

Article DOI: <http://doi.org/10.15544/RD.2017.240>

THE EFFECTIVENESS OF HUMAN RESOURCE MANAGEMENT ON THE EXAMPLE OF THE FOOD INDUSTRY

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Everything formed in the company including products, services and all ideas are created by human. Therefore, human capital is one of the most important resources of an organization and source of achieving company's success. The relation between employee fulfilment, satisfaction of their work and their effectiveness, commitment, performance and identification with the organization seems to be obvious. The goal of the paper is to present the review of the literature in the field of human capital management and the cognitive purpose is the analysis of the implementation of selected elements of human resource management and most of all methods and tools that improve the performance of employees. The research method was a survey carried out among the selected employees in Natures Way Food – organization based in Southern England, West Sussex. The study involved 100 randomly selected employees of Natures Way Foods. As a method of data collection was used the auditorium questionnaire consisting of 30 questions carried out in the workplace of surveyed people. The survey was anonymous and its results served for conclusions and proposals for changes in the implementation of HR processes, affecting the efficiency of employees.

Keywords: HR, HRM, methods and tools of improvement employees, the efficiency of company's employees, JEL Code: M300, M500, M530

INTRODUCTION

People in the organization are seen as a strategic resource, presenting the opportunity to achieve and maintain a competitive position on the market. The management of this human potential is related to the question about the nature and importance of human capital, as well as the principles of its formation, improvement and giving opportunities.

G. S. Becker treats human capital as a combination of innate talents, their values and the acquired skills and knowledge (Bochniarz, Gugąła, 2005). J. Penc whereas talking about human capital, thinks about the people with their knowledge and skills, experience, aspirations, motivations and attitudes, as well as connections, relationships and relations between them. It shows the culture which is consisted of patterns of behavior, norms and values (Penc, 2011) and the level of trust and confidence. The growing importance of human capital management, i.e. formulating its potential, structure and application and development, makes it becomes as a necessary task of a modern manager. A. Koźmiński even says that the management of intellectual capital is a pillar of modern thinking about strategy (Ciszewska, 2004).

Nowadays managers have to think not only with the categories of organizational objectives and its results on market service, but also to create a community of loyal people, motivated, committed and willing to work for the company. They must learn how to manage people in an appropriate way, not to restrict their activities and creativity. It is essential to build strong and beneficial relationships at all levels and invest in employees development which should be consider not only as a factor of production and variable costs but as a valuable asset for the company.

THE CONCEPT OF HRM

What human resources differs comparing to other resources is that they are unpredictable and become unreliable part of the organization while managing them improperly. Therefore, the acquisition of the right and competent people and making them to participate actively in operations is the most important issue of company's management. Each organization has goals that determine the main courses of action and strategy, which is a bilateral program to define and achieve these goals. The strategy also enforces certain behaviors of employees and his activity. It is also one of the concepts of management of the organization, taking into account the role of human resources and organizational culture

of the company. Human resource management is one of the basic elements of this strategy, based on the skillful acquisition, improvement, motivating and maintenance of employees (Baraniak, 2009). The primary goal of strategic human resources management is the development of HR strategy in conjunction with the company's strategy and its implementation to organizational practice.

Human resource management can be understood as a kind of process, during which are created conditions conducive to active cooperation of people in achieving the objectives set by the company and measures to ensure that work for the company gave them tangible and intangible satisfaction (Griffin, 2009). In the process of human resource management a strong emphasis is placed on creating an integrated mechanism that connects the problems and goals of people with the tasks of the organization. It can be assumed that the purpose of human resource management is to optimize the number of employees in terms of quantity and quality, in the right place at the right time and their optimal use in the organization in accordance with the agreed mission and objectives, by the creation of appropriate conditions in the working place (Kozioł, Piechnik-Kurdziel, Kopeć, 2000). Set of tasks of the human resources management includes the following elements (Listwan, 2006):

- functional – types of performed activities, decisions, sequences and processes,
- institutional – taking into account types of institutions (entities) involved in the implementation of the HR function,
- instrumental – dealing with the types of tools through which functional entities implement the personnel practices.

All these aspects are interrelated and they penetrate, support and rely on each other.

HR can help deliver organizational excellence in the following four ways:

- First, HR should become a partner with senior and line managers in strategy execution, helping to move planning from the conference room to the marketplace.
- Second, it should become an expert in the way work is organized and executed, delivering administrative efficiency to ensure that costs are reduced while quality is maintained.
- Third, it should become a champion for employees, vigorously representing their concerns to senior management and at the same time working to increase employee contribution,- that is, employees' commitment to the organization and their ability to deliver results.
- And finally, HR should become an agent of continuous transformation, shaping processes and a culture that together improve an organization's capacity for change.

In most companies today, HR is sanctioned mainly to play policy police and regulatory watchdog. It handles the paperwork involved in hiring and firing, manages the bureaucratic aspects of benefits, and administers compensation decisions made by others. When it is more empowered by senior management, it might oversee recruiting, manage training and development programs, or design initiatives to increase workplace diversity. But the fact remains: the activities of HR appear to be-and often are disconnected from the real work of the organization. The new agenda, however, would mean that every one of HR's activities would in some concrete way help the company better serve its customers or otherwise increase shareholder value (Ulrich, 1998)

FUNDAMENTALS OF HUMAN MOTIVATION

People in their lives spend most of the time and energy performing jobs at the workplace. Understanding how does it happen require to understand what motives people to perform their job and what can be the reason for them to do it even better. For the extent to which the potential of workers will be used by the company in the management process dependent on good identification and included in the action motivation. Unless the workers are motivated, they will do nothing. In the company everybody is motivated by different things. Factors that motivate one person don't need to be important for another one. Managers of HRM should take into consideration that motivator of different persons change as they go through different life stages as well as their expectations. Often their demands, ambitions and needs grow modifying their perception of their work for completely different than before (Cooper, 2008). To know how to motivate people and how to create conditions so they can perform their jobs better and their motivation emerge to the point that employees are engaged with their work as well as with the organization (Gill, 2011). All these actions are related with good understanding of the concept of motivation.

As it once, the former President of United States Dwight D. Eisenhower said: „*Motivation is the art of getting people to do what you want them to do because they want to do it*” (Brent, Dent, 2014). The term ‘motivation’ is derived from Latin word “movere” which means “to move” and it's defined as: „the process occurring in the human sub consciousness with the result of the emergence of the desire to do something” (Sikorski, 2004) and also defined as: „conscious and intentional impact on the motives of people by providing them with resources and opportunities to realize their value system and expectations for the purpose of achieving the motivational aim” (Borkowska, 1985). Motivating people therefore means stimulating or arousing thoughts and feelings that will energize and moves them into particular desired action by identifying their needs and create conducive environment to achieve their goals. Motivation plays an important role in the management of human resources, if not crucial for the effectiveness of the company and its success. To understand better the process of motivation and factors directing the behavior and actions of people to be skillful in managing them, managers should understand the human psyche and its role in the surrounding world. Within an organization we can distinguish four fundamental factors which will play a crucial role in the positive or negative level

of motivation of employees which are: the style of leadership, reward system, the atmosphere in the organization and the organization of work (Tracy, 2013).

Each of these factors affects people's enthusiasm and commitment to work and are very important to get them working in a satisfactory way. And satisfaction has consequences for: emotional, declarative, and behavioral sphere (Biesok, Wyród-Wróbel, 2016). Within these factors, the most common motivators having impact on employees are (Brent, Dent, 2014):

- high basic salary,
- clear career advancement within the organization,
- challenging/ interesting work,
- job security,
- formal recognition for success,
- having the authority and freedom in making decisions or performing job,
- opportunity to learn and develop skills and knowledge,
- working for an inspiring manager,
- being treated with respect,
- doing valuable job for the company,
- working for an organization socially responsible,
- working for a leading organization,
- regular feedback on performance,
- working with like-minded people.

In the literature of the subject there are distinguished two types of human motivation. One of them is called intrinsic motivation and the second one extrinsic. Intrinsic motivation is more about the aspects of the work and the environment which create job satisfaction. It can be associated with performing enjoyable or challenging job, satisfying people's needs like belonging to the group, self-esteem, sense of responsibility, autonomy or even possibility for continuous improvement (Armstrong, 2008). This humanistic approach emphasizes the role of internal determinants of human behavior, especially the needs and emotions. While the second concept of extrinsic motivation called also behavioral attribute the decisive importance to external factors.

ANALYSIS OF THE HRM FUNCTIONS AND EFFECTIVENESS – METHODOLOGY

For the purpose of this analysis was used survey method which is an objective examination method often used in similar researches. The original of study was based on partially structured questionnaire survey conducted by researcher with direct contact with respondents. The analysis was about Human Resources Management functioning in an examined organization called Natures Way Foods based in Southern England, West Sussex, later called in this article NWF. The company is a leading manufacturer of fresh convenient food to some of the largest retail and food service companies across the UK. Firm counts leading retailers Tesco, Morrisons and Asda, as well as well-known foodservice chains including McDonald's, Pret, Zizzi and Byron among clients (www.natureswayfoods.co.uk)

The survey was anonymous which contributed to obtain honest answers without any fear of penalty and all the respondents were chosen purposely in different departments of the company. The general aim of the research was to:

- identify methods and tools that stimulate efficiency and improvement of employees,
- identify strengths and weaknesses of the implementation of human resources within examined organization,
- rating the extension of engagement of employees.

The general questions of the research were:

- *Do human resource practices work on employee performance and improvement?*
- *Whether the company allows the development of its employees?*

Participants: the survey was conducted in July 2016 among Natures Way Foods' employees working in two sites in Selsey and Merston. Respondents were at different ages and were working in different departments of the company. The survey was attended by 100 people including 58 per cent of men and 42 per cent of women. Ages of respondents were varying as follows:

- the main group of respondents were at the age of 32–38 years (43 per cent) and 25–31 (31 per cent) which can show the young character of the company.
- a bit smaller was a group consisted of the people who have more than 38 years (15 per cent) and the smallest was the group consisted of people at the age of 18–24.

The study used a non-random, purposeful selection and the fact resulted from curiosity of obtaining answers from various employees working in different departments. Most of the respondents worked in the production field of amount of 60 persons, 10 persons belonged to the Supply Chain, another 10 to Human Resources, and further 5 people each to Category & Innovation department, Sales, Finance and IT.

RESULTS OF THE RESEARCH

To investigate more closely the phenomenon and introduce the study and its results in a more readable way the questionnaire was divided into 6 areas of research:

- the work,
- the manager,
- communication within an organization,
- training and development,
- organization,

- employee engagement.

Referring to the results of the survey the highest positive scoring received questions:

1. "Are you clear what are you expected to achieve in your job?" – with a score of 90%:

All respondents participating in the survey in the first question were asked to answer the question associated with their knowledge of the work and of broad goals which are expected for them to achieve. They had to determine whether they are clear about the expectations of their work or not. The rating scale available to choose was divided starting with the positive answers like strongly agree and agree through neutral answer neither agree nor disagree to negative answer disagree or strongly disagree.

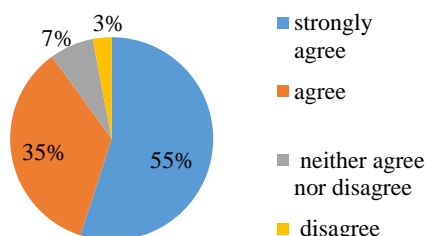
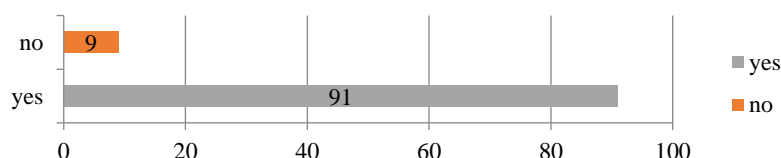


Figure 1. The answer to the question: *Are you clear about what are you expected to achieve in your job?*

Source: compilation based on own research

Most interviewers are conscious about their function in the work and posed requirements and positively responded to the question. Great number because 55 per cent know exactly what to do and 35 per cent also agree with it which give a total of 90% of positive responses. Only 7 per cent cannot determine if they know what is expected of them at work, and only 3% of respondents did not agree.

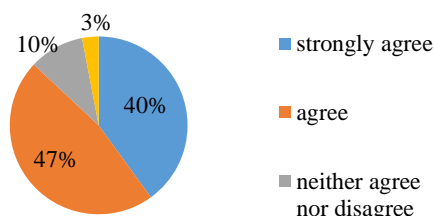
2. "Is your manager treating you with respect?" – with a score of 91 per cent, and "Do you have a clear understanding of the purpose and objectives of the organization?" with a score of 87 per cent, "Do you feel committed to the goals of Natures Way Foods?" with 83 per cent. This areas we can assume as a good working within an organization and called as the strengths of the company.



Source: compilation based on own research

Figure 2. The answer to the question: *Is your manager treating you with respect?*

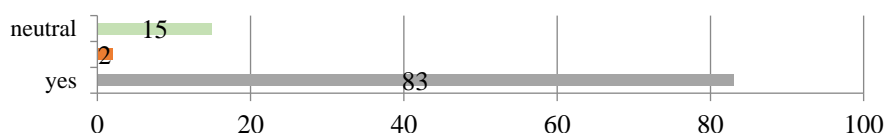
The question of the treatment is a very important one of investigating the behavior of the manager in relation to their subordinates. Manager who does not treat employees with due respect will never be able to affect positive communication in a group, motivation of employees and their better performance. Fortunately, 91 per cent of the employees surveyed admitted that their manager treats them with respect while the 9 per cent were unable to agree with that.



Source: compilation based on own research

Figure 3. The answer to the question: *Do you have a clear understanding of the purpose and objectives of the organization?*

87 per cent of respondents know what are the objectives and purpose of the organization. This is due to their dedication to continuously inform employees in this area through a variety of educational books, information posted on the company's website opening on every available computer workstation in the company and the special trainings and courses organized by the company. Only 3 per cent of respondents answered: *I do not know what are the goals of the company.*



Source: compilation based on own research

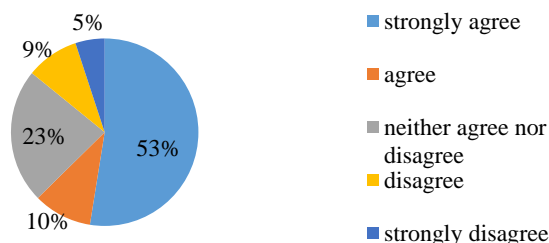
Figure 4. The answer to the question: *Do you feel committed to the goals of Natures Way Foods?*

Very much by as much as 83 per cent of respondents confirmed that feel committed to the goals of the company, which certainly has a positive effect on their performance in the tasks performed and 15 per cent of respondents expressed a neutral stance on the issue. Only 2 per cent of respondents answered negatively, which can be seen as success of the company.

Among the effective methods of Human Resources activities affecting employee engagement and their efficiency which respondents ticked the most important are the salary system, bonuses achieved on performance and possibility of improvement.

Highest negative scoring have received questions like:

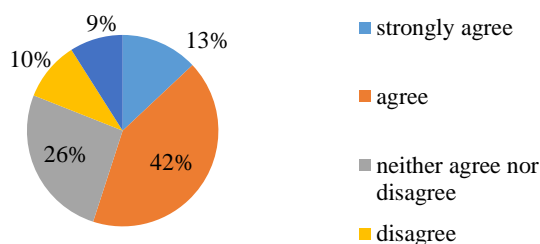
- *Is there a good co-operation between teams you work with at NWF?* with 63 per cent,
- *Do you think it is safe to speak up and challenge the way things are done in Natures Way Foods?* with 55% per cent
- *Do you know how your career path looks like in NWF?* with 43 per cent ,
- and: *Would you be able to report any poor behavior without worrying it would have a negative impact on you?* with 62 per cent.



Source: compilation based on own research

Figure 5. The answer to the question: *Is there a good co-operation between teams you work with at NWF?*

The results of the research showed on the figure 5 demonstrate that within an organization there is a good co-operation between teams and employees. 53 per cent of respondents strongly agreed that there is a good collaboration within Natures Way Foods teams and 10 per cent also agreed to it, which give 63 persons in general assume this area as good working. 14 per cent of respondents don't like the co- operation between their teams. 23 per cent of persons have no opinion on this matter.

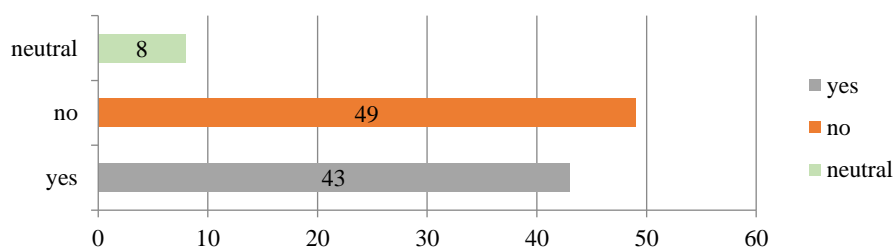


Source: compilation based on own research

Figure 6. The answer to the question: *Do you think it is safe to speak up and challenge the way things are done in Natures Way Foods?*

According to 68 per cent of the respondents it is safe to speak up and challenge the way things are done in NWF, but at the same time and with 13 per cent of respondents strongly disagreed and an additional 9 per cent disagreed. 10 per cent of respondents refers neither positively nor negatively to this issue. This may result from the actual assessment of the company at this level or lack of commitment on the part of employees.

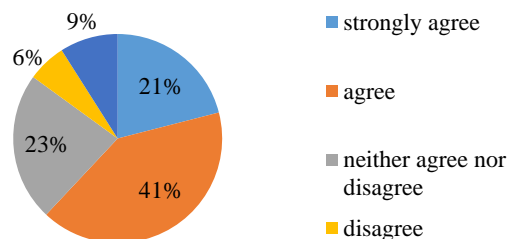
Another question referred to the knowledge of their development path within the company. Unfortunately, most of the respondents did not see its development path, or is not properly informed of how it might look in the future and what the chances of development has an given employee.



Source: compilation based on own research

Figure 7. The answer to the question: *Do you know how your career path looks like in NWF?*

43 per cent, however, continue sees its future in the company and development opportunities. 8 per cent of respondents are not overwhelming.



Source: compilation based on own research

Figure 8. The answer to the question: *Would you be able to report any poor behavior without worrying it would have a negative impact on you?*

In the question whether employees are free to report to their supervisor about the bad behavior of other employees without having to worry that this would have consequences for them, 62 per cent of respondents answered if there is such a situation they would be able report it. On the other hand, 15 per cent of respondents could not report bad behavior, even if they knew they should, whereas 23% neither agreed nor disagreed.

These are areas in which the company would pay particular attention in order to improve.

CONCLUSIONS

A study shows also that of all the departments of the least satisfied with the functioning of the Human Resources department is Finance, and the best in this matter runs the IT department. Employee engagement measures the satisfaction of employees as well as mutual relationship between the employee and the organization. Engagement is a good indicator of how connected they are to the company and required goals. The company fared very well against this background. Employee satisfaction and engagement evaluation of their ranks at the level of 74 per cent. The best at this level came out questions to the understanding of how the work of employees contribute to the company's success, where as much as 93% of employees agree with that.

Questions having the most impact on engagement of employees were:

- *Do you have a real opportunity to improve your skills in this company?* with 72 per cent,
- *Is the learning and development you have received helping you to develop your career?* with 66 per cent
- *Do you have confidence in the leadership within Natures Way Foods?* with 74 per cent
- *Do you think Natures Way Foods respects individual differences (e.g. cultures, working styles, backgrounds, ideas)?* with 78 per cent %,
- *Do you feel a strong sense of belonging to Natures Way Foods?* with 65 per cent,
- *Would you recommend Natures Way Foods as a great place to work?* with 75 per cent,

The results of the study confirm that Human Resources practices do work on employee performance and improvement. Human resources strategy is tied increasingly to the strategic success of a company as a whole. The role of human resources has been evolving for some time because there are an incredible number of pressures on today's organizations. One can say that HR's fundamental purpose is to build a positive and productive workplace and to create such – are also needed strong leaders.

Study showed also how important is the motivation at work - an employee who is well motivated has a higher level of job satisfaction and is more productive than a less motivated and dissatisfied one. Looking at the responses, it seems that HR can take the tools of marketing around customization for consumers and clients and applying them to the task of talent segmentation. HR should also take the lead in better understanding how its potential benefits affect organizations, and how they fit into an optimum balance. Treating employees as individuals and not as part of a group or segment will be probably more visible as a trend in the future.

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