conditions the survival and development of an organization.

In this respect, the objectives of Human Resource Management define and express synthetically the aims envisaged and the criteria to evaluate the future activity in the field of Human Resource Management, and the Human Resource Management strategy describes – explicitly and implicitly – the directions to follow, the modalities or ways to attain specific purposes under the form of the objectives formulated for a 3-5 year span. Only under the circumstances of knowing the specific traits, of grounding and implementing Human Resource Management strategy, are the objectives of the organization fulfilled and its competitiveness increased.

2. Concept and specific traits of Human Resource Management strategy

The history of the word 'strategy' began many millenniums ago. In this respect, the remarks made by American Brian Quinn are interesting: "At first, during early Greek antiquity, the word «strategos» referred to the role of a general in charge of an army. Then, it acquired the sense of «a general's art», referring to the psychological and behavioural abilities that enabled a general to fulfill his role. In Pericles' time (450 B. C.) strategy was perceived as a managerial quality (administrative, leadership, oratory, power), and during the reign of Alexander the Great (330 B. C.), strategy referred to the ability to unfold forces in order to overwhelm opposition (the enemy) and create a unitary system of global government. This sense was used for centuries in most military approaches, expanding in other fields as well in the 20th century" (Nicolescu and Verboncu, 2008:130).

The idea of strategy appeared in social sciences around the '40's, with the game theory, designating the moves thought or played by one of the players.

During the '60's the term was used in order to define some of the most important decisions within companies. The fundamental work in the field is Igor Ansoff's *Corporale Strategy* (1965, original ed.), which had a great influence and was the first in a series of works that envisaged the foundation, clarification and application of managerial strategies (Gazier, 2003:30).

Since then, things have moved very fast and starting with the '80's everything or almost everything became strategy in economy, sociology, psychology, anthropology. Whether they speak about groups' or individuals' interests, economic, sentimental, esthetic options – more or less reasonable and elaborated – or even

about sequences and attitudes, more and more authors have started to think in strategic terms.

Referring strictly to the economic field, the results of the research made by one of the greatest specialists in management, Henry Mintzberg, signaled the presence of 10 schools of managerial thinking as far as strategy is concerned, after examining 1495 works dedicated to strategy. In table no. 1, authors Nicolescu O. and Verboncu I. (2008) present synthetically which these schools are and their defining traits concerning strategy elaboration – the most important element from the point of view of managerial practice.

In this respect, there are more and more numerous hints and analyses that show that human resources have a strategic potential and make the difference in the long run, changing an organization's future.

Table no. 1 Strategy schools

No.	Strategic name	Strategic elaboration seen as a process
1.	Designing	Conceptualized
2.	Planning	Formalized
3.	Positioning	Analytic
4.	Entrepreneurial	Visionary
5.	Cognitive	Mental
6.	Learning	Emergent (contoured across time)
7.	Political	Based on power
8.	Cultural	Ideological
9.	Environmental	Passive
10.	Configurative	Sequential

Also, in many authors' opinion, like for instance Michael Armstrong, personnel strategies define the intentions of the organization regarding the human resources development directions, as well as the necessities or requirements that have to be met in this area in order to facilitate the fulfillment of organizational objectives (Manolescu, 1998:105).

Consequently, Human Resource Management strategies are to start from both operational objectives and human resources peculiarities and use an adequate investigation methodology which should provide a reasonable direction of the efforts in this field (Manolescu, 1998:105).

At the same time, Galbraith and Nathanson, famous specialists in the explicit approach of Human Resource Management strategies, researching the role of human resources in the implementation of organizational strategy, outlined the following basic fields of Human Resource Management, where adequate strategies can be developed (Feris and Buckley, 1996: 9): selecting personnel; evaluating performances; rewarding employees; training employees.

In our opinion, starting from the definitions given to strategy, to Human Resource Management, namely to the place and role of Human Resource Management within the general strategy of the organization, the Human Resource Management strategy can be defined as:

- the assembly of major objectives and modalities of attaining them, of Human Resource Management concerning the optimal utilization of human resources in the

long run, in order to ensure the efficiency of the organization and of the benefits of each of its members;

- the assembly of the objectives, policies, programs and fundamental decisions through which it is possible to determine, for a long period of time, the general direction of the evolution and viability of Human Resource Management through the harmonization of the relations between employers and employees, meant to guarantee productivity and efficiency increase within the organization;

- a mixture of significant activities, substantiated and elaborated by Human Resource Management in the long run, directed to the effective utilization of human resources, in order to attain the goals of the organization and to satisfy the needs of the employees;

- a distinct field of the strategy of the organization's management through which Human Resource Management strategy envisages in the long run recruiting, selecting, training and developing the employees' performances, their motivation and responsibility in order to efficiently attain the goals of the organization;

- the mission, namely the long term commitment aims and modalities of Human Resource Management through the specific involvement of the other resources of the organization in order to attain its objectives.

Obviously, we could continue with the presentation of other significant definitions connected to Human Resource Management strategy, but we believe that they would not contain further remarkable elements.

By analyzing the content of the definitions given by different authors and of those suggested by us, the following characteristic traits of Human Resource Management strategy can be outlined:

- Human Resource Management strategy always envisages – explicitly and implicitly – attaining some well-established goals, specified as mission, aims and objectives;

- strategy envisages future spans in the field of Human Resource Management, usually 3-5 years long. Hence, a certain degree of risk and uncertainty associated with it, with some consequences in the operation process;

- the area is specific to Human Resource Management and to the general problems of the organization;

- the content of the strategy envisages essential elements, focusing on the major aspects of human resources evolution in order to support the organization so as to survive and develop;

- strategy takes into account and is influenced by the interests of the organization's owner, managers and especially by the interests of those who administrate human resources, namely the employees. The better this reality is known and respected, the greater the chances to apply the strategy successfully;

- strategy means improving a competitive type of behaviour with managers and employees in the long run, taking into account the culture of the organization;

We consider that the definitions given by us in this part of the paper and our view of the foundation of Human Resource Management strategy are an attempt to explain and clarify some important aspects of this reality which is so necessary for the present, and especially for the future efficient and effective functioning of national and multinational organizations.

3. Substantiating, elaborating and implementing strategy in the field of Human Resource Management

When valuing the human resources potential of the organization in the long run, through efficient Human Resource Management strategies an important role is played by the substantiation of Human Resource Management strategy. This basically means identifying and taking into account the scientific programs which envisage the future activities of the organization and hence the formulation of some prognoses characterizing Human Resource Management to maintain them.

Prognoses, as tools of knowing and investigating the future processes of the organization in general, in the field of its human resources in particular, constitute the logic, realistic and objective support of the substantiation of the necessities and possibilities of the future evolution of human resources.

Considering some appreciations formulated as far as human resources strategy is concerned (Armstrong, 1996: 171), we estimate that the following problems with an impact on the substantiation of Human Resource Management strategy become very important:

- the intentions and possibilities of increasing, integrating, diversifying or concentrating the activity of the organization by taking into account the environmental national and international factors, especially those concerning market / production;
- the appreciations regarding the new perspectives about the selection, formation and promotion of human resources in accordance with the new transformations at the level of the organization;
- the evaluation regarding the efficiency and effectiveness in the long run of Human Resource Management in order to ensure an increased performance of the organization;
- the necessity to develop an organizational culture directed towards performance;
- other environmental factors (opportunities or threats) which can influence Human Resource Management, as for instance: governmental interference, European legislation, competition or pressures on the workforce market, the quality of personnel training, the diminution of the interest in academic training with high school pupils, demographic reduction, etc.

On the whole, the process of substantiating Human Resource Management strategy is presented in figure no.1.

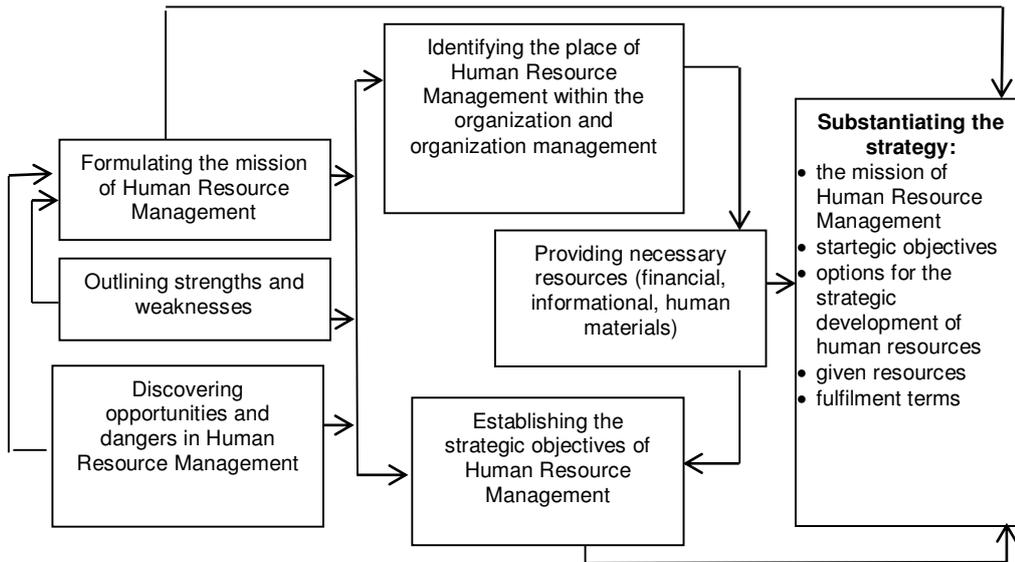


Fig. no. 1 – the process of substantiating Human Resource Management strategy

As shown in figure no. 1, the substantiation of Human Resource Management is finalised by elaborating and formulating it. In order to elaborate Human Resource Management strategy, the fundamental problem, as Rolf Bühner opines is the analysis of the human resources the organization has at a certain moment, as well as of the opportunities and specific risks that exist or may appear in the field of human resources when there is competition with other organizations. (Bühner, 1994: 43).

Human Resource Management will impose easier the envisaged measures and cross faster the process of elaborating human resources strategy if it involves the organization's staff in this process. Thus, the organization's members will be encouraged and motivated to have the same opinion about the strengths and weaknesses of the organization, as well as about the environment where it functions. To do so, special attention will be paid to the communication process, so as to make the members of the organization trust and be interested enough in establishing the organization's perspective.

Strategy implementation is achieved in connection with the elements that define the general organizational context and the one specific to the field of human resources, namely: the seriousness of the firm's strategic difficulties; the type of implemented strategy; the available financial resources; the configuration of the personnel's mentality; the organizational relations; the urgency of getting performance in the short run.

Human Resources Management went through significant evolution. The newly conceived idea of strategic management in human resources is the consequence of past and coming changes (Karaszewska, 2010)

From this point of view, the success of Human Resource Management strategy depends on a good internal organization and on the existence of competent personnel. We suggest that internal organization involves: elaborating a Human Resource structure compatible with the strategic necessities of the organization and the necessary human resources in order to develop it and promote some adequate management relations; the identification of distinct aims and competences, envisaging managerial aptitudes, the know-how and the other necessary resources; selecting people for key functions. Ensuring the motivational support for the employees plays an essential role in the success of a strategy.

Considering these conditionings, managers often have to fulfil very different roles. They have to act as undertakers, administrators, people in charge with solving problems in crisis situations, negotiators, motivators, mentors and so on. Only thus can managers in the Human Resource field support the missions and actions required by the implementation of Human Resource Management strategy.

The aspects analyzed concerning the content, substantiation, elaboration and implementation of Human Resource Management strategy were correlated with certain ideas that envisage the organization's global strategy. From the perspective of the possibility of identifying the contribution of Human Resource Management strategy through its increased efficiency and effectiveness to the maintenance and consolidation of the national and multinational performance, we consider that outlining some correlative aspects of the two strategies is both useful from a theoretical and practical point of view and necessary in order to fulfil the organization's objectives.

4. Correlating strategy in the field of Human Resource Management with the general strategy of the organization

Strategies in the field of management are fundamental, formulated and implemented at different levels of an organization's management.

From this point of view, we can identify general strategies (Nica, 2008: 104) or corporative ones and functional strategies (Gazier, 2003: 32).

General strategy as a strategy developed at the level of the organization has the strategy of the organization's management as distinct field, and *functional strategy* envisages the specialised compartments and the autonomous fields of strategy, namely Human Resource strategy, with its important vector Human Resource Management.

Through the specialised activities which it prefigures, Human Resource Management Strategy within the organization's general strategy ensures the conditions of its adequate implementation through human resources' availability and capacity.

Taking into account the importance of human resources for the performance level and the competitiveness of the organization's activity, no other field of functional strategies is as vital as the one referring to the organization's employees.

The relation between Human Resource Management strategy and the general strategy of the organization is that from one part to the whole, and the interdependencies between them can be identified under the form of some influence factors in both senses.

- General strategy influences the management strategy of human resources by establishing the general objectives of the organization, for a well-established future

period, a part of them being made up of objectives that envisage the organization's personnel directly.

- In turn, Human Resource Management strategy influences the general strategy of the organization, by the fact that the objectives of the former are formulated in such a way as to allow, through aggregation, the achievement of the integrated ones, either directly or indirectly, with the help of other objectives; the success of Human Resource Management strategy leads to the strategic general success of the fundamental objectives.

Human Resource Management strategies are established after the global or general strategy of the organization is known, taking into account competition's conditions or contextual evolutions.

In this respect, the model of personnel strategy, conceived by Armstrong M. (1996) (fig. no. 2) suggests that the elaboration of personnel strategies should take into account the most relevant organizational or environmental aspects, as well as those belonging to the field of human resources.



Fig. no. 2 – The personnel strategy model (after M. Armstrong)

Elaborating strategies in the field of human resources is in fact the result of a continuous process of analysis or diagnostic of all the activities within the organization, as well as of the directions the organization is heading towards.

Consequently, Human Resource Management strategy has a derived character, it is a partial strategy which refers only to certain activities within the organization, namely to those that belong to the Human Resource function. Human Resource Management strategies are usually concretized in policies and programs in the field of human resources, and the objectives, strategic options and resources that are to be involved have smaller dimensions.

From this point of view, numerous outstanding papers in the field frequently mention the great importance of the accord between the general objectives of the

organization and the objectives in the field of Human Resource Management, between the general strategy and the Human Resource Management strategy, which involves:

- providing the necessary human resources in order to ensure the organization's strategy;
- developing human resources to allow further strategies within the organization.

In this context, we also mention the fact that more and more specialists in the area are for establishing a full accord between general strategies and strategies in the field of Human Resource Management, which finally led to the emergence of new concepts, like, for instance, "*strategic integration*", "*strategic accord*" or "*strategic Human Resource Management*"

If within general strategy, establishing or building some stable market/ product relations is in the foreground, then Human Resource Management strategy has to be directed towards:

- the intensive development of the personnel in order to ensure their qualification, as well as the improvement of the activity in relation with the clients;
- the long term personnel planning in order to ensure the necessary human resources in the future too;
- the intensification of internal personnel advancement in order to use their potential as efficiently and long as possible.

The examination of the mentioned aspects shows that there are major differences between the general strategy of the organization and the strategy in the field of Human Resource Management. If general strategy refers to the organization as a whole and usually covers the entire organization, affecting all its activities directly or indirectly, Human Resource Management strategy envisages a distinct component, the most important one, and considers correlating results and actions with other compartments and subsystems, starting from the general objectives of global strategy.

The content of the aspects presented so far demonstrates clearly that, in order to fulfil their objectives, organizations in general, irrespective of their nature and size, have been forced to deal with some challenges meant to try their *capacity of ensuring and maintaining success in competition by anticipating contextual evolutions*.

5. Conclusions

Organizations exist because people have limited mental and physical capabilities, and the ability to have and develop organizations. All organizations need their human resources, regardless of how many people will experience some aspects of management as limiting their individual freedom of action.

In this regard, human resources is one of the most important investments of an organization, whose results become more obvious over time.

When conceiving and substantiating activities in the field of human resources, a very important role is played by strategies, which do not represent an aim in themselves, but impose themselves more and more as essential components of Human Resource Management and major managerial modalities of professionalizing it.

Thus, Human Resource Management strategy can have shocking results only when there is a tight cooperation between the top management of the organization and Human Resource Management.

Because of the economic crisis, the dynamic action of internal and international factors, the change in the coming physiognomy of the organization, elaborating a prognosis in the field of Human Resource Management which should emphasize the complex and difficult process of the organization's efficiency in a national and international environment, becomes a condition of the organization's economic and managerial success in the long run, with most important consequences for the future of the organization, irrespective of its size and national or international character. Nowadays, and even more in the future, the role and place of strategies in the field of Human Resource Management will increase from the point of view of its importance and significance, and their implementation requires a cumulus of quality activities, which is a fundamental condition in order.

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