

## **KEY ISSUES RELATED TO THE HUMAN RESOURCES MANAGEMENT NOWADAYS**

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### **ABSTRACT**

*This paper addresses the issue of human resources motivation which is considered one of the most important ways for a sustainable organizational development. The author has conducted a special research on the topic and the main findings are presented and analyzed in the content of this paper. The objective of the research was to identify new possibilities for increasing the degree of human resources motivation for supporting a more sustainable organizational development. Based on ideas from critical realism and critical theory, the paper argues against the limitative approach of motivation of the human resource in the 21<sup>st</sup> century. The research objective was to identify the most relevant behavioral dimension of human resources motivation process. The last part of the paper includes some recommendations for the modern managers in order to support them to become highly effective along the sustainable organizational development process.*

**KEYWORDS:** *wages, motivation, management, sustainable motivation, human resource.*

**JEL CLASSIFICATION:** *L2, M1, M2, M5*

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### **1. INTRODUCTION**

In economic theory and practice, salary is one of motivation tools that significantly influence people's workloads. Salary is a factor that plays a particularly important motivation of human resources. The Universal Declaration of Human Rights adopted and proclaimed by General Assembly on 10 December 1948 stated that: "Everyone has the right to work, to free choice of employment, to just and favorable conditions of work and to protection against unemployment". As the specialists are saying, all people have equal opportunities to find a good job enabling them to obtain a salary attractive enough to meet needs as well. Lack of wage would lead to people unable to live in normal conditions.

### **2. LITERATURE REVIEW**

In the last decades the researches (Munir, 2011; Pritchard, 2008) have noted and explained the motivation of human resources from different perspectives, starting with different premises. Some writers have stated (Nobre et al., 2011) the fact that motivation is the main instrument which can be used for a direct correlation between wages and the results obtained.

There are some researchers who suggest (Murphy, 1981) that the employee should be motivated through a proportional wages according to their efforts on the job and the others that support the idea of human resources motivation according to their results and performances obtained. (Deaconu et al., 2002).

Motivation and job satisfaction of human resources consider others (Deal et al., 1994) should be one of the main priorities of the management organization to have a sustainable development of its medium and long term. (Erez et al., 1993) Along the last years there is a growing interest for effective wage policy within the organizations. As some of the scholars pointed out (Ciocoiu, 2011)

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that motivation is not only a consequence but also a prerequisite for an effective social and economic activities (Colesca, 2010).

One interesting idea is that motivation like a part of the organizational wages policies has to be judiciously prepared and perfectly damped with the general policy of the organization in order to stimulate economic efficiency rather than to affect it. (Sims at al., 2007). Development of wage policy is a complex activity that requires consideration of all aspects of essentially the salary, duties and functions of its base, its correlations with the most difficult economic and social variables and their implications on all interests of often divergent businesses. (Tyson, 2006.)

For the owner of labor force and for the employee, the wage for is the main support for his or her livelihood and his family. (Topolosky, 2011). His reaction will be to try to maximize not only pay to get a minimum of subsistence but to get as high paying. Therefore, policies should not neglect the needs and goals of people's, because the salary is an instrument of supporting both social and personal needs in the current century strongly marked by the modern communication and informational technologies . (Gavrila, at al., 2009). The more so as, individuals enter the organization with the hope to meet personal needs.

Job satisfaction is achieved according to a variety of sizes. Over time, they conducted a series of research that aimed to determine the dimensions or factors that generate state of satisfaction / dissatisfaction and weight to establish that they have these dimensions, types and levels of satisfaction/dissatisfaction. Making ideals, obtaining cash rewards in exchange for work performed, the development of personality traits, the employee contribution to the production of goods and services, development of human relations and shaping welfare state benefits, depend primarily on the relationship between expectations, abilities and goals of the person, on the one hand and existing conditions at work on the other hand (Androniceanu, 2009). In Romania, as assessed in some reference publications (Ciocoiu, et al., 2007), because it has not significantly changed wage systems, the salary does not operate yet on the labor market properly and fulfill its faulty functions to reward labor, economic and social balance.

A fair wage and incentive system should be able to meet the following criteria for assessing the rationality and efficiency:

- a) remuneration proportional to the relative importance of the work;
- b) consistency levels of pay between jobs with tasks compatible;
- c) pay adjustment in accordance with changes in the labor market;
- d) recognition of professional capacity and efficiency of the individual;
- e) understanding by senior management oversight and payroll system, the principles of;
- f) the existence of rational methods for solving the problems of pay.

### **3. MAIN RESEARCH OBJECTIVES AND THE METHODOLOGY**

The overall objective of the research is to identify and analyze human resources payroll process from three large organizations in Bucharest. Starting from the general objective, we identified several specific objectives:

- HR satisfaction on monthly remuneration;
- criteria for offering salaries;
- how to award wages;
- employees opportunities to do extra work to achieve a higher income;
- level of training of human resources;
- employees wish to remain in the same organization or to redirect to another public or private organization.

This study was aimed at identifying and understanding the determinants of motivation, major disruptions facing the pay system is that the SIP can be identified appropriate ways to solve them.

In order to have a clear view concerning human resources motivation degree and to understand the rank several research methods have been included along the research stages. We chose as a research

method survey conducted by questionnaire. The second research method we chose is based on interview survey.

### 3.1. The research sample

To establish the sample size is necessary to use the following formulas.

$$n = \frac{NZ^2 * 0.25}{[d^2 * (N - 1)] + (Z^2 * 0.25)}$$

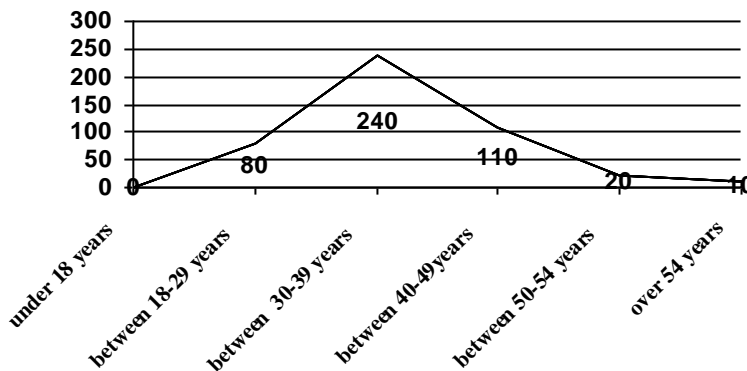
n = sample size;

N = total number of employees of three organizations = 1000 employees

d = level of accuracy (if the study is 3% = 0.03 in absolute terms)

Z = 1.96 corresponds to a confidence level of 95%

After the calculations, d = 10, and the sample size is 460 subjects. Grouping of respondents in the sample structure by categories of age can be seen in Figure 1.



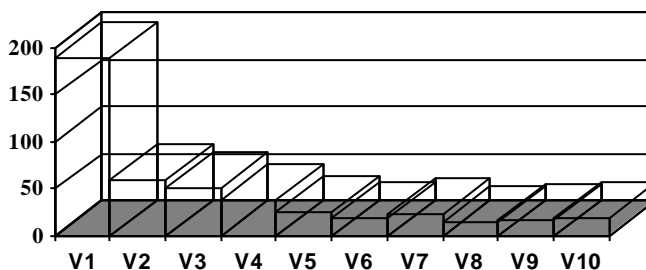
**Figure 1. Sample structure by age**

After the position they hold in organizations where research was conducted, the subjects interviewed 91.3% are getting executive positions, only 8.7% have management positions.

### 3.2. Main findings and analysis

To analyze human resources salary, I turned to the application of questionnaires to a sample of 460 employees of three organizations that research was conducted. Under these questionnaires, the following findings were found for each question in the questionnaire individually.

Question 1: In general, how satisfied or dissatisfied you your job? (Check "x" variant expressing), responses are presented in Figure 1. On this question, most subjects, respectively 190 (41.3% in relative value) are totally dissatisfied with their work. In contrast, only 20 persons (4.34% of total employees) are satisfied with the job you currently hold, as can seen in Figure 2, while the rest did not want to answer.



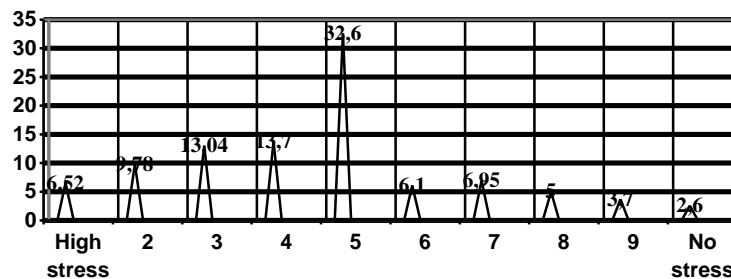
**Figure 2. Respondents opinions on the degree of satisfaction with work**

Question 2: How your business considerable stress at work? (Check "x" version correct) answers are presented in Table 1.

**Table 1. Respondents opinion about stress at work**

1 – very stressful		2		3		4		5		6		7		8		9		10 not stressful	
%		%		%		%		%		%		%		%		%		%	
6,52	30	9,78	45	13,04	60	13,7	63	32,6	150	6,1	28	6,95	32	5	23	3,7	17	2,6	12

Graphical representation of responses to question two showed that 30 subjects (6.52%) believe the work they perform as highly stressful, while 12 employees (2.6%) believe that their work is not at all stressful .



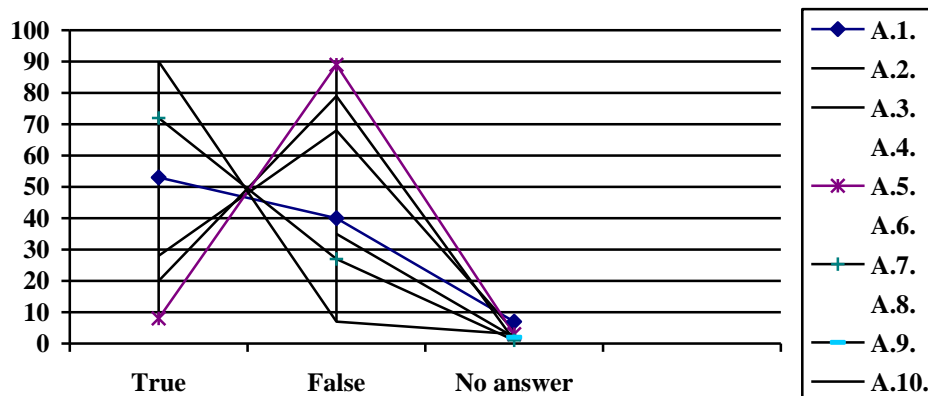
**Figure 3. The representation of the stressful level**

On Question 3: Which of the following statements, which are considered as true for your work? The answers are presented in Table 2.

**Table 2. Opinions of the respondents concerning the organizational climate and their job**

	Satlements	True		Fals		Cotation	
		%	a.v	%	a.v	%	a.v
A1	It's an interesting job	53	244	40	184	7	32
A2	It's a secured job	20	92	79	363	1	5
A3	It is appreciated by the others	28	129	68	313	4	18
A4	I have an convenient program Am un program convenabil.	37	170	59	271	4	19
A5	My initiatives is encouraged	8	37	89	410	3	13
A6	I can take a holiday in any time along the year	10	46	87	400	3	14
A7	I feel I can do something for the others	72	331	27	124	1	5
A8	It's a job with responsibilities	81	373	18	83	1	4
A9	It's interesting what I do	63	290	35	161	2	9
A10	It's an appropriate job for my skills	90	414	7	32	3	14

Regarding the third question, the answers varied greatly, as can be seen in Figure 4. as follows: The biggest complaint is about the fact that organizations are not operating activities do anything to encourage the initiative (89% of all employees have this view). On the other hand, subjects appreciate that job you have is suited to their abilities (90% of respondents actually answered this question). Also you can see that in all there were 10 respondents claim to have avoided to answer preferring, for various reasons known only to them, to choose the easiest option, but the most insincere, that "not respond". Those who choose to answer or did so because they were away to be honest, be other reasons related to their job, although they noted at the outset that personal data are strictly confidential.



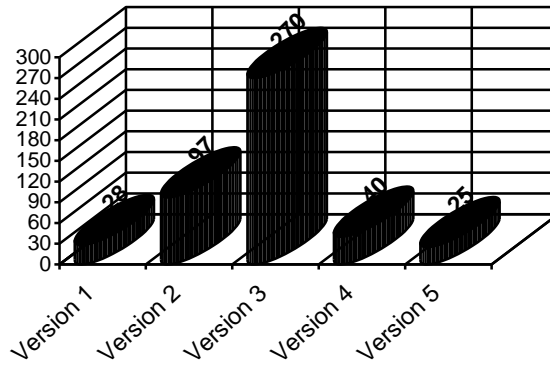
**Figure 4. The representation of the respondents opinions concerning the organizational environment**

To question 4. : How do you estimate your family's total income, where necessary? (One variant of answer) responses are presented in Table 3.

**Table 3. The relation between the wages and the needs**

	The situation considered	%	v.a.
1	We can not even pay for basic necessities	6,1	28
2	We can cover the basic necessities	21	97
3	We go for a decent living, but we can not afford more expensive items (durable household items).	58,6	270
4	We manage to buy some more expensive items, but based on a lot of effort	8,7	40
5	We manage to buy what we need with little effort	5,5	25

To better visualize the answers to the fourth question we see Figure 5. On the fourth question, the majority of interviewees (58.6% and 270 in absolute value) responded that they get their income for a decent living, but not be able to afford to buy some more expensive items, such such as durable household items. Most civil servants were the few who chose that response option "we can have everything we need, but efforts" (5,5, and 25% in absolute value).



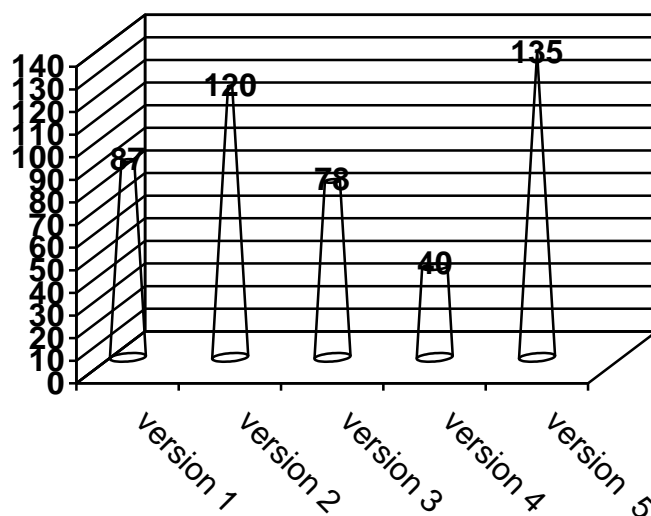
**Figure 5. Options of expressing the relation wages-needs**

For question no. 5. : To increase revenues, which carry out additional work? (Multiple choice), responses are presented in Table 4.

**Table 4. Additional sources of income**

Other sources of income	%	a.v.
1. Not to perform additional work	18,9	87
2. I have a second job (service employee or permanent activities on their own)	26	120
3. Occasional activities	17	78
4. Rent/housing	8,7	40
5. Other activities that generate extra money	29,3	135

Following carefully the answers to the fourth question we find that a majority of subjects, despite a busy schedule, choose another second longer provide service because the money earned is not enough for a decent (120 26% in absolute value). 135 of the total number of respondents providing income generating activities, other than those listed above (29.3%). Only 87 employees not engaged in any other extra. (18.9%), as can be seen in Figure 6.



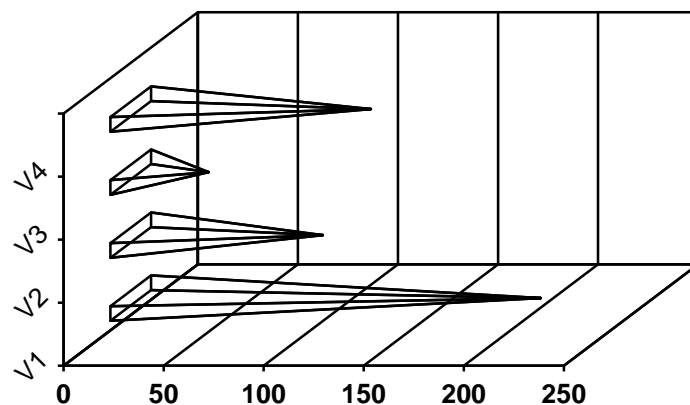
**Figure 6. Other sources of income**

The answers to question no. 6: If you were to look for another job, priority should be the criterion (one answer) is presented in Table 5.

**Table 5. Priority criteria for changing jobs**

<b>Preferences considered in getting a new job</b>	<b>%</b>	<b>a.v.</b>
V1. A good salary so that you do not care money	44,5	205
V2. A safe job, without risk of bankruptcy or unemployment	21	96
V3. Working with nice people	8,5	39
V4. To have an important organizational position Să aveți un serviciu important, to give you a sense of fulfillment	26,1	120

From the sixth question following conclusions can be drawn, as can be seen in Figure 7: 205 employees of three organizations considered for the present research would put first, when he would seek work, attractive salary (44.5%). Only 39 respondents thought that when you hire, regardless of the organization for which they are working, one thing is essential to like people who work for the work they perform is done with pleasure and not just because you have to work (8.5%).



**Figure 7. Representation of preferences for a new job**

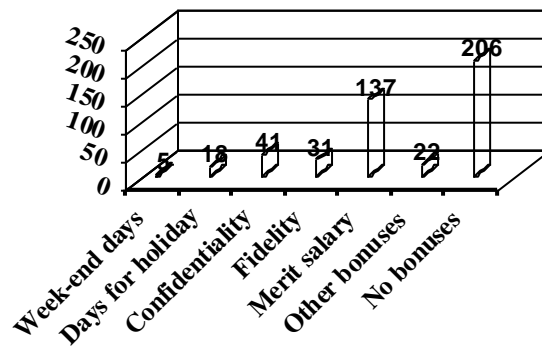
The situation bonuses offered to employees is found in the answer to Question 7: What increases the institution ensures that your business? and is presented in Table 6

**Table 6. The situation of salary increases and the main beneficiaries**

	<b>Type of increases based on bonuses</b>	<b>%</b>	<b>v.a.</b>
1	Bonuses for weekend days	1	5
2	Bonuses for holidays	4	18
3	Bonuses for privacy	9	41
4	Bonuses for fidelity	7	31
5	Bonuses based on merit	30	137
6	Other bonuses	5	22
7	No bonuses	45	206

Conclusions based on answers to question 7 are presented in Figure 8 is: most of those interviewed said they do not receive any increase in the operating organization, in addition to the remuneration they receive per month (206 in absolute value, 45%).

Bonuses that they receive some of the employees are very small, as follows: 1% receive bonuses for weekend days, holidays 4%, 9% receive privacy growth, 7% increase loyalty, 30 % have from time to time for merit pay and 5% receive other bonuses.



**Figure 8. The situation of the salary increases based on the types of bonuses**

Question 8 of the questionnaire respondents and studies referred to more precisely the last school graduate, and the answers are found in Table 7.

**Table 7. The last graduated school**

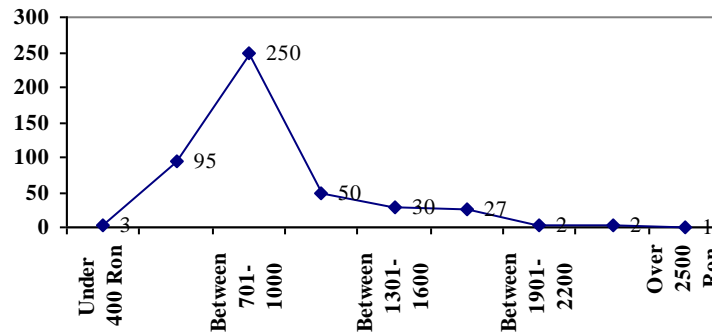
	Type of the graduated school	%	v.a.
1	Secondary school	0,43	2
2	High school	3,26	15
3	Vocational school	5,86	27
4	College	26,1	120
5	Post college	15,2	70
6	Higher education	37	170
7	Master degree	11	50
8	Doctorate	1,3	6

On the last school graduated, 37% of respondents are university graduates or postgraduate school. 11% have followed a master's degree, 1.3% have completed doctoral studies and the opposite is only 0.43% of employees who have not studied the 3organizatii than secondary school.

In relation to the income of employees surveyed in the three organizations concerned, the majority, 54.3% respectively of their household had net income ranged from 701-1000 lei.

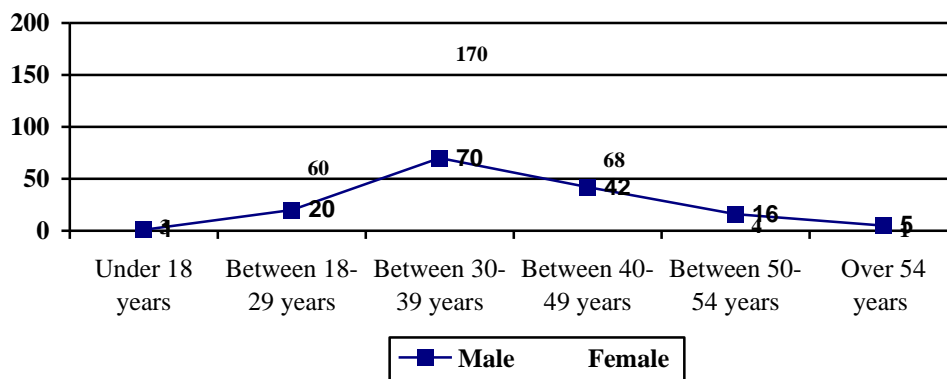
At the opposite are employees with revenues in excess of 2500 lei, respectively 0.2%, as can be seen in Figure 9.





**Figure 9. Framing subjects by category of income**

Following the survey research, we concluded that most subjects are dissatisfied with receiving monthly salaries. They believe that wages are not given due regard to their studies, the seniority and the intense activity carried on every day.



**Figure 10. Correlations between variables analyzed**

Figure 10 is showing the main correlations between the variables considered.

#### 4. CONCLUSIONS

With regard to wages subjects involved, the big problem they face and their dissatisfaction is linked too small remuneration they receive in relation to work that day submitted within the organization where they are employed. Most subjects are satisfied that in granting salaries to take into account their age very little work, studies that have graduated, experience and performances in the workplace.

Most respondents (58.6% and 270 in absolute value) responded that they get income from their farms for a living, but not be able to afford to buy some more expensive items such as household items such durables. The less subjects were those who chose that response option "we can have everything we need, but efforts" (5,5, and 25% in absolute value). This causes them to seek a second job to be able to support their families.

A large number of subjects, despite a busy schedule, choose another second longer provide service because the money earned is not enough for a decent (120 or 26% in absolute value). 135 of the

total number of respondents providing income generating activities, other than those listed above (29.3%).

The main recommendations based on the above mentioned research are much more related to the perspective of approachin motivation at all. The data reflects the fact that motivation are changing radically and it is necessary to consider it like the main instrument of stimulating the human resources to get best results. Another proposal is related to significant improvement of organizational climate to reduce stress in organizations. As the research results demonstrated the stress is influencing significantly the organizational development. It could be argued the need to introduce an integrated system of differential motivation of human resources to foster and encourage outstanding performance of the employee. The new system should include bonuses and incentives to motivate the human resources to contribute significantly to a sustainable organizational development.

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