

The Strategic Role of Human Resources in the Globalization Process

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Globalization has contributed to rapid technological development, dominated by the importance of human resources as a key to society's development and progress. A modern approach to strategic HRM is the most important phenomenon of today, helping to align the skills currently used with the goals the company pursues. A new industry is constantly evolving in the field of human resource management through strategic human resource management (HRM). The data show that human resource efficiency is an important factor that enables a company to have long-term benefits in terms of profits, competencies, and other goals. In the HRM system, this plays a significant role in planning long-term goals and strategies. The skills necessary to fulfill organizational goals are developed by individuals' personal sense of attitude and creativity synergistically related to the needs and desires of employees. The business function or human resources sector today is much more than a form of employment in the future. The efficient use of human resources is needed to provide companies with a competitive advantage and set long-term goals for a successful business, which are just some of the priorities of global business. Human resource management organization (HRM) includes selection, training, evaluation and rewarding of employees, organizational leadership, organizational culture. HRM emerged as a concept in the early 20th century, when researchers began documenting ways to create business value through strategic workforce management. Initially, transactional work dominated, but due to increased globalization, further HRM research today focuses on strategic initiatives, such as talent management, industrial and employment relations, inclusion, and more. Human resource management (HRM) refers to HR and management practices and systems that affect the workforce. The human resources of any organization are made up of all the people who carry out some activities within the enterprise. HRM's core responsibilities include job design and job analysis, training and development, recruitment, team building, performance management, employee appraisal, etc. HRM affects the management and productivity of the company. It plays an important role in the training and control of employees and the organization. HRM plays a vital role in sustaining the lives, work, and career planning of employees. It helps HR managers resolve conflicts and motivate employees to pursue personal and organizational goals. To achieve organizational goals within HRM, it is important to conduct training and education. Without the ability of good HRM management and employee confidence in leadership, chaos and conflicts arise in the organization. HRM plays a vital role in the organization to achieve organizational goals, solve problems, manage workforce diversity, and the like.

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Introduction

Around the world, local economies are facing liberalization that is developing increasingly competitive strategies. That is why the development of HRM is a central point of success of modern organizations that emphasizes the importance of managing people in economic, political, and social issues.

There are many ways to explain the central role in providing a workforce capable of responding to the competitive challenges of the global framework in which modern organizations operate. It also means changing the approach to the development of human resource management on the international stage under the influence of globalization. Human capital is an important constructive element in various areas that stretch in the economy from micro enterprises to macro enterprises. The current and future goal of companies is to increase knowledge about human capital within organizations by integrating two streams of research that directly focus on human capital, namely:

1. Strategic human capital (SHC);
2. Strategic human resource management (HRM).

This integrative approach was described by Delery and Roumpi (2017, p. 17) through:

- strategic human resource management.
- capital human capital.
- competitive advantage which represents the three most important perspectives of human capital.

Basically, organizational challenges dominate in modern organizations, and they refer to the good practice of attracting and retaining “the so-called valuable employees in everyday practice” (Bourne, Neely, Mils, & Platts, 2003, p. 10).

Today, due to increasing globalization, HRM strategies have focused on strategic development initiatives of companies, such as: talent management, management of industrial and labor relations, inclusion (unification and inclusion in the process), etc.

The new strategic component has led to the development of human resource management called “strategic human resource management”, and can be defined as: Development and implementation of human strategies that are integrated with the company’s strategy and ensure that culture, values, company structure, quality, motivation and commitment of employees, contribute to the full fulfillment of the company’s goals.

Adequate control of strategic human resource management processes consists of a series of procedures aimed at maximizing organizational integration, employee commitment, flexibility, and quality of work. Instead of adapting, human resource management participates in creating the strategy. The emphasis is on the interrelationship between people, strategy, company structure, and the external environment. It is considered that the success of the company requires an understanding of the basic factors of employees, such as: The importance of the people employed in the company and their contribution to meeting the company’s goals. Strategic human resource management is implemented in all companies and refers to the system as a whole. Much attention needs to be paid to this topic. The concept must be clear and applied at the enterprise level, because it is necessary to specifically implement and develop different systems, such as: quality systems, detection, and prevention systems that are designed to solve problems at the level of individual processes. The latest generation of quality systems, as well as process-oriented methods are comprehensive methods of

strategic planning, the application of which regulates the organization and management of the company as a whole. Within process-oriented methods, prevention systems and detection systems have their significant scientific and pragmatic place. The scope of their application depends on the needs of the specific business system of the company and its environment.

Within the company, it is necessary to establish a system that will cover all stages in the development of the process of quality of products and services, but the sequence of steps should be taken into account. The development of a prevention system, ie quality assurance through the International Organization for Standardization (ISO) standards, as well as a detection system (quality control), before a process-oriented organization of the company is established, is performed through a certain risk that the same work must be done again on the newly formed business system. Therefore, human resource management focuses on several main areas, including:

- Recruitment and staff;
- Fees and benefits;
- Training and learning;
- Relationships between work and employees;
- Organization development, etc.

This content provides the reverse sequence of steps that can only be justified if the pressure of the environment on the company is high, or if it is estimated that in the long run, there are no opportunities to implement comprehensive process-oriented strategic human resource planning. Most often, one starts with a logical sequence of things, as follows: First one should start from the choice of the method of strategic planning, edit the process in the company and choose a suitable moment for the formalization and registration of the quality system. In one business example, one of the possible variants of the algorithm for strategic planning and for the development of human resources in the company is shown. It is covered through activities that are grouped into three basic steps. The proposed algorithm was formed on the basis of a process editing method developed at The Concrete Industry Management-CIM College. The presented Algorithm can be applied to all types of companies regardless of their size.

Algorithmic steps are:

1. Formulation of the place and role of the company in the business and socio-political environment through the mission, vision, and strategy of the company in the function of human resources.

2. Formulation of the mission. The mission represents the role that the company should play in the existing socio-political environment. The mission of the company is formulated by its owner in the form of a short statement regarding the purpose of the company's existence and the goals that the company should achieve. The mission is the reason why the company exists at all.

3. Formulation of vision. The vision is the role that the company should play in the existing business environment in the long term of five, 10, 20, or more years. The vision of the company is formulated by the closest management of the company. The vision shows how the company sees itself in comfort.

Based on the vision, a strategic plan for a period of five to 10 years is formed. The strategic plan in the form of human resources is designed with the task, to adjust the vision of the company to achieve goals in the specific environment in which the company operates. The strategic plan is developed by the broader management of the company, where it should determine the products and services that will be the basis of

business in the long run. Development of a strategic plan is preceded by a certain type of “SWOT” analysis which determines the strengths, opportunities, weaknesses, and threats that the company needs to implement. An example of a “SWOT” analysis in a simple form is given in Table 1.

Table 1

SWOT Analysis

S (Strengths)	W (Weaknesses)
-Good engineering and other human staff. -Experience and skills.	-Political situation. -Insufficient modern mechanization.
O (Opportunities)	T (Threats)
-Lower price than the competition. -New markets.	-Globalization, fiercely competitive market. -Unreliable investors.

Decisions made by the human resources strategic plan include:

- Selection of process-oriented method of strategic planning applicable in the strategic business of the company.
- Defining an efficient structure of the business system of the company, which the company will gradually achieve through the implementation of individual projects of the medium-term plan.

The business and management system for human resource management in the execution of business processes should enable the smooth running of several important activities:

1. Quality identification of “supplier-user” chains;
2. Supply system management in a broader sense, which serve as a basis for process analysis and planning for further improvement.

Historical Data of Human Resources Management

Human resource management is a business philosophy that formally emerged in the late 19th century. Previously, the employment and payment of workers depended on the personal decision of the business owner. In organizational terms, the personnel function was conceived by Frederick W. Taylor, in 1885, identifying ways that would show the performance of workers more efficiently, and the work of employees less strenuous. The goal is to increase work efficiency, not care for the employee. As the organization and division of labor developed, so did the specialization of many managerial functions, primarily sales, production, and personnel.

Elton Mayo discovered in the mid-1920s, the influence of working groups on the work of individuals. In the thirties of the last century, several declarations and labor laws were adopted, which encouraged trade union organization. The importance of collective bargaining and trade union-management relations improved in the period from 1940 to 1950. During this period, the union becomes a respectable organization that increasingly imposes certain rules and standards of work, as well as the relationship between managers and workers.

The comparative increase in legal requirements and coercion of an increasing number of social laws in the 1960s and 1970s caused structural changes in many organizations.

Human resource management (HRM) has paid more attention to these requirements and adapted to the employees and needs of the organization. Since these upcoming changes, organizations are beginning to invest more and more in the development, education and training of employees and, consequently, in the quality of work.

In the 1980s, the strategic role of personnel management became increasingly dominant, as organizations began to select workers, as well as to close some plants or to restructure. From 1990 until today, the organization of human resource management has been rapidly improving, as a new concept of work management and development of employees in the organization.

In those years, a greater participation of human resource management in the strategic planning of the organization developed. The facts confirm that human resource management is constantly changing and adapting to different business conditions of companies.

Changes concerning the nature of work and the role of human resources are increasing today.

New business technology categorizes human resources as the key to business efficiency of any business and production system. That makes the source ideas, knowledge, and skills that enable the company to achieve a competitive advantage in the global market.

People are the greatest wealth in the world, so human resource management is basically a new business philosophy and a new concept of attitude towards employees and the way they manage their work and development. This process is determined as the beginning of the stage of effective development of personnel management and as a response to changes that have occurred in the field of economy, such as:

1. Market concept of business and market globalization.
2. Organization of a new organizational form.
3. Management changes in the structure, content, and methods of work.

A great contribution to the emergence of this concept was given by science (organization theory, sociology, psychology, communication science, informatics, etc.), primarily through the application in practice of scientific knowledge about the change of the system of work and organization. At the same time, a process of new scientific knowledge was developed on the basis of study, analysis, research, and improvement of practice in the field of organization and management.

Developing one's own human resources in a company is undoubtedly one of the important preconditions for the development of all types of industrial and other companies, regardless of their size. Today, we are witnessing great changes in the labor market.

Group and individual goals for achieving safety in the workplace leads to a situation in which the highest quality staff achieves the greatest success in their careers, despite frequent changes in the company and the rise on the hierarchical ladder in different companies. Their importance to the business of a company can be great, but we should not neglect and forget about all other positions of people in the company, which are also needed for business and business processes (V. Stojiljkovic, Veljkovic, P. Stoilkovic, & Jevremovic, 1988).

Practice shows that medium and large companies most often encounter the problem of human resources development. Depending on the situation and business needs, significant financial resources are often invested in finding and developing those human resources that contribute to the business success of a company.

In practice, there is often disagreement about the terms "human resource management" (HRM) and "human resource development" (HRD). Table 2 shows the basic definitions, processes, and activities of HRM and HRD. Human resource management derives from the term management, and it generally denotes three groups of activities and relationships:

1. The first group refers to the activity aimed at achieving certain and predetermined goals, but with the help of other people.

2. The second group refers to the process of directing, adjusting and behaving people (behavior) towards a particular job, task (or tasks).

3. The third group includes processes, relationships and combinations of production resources and other factors of the process of action, in order to achieve business efficiency.

Table 2

Comparison of HRM and HRD

HRM	HRD
Definition: HRM is the process of managing human capabilities to achieve the goals set by an organization.	Definition: HRD is a set of organized activities in function of time and ability, whose purpose is to influence changes in employee behavior.
Processes: 1. Selection and employment; 2. Benefits and improvements; 3. Labor relations; 4. Occupational safety and health management.	Activities: 1. Training and development; 2. Performance management; 3. Career planning and development; 4. Change management.

The basic tasks of human resources management are: (1) planning; (2) organizing; (3) knowledge management; (4) improving the process and quality of work; and (5) control and evaluation of achievements.

1. Planning involves determining the goals to be achieved in a given period of time. The system cannot achieve business success if everyone involved in the work process does not know or understand what is expected of them (N. Živanović & V. Živanović, 2014).

The plans determine the organizational setup of jobs and the structure of employees, as well as the manner of their management and evaluation.

Planning is part of the management process aimed at achieving goals. It is based on setting goals for each part of the organization, starting from the workplace, or individual, through organizational units of lower and higher order, all the way to the organization as a whole. It includes setting goals, developing those goals, specifically by example in practice, and controlling their realization.

Based on the goals, an appropriate strategy is determined, which has the role of successful realization of those goals and business policy.

2. Organizing is a set of related activities by which the plan turns into a means by which the planned goal is achieved. The process of organizing work takes place in six phases, as follows:

- I. Analysis of the goals that the business system should achieve.
- II. Identifying jobs and classifying activities needed to achieve goals.
- III. Grouping activities according to available material and human resources.
- IV. Delegation of work tasks and authorities.
- V. Coordinating development and innovation jobs.
- VI. Two-way communication of information transfer.

When it comes to production in industrial companies, the preparation of the necessary resources in the organization of work for production includes: human knowledge and ability, which are used as a means to meet needs, directly in consumption or indirectly in production.

In that case, organizing as a managerial function refers to all the means and resources used in business efficiency.

3. Knowledge management is a scientific and practical process, which specifically refers to human resources. It indicates the application of all aspects of management related to successful work, employment, interpersonal relationships, people's behavior, creativity, etc. in their work and creative activity. The knowledge management process includes the following activities:

- A strategy aimed at achieving certain goals by engaging all knowledge with available human resources.
- Organizing and leading the process.
- Harmonization and improvement of relations and connections between employees and the business system, etc.

Therefore, modern human resource management cultivates and improves relationships, i.e., harmonizes the requirements of work and characteristics of employees in order to achieve optimal performance and employee satisfaction.

4. Improving the process and quality of work is considered the most necessary and most complex function of modern management. The reason is the growing competition in the market of products and services, which is gaining more and more importance. Process management and quality of work refers to the quality of products and services, as well as to the entire organization in the function of managing these processes. Therefore, in recent times, there is more and more talk about the necessary application of the development of complete or total quality management that integrates human resources as the most important component of the quality of the company's business. Quality management is closely related to customer satisfaction, but also to employee satisfaction. The rule is that only an organization that systematically and systematically nurtures and develops a good work climate and relations with employees and associates, can expect high quality of its products and services, which ensures customer satisfaction and lasting stability of the business system in the long run (Haslinda, 2009).

5. Control of process execution and evaluation of results during the process implies the application of appropriate instruments for measuring the satisfaction of users, employees and the environment. Within the measurement and evaluation of results, certain and necessary activities and methods for debugging are undertaken. Mistakes negatively affect self-esteem and business success. Control is the way management is focused on the success of the organization, measured by the results, expressed in profit. This makes aggregate indicators of success, which requires the ability to compare goals and results. Performance evaluation is a realistic path that creates a basis for rewarding according to personal achievements and overall work results. The common dimension of goal management is: setting goals, employee participation in it, evaluation and control of performance and rewarding according to the achieved performance. In addition to the six basic characteristics of managerial functions, it is necessary to point out that management always changes the nature of business according to market requirements. This was reflected through managerial revolutions that changed and perfected the ways of doing business.

The concept of modern management is increasingly developing leadership according to modern standards as its important feature that takes place in the function of growth and importance of managers and entrepreneurs. In the conditions of entrepreneurial economy, entrepreneurial management is created and developed. In practice, there is a difference between a traditional manager and a modern leader. The manager deals with mastering organizational and strategic tasks within the company—internally, and the leader—the leader deals with overcoming changes internally and externally.

The essence of leadership is gaining people who know the leader and who want to follow him. The leader relies mostly on predicting what could and should happen, and relies less on analyzing what is. The manager strives to make optimal use of all available resources in order to achieve the greatest possible effect. A modern leader sees opportunities to improve and change things, to strive for something new and different from the existing one.

Strategic Role of Management

The strategic role of human resource management today in organizations at the global level is the most valuable resource. In this sense, the work and effort of all managers is required, not just human resources managers and employees in the organizational unit for human resources. His strategic role is formed on knowledge, for everyone, a specific strategy of the organization should design an appropriate human resources strategy.

Employees in an organization should be a source of its competitive strength, only if they are invested in their development and successfully managed. Instead of performing both roles, many entrepreneurs and managers, today, continue to perform only an operational role. The reason for that most often lies in the lack of understanding of global entrepreneurial, scientific, and technological changes. Today, there is a visible aspect in resisting the expansion of the role of human resource management, both among entrepreneurs and the company's management.

The global environment in which human resource management operates is in a state of constant change, which is observed primarily in the nature of work and employment, education and innovation of knowledge, economic restructuring, demographic diversity and lifestyle. Global structural changes and requirements need time to adapt to all functions of the organization as well as the organization as a whole.

If these changes are ignored in relation to changes in the environment, the business system can have severe consequences, not only in relation to the success of the organization in a certain period of time, but also for its survival in the market. From such relationships, four goals of human resource management stand out, namely: social goal, entrepreneurial goal, functional goal, and personal goal.

The basis of successful business development of companies is the consideration of social goal factors. The strategy is the realization of goods and services for the needs of society, i.e., the satisfaction of their vital needs, both material and spiritual in nature. The essence is to reduce the negative impacts in the environment, within the ecological and sociological nature, to meet the required level of achieved success.

Achieving the exchange of matter with nature and the overall relationship to that system, business systems must ensure respect for the concept and principles of sustainable development, through the benefits of these relationships with people. The principle of cooperation and participation in the management of the organization in this regard, should be dominated by the critical public, to monitor everything that happens within companies, especially in this area of human resource management.

Conceptually, this is reflected in the citizens, i.e., their local governments and self-governments that indirectly monitor and evaluate what is happening in the organization, and based on that, the development of a business system is encouraged or hindered.

All these activities can be delegated and implemented by experts working in the organizational unit for human resources.

Conclusion

The rapid development of industrialization at the global level determines the accelerated and wide application of both technological advancement and human resources, which are the key to the development and progress of society. Human resource management (HRM) is a modern approach that helps to match the skills of employees with the goals that the company strives for.

Recent advances in this field show that human resource management is an efficient way that provides a business organization with long-term benefits, in terms of profit, competence, and other goals.

In the concept of research, a significant place is dedicated to the development of a long-term strategy for quality implementation and development of human resources. This is reflected through continuous development and training, then through continuous development of employee skills that are necessary to achieve the set goals of the organization.

The human resources management sector today represents a much more complex structure of the right approach to this issue, than just the mere recruitment of future employees in the company.

The strategic global goal is to provide the necessary capacity of human resources which, through their participation, can contribute to the company's competitive advantage and successful realization of the set goals in the project of the most important priorities.

Human resource management includes: ensuring and harmonization of employment and labor laws through incorporated quality selection, selection, training, evaluation, motivation, and rewarding of employees. That means developing leadership and building a conducive organizational culture.

Traditional values of human resource management are used by researchers first, to focus on ways and possibilities of creating business value, which will be able to respond to all changes in strategic workforce management in the world market. Therefore, it should be noted that in the beginning, HRM strategies were mainly focused on transactional transactions that still dominate today, especially in transaction value chains.

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