

The importance of human resources in the management of SME's

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Abstract

Scope of this article is to present and analyze the importance of human resources in managing small and medium enterprises. Many empirical studies have come to the conclusion that concrete plans are needed about their implementation in practice, especially through human resources. The descriptive method will be used mainly for describing the problem of human resources management of SME in Kosovo. The analytical, empirical and comparison methods will be used in this manuscript during conclusions.

Keywords: Human Resources, Management, Planning and development of SME.

Introduction

As in every enterprise, also for SME there is a need for a good quality management of human resources, but knowing their importance we will try to evaluate best alternatives that a business staff will work in practice. The sector of micro enterprises together with the sector of medium enterprises, are calculated as pre-conditions for the country development, especially of Kosovo which is in the transition phase. Having in mind those development goals of a country, and in this case Kosovo, without necessary space of human resources in managing SME, we will not have even the basic pre-conditions for a successful management.

One of the internal factors of enterprise is made by people, which is one of the posts that had and is continuing to have a very important role in the enterprise ecosystem (Zeqiri, 2006, 271). Managers are realizing their goals with their staff and by using physic and professional efforts in positions and in certain places. Managers cannot do everything by themselves, but they must hire other people, even only for the case to help them. Human resources have vital importance for the success of the organizational activity.

Human resources management

Management of human resources is concentrated in sources and directed mainly in the needs of the management to secure necessary human sources for the organization. In the beginning, management of human resources deals with only some cases that are connected with organizational employers, for example, hiring them, payment, work. But, today we have a whole evolution of human resources management, where this process includes some functions that have to deal with the staff, development, compensation, health and security, governing of work relations. Management of human resources includes human resources planning, recruiting and selection, performance evaluation, compensation and holding effective relations

with employers. It includes all activities that managers undertake by contributing in realizing organizational goals. Management of human resources consists of 5 main contents: recruitment and separation, creating and development, compensation of work, personal incomes, benefits and work relations.

Personnel recruiting is defined as an activity of the manager that includes clear commitment of the report between activities and authorities (Ramosaj, 2013, 155).

The activity of personnel recruiting includes:

1. The need for personnel (setting up the requested number of necessary personnel and its requested qualification);
2. Determining personnel sources (knowing necessary personnel sources);
3. Recruiting personnel (from potential personnel to be chosen those that will use to work in organization and that will complete their specific duties).

Strategic planning of human resources in SME

Managing of human resources must be one of the key elements of strategic planning for every company; there must be a forecasted integral system of human resources for strategic development. The integration can be realized in two levels (Zogjani, 2013, 4):

- In the strategic level, where the strategy of managing human resources tends to harmonize its orientation with global development strategy of other functional activities;
- In the operational level, where the action plan can program specific operations that can be taken from the department of human resources in the way that this integration can be done very successfully.

We will include below the advanced practices of human resources in enterprise managing:

- Creation of Human resources department;
- Standardization of administrative practices;
- Standardization of administration process for the compensation box;
- Standardization of the system for position planning;
- Standardization of the recruiting process;
- Standardization of the training process;
- Results evaluation in work;
- Vision compliance with company achievements and
- Efficiency and validity of human resources services.¹

Other problems closely connected with human resources in SME's are as follows (Ramosaj, 2013, 167):

- Protecting the employers' health;
- Human values;
- Retirement and replacement of employers.

The development of industry and dynamic processing of science and technology has increased even more the level of the health protection for the employers. Many countries have regulated in different ways, the protection of work and health of employers, but it's common for all to have elementary working conditions.

¹ Source: *Shoqata e Bashkive të Shqipërisë*, Shqipëri.

Knowing and accepting the phrase that “human resources present basic values in organization” will help us to understand the importance of human factor among the complexity of general resources. One of the management priorities is closely connected to investments in human factor for realizing profit maximization. Its hard true to define human resources in monetary value, but when analyzed in an organization, it is better known how much is spent for their recruitment and training. Big importance in SME’s plays the recruitment and retirement of employees, but also securing the conditions for retirement and their replacement, presents a big issue for a manager from the field of personnel policy. The case of employers’ replacement presents one of the most important cases in the field of securing human capital. Something like that can be secured even from internal or external personnel.

Another important issue is the decision making for genuine management in SME in Kosovo. Decisions are in close connection with the management process in general, and decisions are defined as a process. In this sense every decision must include:

- Subject, object, structure or organization in which the decision has been taken and which must realize it;
- Activities that can be done for realizing the decision;
- Goals achievement that can be realized through realization of the decision;
- Limited factors;
- Terms and time limits;
- System of material, technical and financial security.

Conclusions

The case of the personnel (Human Resources) in enterprise has been studied from many authors, because their development, directly affects the management of SME’s. Human resources management is concentrated in human relations and securing welfare for the personnel with the goal that they must give full contribution in work. Human resources management includes human resources planning, their recruitment and selection, performance evaluation, compensation and keeping effective relations with employers’. In this sense, knowing and accepting the phrase that “human presents basic value in organization” will give us the opportunity to think the importance of human factor among the complexity of general resources.

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