

## **HUMAN RESOURCES QUALITY AS A FACTOR FOR COMPETITIVE POWER OF ORGANIZATIONS**

*Present article examines the actual questions for the essence and role of human resources quality for increasing competitive power of organizations. Paper presents also the methodology and the aim of the research, the concrete tasks and results of implemented research in factories from machine-building branch in Bulgaria.*

Keywords: human resources, competitiveness, human resources quality, productivity.

**Formulation of the problem.** The major aim of the present research is to ensure information about the factors that have influence over human resources quality and affect their motivation for effective work performance and lead to increasing of efficiency of labor and competitive power of organization.

In progress of present research are determined the concrete factors that have a direct influence over quality performance of work engagements and decisive significance for the prosperity and competitiveness of organization.

**The major tasks of the research** are:

- ascertaining the factors that have influence over human resources quality by implementing an inquiry research with interviewing cards;
- collecting and processing the information from the inquiry cards;
- analyzing the results from the research;
- drawing conclusions and recommendations for increasing the quality of performed work, achieving satisfaction of employees and the competitiveness of organization as all.

Target of inquiry research are 240 small, middle and bigger factories in branch “Machine-building” from Bulgaria. The interviewed employees have the possibility to express their attitude and motivation to improve their qualification.

The inquiry research is taken in period of 5 years – 2006-2010 year.

**The result of the research.** Competitive power of organization is a specific characteristic that point to aspiration for it keeping and preserving in the conditions of business environment in struggle for retaining, stabilizing and expanding markets. That characteristic has different activity during the periods of organization’s life – sometimes it is hidden and has latent expression in last results of it activity and other times in crisis moments and difficult times it appears dynamic trying to retain and save the organization and its personnel.

Competitive power is a basic characteristic in management of modern industrial company. It is focused on productivity and strategy for marketing behavior.

Productivity is a leading and general indicator in defining of company’s characteristics because it is directly connected with the production value of man labor or capital. Achieving high levels of productivity gives possibility to maintain high levels of payment and saving time because high productivity reduces the time of production process. In productivity reflect directly or indirectly different factors as operation management, necessary equipment, production technologies, human resources quality and others. In XIX century till the end of 80 years in XX century is dominating the thesis that major factors for increasing productivity

are operation management and necessary equipment.

In the end of 80 years of previous century new thesis arise with coming deep changes in labor characteristics and labor relations, in production technologies and intellectual property markets. Productivity of man labor depends on human resources quality and its role in production and management process. Productivity becomes an element of effectiveness (high productivity plus good opportunity for market realization) of organization activity. Productivity is connected with the influence of three basic groups of factors.

Factors in first group have internal character – they are connected with human resources quality that brings productivity. Factors in second group are connected with organizing processes and activities in organization and the third group of factors are connected with communications organizing with other organizations.

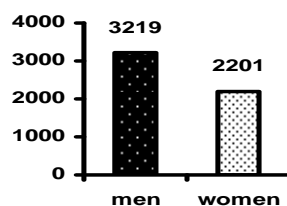
Because of significance and determine role of human resources for competitive power of organization, the present paper focuses on problems connected with their management and the circumstances for increasing their motivation for effective work behavior.

Improving the quality of human resources is connected with the circumstances inside the organization and its system for work performance appraisal and confidence in management team. The real state of companies from machine-building branch is ascertained by sociological research implemented by author.

The major part of inquiry research is well structured interviewing card that contains questions with different qualitative and quantitative indicators (characteristics) from human resources practice. Questions were divided in four basic groups:

1. Questions, concerning human resource department and human resources practice – performing different policies, programs and activities.
2. Questions, concerning characteristics of organization – numbers of personnel, subject of economic activity, type of property – public, state, private.
3. Questions, concerning characteristics from human resources managers ground.
4. Questions, concerning quantitative indicators of human resources.

Number of interviewed employees is 5420-3219 men and 2201 women capable of working. The result of correlation between men and women is to the advantage of men. The reason is that these professions are traditionally performed by men because they are connected with heavy technological processes (Figure 1).



*Figure 1 – Correlation between interviewed men and women capable of working.*

The size of inquiry companies and organizations according the number of employees in percentage correlation is as shown on Figure 2: the biggest part (47%) is for companies with personnel up to 50 employees, 29% personnel up to 100 employees, 13% companies with personnel up to 200 employees and 7% are organizations with personnel up to 300 employees. Big organizations with personnel more than 300 employees are 4% (Figure 2).

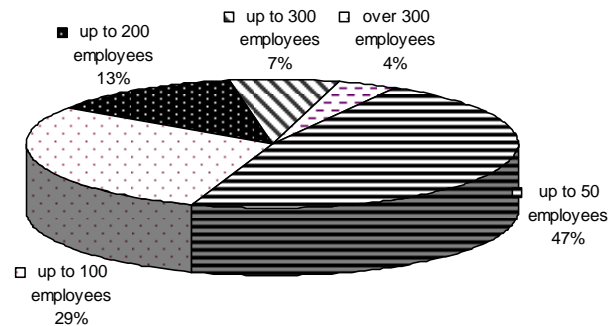


Figure 2 – Size of companies and organizations according to number of personnel

According to the information in this branch prevail mainly small companies with personnel between 50 and 100 employees. The large scale companies with big capital and numerous personnel are too slightly – about 11% from the inquiry organizations. The conclusion is that the small companies are more flexible and capable to reorganize their activities according to dynamic changes of market necessities. In other hand they have difficulties with keeping and improving personnel qualification because of financial difficulties.

Personnel management and constantly improving of its quality with the aim of increasing final results is affected from the type of property of organizations.

According to type of property, the structure of companies and organizations that have been inquired is as shown on figure 3-49% private companies, 32% state and public companies and 19% private companies with foreigner capitals.

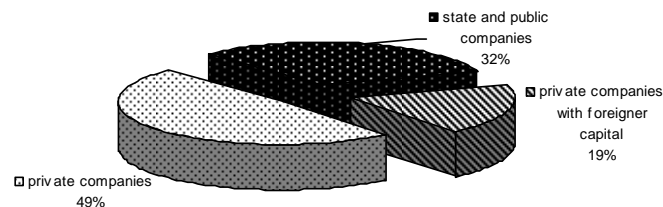


Figure 3 – Company's structure according to type of property

These three indicators characterize the environment where personnel are engaged with work activities for which have to possess necessary competence. Personnel management, its progress and growth in career is necessary to have differentiated department for human resources activities. The results from present research show that a very big part of companies attach great importance to this department because they realized the role of proper policy for human resources progress and its reflection on competitive power of organization.

Question 4 in interviewing cards is “Is there differentiated department for human resources activities in the company where you work?” Positive and negative answers are shared as shown on figure 4.

Building a differentiated department for human resources is not enough indicator for quality appraisal of its management. It is necessary for the human resources managers to possess magnetism and energy for constantly motivation and stimulation of personnel to achievements.

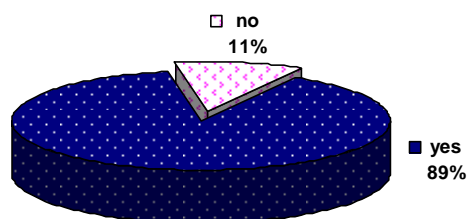


Figure 4 – Answers of Question 4: “Is there differentiated department for human resources activities in the company where you work?”

Participants in company’s inquiry have the possibility to express their opinion about the actuality practice in human resources management and personnel in concrete organization where they work, shown on figure 5.

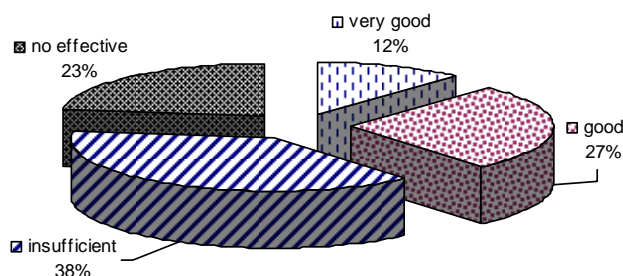


Figure 5 – Opinions about company’s personnel management practice

It is obviously that the practice in these departments is not on the necessary level – only 12% give positive answer and 27% define it as good. The rest of the interviewed employees think that the human resources practice is insufficient or no effective.

The results about performance assessment in researched companies is insufficient. Only 34% of interviewed organizations perform annual assessment of their employees. Answers of Question 6 “Do you perform periodically assessment of employee’s performance” are present on figure 6.

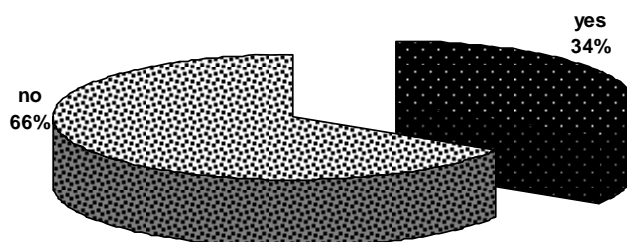


Figure 6 – Answers of Question 6 “Do you perform periodically assessment of employee’s performance”

Insufficient results show answers of Question 7 “What is the level of impartiality during employee’s performance assessment?”. Figure 7 present the dispersion of answers about

impartiality of human resources managers. 56% до interviewed employees are disappointed that during work performance appraisal human resources managers are not impartial.

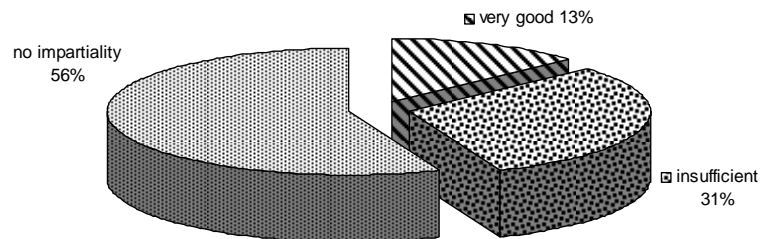


Figure 7 – Answers of Question 7 “What is the level of impartiality during employee’s performance assessment?”

Question 8 concerns actual issues about work performance of employees and their emolument. Answers show that 77% of interviewed employees think that performance appraisal is not committed with remuneration system and the possibility for further increasing of qualification. In most cases this is a reason for demotivation and decrease of effectiveness or work performance.

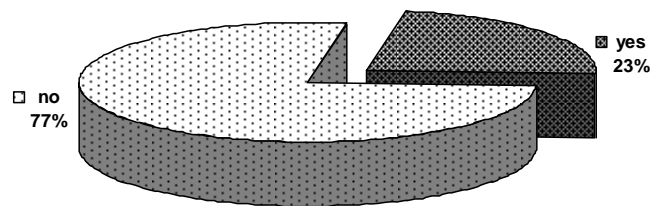


Figure 8 – Answers of Question 8 “Is performance appraisal committed with remuneration system and the possibility for further increasing of qualification?”

The last question from the general part of question is Question 9 “Are you positive about the effectiveness of work performance appraisal?”. Unfortunately, results from the interviewing cards are not good. Answers of employees confirm low level of performance appraisal and having no confidence about employer’s appraisal of work performance. Answers are present on figure 9.

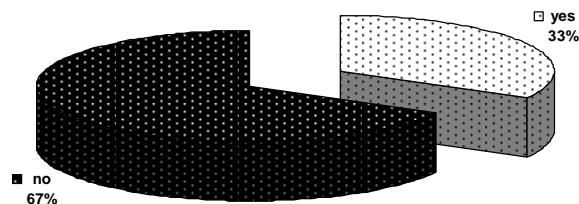


Figure 9 – Answers of Question 9 “Are you positive about the effectiveness of work performance appraisal?”

Low confidence decrease motivation for effective performance that affect the productivity

of man labor and decreasing the competitive power of organization.

**Conclusion.** The present research of environment and factors that have influence on human resources quality in organizations from machine-building branch enable next conclusions:

- first – in big part of researched companies are build differentiated department for human resources and their role for increasing the competitive power is highly appreciated; unfortunately, not all of departments work enough effectively;
- second – more than a half of interviewed employees respond that the impartiality of human resources managers is not enough during the work performance appraisal and they are no implemented periodically, also they are not connected with the remuneration system, the real achievement and the possibility for improving their qualification level.

Surmounting of these difficulties and increasing the effectiveness of activity of human resources departments is possible and advisable to be implemented odit activities. The permanent odit allows defining and removing the weaknesses at a time and diversions from planned goals. That will contribute to improving the human resources quality and increasing the competitive power of organizations from machine-building branch in Bulgaria.

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***Цанка Златева-Петкова***

**Якість людських ресурсів як фактор конкурентоспроможності підприємств**

*В представленій статті розглядається питання умов реалізації людських ресурсів, характеру і ролі якості цих ресурсів для поліпшення продуктивності і конкурентоспроможності організації. Представлена методологія і мета дослідження, визначено конкретні завдання та очікувані результати дослідження людських ресурсів на підприємствах машинобудування в Болгарії.*

Ключові слова: людські ресурси, конкурентоспроможності, якості людських ресурсів.

***Цанка Златева-Петкова***

**Качество человеческих ресурсов как фактор конкурентоспособности предприятий**

*В представленной статье рассматриваются вопросы условий реализации человеческих ресурсов, характера и роли качества этих ресурсов для улучшения производительности и конкурентоспособности организации. Представлена методология и цели исследования, определены конкретные задачи и ожидаемые результаты исследования человеческих ресурсов на предприятиях машиностроения в Болгарии.*

Ключевые слова: человеческие ресурсы, конкурентоспособности, качества человеческих ресурсов.

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