

## THEORETICAL-CONCEPTUAL AND COMPARATIVE APPROACHES TO HUMAN RESOURCES MANAGEMENT WITHIN ORGANIZATIONS

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### Abstract

*The current scientific approach addresses the theoretical aspect of human resource management. Taking into account that over the years, several concepts related to human resources management have been known and applied, we set ourselves the goal of bringing clarity by highlighting the distinct elements between "Personnel Management" and "Human Resources Management," viewed from the perspective of many authors and starting from the realities of society's development. Over the years, different authors approached the problem of human resources management, which has led to it being found in various organizational theories. In this context, we highlighted the implications of human resources management in the analyzed theories by highlighting different particularities. Another aspect analyzed in this work refers to the concept of human resources management. The multitude of definitions proposed by various authors was analyzed chronologically by including them in three stages. It allowed us to distinguish between definitions of HRM proposed in different periods.*

**Key words:** human resources, human resource management, personnel management, employees, organizations.

**JEL Classification:** M12; M54.

### 1. Introduction

Human resources management is an essential factor in any country's economic and social progress, regardless of its size. It is also a fundamental premise for increasing an organization's competitiveness (economic entity, company, public institution, etc.) and the national economy as a whole. In the conditions of the knowledge-based society, human resources management once again demonstrates its great performance capacity, contributing to the harmonization of the interests of employees and society, as well as present and future generations.

In line with the acceleration of the globalization of national economies, the increase of competitiveness at the national and international levels, as well as the increasingly pronounced approach of the Republic of Moldova to the European Union, the management of human resources becomes a strategic element, with particular significance for all categories of organizations. As, in the current environment, constantly changing and with an increased degree of uncertainty, the human resources function must become the element of stability and security, providing the organization with the necessary human capital, with the highest professional skills, to face all the challenges at national and international level. Furthermore, in the context of globalization, human resources management becomes the primary tool and means by which organizations can ensure their competitive advantage. Therefore, the managers' strategic decisions must reflect the commitment to people in an ever more significant proportion.

The absence of coherent human resources strategies and policies makes it impossible for organizations to adapt to changes in the competitive and international environment because

personnel activities must be understood interdependently with all other processes carried out at the level of an organization. As in the globalization era, people form the adaptive mechanism that determines how organizations respond to environmental challenges. As a strategic managerial process, the administration of human resources is achieved much more difficult than the promotion of technical progress or the lack of financial resources.

Currently, in the Republic of Moldova, certain problems are observed related to the implementation and development of the efficient management of human resources. The erroneous perception formed over the years in society, as well as the subjective attitude of the top management towards this field, has determined that the management of human resources in local organizations is treated in a simplistic manner, as a secondary element, far from the current demands imposed by the competitive economy.

## 2. Conceptual dilemmas between *Human Resources Management* and *Personnel Management*

During the development of society, the concern with the problems of employees in organizations has known several names, "Industrial Relations", and "Personnel Management", so since the 80s of the 20th century, the term "Human Resources Management" has been used. Starting from the interpretation of terms aimed at employees in the organization, Legge (1995) argues that "words carry a history, and there are different meanings that are part of the language games we play as we define meanings in use". In this context, the author argues that human resource management could be perceived as a mechanism for creating power relations taken for granted [17].

Unlike Legge, who emphasizes the meaning of the words concerning the terms "Personnel Management" and "Human Resource Management", Armstrong (1995) shows, according to certain criteria, the differences between the two concepts (Table 1).

**Table 1. The differences between personnel management and human resources management**

Criteria	Personnel management	Human resources management
Goals and values	Incremental interventions in attracting, retaining, and motivating employees.	Strategic focus, competitiveness, profitability, survival, competitive advantage, and flexibility of human resources.
Professionalism	The human resources subdivision specialists are responsible for employee issues.	The line managers are responsible for subordinate staff.
Relations	Limited trust, conflict and differentiation, oriented control.	Harmony, mutual interests and active involvement of employees.
Employee management	Limited, individual oriented.	Broad, team-oriented.
Information and communication	Bureaucracy, control of information and communications	Transparency, objectivity, honesty, trust and commitment.

Source: Armstrong, 2003.

Analyzing the information in Table 1, we ascertain differences in all five criteria highlighted by Armstrong. First, the operational character is characteristic of personnel management, while in the case of human resources management, the emphasis is on the strategic dimension. Second, the responsibility for managing employees in the organization does not rest solely with personnel management, as has been accepted for some time. In the case of Human Resources Management,

the responsibility for personnel management rests with both the human resources subdivision and the managers of the organizational subdivisions.

Another English researcher K. Legge has identified three aspects that differentiate *Personnel Management* from *Human Resources Management*, namely:

- personnel management is an activity aimed primarily at those without managerial tasks, while HRM is largely addressed to managerial personnel;
- HRM represents an activity integrated with execution management, while personnel management tries to influence execution management;
- HRM emphasizes the involvement of senior managers in culture management, while personnel management treats with suspicion the idea of organizational development and related ideas [1].

Moreover, Collings and Wood (2009) argue that HRM is conceived as having a more strategic role and therefore approached at the top management level, suggesting a more upstream role, even though, in practice, this has been little more than a wish. However, HRM refers to attempts to develop an integrated and harmonious set of HR policies, as opposed to the piecemeal approach that appears in the traditional role of personnel management. In addition, HR policies and practices are also targeted at the individual level. This is reflected in the preference for individual performance-related pay, individual communication mechanisms, employee opinion surveys, and more.

### 3. Organizational theories and HRM implications

The particular interest of researchers towards HRM has led to the development of a series of organizational theories that directly or tangentially address the issue of human resources in organizations. Table 2 displays the main theories with implications on HRM.

**Table 2. Organizational theories and HRM implications**

N. o.	Theory name	Researchers who have tackled the problem	HRM implications
1.	Resource Dependence Theory	Emerson, 1962; Pfeffer & Solansick, 1978.	<ul style="list-style-type: none"> <li>• Lack of resources determines the policies and procedures that organizations must adopt.</li> <li>• Employees are limited resources that should be managed carefully.</li> </ul>
2.	The theory of competitive advantage	Porter, 1980; Grant, 1991. Ulrich, 1997	<ul style="list-style-type: none"> <li>• Organizations should capitalize on the competitive advantage they have over other organizations.</li> <li>• The employee is a rare, immutable, irreplaceable and valuable resource.</li> <li>• In order to achieve a competitive advantage, there should be the support of the organizational culture that ensures the effective management of the training and performance management functions.</li> </ul>
3.	Institutional theory	Brunsson, 1999; Peters, 2000.	<ul style="list-style-type: none"> <li>• Organizational norms, values, attitudes and myths are the sources of organizational failure or success.</li> <li>• They must be rationalized to ensure organizational effectiveness.</li> </ul>
4.	The theory of human capital	Becker, 1964; Robert, 1991;	<ul style="list-style-type: none"> <li>• It's an economic approach – people are valuable assets.</li> </ul>

		Psacharopoulos & Woodhall, 1997.	<ul style="list-style-type: none"> <li>Investments in employees must be made in the same way as in other assets such as technology.</li> </ul>
5.	Organizational life cycle theory	Cameron & Whelton, 1981.	<ul style="list-style-type: none"> <li>The organization develops in stages: initiation, growth, maturity, decline and revival.</li> <li>Human resources must be managed according to the organization's stage.</li> </ul>
6.	Organizational change theory	Hershey & Blanchard, 1977; Robbins, 1992; Johns, 1996; Gareth, 2009.	<ul style="list-style-type: none"> <li>Organizations go through different forms, quality levels and states, over time.</li> <li>Human resource management should ensure the congruence between the objectives, changes, and performance that the organization's management has declared.</li> </ul>
7.	Strategic contingency theory	Peter & Aherman, 1982; Scott, 1992; Robbins, 1992.	<ul style="list-style-type: none"> <li>Organizations have to adopt several strategic typologies.</li> <li>The choice of typology depends on the organizational environment.</li> <li>Human resource management should depend on a certain typology chosen.</li> </ul>
8.	Organizational learning theory	Agyris & Schoen, 1978; Senge 1992	<ul style="list-style-type: none"> <li>The success of an organization depends on the ability to learn.</li> <li>Employees' prior knowledge facilitates the learning and application of related new learning.</li> <li>Human resource management should facilitate continuous learning.</li> </ul>

Source: Adapted from [25].

Analyzing the theories presented in Table 2, we find that each theory has contributed to the development of HRM. Thus, the resource dependence theory draws attention to the fact that human resources are limited in knowledge and professional skills. Therefore, organizations should facilitate continuous learning through HRM, a characteristic point of organizational learning. Furthermore, organizational learning can be achieved through permanent investments in human resources, an element supported by the human capital theory. In turn, permanent investments in the development of human resources ensure a particular competitive advantage for the organization. Therefore, we observe interdependence between different organizational theories, which, treated equally, reflect the implications of HRM on organizational performance.

#### 4. Definition of human resources management

In order to realize the status of the new specialized field, this was and is one of the fundamental problems for researchers in the field. Consequently, in the specialized literature, we find many definitions for managing human resources, with each author approaching this problem from their own point of view.

HRM in contemporary organizations is usually conceived as an interconnected set of activities aimed at systematically improving employee task performance in a manner commensurate with top management's strategic objectives. At the same time, some researchers [16]; [22] have observed that the way these managerial practices are carried out varies in response to a series of social and economic influences, the critical source of which is the broader organizational context in which they take place.

At the same time, Miller claims that human resource management is different from other areas of general management because it must serve not only the employer but must act in the interest of employees as human beings and, by extension, in the interest of society [18].

The fact that HRM has been and continues to be a rather intensively researched field by specialists in the area is explained by the many definitions developed over the years. Table 3 presents a comparative analysis of some definitions of HRM distributed in three time periods.

**Table 3. Comparative analysis of HRM definitions by time periods**

<b>Time period</b>	<b>Author</b>	<b>Content</b>
By 2000	Heneman, Schwab, Fossun, and Dyer (1989)	HRM is defined as a set of functions or activities that are designed to influence the effectiveness of an organization's employees.
	Bratton și Gold (1994)	HRM represents that part of management specializing in managing employees within the organization.
	Werther și Davis (1996)	HRM is how employers obtain, develop, use, evaluate, maintain and retain the correct numbers and categories of employees.
	Harris (1997)	HRM represents a set of programs, policies, and practices for managing human resources within the organization.
	Burloiu (1997)	HRM represents a complex of measures and interdisciplinary concepts regarding recruitment, selection, employment, use through ergonomic work organization, and material and moral stimulation until the termination of the employment contract.
	Mondy, Noe, and Premeaux (1999)	HRM represents the process of using human resources to achieve organizational objectives.
2001-2010	Petrescu (2003)	HRM values employees as a company's heritage, obtained through competition, which must be located, motivated, and developed simultaneously with other resources to achieve strategic objectives.
	Kleiman (2004)	HRM is defined as an organizational function that consists of practices that help the organization to effectively treat its people in different phases of the employment cycle.
	Fisher, Schoenfeldt and Shaw (2006)	HRM involves all management decisions and practices that directly affect or influence the people or human resources working for the organization.
	Byars & Rue (2008)	HRM represents activities aimed at securing and coordinating an organization's human resources.
	Opatha (2009)	HRM is the effective use of human resources to achieve the objectives of an organization.
	Ivancevich (2010)	HRM is the function performed in organizations that facilitates the most effective use of employees to achieve organizational and individual goals.
2011- 2020	Mathis & Jackson (2011)	HRM involves designing organizational systems to ensure that human talent is used effectively to achieve corporate objectives.
	Schwind, Das, Wagar, Fassina, and Bulmash (2013)	HRM is the management of people in an organization using systems, methods, processes, and procedures that enable employees to achieve their goals. It enhances the employee's positive contribution to achieving organizational goals.
	Armstrong & Taylor (2014)	HRM is defined as a strategic, integrated, and coherent approach to the employment, development, and well-being of the people working in organizations.
	Bîrcă (2015)	HRM represents a set of general and specific activities with a strategic and operational character in terms of attracting, maintaining, developing, and motivating employees as efficiently as possible, to achieve organizational objectives and satisfy their personal needs.
	Bohlander and Snell (2017)	HRM is defined as a process of managing human talent to achieve the objectives of an organization.
	Dessler (2017)	HRM is the process of acquiring, training, evaluating, and compensating employees and dealing with their labor relations, health and safety, and fairness.

Source: Developed by the authors based on the review of the specialized literature.

The information presented in Table 3 shows the diverse character of researchers' interpretations of the HRM concept. Although researchers' approaches are different, HRM focuses on employees or people who work within an organization. All the authors of the definitions presented in Table 3 consider HRM to be a distinct field of research and a managerial practice oriented toward the employees of an organization. The distinct nature of the definitions presented in chronological order shows that while until the year 2000, HRM was seen as an operational activity, after this period, a strategic interpretation of human resources within organizations can be observed. Beyond this, human resources are seen as strategic resources for achieving organizational objectives.

At the same time, the English researcher D. E. Guest thinks that the driving force of HRM consists in the pursuit of competitive advantage in the market through:

- providing high quality goods and services;
- competitive pricing policies linked to high productivity;
- prompt ability to innovate and introduce change in response to transformations produced in the market space or to essential advances made in the research-development dimension [1].

So, HRM can be seen as a philosophy governing how employees should be treated in the organization's interest. Depending on the philosophy adopted by the upper management of the organization concerning its own employees, two approaches to the concept of HRM have been developed in the specialized literature: technical and humanistic.

The technical approach of HRM emphasizes, in particular, the financial factor. Thus, employees are considered human capital from which profit can be obtained as a result of making a wise investment in their development. In the case of the technical approach of HRM, the top management's attention is directed towards controlling costs with the organization's human resources, especially the salary fund and its correlation with labor productivity. The second approach - humanistic - is positioned diametrically opposite to the technical one. The humanistic approach to HRM originates in the School of Human Relations led by Elton Mayo in the 1930s, which was concerned, as already mentioned, with communication, motivation, the ability to lead, etc. According to J. Storey, the humanistic approach to HRM involves treating employees as valuable assets, as a source of competitive advantage through loyalty, adaptability, and high-quality professional skills, etc. [1].

**Strategic integration** implies the organization's ability to integrate HRM issues within its strategic plans, as well as to support executive managers in the decision-making process from an HRM perspective. In addition, human resources strategies express a broader perspective and a dynamic view of employees, ensuring their full integration with the organization's other functions.

At the same time, any strategy in the field of human resources is the result of debates and agreements agreed upon between the senior managers of the organization and the specialists of the human resources department. Therefore, human resources strategies determine the set of long-term objectives regarding employees, the main ways of achieving them, and the financial and material resources necessary or allocated, ensuring that the organization's structure, values, and culture will contribute to the achievement of organizational objectives. Therefore, any strategy in the field of HR pursues certain objectives. In our opinion, the strategic objectives in the field of human resources can be considered:

- satisfying, in the future, the human resources needs of the organization both quantitatively, in terms of number and quality, taking into account the qualification levels of the employees;
- offering rewards and benefits at an appropriate level, equivalent to the market, to maintain and motivate employees at all levels of the organization;

- achieving a favorable social climate between managers at all hierarchical levels and their subordinates;
- providing the necessary means and equipment to maintain and improve professional knowledge and skills according to the needs of the organization;
- the development of an appropriate communication system both vertically, between managers and employees in their subordination, and horizontally, between different departments and subdivisions of the organization;
- the provision of the necessary mechanisms that would allow the organization to deal with the consequences resulting from the change in human resource requirements.

In the perspective of developing and implementing human resources strategies, future needs for professional qualifications and skills must be taken into account. Also, to increase the organization's profitability, it is necessary to consider the required levels of professional performance. Apart from these, in order to achieve the organizational objectives, it is essential to establish the volume of investments in the field of human resources, to ensure the necessary qualifications.

## 5. Conclusions

Human resources must be treated as individuals, personalities with specific needs, behaviors, and visions, not globally, as a mass of people capable only of work. From this perspective, it is crucial to consider the factors that impact people's behavior in the work environment, namely: individual differences, professional behavior, attitudes, and perception of people. This will allow us to use human resources' physical and intellectual potential more effectively.

Human resources management represents a set of general and specific activities, strategic and operational, in terms of attracting, maintaining, using, and motivating employees as efficiently as possible in order to achieve organizational objectives and satisfy their personal needs. The concept of HRM can be seen as a philosophy that governs how employees should be treated in the interest of the organization.

The content of human resources management is determined by the multitude and diversity of activities that must be carried out, correlated, and harmonized in human resources. These activities are more or less related to each other and have a particular impact on the results obtained. In this sense, we can highlight a series of specific activities: job analysis and design, human resources planning, recruitment and selection, training and professional development, professional performance evaluation, employee motivation and reward, employee health and safety, etc. Furthermore, in order to ensure the competitive advantage of organizations, HRM must: offer high-quality services, develop and implement competitive strategies and policies aimed at the organization's personnel, initiate new procedures and techniques in the field of human resources, etc.

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