



## Coordination management in new human resource management tendencies

<sup>a</sup>Biljana Ilic, <sup>b</sup>Gordana Djukic

<sup>a</sup>The Megatrend University, Belgrade, Faculty of Management Zajecar, Park Kraljevica Forest bb, Serbia, <sup>b</sup>The University of Belgrade, Faculty of Economics, Kamenicka 6, Belgrade, Serbia

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### ABSTRACT

Managers in organizations, at all levels of management, are responsible for determining the true capabilities of employees. Modern managers are proactive and represent so-called transformational leaders. Thanks to the qualities and skills, a transformational leader may be able to select the right people, ie "workers" for the right jobs, determining their abilities and adequate motivation. The subject of the research in the paper presents new leadership tendencies that modern managers have in terms of human resource coordination. The paper aims to identify, based on the analysis of relevant literature and the results of some of the significant practical research conducted, specific management-coordination activities which depend on national and business culture. The authors will compare the management activities in Japan, America and Serbia – the last of which is taken as a small country that significantly differs from Japan and America in its characteristics.

### 1. Introduction

Nowadays, management is increasingly understood as encouraging and guiding associates rather than ordering and seeking obedience (Rosinski, 2003). A modern manager is first and foremost a leader who manages together with people and not the one who manages people - he is the coordinator. The coordinator, following managerial knowledge, also needs the ability to know people - the ability to understand the personality of each of the associates (Radonjic, Ilic & Stefanovic, 2019; Akan & Isik, 2010). The leader must have a dose of suggestiveness to pass on his desires to others. To achieve this, the power of imagining practical issues and situations is important. The methods of transfer are different, depending on the characteristics of the manager and the specific structures, but what is common for everyone is to encourage others (Loizos, 2003). Ability to know and suggest the people can be practiced through continuing education, life experience or spontaneously (only for gifted ones). In modern business conditions, new innovative management models are being developed: participatory management, MBO goal management, 9-9 leadership model, and very successful "matrix - network" management as well as project management model (Simons, 2003). So, it can be said that the old management models are fundamentally changing. The future requires the unification of functions and flow of information. New management models require a leadership cycle that includes orientation, goal setting, decision making and implementation of various form of leadership (Ilic & Simeonovic, 2018). Any leadership means the setting of the goals, the process that goes through three stages. The first stage is the formation of opinions - the evaluation of the company factors, that influence the development tendencies. The second phase is the "willing" formation - options for the choice of making a decision. The third phase is related to the achievement of goals - defining tasks and actions as well as monitoring the achievement of results (Mojic, 2002). Considering that today's society is viewed from globalization as a comprehensive trend, there are different ways of managing and coordinating human resources in countries that have their own specific culture, both living and business. The paper will focus on different HRM practices in Japan, America and Serbia (a small European county). The Japanese business culture is different from the American business culture and business management. Based on the fact that the authors are from Serbia, they wish to highlight the image of organizational culture in such a small country which is still in the process of transition and to show the way of managing and coordinating human resources in Serbian organizations, while at the same time, Serbia, in this case, has the status of the European management style.

### 2. Differences and acceptance of differences regarding the national cultures

In the middle of 1990s, running to final unification, Europe affirmed a principle called recognition of diversity. This was the guiding principle in the

creation of European economic power. Diversity i.e. difference is seen as a major catalyst for scientific, technological and innovative development (Jovanovic & Milicević- Langovic, 2009). The diffusion of knowledge and technology was intended to enable strong cross-cultural and cross-regional cooperation that would meet the needs not only for the most developed but also for other (less developed) countries (in Europe). New forms of education and personnel training are considered as strategic goals in the process of developing a so-called learning organization (Jovanovic, Kulic & Cvetkovski, 2004). These changes should address many needs and issues affecting people from different cultures. At the one side of the world, Japan, which achieved technological equality with the Western countries, faced the problem of its industrial strength and economic competitiveness. Industrial power, which Japan tried to achieve with the high-quality production, while at the same time, achieving economic competitiveness, was tried by developing strategic scientific culture (Jovanovic & Sung Yo, 1992). According to Jackson, K., (2003) while Europe is fascinated by the culture of Japan, trying to transfer the industrial cultural determinants of Japan into its companies, traditional values of the West, such as individuality, women's equality, democratic participation, and quality of life have been increasingly appreciated in Japan. The Americans systematized management in a way that, in all segments of life, science and practice, they set standards which have been subject to management, idea and research (Storti, 2004). The ways of leadership differ and depend on the national cultures (Stefanovic & Ilic 2019). Most of this was written within Intercultural Management whose mission is to shed light on, explain, and preserve cultural and business differences between countries. Today's modern business requires that managers operate out of their country. To achieve a successful business, managers must know the ways for successful communication or negotiation with the members or managers in host countries. Successful negotiation is based on sufficient understanding and accepting a different mind-set, sufficient knowledge and respect the country which is on the other side as host in business operation (History of the host country, Culture, ...), sufficient knowledge of the decision-making process, and sufficient knowledge of interpersonal relationships (Subotic, 2006). Finally, it should be noted that the time for business operations needs to be estimated. In all these assessments, managers play a major role. The main task is to successfully manage their employees, to direct them towards the ultimate goal for achieving the best possible business results (Ilic, Djukic & Balaban, 2019). An integral part of coordination in successful management is the process of delegating business responsibilities.

### 3. Delegating business responsibilities - the main part in the coordination of human resources

The leadership cycle requires delegation of business tasks (also learned through experience) and successful coordination. Specialist (who is a manager

\* Corresponding author. E-mail address: biljana.ilic@fmz.edu.rs (B. Ilic).

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at the same time) has specialist tasks, while the manager-coordinator directs employees towards a common goal. It is in the company's interest to give great productive freedom to specialists, i.e. specialized managers, which causes division of labour and specialization, but at the same time it can make it difficult to establish effective coordination. Specialists are pulling everyone often in the opposite direction, imposed by business conditions (legal regulations, inflation, market competition and technological development with new products). On the other hand, managers who are only coordinators do not have all the necessary skills and universal knowledge to generalize for the business (Nikolic, Ilic & Cogoljevic, 2019). However, the organization needs a well-chosen orientation and common coordinated action, in other words, successful coordination requires a "generalization specialist". According to some authors, there are four ways of establishing effective coordination.

The first and second ways are based on direct control, the third is through the committee, and the fourth is achieved by coordination experts (Stefanović, 2007). These are a) direct hierarchical control implying that hierarchy in the enterprise solves the problem of coordination because for achieving a better understanding of the general situation. But there are three limitations of this method – required time; increased engagement of senior and major executives; interruption of effective control because the decision can be made at a higher degree of distance from propulsion and reality. This requires senior management to coordinate with lower managers, not with tasks; b) form-based controls can be a significant element of coordination, for example, between sales and production. But there are also obvious weaknesses because of using the paper forms largely. Successful coordination cannot be achieved in this way; c) coordination across the board is achieved through a mechanism that uses hierarchical or procedural controls, without disturbing the balance of power and status of organizational units. Coordination is achieved by disseminating the right information. The main task for the board is to plan the flow of information. The downside to this strategy is that the board seeks to expand its work responsibilities and thus multiply its bureaucracy. So the committee is diminishing coordination. d) coordination through coordinators is sometimes "the way to go", because, in difficult situations of mismatch within the company, a coordination specialist or even a whole department is appointed to coordinate processes and individual resources on behalf of senior management. This promptly solves the arisen problems, which, on the other hand, would wait to "come in order".

Coordinators must have universal knowledge, specialist information, prudence and rationality to preserve authority. The bad side of such strategy is that coordinators want to extend their existence and expand the department, so they (coordinators) often become a barrier in front of the purpose. Senior management occasionally leaves control and coordination to the special department within the company, since there are: regular conflicts between facilities and services, inefficiency of hierarchical control as a method of coordination, bureaucratic syndrome, especially in the application of forms and paper reporting, which are generally shown to be a mismatch between the real state and report presents, the compromise of the board members because they don't want to bother, so things blur more than they effectively solve the problems (Przulj, 2007); Based on all above, good coordination can be achieved only through direct coordination, which is expressed in several forms (of course, the greatest responsibility is borne by the manager of the company who delegates tasks by coordination). These forms are as follows: a) short-term coordination tasks, concerning the long-term functions, can be done through teaching, because frequent career changes are difficult to expect; b) temporary working teams (3-5 experts) are formed to improve and enhance coordination.

They are not boards, because they only work for a few months with enough energy without conflicts, so they focus only on the problems set; they act as the core of the functioning of the communication system; c) the preparation of work teams for reconciliation of business and management of the whole enterprise can be achieved by stimulating "business games", which are performed for training specialists and successful coordination, whereas they are charged with functions that are different from their previous functions d) reconciling common goals and attitudes is a good confrontation technique aimed for striking a balance of attitudes between specialists and generalists. Commitments are made by public control.

#### 4. Controlling and Management Human resources

Controlling is an innovative expression of a modern way of leadership and management of the business process. It enables maximum utilization of all companies' resources, especially human resources. The starting point of control is to direct all management actions toward strategic goals and planned results. The controlling model enables the management team to identify trends and deviations in moving from development to operational goals. Certain measures are taken to stop and correct unwanted movements. Unlike the conventional

control system, controlling enables the internal rational development of every company. It interconnects command system and control. Its task is to coordinate the actions of measures and procedures to minimize misunderstandings in "process conflicts".

The basic assumptions for the functioning of the controlling model can be summarized as in the following (Tracy, 2014): managing the company based on strategic goals and expected business results, systematic elaboration of plans and adequate preparation of appropriate measures and decisions for their implementation, interest of the management team in control phase and willingness to take appropriate measures for possible corrections. It is desirable to transfer such behavior of the top management to the second and third level of management with the application of the appropriate instrumentation. Otherwise, with the right instrument, the manager can accurately identify goals, monitor the actions taken and the implementation of decisions. Thus, controlling allows management to better direct all processes in the company, as well as the effectiveness of its actions. Business success is based on planning and controlling, as both systems are necessarily designed and systematized to achieving the business results. The application of controlling aims at ensuring the necessity and possibility of planning all processes in the company. At the same time, conditions are created for the purposeful monitoring of the success of management actions, measures and decisions for the realization of the planned goals. The controlling system promptly detects deviations (for example by applying a chart) from the planned goals, thus enabling corrective action to be taken promptly. In the organizational aspect, controlling is best achieved when all tasks are completed at one level of responsibility and when management is entrusted to one competent manager.

He must be a recognized expert analyst and enjoy the authority of all meritorious managers in the company. He should master strategic and analytical knowledge of skills and abilities, be a good communicator and advisor. His cooperation with managers of all levels must be of good quality and unfettered. Controlling works best if it is located in the development or planning sector or the organization sector. Controlling incorporates the following tasks (Tomson, 2011) linking and coordinating all planned activities, comparing planned with realized, and analyzing deviations, evaluating the results achieved, developing decision-making schemes and patterns and measures for the rational use of potential, suggesting to the top manager to make certain organizational changes, indication by phases of the actual and possible deviations from the planned development, proposing the optimal correlation of the planning process, recording, calculating and reporting, etc. (Brekic, 1995).

#### 5. Organization of the Human Resources Service in Line with the Management Strategy and Functions of Human Resource Management

Managers must work with the firm's human resource departments if companies want to achieve their goals. The firm must attract, select, train and retain qualified people. Six basic human resource management functions must be performed if the firm's staff needs to be satisfied. These are personnel, training and development, compensation, health and insurance, management and employment, as well as personnel research (Waque Mondy –Personal The management of Human Resources, Boston, 1999). **Personnel** is about securing qualified personnel through the formal process at all levels of the organization, capable of executing short- and long-term business goals (Noe, 2004). The recruiting process includes job analysis, human resource planning, recruiting (selection), selection and internal personnel administration.

*Training and development (T&D)* is a term applied and designed help to individuals and groups, as well as the entire organization to become more successful. Training is needed because people, businesses and organizations are always changing. O&R should start when individuals are recruited in the firm and continue throughout their careers. O&R programs are often focused on overcoming deficiencies and maximizing performance. O&R is firmly tied to performance appraisal. Performance appraisal is a formal process of evaluating the activities of employees to show how well their tasks are accomplished.

*Compensation* is based on the centuries-old question of how much human workday costs. Workers must be rewarded with adequate and equal rewards for their contribution to the achievement of organizational goals. The remuneration includes all the rewards that individuals receive as a result of their work (Sundi, 2013) such as vacation pay, medical insurance, recreation programs, etc. Non-financial rewards are non-monetary rewards a worker can receive, in the form of job satisfaction and creating a comfortable work environment. It is more than cash income. The rewards can be combined in the following way: payment is the money a person receives for a job, and it is an allowance that is put in his pocket;

*Health and insurance* are related to an employee's safety against illness and his or her general physical and mental condition. Insurance is to protect employees from work-related injuries. These elements are important for management because employees who are in good health and work in a safe en-

vironment can be more efficient. For this reason, forward-thinking managers have a long-term assured benefit and a health program. Today, all organizations have become sensitive to the safety of their workers' health.

The area of employment is based on the fact that a large number of employees are permanently affiliated with the trade union and employee associations. Businesses, legislators, and trade unions need to agree in a fair fight about what would be the best (acceptable) for workers. The vast majority of U.S. workers are not union members. In 1997, less than 18% of employees were unionized. However, non-union organizations are often well aware of union goals and activities. These (non-union) organizations struggle to meet the needs of their workers in every reasonable case. They try to do it well-manning so that the union is no longer necessary for the individual to achieve his or her personal goals.

Human resources research assumes that the management research laboratory is an overall workplace environment and a potential staffing environment. The research deals with the analysis of the overall human functions of management. For example, research can be conducted to determine the types of workers who will maximize a firm's success, or it may be directed toward determining the cause of the incidental work incident. Human resources research is expected to increase all general organizations in the future (Stefanovic, 2012).

## 6. The working process of the HR department

The process of work, given its division, requires appropriate functions without distinction of degree, system and form of organization of work. Function means the interdependence of things, phenomena and processes, though the meaning varies across disciplines. In the applied sense, "function" means action, activity; work, shop, vocation, service, service, the performance of a job or some duty; a task in the work setting; specific work, performed by an organ or the work of the organism in general. All working people should be treated as a unity of human resources - personnel in function and preparation (especially concerning the principles of rotation, and permanent and return education). The personnel function includes the planning, organization, decision making and control of operational staffing operations. It is the most significant part of the business functions in the company and the overall socio-economic functions, as it relates to people - the bearers of development (Stefanovic, 2013). The operational elements of a personnel function are determined by the volume of sources, admissions, schedules, development and mobility of personnel in function or preparation. All elements of performing human resources functions find their common expression and purpose in the optimal and efficient solution of basic organizational goals in society. Although the performance of a staffing function depends on the breadth of activities and the specificity of the staffing problems of a particular environment of a given system, there is a considerable amount of common methods, techniques and principles for solving them. However, in practice, very different techniques, methods and principles of personnel function are encountered (Simic, 2015).

This is because they are inherited from different environments and systems. Besides, staffing is one of the youngest functions and scientific disciplines. Therefore, there is no "standard" in personnel technology. Although the elements of the staff function date back to the earliest history, when the Babylonian king Hammurabi (2 thousand years BC) introduced the planning and organization of jobs, as well as the systematic staffing, it is still of modern date. With the advent of the Industrial Revolution, a human resource function was also born, from an organizational point of view in a very rudimentary form. In the modern sense of the word, the staffing function (in organizational and scientific terms) dates somewhere before the end of World War II, ie. when staffing problems caught the attention of scientists and experts (Fillipo, 1996). The genesis, creation and development of the personnel function, as well as the techniques for its implementation, are very different in various countries. In its development trend, the HR function is expanding very quickly, especially in the USA, wherein the HR managers in most companies are also the company's Vice President. Other developed countries have made similar developments (Robbins & Coulter, 2005).

Today, staffing in some countries is ranked as a scientific discipline, and staff performing jobs in its field are becoming increasingly valued experts. Specifically, these jobs have conditioned the profession of human resources specialist with many specificities in the broader aspect of the profile of an expert. Increasingly significant position of a person in the work process and increasingly complex personnel problems in the conditions of automation, computerization, ie. scientific and technical revolutions give increasing importance to the staff function. In these circumstances, personnel problems become so complex that they can only be successfully solved by scientific methods, and this is poly disciplinary (Vujic, 2006).

Research and application of results in the field of inter-personnel relations and personnel development give the personnel function a more significant place in the business policy of the company or the economic policy of the social community. The development of the personnel function from the organizational and scientific approach (for example in former county of Balkan, Yugoslavia) is lagging for some reasons, primarily due to inadequate access to development, lack of adequate personnel methods; techniques and organizational forms of staffing shortages; incompetence of management teams (when one is not an expert in any field then he is "capable" of solving "all" problems); economic difficulties; pluralism of ideas and erosion of human values, which causes the manipulation of people. It should be noted that there are many world experts in the world, who are trying to bring more modern elements and more advanced ideas into the personnel function.

Namely, old skills and methods are outdated and replaced with new ones, especially concerning personality development. Their application must serve the purpose because the closer the function is to the purpose, the greater the ability to maintain is (Pickering, 1991). Table 1 presents the Dynamic Model of the HR function in terms of HR sub-functions and job descriptions

**Table 1.** Dynamic Model of the HR function

Personnel sub-functions	Activity description
<ul style="list-style-type: none"> <li>• Job classification</li> <li>• Diagnosis of business conditions in an organization</li> <li>• Designing proficiency profiles,</li> <li>• Defining staffing needs,</li> <li>• Planning and programming the development of personnel structures,</li> <li>• Personnel education planning,</li> <li>• Studying sources and securing personnel,</li> <li>• Research and application of modern methods of successful sourcing, introduction into the work process and adaptation of personnel at work,</li> <li>• Monitoring,</li> <li>• Monitoring staff turnover,</li> <li>• Construction of a performance appraisal system,</li> <li>• Education, training, training and retraining of personnel</li> <li>• Studying inter-staff relations,</li> <li>• Measuring staff contributions,</li> <li>• Analysis of re-election and staff rotation,</li> <li>• Assessment of work performance and attitude towards work, exploring motivation,</li> <li>• Building decision-making technology</li> <li>• Informing staff,</li> <li>• Monitoring of staff engagement in management,</li> <li>• Cultural uplift,</li> <li>• Monitoring safety and personnel protection,</li> <li>• Monitoring the development of social policy and staff standards,</li> <li>• Labor relations,</li> <li>• Care for staff health and recreation</li> <li>• Retirement jobs</li> </ul>	<ul style="list-style-type: none"> <li>• What jobs the organization really needs</li> <li>• What is the situation in the organization - organizational climate</li> <li>• What profile is required</li> <li>• What personnel are needed</li> <li>• Method of organizing personnel structures</li> <li>• Employee education</li> <li>• Providing social security to employees</li> <li>• Good knowledge of employees and willingness to be flexible when adapting to work responsibilities</li> <li>• Monitoring the development and advancement of staff</li> <li>• Preventing too many job changes</li> <li>• Provide retraining if needed</li> <li>• Identify who works best, or with whom</li> <li>• Determine efficiency</li> <li>• Rotate staff as needed</li> <li>• Be as objective as possible</li> <li>• Identify the ways of motivating employees</li> <li>• Make wise decisions</li> <li>• Provide necessary business information</li> <li>• Determine which of the employees has the ability to be a manager</li> <li>• Enable cultural habits</li> <li>• Maximum protection in the workplace</li> <li>• Proper implementation of social policy and monitoring of standards</li> <li>• Legislation, gender equality</li> <li>• Foster healthy habits</li> <li>• Retire at the right time</li> </ul>

**Source:** Stefanovic, V. and Blagojevic, S. (2009).

Each of these (and several other) personnel sub-functions is defined by an appropriate policy as part of the overall personnel policy. The organization of the personnel function has different forms depending on the sixty causes. It is most commonly referred to as the personnel, department, department or office. Often staffing positions are in other services, which is a consequence of ignorance or bad practice. Therefore, in the approach to the organization of the personnel function, among other things, some notorious things that are already known must be changed. First of all, the way of thinking has to be changed, because, with old schemes of thought, one cannot approach this problem. Namely, personnel issues must be given a broader meaning since man is a complex personality. The personnel function must be treated as a business function closely related to the production, development and economic-organizational function. In the contemporary organization of work, special importance is attached to the personnel function, which, when dealing with personnel issues, goes beyond the scope of a single function. The HR function is one of the most important functions precisely because the focus of its activities are working with people, and its range of activities extends to all functions since the efficiency of business and improvement of all functions

depends on the selection, scheduling, education and solution of the entire personnel problems (Brekic, 1990). Because human resources (working people) are the determining factor in business, the human resources department (as an organizational expression of performing human resources function) is especially given status and form. The human resources department is tasked with: planning, selecting, hiring and proposing new staffing, organizing education and training of staff, studying the behavior of individuals and groups, informing and culturally raising employees. The HR department should be concerned with the study, construction and application of scientific methods of business organization and staff stimulation.

Human resources departments should no longer be characterized by administrative - personal or paternalistic approach, but as organizational and creative (Przulj, 2007). Therefore, the authors propose the following organizational structure of the personnel function: 1) companies with up to 70 employees should have (at least) one staff member - an expert in human resources, who is trained and ready to take on certain tasks, perform human resources functions, prepare and implement personnel policy decisions. Due to the complexity and responsibility of the staff profile, it requires minimum a university degree in staffing, and a university degree in complex work processes with a higher level of the educational structure of employees; 2) in companies with 71-200 employees, there should be, as a minimum, a staffing desk. The number and expertise of staff in this organizational unit depend on the complexity of the business and staffing issues. As for the collaboration request and profile, the same notes given for the staff member are worth it; 3) companies employing between 200 and 400 employees organize the human resources function in the form of a department equal to the others within the service.

Concerning the number and profile of the personnel in the section and the form of cooperation, the above notes are worth the difference, with the difference that a highly educated expert should be at the forefront of the personnel department; 4) personnel service is organized in the companies from 400 to 1000 employees, from the referrals and departments. It employs all kinds of staff experts, especially in companies with more than 700 employees, so that they can prepare staff decisions more independently from the aspect of expertise, of course, with appropriate cooperation with professional institutions. The head of the human resources department should be a specialist in the human resources field, that is, the HSS - expert with additional education in human resources, and the future postgraduate studies of human resources will be required; 5) companies have more than 1000 employees organizationally set up their human resources in the form of human resources sector (or complete human resources services, if other functions are called services).

The sector is made up of sections according to the relevant staff sub-functions. They employ all types of HR professionals, and postgraduate HR studies are required for the HR manager (department). The name of the head of the human resources sector is identical to the name of the heads of other sectors (services). Due to the lack of coordination in the conception of unique criteria in the field of human resources development, the research capacities in human resources are too small, which could provide a more versatile scientific basis for adequate personnel policy management. Considering the present problems in the human resources domain, their effects and consequences on the socio-economic development, there is a need for a specialized scientific institution at each level, which is engaged in researching the development and employment of personnel (especially about the rapid changes in the profile in the scientific and technical revolution). The task should be to find a solution for conducting the current personnel policy, as well as to establish close cooperation with the personnel services (Manetovic, 2016).

Therefore, it may be necessary to establish a Human Resources Institute, which would, among other things, undertake the elaboration of a scientific concept and the organization of systematic improvement of management personnel and postgraduate studies for human resources professionals. It would take measures to encourage and apply creativity, to fully engage staff and solve their problems. He/she would be the central expert medium in the human resources function, ensuring the coordination of the work of all social structures (Cooper R. L.2000). Otherwise, coordination in the preparation of specific personnel decisions at all level in state management can be performed by the labour market institutes and chambers of commerce of the republics. The staffing function can be social in the full sense of the word. Its development and growth are governed by the problems of man as creator, bearer and executor of the work process, including the process of liberation of personality (Radonjic, Paunovic & Trandafilovic, 2016).

That is why there is a need for HR professionals to emerge from their anonymity and fascination, and to organize through an association of HR professionals. These associations can be organized by regions, and at the level

of the federation as the Union of Associations of Personnel Experts. The basic goals of the HR Association can be (Ilic, Mihajlovic, & Karabasevic, 2016): finding contemporary forms, methods, techniques and solutions in human resources, harmonization and synchronization of work in the implementation of the principles of personnel policy, organizing scientific discussions and professional seminars, proposing appropriate changes and measures in the legislation, joint initiation and financing of scientific research and postgraduate studies in human resources, organizing and launching publications of staff journalism (editions, magazines and monographs).

From what is mentioned above, it can be concluded that the members of the association should be social, scientific, pedagogical and political "workers", as well as functionaries and executives, in addition to the employees in the human resources services, in other words, all those who wish and can professionally influence the development of the human resources function. Management and Human resource management vary from country to country and from region to region. It can be said that they depend on the national culture of each country. The specificities of management will be presented further in this paper while applying the descriptive method will shed light on the specifics of Japanese, American and European management.

The most important definitions of HRM are 1. Armstrong's (2016) definition: Human resource management is a strategic, integrated and coherent approach to the employment, development and well-being of the people working in organizations 2. Boxall's & Purcell's (2016) definition: Human resource management is the process through which management builds the workforce and tries to create the human performances that the organization needs (O'Riordan, J., 2017). HRM is presented as a psychological aspect and that HRM and AMO model are interconnected. Boxall and Purcell formulated interconnection as:

$$P = f(A, M, O), \text{ where}$$

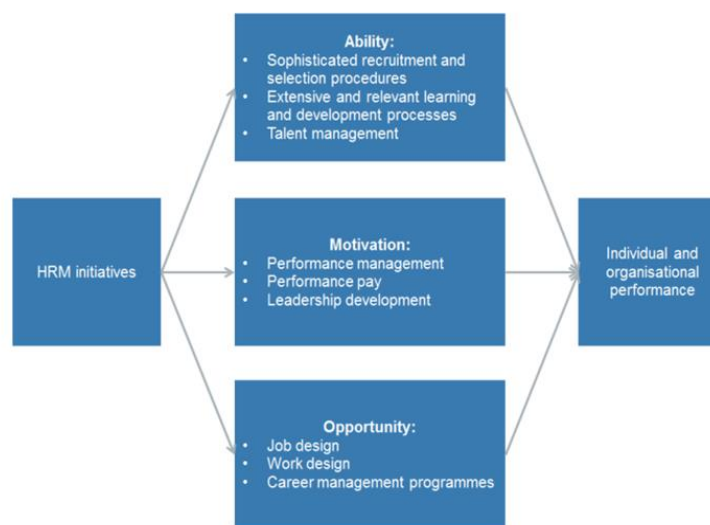
P - is individuals perform (P) when they have:

A- is the ability to perform (skill, knowledge and aptitudes)

M- is the motivation to perform (the employees do the job and feel they must do it), and

O - is the opportunity to perform (the employees are provided from the environment with necessary support and with avenues for expression (Armstrong, & Brown, 2019 and Boxall and Purcell, 2016).

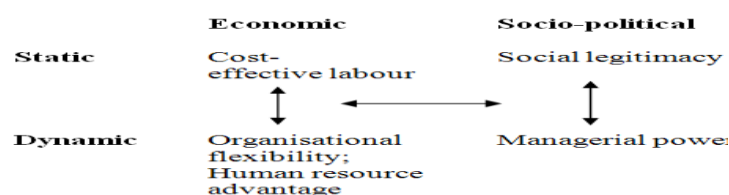
Figure 1. shows the AMO model for enhancing HRM



Source: Armstrong, M. & Brown D., 2019, pp. 16-17.

The objectives in Figure 1 are classified in an economic, socio-political context. Organizations need a cost-effective approach to HRM in the market to gain competitive advantages.

Figure 2. The Strategic goals of HRM



Source: Boxall and Purcell, 2016, p. 17.



Figure 2 shows the essential strategic objectives on which human resource management activities are based. Guest & Bos-Nehles (2012) explained that the effective implementation of the HRM strategy depends on the commitment, skills and managerial capabilities of the manager. The following factors are important during the implementation of the HRM strategy: clearly defined goals, clearly defined strategies, advisory support to line managers. Guest & Bos-Nehles identified four stages: 1. The decision to introduce HR practices (HR managers and senior executives), 2. Quality of HR practices (HR managers), 3. Implementation of HR practices (line managers), 4. Quality of implementation (line managers) which are important for the HRM strategic process. Table 2 shows the implementation model:

**Table 2.** A model of HR implementation

Stages	Primary implementers	Primary evaluators
Stage 1: decision to introduce HR practices	HR managers senior executives/CEO	Senior executives External bodies/groups
Stage 2: quality of HR practices	HR managers	Senior executives HR managers Line managers
Stage 3: implementation of HR practices	Line managers	Senior managers Line managers HR managers Employees
Stage 4: quality of implementation	Line managers	Senior managers Line managers HR managers Employees
Internal context	External context	
Competitive strategy and HR strategy Strength on the HR system Leadership and HR focus	External stakeholders: Government and government agencies Legislation and compliance agencies Customers and potential recruits Shareholders Market conditions Market contest (e.g. international focus)	

Source: Guest, D. & Bos-Nehles, A., 2012.

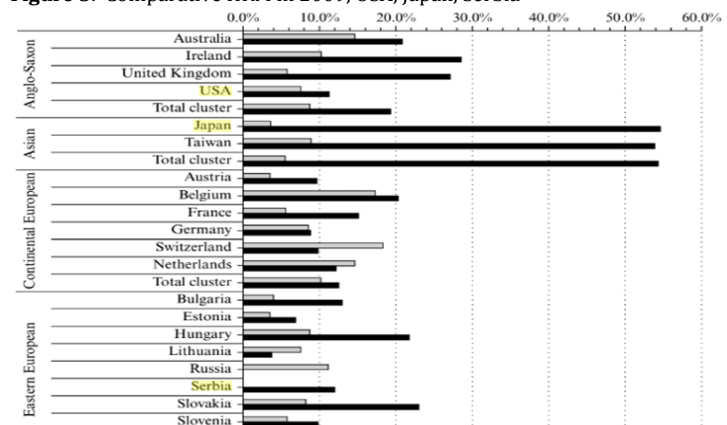
The quality of an application by line managers of HRM is in evaluating the quality of work, based on compliance with "central" requirements. (Guest & Bos-Nehles, 2012). Horizontal integration is the reconciliation of HRM in practice and systems and represents coordination between different HRM systems and practices. Failure to implement an integrative and coherent approach to line decision making in human resources results in employee dissatisfaction and fragmentation in HRM. According to Wei (2007) determinants of horizontal HRM are 1. HR policies which is important for proper policies and practices, 2. options of HR practices which create opportunities for greater freedom of choice in the company and, 3. the investment or budget of investment which is essential for the implementation of high-quality HRM in practice such as hiring external experts for specific activities (Wei, 2007). Banfield, Kay & Royles, (2018) pointed out that the key concept of vertical integration is an aspect of linking HRM with business, corporate and political goals, policy and national strategies, which provide guidance for quality implementation in practice. The vertical concept is based on informing corporate management about the current and future state of HRM, ie. about what is and what will be possible to "deliver" the strategy (Banfield, Kay & Royles, 2018).

In the USA organizations reduced levels of uncertainty and inequality in decision-making so that lower levels of employees were given greater discretionary powers (Mitu & Vasic, 2018). Senior managers with at least 45 years of experience play an important role in both position and promotion. Mitu & Vasic presented that managers in companies face the problem of fluctuating human resources. This implies long-term negative financial consequences for the company. As a result, managers motivated by: 1. career development, 2. Workplace diversification and rotation, 3. defining standards for business efficiency, etc. HRM practice in US companies, in terms of employment, is based on an appreciation of qualities such as talent, individual competence, independence, experience, skill (Maharjan & Sekiguchi, 2016).

In Japan according to Mitu & Vasic (2018) management in Japan is adequate and professional because it is dedicated to human resources, which

is considered as a long-term investment. It is highlighted that in terms of choice, it is primarily important personal qualities, knowledge and professional skills. Human resources are endowed with long-term confidence and guarantee, as a global aspiration, job security with a verbal attitude: "we believe you are needed for the next 50 years". Further, Mitu & Vasic pointed out that the wage distribution is not adequate because there is little difference between those with higher education and those with secondary education. The main criterion for deciding on the progression and amount of earnings grows proportionately with age and seniority. The benefits they receive are bonuses for dangerous and hard work. Besides, pension benefits are 3.5 per cent higher than earnings. (Mitu & Vasic, 2018).

**Figure 3.** Comparative HRM in 2009, USA, Japan, Serbia



Source: Lithart, Pendleton & Poutsma, (2012) according to Cranet network data 2009, p.288.

In addition to the principle of long-term employment, trade unions play a significant role and represent the interests of the majority of employees in terms of working conditions, safety at work, health and the rewards system. The third principle is seniority, according to which performance bonuses and annual employee bonuses are applied, which is a principle in western countries.

**Table 3.** The essential differences between the two management styles

Japanese management style	American management style
Long term employment and job security	Job insecurity and labour mobility
Evaluation and promotion are held in slowly	Equal opportunities to access higher levels
Flexible jobs through rotation and training departments	Specialization at work
Drastic consequences for deciding individual / collective responsibility	Decisions in individual/individual responsibility
Control default, informal	Control explicit and formal
Caring for employees comes first	Caring for employee welfare is secondary productivity
Open communication and reducing the hierarchical structure	Vertical communication is extremely limited
Stimulation of the group	Motivator of monetary nature

Source: Mitu & Vasic, 2018., p. 99.

Mitu & Vasic stated that the orientation of the manager is directed towards the employees with a lot of trusts and towards the engagement of the staff who possess the qualities, knowledge and skills to achieve the business goal and contribute to the productivity of the company. Mitu & Vasic concluded that managerial focus and attention has effects on increasing work productivity and implementing management plans which create a sense of long-term security regarding employment status. According to Moriguchi, the essence of the Japanese model is that HRM has expressed the level of commitment to human resources, job security for all employees. The orientation of the manager is directed towards the employees with a lot of trusts and towards the engagement

of the staff who possess the qualities, knowledge and skills to achieve the business goal and contribute to the productivity of the company (Moriguchi, C., 2014). Japanese management is an example of best practice in the world. According to Maharjan & Sekiguchi, human resources management is systematized, standardized, performance-oriented and respects the principles of organizational structure.

In Serbia, the experts of the European Policy Centre (CEP) analyzed HR management in government and public services. It was noted that the need for adequate and professional management in public and civil service is a more consistent application of some principles because HRP in the public service is below average compared to the Western Balkan countries (Mihajlovic, V. 2018). One of the principles is the adequacy of the state and public enterprises with clearly defined goals, appropriate implementation of legal regulations. Mihajlovic further pointed out that it is necessary to apply uniform principles and procedures for employee selection because it is inadequate. For this principle, Serbia received, with SIGMA methodology, a score 2 and is at the bottom of the list relative to the Western Balkan countries (Mihajlovic, V., (2018). According to the SIGMA (2019) in the short term, Serbia needs 1. consistent application of legal regulations in the state and public services, functional HRM in practice and its control. Besides, government should pass appropriate laws and regulations on salaries in 2020 in public companies, adopt laws for regulatory bodies and integrate into the scope of the Law on Public Agencies, provide HRM functionality concerning payment registers that are linked to other registers to avoid duplication of data and also review the status, responsibilities of regulatory bodies and amend the law (SIGMA: Creating Change Together, 2019).

## 7. Conclusion

No matter how well-organized it is, no organization can align itself. In contemporary, dynamic and competitive pressures burdened by business conditions, organizations are forced to pay more attention than ever to various aspects of their functioning. This requires effective methods of coordinating business functions and drives. Therefore, every organization, with its wide division of work, needs the professional knowledge of numerous associates, i.e. employees. All employees do not have the same knowledge or the same efficiency in all business areas. Therefore, the personnel principle - a modern approach to the problem of human resources - should be implemented - the right people in the right place, at the right time, by the criteria of knowledge and ability (not by similarity).

Based on the foregoing, it can be concluded that Japan and USA have advanced HRM, as a great deal of attention is paid to staff and their interests are above the interests of the company. There is a dominant attitude in Japan "We trust you and believe that you are the person we need for the next 50 years", which results in the employee confidence during work. The Japanese HRM model is characterized by a strong level of commitment to human resources, job security for all employees and is considered the best practice example in the world. According to OECD Country Profile, the United States is one of the OECD average countries with HRM, in which there is a small degree of responsibility, but a system of qualification-based payment has been developed. Departments have autonomy in management view, but differences in employment are evident between sectors (OECD, Country Profile: United States). Employment in public sector selection is made based on interviews with all candidates for a particular job, military veterans are given priority when reporting. When appointing chiefs, the president of the agency selects staff on a political basis. They change with the change of government, but most remain in the same position. In Serbia, the implementation of the legislative framework in the financial sector is required, with horizontal and vertical integration of all public and state-owned enterprises. In the government and public sector, the selection is done based on the political rather than competitive basis. The essential legal acts that need to be considered and implemented as soon as possible are the Law on the Salary System in Public Enterprises and the Law on Police. Although adopted, the application of the law is not yet implemented in practice. Management needs to perform activities: selecting staff through interviews, psychometric or other tests, issuing employment contracts, assigning roles and rewarding staff, to ensure equal opportunities in the application of legislation in a regulatory way in the selection process, to ensure that quality line senior managers should be responsible for the application of HR values in practice.

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Biljana Ilic PhD, was born on 10/01/1970, in Zajecar, Serbia. She graduated on Business Higher School of Belgrade University, in 1996. She continued further education on the Faculty of Management Zajecar, Megatrend University of Belgrade, in 2007. She Graduated on the Faculty of Management in Zajecar, in 2009. She received the degree of Master of Academic Studies in Management on the same faculty, defended master thesis with mark 10.00, and acquired the title of master manager. She defended her doctoral thesis titled "Strategic directions of regional economic and environmental development of the tourist potential of Gamzigrad Spa", in April, 2016, mark 10.00. She was elected as assistant professor at the Faculty of Management in Zajecar on July, 2016. Biljana is the author and coauthor of many papers published in Domestic and International Conferences and Journals.



Gordana Djukic graduated from the University of Belgrade, Faculty of Economics, Serbia, 2006. She defended her master's thesis in 2010 at the same faculty. She defended her doctoral dissertation in 2016 and received her PhD in economics from John Naissbit University, Faculty of Management in Zajecar. She has acquired the scientific research title of Research Associate in 2017 at the Institute of Economic Sciences in Belgrade.