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STRATEGIC HUMAN RESOURCES MANAGEMENT IN THE ROMANIAN ORGANIZATIONS

Case
Study

Keywords

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Development,
Mentoring,
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JEL Classification

M54

Abstract

Started in 2009, the study of specific processes in the Strategic Human Resources Management (SHRM), will be continued in this article by identifying less obvious processes in models already made for SHRM. Among them, succession planning in the organization or promoting employees, are processes influenced by the current economical context. The results of this research reflect as realistically as possible the situation of the Romanian companies in the current economic context of the human resources processes, additionally to the questionnaire method we have also used the interview method. Being part of the sociological survey, this method could confirm or deny the results obtained via the questionnaire. In the activity field where personnel fluctuation can be sometimes overwhelming as in trade marketing, the effectiveness of these processes controls turn-over rate of staff and provides certainty to employees that they will have access to higher positions by promoting the talents in the organization.

INTRODUCTION

This article reflects another level of thinking regarding the Strategic Human Resources Management (SHRM). In 2015 we have published the article „The importance of HRM processes within the organizations from Romania”. After this event, we had the opportunity to share our ideas regarding the human resources field with specialists in this area and to continue researching the role and impact of SHRM in the organizations where they carry out their activity. Our interaction with current Human Resources leaders, with future leaders (Master students of the Human Resources Program of the Faculty of Communication and Public Relations-SNSPA) and specialists in business area has influenced our HR vision, determining us to evaluate and still deepen the subject. In this article, we started from our own HR model (Novac, 2011) which we reclassify into the big global and fast changes picture, as well as its impact on competitive business environment.

In the article, we talk less about the human resources and more about the human capital. Human capital recognizes that individual's talent and creativity is the key for global competitiveness. Identifying and developing talent – priority for every organization, will facilitate an exponential return on investment both in the near and long term future (Cooper, Burke, 2006).

Based on the research conducted since 2009 (Novac, Vidroiu, 2015) it could be seen a clear evolution of HR processes within organizations in Romania, especially the multinational companies which implement established globally procedures. The HRM role within companies is becoming even more strategic and belongs to the critical departments of the developed companies. If some time ago, HRM was considered as being support as regard the administrative area of personnel management, now its status has evolved and most often HR managers participate in setting the organization's objectives, in achieving them but also HRM also receives proper merits from the organization's management when evaluating the company's results.

In the current economic, political, social, and cultural context, HRM acquires new meanings and becomes one of the factors that ensure organization's success in a multicultural context (Novac, 2015). The author notes that the transfer of knowledge, procedures, and objectives from headquarters to subsidiaries requires special attention from the management of the organization point of view such that to fulfil the criteria of efficiency requested at global level and to demonstrate responsibility, flexibility, responsiveness, and adaptability to local characteristics of the company. Romania like other

European countries had borrowed policies, procedures, methods, and techniques specific to developed countries that have opened branches in our country.

Wishing to emphasize the importance of HRM processes existing within the organizations from Romania but also to understand the need to bring them into line at global level into an economic context where organizations which are holders of many awards and results on their business field, this research starts from a complex model of Human Resources. The model proposed by Th. Garavan, D. Danell, D. McGuire and S. Watson (Garavan, Carbery, 2012) is useful in understanding the links of these multiple levels, focusing on their interaction taking in consideration the global context.

HUMAN RESOURCES MANAGEMENT WITHIN THE ORGANIZATIONS FROM ROMANIA

This paper aims by means of research based on two research methods namely questionnaire and interview, to highlight the importance of human resources processes, methods and techniques used within organizations in Romania as well as the main changes in the human resources processes of organizations in the current economical context. We have chosen the sociological inquiry as working method and the instruments used are questionnaire and interview.

The practice is performed as mentioned previously, by applying a questionnaire which has as theme „The importance of HR processes within organizations in Romania” on 50 specialists who are part of the human resources department of the participating organizations. The self-administered questionnaire was distributed online through Google Docs platform, and the group of participants was selected through the social media platform. We have built the base of persons currently working in human resources in small, medium, and large organizations in Romania. These companies are located in different other areas of our country and most of them are multinationals.

The questionnaire is part of surveys and aims to outline of the human resources processes within organizations in Romania in the current economic situation. It consists of 28 items formulated in accordance with the assumptions of this research and we have used a Likert scale consisting of 5 points as follows: 1 representing option "Never", 2 representing option "Rarely", 3 representing the value "Sometimes", 4 representing the value "Often" and 5 giving meaning the answer "Always".

The questionnaire assesses two selection criteria of the participants namely geographical location and number of employees. Within the research there were identified as participating industries the following: sales, training, telecommunications, shared services, retails, human resources, business consultancy, financial accounting, IT, commercial refrigeration and so on. Participating organizations are part of different market types such as regional, local, national, or global. The participating organizations are located in areas like Afumati, Bucharest, Cluj Napoca, Craiova, Iasi, Otopeni, Ploiesti, Timisoara and 74% of them are acting in Bucharest while 10% in Cluj Napoca, these being the main developing areas in different fields of the multinationals. The number of employees shows that the size of participating organizations varies from a minimum of two employees, when we speak about a regional company, up to a maximum of 190,000 employees in case of a global company. All data obtained from the applied questionnaire, have been interpreted using SPSS soft and contain answers of a lot of 50 participants providing information from the human resources department of organizations to which they are part of.

The first formulated assumption „Does the recruitment and selection process positively correlate with the online environment presence in the organization?” is confirmed by interpreting the results of the applied questionnaire. Also, through the analysis performed we found that the HR manager has the responsibility to take decisions regarding the recruitment and selection process with a percentage of 58%, but this is going with the support of a manager within the organization. The frequency of using the online environment when recruiting and selecting is "Often" having as option the average and median value of number 4 answer. The following assumption refers to professional development in relation to mentoring as a method used within the organizations, assumption which was validated based on the interpretation of results (Table 1). We note that mentoring is a present process in most of the participating organizations, but not always this method is used as professional development, but rather as being efficiently in preparing/training the employees to be promoted to managerial positions. Mean and the median responses for this assumption is located around value 3, the selected version being "Sometimes" (Table 2).

The third assumption links the method of Talent Management and the succession plan that can exist within organizations (Blass, 2009). Frequently the organizations are aware of the need for a substitute mainly for the critical positions in the organization, but most often because there are no specific procedures regarding the succession plan, they appear within the objectives of those positions or they are individuals selected, according to their

potential and performance, these criteria being evaluated in certain companies every six months or annually (Table 3).

The average responses for this assumption being between the variant 3 and 4, and the median at 4, we find that when carrying out the succession plan, Talent Management is part of the selection criteria of successors (Table 4).

As conclusions, we can say that within the organizations, the online environment is present regardless its field of activities, the professional development of employees does not always include mentoring programs and the size of the organization does not determine the usability of the coaching programs especially within the integration processes where are almost always used. Also, the succession plan is based on the use of talent management programs within the company, sometimes even starting with the recruitment and selection process (Garavan, Carbery, Rock, 2012).

In order that the results of this research to show the situation as realistic as possible within companies in Romania in the current economic context of HR processes, besides the questionnaire method we also used the interview method. Being also part of the sociological survey, this method can confirm or not the results obtained through the questionnaire.

Following the data extracted from the questionnaire, we observed that 42% of respondents belong to the organizations in which SHRM has multiple objectives (Table 5).

Considering this extremely important issue, we find not only that in time SHRM obtained a higher and real status in companies in Romania, but also that the existence of these multiple targets lead to the emergence of numerous human resources strategies. Besides the active participation in their objectives, HRM has achieved the ability to have competence to provide support in fulfilling the organizational goals.

Going back to the research questions formulated at the beginning of this study, in addition to the results obtained by questionnaire we have doubled the quantitative method with the interview method applied to 7 people that are part of the human resources department of companies of different sizes from a minimum of 107 employees up to 2,800 employees. Wishing to obtain further information on HR processes currently applied in organizations in Romania, the interview used has a semi-structured type and contains ten questions that respond to the research questions, but some of these also support the results obtained by interpreting the online questionnaire applied, validating or not the assumptions made.

The first question covers the identification of the function of the interviewee. Respondents are part of areas such as human resources support services, human resources outsourcing services, telecommunications, automotive and taxi services,

call centre services or trade marketing. These organizations have their headquarters located in Bucharest, but some of them are active at domestic level in cities like Galati, Timisoara, Cluj Napoca, Ploiesti and Constanta.

In order to easily understand the characteristics of the people interviewed, we will shortly indicate their characteristics (R=respondent):

- R1 is part of an organization providing services and support to the global organization which is part of, currently having 107 employees and held the position of HR Specialist;
- R2 is part of an organization providing outsourcing services of HR processes for different companies, having about 70 employees internally and externally, because it provides personnel leasing services, has 500 outsourcing employees, and held the position of HR Coordinator;
- R3 is a Sourcing Specialist within an organization of about 2,800 employees working in telecommunications;
- R4 is a Human Resources Specialist and is part of an organization with Romanian capital in automotive industry and taxi services, with 600 employees some of which being externals of the company and not internal employees;
- R5 holds the position of Human Resources Specialist and is part of an organization having 550 employees and providing services in the automotive service area;
- R6 also hold the position of HR Specialist, and the organization performs call centre activities being a local branch of a French supplier. Currently, at national level the number of employees is 1,400 and by the end of 2016 the company aims to hire another 300 people;
- R7 operates within an organization with about 1,400 employees, acting in trade marketing area of the retail domain and hold the position of Payroll Controller.

The interviews were held in the organization where each of the respondents belongs.

The third question in the interview refers to the first research question, namely: „Which are the changes in the HR department of the companies from Romania in last two years” and we noticed both via the applied questionnaire and by analysing the interviews conducted in many companies, less visible than those having Romanian capital, that there were various changes in the human resources processes. There are new procedures, R1: *„We do not have many procedures, but gradually increasing in number... are made efforts currently to implement them”*. According to R2, R6 and R7 the recruitment and selection process has been optimized and new recruitment environments were selected based on vacancies. R3 states that well-being programs for employees were multiplied: *„...a well-being program was introduced because until two years ago, it did not exist at company*

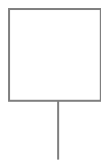
level. Initially it was a pilot project, but the results were extraordinarily good, was made permanent ... and is dedicated to all employees.” R5 claims that training programs have been multiplied, in particular those directly related to the quality of provided services and at the level of certain areas some of the human resources department activities were outsourced such as the payroll for a faster and more efficient activity in this area. R7: *„The main changes for the human resources department processes refer primarily to the organization and information processing, understanding that some processes such as for example the calculation of payroll, have been outsourced to a specialized company.”*

The fourth question relates to online recruitment in organizations. This type of recruitment is found within all the organizations with which we could discuss, but print media, recommendations or radio channel are still used, particularly in the retail area. R7: *„...particularly within the retail chains in Romania, the online environment proved to be ineffective and in this case, we mainly recruit through print media, where we post job ads, and individuals, potential candidates, contact us by phone and schedule interviews”*.

The next question of the interview refers to the second research question of this paper, namely: *„Identifying high performance potential individuals but also of professional development is an important issue for organizations?”*

In R1 case, identifying high performance individuals but also potential for professional development is an important issue for the organization; R1: *„Yes, there are specific methods for this. It is the stage where we need to align globally, because we are part of a global company, we have developed processes passing through internal discussions...”*. The talent level desired by the organization could be of a sector as technical one for telecommunications. R3: *„There are certain sectors within the company seeking only a certain level of talent, i.e. the technical expertise...”* and it is different from that oriented to the business management positions as in the case of R2, R6 or R7. For Romanian’ companies such as R4 and R5, there is no specific method, but it seeks to match the employees to the vacancy requirements by criteria such as education, previous experience or knowledge of the candidate. For organizations in consultancy area such as R2, there are well-established procedures regarding the selection of talents as for the new employees of the company. R2: *„For domestic business due to the nature of the activity that we have, we focus more on the human resources side, candidates having the potential to develop in this area...”*

If by questionnaire we noticed that the coaching program is not used according to the number of employees of the companies, the replies to the sixth



question support the invalidity of this hypothesis. Coaching is used in accordance with respective company resources, and most of them use it during its integration process for the new employees.

The research question: „The succession plan is an important element in organizations in Romania taking in consideration their competition?” is validated by the questionnaire as we saw in its analysis, but also through question number eight of the interview. R1, R3, R6 and R7 consider the succession plan as a very important element especially considering the evolution of a company, control over human resources and especially for their key positions. R2 even considers this process as part of organizational development „*Actually for the succession plan we also understand a plan for professional development of their employees, because it actually means. When someone promotes another position, turn back ... it will attract a new development. So, the succession plan has a very important role...*”.

In the case R4 and R5, there was no need for a succession plan at the organizational level as it does not have an emphasis on training the new manager, but rather on his own qualities brought in the job, either selected from internal or external environment of the company.

By the following question, we sought to identify some new processes within the participating organizations. We have selected the „Gamification” process and the one entitled „Buddy”, these being to some extent recently occurred in the HR processes of the Romanian organizations.

In the telecommunications area, beside different programs such as „Fellow or those based on the concept of gamification stimulating the employees of the organization, a great emphasis is on the use of the Assessment Centre especially for checking candidates' technical knowledge: „*Yes, gamification is also used in our company, otherwise if it comes to recruitment it is also used Assessment Centre besides the classic manner of recruiting, namely the interview or test on the technical side or on spot of certain skills*”. For other respondents, these programs are not used due to lack of resources or because they are not effective in some areas. For R6, involving a call centre, employees receive through the job offer the access to various bonuses and a gamification program is not needed as reward. For R7, the company does not develop this type of programs, but in collaboration with customers offering trade marketing services, organizes various rewarding programs for the employees who are talented through their results and potential to demonstrate fulfilling daily tasks.

The last question of the interviews refers to the visible effects of the human resources processes development within organizations in Romania.

These effects could be qualitative or quantitative type.

Regarding the qualitative result within organizations following the development of human resources processes, we can observe a gain of new knowledge in the area of activity. R1: „*Qualitative, yes, because clearly we begin to gain know-how and we are moving in the direction we wanted*”. In the matter of quality of services offered by the company to the external environment, R2: „*Could bring improvement for the company performance, I mean the quality of services we provide to customers*”. This is also the result for R5, or for the quality of employees in the company, R3: „*...when using Assessment Centre, the results are visible because, through the concept of Assessment there are several assessors who assess one candidate. Therefore, the rate of "failed" is very small and yes, the results are visible, and finally the individual in question, well ... in a certain time, confirms 100% that the results obtained in Assessment are even so in reality, meaning that it folds the reality with that of Assessment*”.

The effects are evident also in the development plans of the organization, R6: „*Yes, of course they have a very good impact on company performance ... customers and our development plans.*”

In the activity areas where staff turnover can sometimes be overwhelming as in trade marketing, the efficiency of these processes controls the turnover percentage of employees and gives them the safety of employees that will have access to higher positions by promoting talent within the organization. R7: „*...when referring to methods relating to the promotion of talent in the organization, I would say it may have a qualitative influence given that since employment, for example, this perspective to promote in the future is presented to candidates...*”.

For the company R4, because HR processes are slowly developing, there is no major difference neither qualitative nor quantitative in the evolution of the company from one year to another.

Quantitatively, clearly the difference is annually noticeable by increasing the number of customers of the companies, by the profit obtained and by the low percentage of turn-over within the participating organizations.

RESEARCH CONCLUSIONS

Following the interpretation of the results obtained based on the two methods of research used namely the questionnaire which had 50 participants and the method of semi-structured interview applied to 7 respondents, the assumptions initially made were validated or not, as follows:

I.1. „Recruitment and selection process positively correlated with the presence of online media

organizations?" this hypothesis has been confirmed.

I.2. „Professional development of the employees positively correlated with mentoring?" this hypothesis has been confirmed.

I.3. „The more is used the method of talent management in the organization, the more the succession plan is effective through visible results?" this hypothesis has been confirmed.

The three research hypotheses were derived from the research questions formulated. First question: „What are the changes in the Human Resources department of companies in Romania in the past two years?" received multiple responses, the changes being most often at the internal level of the organizations. The second question is worded as follows: „Identification of individuals with high performance and professional development potential is an important issue for organizations" and the response was a positive one, but most often such a program exists informally without a written procedure. The last question: „The succession plan is an important process within organizations from Romania also considering their competition" as for the previous question, received a positive response, the succession plan being important and taken in all organizations in Romania who participated in this study.

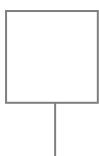
When we look around at the world where we live and work and the one we lived 10 years ago the number of changes in our everyday life is impressive. When we consider the great global context, the number of factors entering the game is more difficult to be observed by most of the people. Sociologist James Canton (2010) notifies us that in the last 50 years have been happened more changes than in the past 500 years and that in the next 50 years we will see even more radical changes in our world. The impact of the advanced technology and globalization will continue to influence developments in the HR field generating changes both at the organizational and individual level. Regardless of our vision for the future, following the study presented one thing is clear: human capital, skills and individual experience represent the centre of interest of global competition. For the continuation of this research a new question is outlined: „Which are HR specialists' specific competencies in order to develop human capital managing strategies for in organizations to the future?"

LIMITS OF THE RESEARCH AND FUTURE RESEARCH

This research also has limitations such as the use of sociological inquiry, self-administration of questionnaires could lead to a difference between the given answers and the real situation within the batch of participants and considering that this research refers to human resources processes within organizations over the past two years, it could conduct in future to plot trends in human resources or to introduce variables such as the type of leadership or organizational culture of the organization.

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ANNEXES

Table 1.

Is mentoring often used within your organization considering the current professional developing plans?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	4	8,0	8,0	8,0
	Seldom	9	18,0	18,0	26,0
	Sometimes	13	26,0	26,0	52,0
	Often	13	26,0	26,0	78,0
	Always	11	22,0	22,0	100,0
	Total	50	100,0	100,0	

Table 2.

Is mentoring often used within your organization considering the current professional developing plans?

N	Valid	50
	Missing	0
Mean		3,36
Median		3,00

Table 3.

Identifying „talents” within your organization is a positive aspect in order to develop a succession plan for the critical positions of the organization?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	3	6,0	6,0	6,0
	Seldom	7	14,0	14,0	20,0
	Sometimes	11	22,0	22,0	42,0
	Often	16	32,0	32,0	74,0
	Always	13	26,0	26,0	100,0
	Total	50	100,0	100,0	

Table 4.

Identifying „talents” within your organization is a positive aspect in order to develop a succession plan for the critical positions of the organization?

N	Valid	50
	Missing	0
Mean		3,58
Median		4,00

Table 5.

Strategic Human Resources Management within the organization you represent is comprised of multiple targets?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	3	6,0	6,0	6,0
	Seldom	2	4,0	4,0	10,0
	Sometimes	5	10,0	10,0	20,0
	Often	21	42,0	42,0	62,0
	Always	19	38,0	38,0	100,0
	Total	50	100,0	100,0	