

HUMAN RESOURCES IN MODERN TRADE COMPANIES¹

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Abstract

In the contemporary and highly dynamic surrounding conditions, now, business more than ever depends on: attracting, detaining and effectively taking advantage of, basically, chronically scarce resource - highly professional and skilled staff. In addition, competitive ability on human resources in contemporary trade associations, because of the entire business climate, is quite dynamic and constantly exposed by many factors. The most complex, at the same time, of the most essential importance are: The constant changes of the legislation in the area of the organization in the trade associations, the conditions of the defined market, the intense competition, as well as the fastidiousness and emerging requirements from the clients, in other words the consumers. All this has its own particular influence on the

¹ professional paper

professional parameters for work, thereby making an additional pressure on the constantly disposable resources.

Human resources in one trade association include all the employees, irrespective of their position, education or their level of commitment. Basically, contemporary conditions of management are protecting the human as a crucial resource for the company, in which he largely determines the competitive ability of it. On the account of preserving, and above of all, the development on the competition ability on one trade association in a defined business area is in a direct interaction of instruction: new standards, skills, knowledge and ethics in business. All of this is a precondition for survival and satisfying needs, as long as there is a wish to achieve success in more intense conditions for work and survive on the only relevant place where all that is valued - the market.

Key words: trade associations, human resources, business, market

1. Corporate management companies

Macedonian legislation defines the following forms of companies: Public company; Limited partnership; Limited Liability Company (LLC); Joint Stock Company (JSC); Limited partnership with shares. More than 95% of the companies in the Republic of Macedonia are registered in the form of limited liability companies. This form is mostly suitable for small and medium businesses.

The most important, in terms of competitiveness in the market, and thus the opportunity to develop and improve human resources in a company are: Joint stock companies. A joint stock company is a company in which the shareholders participate with investments in the share capital, which is divided into shares. The shareholders are not responsible for the obligations of the joint stock company (ZTD.art.270)²

The modern principles of management of companies and their successful establishment in the market principles of the environment are subordinated to the common term: "Corporate governance". In the

²Company Law . Skopje.2006

broadest sense, it is about the way in which the balance of interests that exist in relation to a certain company between different persons and entities is established. It marks the system through which the company's goals are defined and achieved, its risks are assessed and tactics for achieving good performance are selected. Companies with good corporate governance create value and provide a system of responsibility and appropriately control the risk that is taken. Such companies are committed to introducing and implementing integrity-based governance practices; practices that are in the interest of all stakeholders, including shareholders, employees, customers, suppliers potential investors and the social environment in which the company operates. In other words, good corporate governance ensures harmony of relations between all parties who have any interest related to the company and of course human resources as its inevitable part.

The term corporate governance incorporates elements that refer to numerous and different structures, systems, processes and responsibilities. So according to: James D. Wolfenson: "Corporate Governance Means Promoting Fair Relationships , Transparency and Accountability"³.

On the other hand, according to Professors Andrei Schleifer (Harvard) and Robert W. Vishni (University of Chicago) " Corporate governance refers to the ways in which corporate financiers ensure that their investment returns"⁴.

Adrian Cadbury , believes that " corporate governance is aimed at maintaining a balance between economic and social goals, and between the goals of the individual and the goals of the community. The corporate governance framework should encourage the efficient use of resources while insisting on accountability by those who manage the resources. The goal is to bring the interests of individuals, corporations and society closer together. "⁵.

A common denominator of all this is the fact that Corporate Governance is a term that refers to the relationships and roles that are established between all parties that have some interest related to a particular company. This include: shareholders, the supervisory board,

³ James D. Wolfensohn *Financial Times*, 21 jun 1999

⁴ Andrei Shleifer, Robert W. Vishny *Survey of Corporate Governance*, The Journal of Finance, Juni 1997

⁵ Sir Adrian Cadbury, "Global Corporate Governance Forum", World Bank, 2000.

the board of directors, managers, employees, customers, suppliers, government and the community. Effective corporate governance means that roles and relationships established within the company structure are non- conflictual and poetic as possible .

The relationship of the board of directors and the management with the shareholders should be based on honesty; their relations with employees should be characterized by fairness, good civic ethics and respect for legislation. The most important responsibilities of management in this regard are strategic planning, risk management and maximum use of existing resources, including human resources.

The role of the board of directors (or supervisory board) who has the most important responsibility to select a qualified and ethical CEO, to oversee his and other management's work, and to check management's compliance with company standards. It is in the interest of the company for the employees to be treated in a fair and just manner. The company should pursue a policy of appropriate award of employees and their protection during and in connection with their work. Fair treatment of employees is one of the most important prerequisites for their motivation. Employee democracy is a very important element of good corporate governance⁶.

But as a problem with free competition in human resource management in a modern company are the legal restrictions in the field of competition in certain types of companies. Thus, the Law on Trade Companies regulates the right to free competition in several articles, but also the possibility for its restriction in circumstances when it has a negative impact on the work of trade companies.

2. Management with human resources in contemporary companies

Managing the existing human resources in a company is a responsible and dynamic process, which also helps the company to reach individuals with the desired education and skills, and its management to influence the behavior of individuals and groups, in order to achieve desired results. Management can be defined as a strategy and a coherent approach in managing the most valuable assets of the

⁶Manual for corporate governance of Macedonian joint stock companies; Skopje 2009.pp 22

company, i.e. people (individuals) who work in it and contribute to the achievement of its goals. Human resources management, as a kind of job function and challenge, unites the working tasks and individual tasks related to each individual, their recruitment, selection, education, development, as well as the usual activities arising from the legislation (insurance, protection, etc.).

People, human resources in a company and human resources management ("human resources management") are undoubtedly keywords and a dominant preoccupation of modern managers and companies as a whole. Because of this, the term Human Resource Management has several meanings: scientific discipline; managerial function; ambushed professional position in the company; specific philosophy of management and governance.⁷

Human resource management in companies (companies) is a particularly important problem, which is related to the experience of the existing human potential, building on the performance of the company and the strategic directions of planning and future work of the company itself. Employees (human potential) must be treated as a value, a family of the company, in which the maximized capacities of the employees together with the management team are in line with the organization of the company. Individual potential abilities must be taken into account when determining the strategy in human resource planning, which in return is the core concept and strategy of the company.

When we further elaborate the problem, the term "Human Resources" should be defined first. It is in fact the entire knowledge, skill and ability, complemented by the creative opportunities, motivation and loyalty that the company has. It is the total intellectual and psychic energy that the company can engage in achieving its goals and the overall development of action. Because of this, the management of the existing human resources is a dynamic process that consists of a series of interrelated activities and tasks given to the management and the company, aimed at achieving a strategy for: adequate number and structure of employees, their skills, knowledge and individual preferences and interests. ,motivation and behavior, necessary for

⁷AvlijašR ,Preduzetnistvo. UniverzitetSingidunum.Beograd 2010. Str .217,

achieving the current development and strategic goals of the company⁸.

The process of managing and managing potential human resources in a given company contains several basic sub- stages:

- Human resource planning, through analysis of internal factors (current situation, expected need for certain professions and profiles, plans to expand or reduce the company's capacity), external factors (labor market);
- Recruitment, by providing an appropriate selection of candidates for certain job operations, of course in accordance with the human resources plan;
- Selection of existing resources, through continuous checking of the knowledge they possess, but also the motivation for advancing positions within the company;
- Introduction to the working environment and the production process, by learning the environment (colleagues, responsibility, business behavior and ethics in the company);
- Permanent training and development oriented towards increasing the ability of employees for greater efficiency and productivity in the company;
- Assessment of the effectiveness of the work of each individual through a defined job, which is in correlation with the standards or activities prescribed for that position;
- Promotion, relocation, demotion and dismissal, as a common practice that every employee in the defined company should face. Each of these measures and activities directly affects human resource planning.⁹

3.Humanresources as a factor in the competitiveness of companies

The competitiveness of companies in modern conditions of market competition is limited by external and internal factors. Usually, external factors are crucial in achieving competitiveness and can be

⁸Avlijaš R., Preduzetništvo i menadžmentmalih i srednjihpreduzeća, UniverzitetSingidunum, Beograd, 2008.str.172.

⁹ Stoner J., Freeman E., Management,Prentice Hall, Englewood Cliffs, NJ,1989.str.85

much harder to deal with. The internal or individual competitiveness of the staff, according to its nature is divided into inherited and acquired. Inherited competitive advantages of the staff are: ability (talent, talent, and ingenuity), temperament, physical characteristics. Acquired competitive advantages of the existing staff are usually considered: business skills (education, professional knowledge, skills and abilities), intelligence and culture, motivation oriented to a given activity, (ability to articulate personal goals and tasks of the team), character (ability to manage their emotions, will, stress, and jealousy), sociability, communication, organization, etc.

In the strategic management with the staff of a certain company, a number of factors are identified, which define the role of the staff in the modern society. Thus, with the rapid development of the scientific and technological revolution, the nature and content of work changed dramatically. The work requires more and more the highest professional skills, and all this with less mechanical routine. Employees and managers in today's conditions are required to have a culture of communication, a sense of teamwork, team spirit, care for the company as a whole. Increasing the demands of the worker also means increasing his role in the production process¹⁰.

Improving the educational structure of staff promotes a change in control and increases the importance of employee self-control. Modern technology and the growth of professionalism inevitably create a situation in which strict control over subordinates loses its importance, so that the role of each individual manager or employee in the implementation of the strategy becomes essential. Looking for new, effective ways to achieve strategic and financial goals - creativity instead of routine work, creates an opportunity for controlled birth and application of ideas that would strengthen the

¹⁰Томпсон А.А., Стрикленд А. Дж. Стратегический менеджмент - М.:Издательское объединение "Юнити", 1998. - 556 с.

competitive position of the company in modern conditions is almost impossible¹¹.

The dynamic change in the nature of consumer demands, increasing competition, imposes the need to adapt quickly to the changing environmental conditions. Changes in the macroeconomic environment impose a great responsibility on staff to make fast decisions. A factor that determines the role of staff in modern companies is the connection with changes as work organization. Today it is not enough just to be a highly qualified specialist, but employees must be prepared to work in a team and to be able to find compromise in conflict situations.

Competitiveness is related to increasing the overall culture of society, especially employees. Work is not only a source of livelihood, but also an opportunity for expression, career (material well-being, social status, subjective feeling that is expressed as - satisfaction from what is done).

Effective personnel management is the most important factor in the competitiveness of companies, which in return makes economic success. Employees are treated as a resource of the company and it is necessary for them to be motivated and at the same time to develop other resources, in order to achieve the strategic goals of the company.¹²

Crucial for employees as a resource of a modern company is: sustainability, i.e. the ability of the team to maintain and develop its potential through the mobility and agility of staff. Very often, sustainability is equated with the stability of the production team, as opposed to the desire of individuals to leave the team alone or due to a violation of work discipline.

¹¹Бочарова Т. Как повысить конкурентоспособность организации? // Управление персоналом. - 2003. - №4. - С.38-39.

¹²Балашов Ю.К. Мотивация и стимулирование персонала: основы построения системы стимулирования/ Ю.К. Балашов // Кадры предприятия. - 2009. - №1. - С.3

The change of staff is a kind of movement of labor, due to dissatisfaction with the job of the employee or dissatisfaction with the organization of a specific employee. Staff turnover is one of the indicators related to dismissal and affects the sustainability and success of the company. However, it is dangerous enough if the leaders leave (in terms of expertise and inventiveness) and for replacement appear individuals with different work styles. In this case, the team will need time and considerable effort to work with the new boss¹³. The change of staff can affect the work of the company in different ways.

Depending on the size of the company and the constant change of employee positions, the impact can be beneficial, but it can also lead to a loss of competitiveness and a decline in production. The qualification reflects the individual characteristics of each employee. In fact, it reflects the degree of professional competence of the employee within a particular profession or specialty and is closely related to the complexity of the work and reflects the qualitative characteristics of the work that manifests itself through certain stages of the working process¹⁴.

In the role of human resources for raising the competitiveness of the companies, the motivation undoubtedly has its role. It is an overall internal and external driving force that motivates people towards inventiveness, moving the predetermined parameters, with motivation to achieve the set goals. The influence of the motive on the behavior of a person who is part of the production process in a company depends on many factors and in many respects depends on the individual approach, which in return is related to the feedback from the activity itself¹⁵.

¹³Егоршин А.П. Основы управления персоналом: Учебное пособие для вузов. - 2-е изд., перераб. и доп. - М.: Инфра-М, 2006. - 352 с.

¹⁴Кибанов А.Я. Основы управления персоналом: Учебник. - М.: ИНФРА-М, 2006. - 304 с.

¹⁵Семикова Н.С. Методы изучения социальной среды организации // Управление персоналом. - 2007. - №6. - С.11

Of course, as a special segment that affects the quality of human resources in a company is the Incentive. It is fundamentally different from motivation. It is an incitement to act or cause a certain type of human behavior and is defined as: Coercion; Material motivation; Moral incentive; Self-affirmation; Staff policy.

Staff policy is the most important segment in organized motivation and is a set of fundamental principles implemented by the company's management. It is a clearly planned activity for forming the team, which in the most expedient way balances the goals and priorities of the company with the available personal capacities¹⁶.

In order to follow the modern trends in the market environment, it is necessary to continuously train the existing staff and to improve the corporate knowledge. Staff training is an overall action within a unified training concept in a given company, aiming at achieving systematic staff training¹⁷.

Education and training are actually two sides of the same concept. Education is related to the development of the general intelligence of the person who is part of a team, while training is the acquisition of knowledge that is directly related to the work he does. The training aims to: provide the company with a sufficient number of employees whose professional qualities will fully correspond to the production and business goals of the company. In doing so, training has an important dual function; maximum utilization of staff potential and its motivation. The goals of the training are different from the perspective of the employee and the employer (management). We distinguish three types of activities: training, upgrading skills and retraining of staff. All this is in order to increase the competitive ability of the staff that the management of a given company really has at its disposal in terms of corporate management.

¹⁶Марченко И. // Кадровик. Кадровый менеджмент. - 2007. - № 3

¹⁷Травин В.В., Дятлов В.А. Основы кадрового менеджмента. - М.: Дело, 1995. - 315с

4.CONCLUSION

Human resources in Trade Company include all employees, regardless of their position, education or level of engagement. Therefore, the preservation, and above all the development of the competitiveness of a company in the defined business environment are in direct interaction: new standards, skills, knowledge and ethics in business. All this is a prerequisite for survival and need, if one wants to achieve success in the increasingly sharp working conditions and survival of the only relevant place where it is all valued - the market. Human resource planning, in a modern company requires continuous: Recruitment, by providing appropriate selection of candidates; Selection of existing resources, through continuous review; Introduction to the working environment and the production process; Permanent training and development; Assessment of the effect on the work of each individual on a defined job;

All this leads to the conclusion that staff potential in a company is a prerequisite for implementation of modern principles and means of work, and the management team working in terms of corporate governance must appreciate, nurture and continuously upgrade the competitiveness of the existing human resources, neglecting the possibility and the need to hire new people.

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