NEW MODEL OF HUMAN RESOURCE MANAGEMENT AS BASIS FOR
SOCIALLY RESPONSIBLE BEHAVIOR OF AN ORGANIZATION

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Abstract: Appropriate implementation of the concept of social responsibility (SR) in organization is a form of education for SR that provides employees support while facing problems. It is based on seven principles: 1. accountability, 2. transparency, 3. ethical behavior, 4. respect for stakeholder interests, 5. respect for the rule of law, 6. respect for norms of behavior, and 7. respect for human rights. SR is a novelty that is supposed to become non-technological innovation in order for humans to solve the socio-economic crisis and replace the neo-liberalistic one-sidedness and short-term criteria of benefit. Human resource management has an important role, since it combines various activities that contribute to awareness – values and knowledge – and appropriate response to the challenges in the business environment and hence to acquisition of organization’s competitive advantage. There are several various models of HRM that are focusing on different areas of human resources. We have prepared our own model of HRM, which represents a precondition for socially responsible behaviour of an organization. The model is based on several functional strategies, which contribute to the realization of the requisite holistic strategy of human resources and are important for SR. These are mainly strategies made for: (i) recruiting and selection of employees, (ii) motivation and compensation, (iii) appraisal of work performance and turnover of employees, (iv) restoration and safeguarding of well-being, (v) development, training and management of diversity, (vi) stimulation of teamwork and creativity as well as (vii) securing of psychical health and stress reduction. All of them can help humans develop their individual and social responsibility in a life-long education.

Keywords: organization, social responsibility, human resource management, model of human resource management, education

NOV MODEL MANAGEMENTA ČLOVEŠKIH VIROV KOT OSNOVA ZA DRUŽBENO ODGOVORNO VEĐENJE ORGANIZACIJE

Povzetek: Ustrezna implementacija koncepta družbene odgovornosti (DO) v organizacijo je oblika usposabljanja za DO, ki zagotavlja zaposlenim podporo pri suočanju s težavami. Temelji na sedmih načelih: 1. odgovornost, 2. transparentnost, 3. etično vedenje, 4. spoščevanje interesov vseh deležnikov, 5. spoščevanje vladavine prava, 6. spoščevanje mednarodnih norm obnašanja, in 7. spoščevanje človekovih pravic. DO je noviteta, ki predstavlja ne-tehnološko inovacijo za pomoč ljudem pri reševanju socialno-ekonomske krize in je nekakšno nadomestilo za neo-liberalno enostranske in kratkoročne kriterije uspeha. Menedžment človeških virov (MČV) ima pomembno vlogo, saj združuje različne aktivnosti, ki prispevajo k zavedanju – vrednote in znanje – in ustreznemu odzivu na izzive v poslovnem in drugem družbenem okolju in posledično k pridobivanju konkurenčne prednosti organizacije. Obstaja več različnih modelov MČV, ki se osredotočajo na različna področja človeških virov. Pripravili smo lasten model MČV, ki predstavlja predpogoj družbeno odgovornemu vedenju organizacije. Model temelji na več funkcionalnih strategijah, ki prispevajo k uresničevanju holistične strategije človeških virov in je pomemben za DO. To so predvsem strategije oblikovane za: (i) pridobivanje in izbor zaposlenih, (ii) motivacijo in nagrajevanje, (iii) presojo delovne uspešnosti in zamenjave zaposlenih, (iv) obnovo in ohranjanje dobrega počutja, (v) razvoj, usposabljanje in
upravljanje raznolikosti, (vi) spodbujanje timskega dela in ustvarjalnosti, kakor tudi za (vii) zagotavljanje psihičnega zdravja in zmanjševanje vplivov stresa ter (viii) zagotavljanjem dobrega počutja. Vse te strategije lahko pomagajo ljudem razviti njihovo individualno in družbeno odgovornost, skozi vseživljenjsko izobraževanje.

Ključne besede: organizacija, družbena odgovornost, menedžment človeških virov, model menedžment človeških virov, izobraževanje

1 Introduction

Conducting a successful and at the same time socially and environmentally responsible business is becoming a must in today’s world. Corporate sustainability and corporate governance collectively shape organizational identities and are therefore increasingly integrated into the business strategy of successful organizations. Consequently, the responsible business strategy and practice is becoming one of the most dynamic and challenging subjects corporate leaders are facing today and possibly one of the most important ones, which must be addressed in shaping the future of our world (Gupta, 2010, 393).

The organization must also switch from a target-driven culture to a value-driven culture that can sustain SR (Lyon, 2004). In order to make this a reality, an organization can start with revisiting its vision, mission and value statements as they provide an explicit message to both the external and internal stakeholders about the organization’s goals and priorities, which drive actions and behavior. As a strategic partner in the organization, HRM should be actively involved in the setting of organizational objectives and any revisions of its strategic statements. As a department that is regularly liaising with all facets of the organization, it is well positioned to provide a balanced view across divisions, with particular empathy for social and human-related matters that are key areas of SR (Lam, Khare, 2010, 5).

2 Human Resource Management

Management of human resources is becoming increasingly important and is therefore affecting the competitiveness of enterprises by: (i) the selection procedure of employees, (ii) the appropriate informing and preparing of the staff to work with the new production and information technologies, (iii) a system of rewarding the work of employees, because an appropriate payment for a quality work is an effective motivational factor contributing to the efforts of employees to be successful with their work (Treven, 1998, 16).

Many writers mention the importance of actively managing the human resources of a company (e.g.: Sparrow and Marchington, 1998; Amit and Schoemaker, 1993; Coff, 1997; Treven, 1998; Petzinger, 2000; Lipičnik, 2002; Bahtijarević-Šiber, 1999; Šrča 1994; Udovicic, 2002 and 2004). Treven (1998, 24) believes that the management of human resources factor, which significantly affects the company's ability to meet and adequately respond to competitive challenges and that, with its activities (remuneration, recruitment, training and development of employees), also contributes to economic success of the company.

Management of human resources is determined by various authors. Treven (1998, 26) defines it as the combination of various activities that contribute to awareness and appropriate response to the challenges in the business environment and hence the acquisition of its competitive advantage. Among such activities, which are shown in Figure 2, are included: management of external and internal business environment, activity of work and results evaluation, and the activity of producing, developing and rewarding of the employees in the company.

Figure 1: Basic activities of personnel management

![Diagram](source: Treven, 1998, 26)

Lipičnik (2002, 445) defines the treatment of people at work as a system and process of influencing human behavior at work, in order to work with others and other resources to achieve identified goals. Human Resources Management as a process in which an organization, with its business strategy, is systematically and integratedly
planning the needs for human resources, by developing and evaluating their staff, rewarding them and maintaining effective relationships with them (Merkač, 1998, 5).

Management of human potential as a Scientific Discipline is the area of research and organizing knowledge, which is directed at understanding, predicting, directing, and changing of human behavior and their potentials in social institutions and organizations. The aim is to disclose the laws and to create the fundamental assumptions, principles, models, methods, procedures in the successful management and development of human potential in organizations (Bahtijarević-Šiber, 1999, 5-6).

»Hence, interdependence of HRM, human thinking and human survival is showing up, putting new requirements over the HRM, demanding it to be requisitely holistic / systemic and innovative« (Treven in Mulej 2003, 184).

Schuler and MacMillan (1984, 242) mention that HRM practices include:
- Human resource planning,
- Staffing, including recruitment, selection, and socialization,
- Appraising,
- Compensation,
- Training and development,
- Union-management relationship.

3 Practices of HRM

HRM research explored practices on individuals, but they also focused on groups and entire organisation. These research studies on the other hand treat multiple HR practices as a system, whether referred to as a high performance work system (HPWS) (Huselid, 1995) or as an HR practice configuration (e. g. Delery and Doty, 1996; Lepak and Snell, 1999; summarized after Wright and Boswell 2002, 249). Delery (1998; summarized after Wright and Boswell 2002, 250) argue that approach tends to assume that individual practice can complement substitute for, or even conflict with other practices, and thus to truly examine the impact of HR practices. These two dimensions result in the typology shown in Figure 3. Upper left-hand quadrant presents the research examining systems of HR practices at the organisational level of analysis. Wright and Boswell (2002, 249) mention that we tend to see studies from the industrial relations and strategic HRM fields falling in this category. In this quadrant a number of studies fall here, and the number of studies focused here seems to be increasing exponentially.

»The lower right-hand quadrant reveals the area of HRM research focusing on single HR practices and their impact on individuals. This is traditionally the domain of industrial/organizational psychology, and a large volume of research has accumulated in this area over the years« (Wright and Boswell 2002, 249). Wright and Boswell (2002, 249) on the other hand argue that lower left quadrant focuses on research exploring multiple practices at the individual level of analyses, which can be illustrated by psychological contract research, particularly that focusing on how the system of HR practices influences individual perceptions of the psychological contract. Upper right quadrant examines individual practices at the organizational level of analysis.

Figure 2: A typology of HRM research

<table>
<thead>
<tr>
<th>Number of HRM Practices</th>
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<tbody>
<tr>
<td><strong>Level of Analysis</strong></td>
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<tr>
<td>Organization</td>
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<tr>
<td></td>
</tr>
<tr>
<td>Individual</td>
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<td></td>
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</table>

Source: Wright and Boswell 2002, 249

Delaney and Huselid (1996, 965) mention that progressive HRM practices, including selectivity in staffing, training, and incentive compensation, are positively related to perceptual measures of organizational performance.

The role of human resources can be crucial for organization and organizational performance (Arthur, 1994; Huselid, 1995; Becker and Huselid, 1996; MacDuffie, 1995; summarized after Becker and Gerhart 1996, 779). Becker and Gerhart (1996, 796-797) argue that the choice of HR systems can have an economically significant effect on firm performance. This is a reason for a very careful evaluation of their decisions to outsource HR responsibilities.
Actual Models of Human Resource Management

Human resources are characterized by various models of human resources. Driver, Coffey and Bown (1988, summarized after Lipičnik 2002, 447-448) have, along with examining ways to deal with people, highlighted only six clean professional dimensions (models) to deal with people at work: (i) Administrative model, (ii) Legal model, (iii) Financial model, (iv) Managing model, (v) Humanistic model and (vi) Behavioral-cognitive model. The development has also brought the following models, which are present below (i) Harvard model of human resources management, (ii) HRM model based on the company's resources, (iii) European model of human resources, (iv) Linear model of HSN and (v) Human Resources Management model, developed by Anthony, Perrewe and Kacmar.

Harvard Model of HRM

Harvard model is the most typical representative of soft models of HRM, dealing with man as a social being. It covers HRM relationship with the external environment and internal organization factors. It displays a link of groups that are associated with the organization in an unbiased way (shareholders, management, groups of employees, government, community, trade unions), and situational factors related to HRM policies (labor, business strategy, management philosophy, labor market forces, trade unions, working technology, legislation), which affect the result of the implementation of human resources functions. Likewise, these results, through the aspect of long-term impact in the form of feedback, have an effect on both parameters. Long-term impact of the results of implementing the functions of human resources is reflected in the welfare of employees, performance of the organization and social well-being of people. Harvard model does not consider shareholders' interests and business efficiency of organization as a priority. Organizational performance is presented as a long-term impact of the results of the implementation of human resources functions, together with personal and social well-being of people. Therefore, organizations that follow the model of HRM, are actively involving employees in strategic decision-making processes and give them a high level of participation at all levels.

Model Management and Human Resources Based on Business

Consideration of business on its core resources has stimulated Boxall (1996) to create a model for the development of strategic management of human resources, which is also based on company's resources. The model focuses on the relationship between internal resources, strategies and performance of the enterprise. The essence of design is to advocate for sustainable competitive advantage through human resource development as the Company's capital to achieve strategic objectives, but they must be unique and therefore difficult to imitate for the competition. Beside behavior, model is also emphasizing skills, knowledge and human resources capabilities. For a sustained competitive advantage, in accordance with the model, a combined capital and human resources knowledge are also necessary, since latter derives from management practices in human resources management.

The European Model of Human Resource Management

The European model was developed by Brewster and Bournois (1991), which studied the impact of environment on the functioning of HRM. Organization and HRM are not only related to the environment, but they are also a part of it. Model defines the creation of human resources policy based on various influences from the environment (national culture, industry, etc.). For this model it is characteristic to successfully combine three elements: government, trade unions and employees. It is particularly interesting in the perspective of the strong role of trade unions in creating the human resources policy, which is different from the one in USA. The model allows the impact of national culture on human resource policy and reflects the fact that European countries have much more developed social aspect of employment, comparing to USA.

The Model of Human Resources Management (Anthony, Perrewe, Kacmar, 1993)

According to this model of opportunities and threats that a company perceived in the environment, affect the determination of its global strategy, and the latter one determines the orientation of individual functional strategies. In other words, this means that the top management at first makes a choice concerning the business strategy as a whole and then determines the functional strategy, which seeks to implement initially chosen global strategy. But individual functional strategy also affects the global business strategy. Before making a choice on the strategy, top management must consider the existing functional strategies. It should also take into account the strategy of human resources and skills of employees in the company, because this is the only way to assess how effectively executed a global strategy would be.

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1 Summarized after Šarošar-Žižek and Treven, 2009
According to Pearce and Robinson (1994), with a strategy of human resources, managers are trying to achieve efficient use of all employees' skills to achieve both, as well as annual objectives of the company, so the expectations and development of employees in the company. A series of functional strategies are necessary to contribute to the achievement of a holistic human resources strategy. These are mainly strategies that are developed for: (1) the acquisition and selection of employees, (2) motivating, training and rewarding, and (3) evaluation of work and departure of employees from the company.

Anthony, Perrewe, Kacmar (1993) present more details on the integration of the company's strategy with the strategy of human resources. The authors argue that a series of functional strategies are necessary to contribute to the achievement of a holistic human resources strategy. These are mainly strategies that are developed for: (1) the acquisition and selection of employees, (2) motivating, training and reward, and (3) evaluation of work and departure of employees from the company. The first mentioned human resources strategies, based on planning, procurement and selection of personnel, must provide basic parameters for the arrival of new people, as well as for their initiation and adaptation to the working process in the company. Second mentioned strategies should guide the activities to ensure staff competences, in accordance to the global business strategy. Third mentioned strategies are bound to stimulate employees to use their activities as good as possible to contribute to the objectives accomplished of the company. Latter strategies are mostly important in larger companies, since they are bound to work and results of evaluation of employees.

The Linear Model of Human Resource Management

The linear model of HRM is based on the assumption that pursuing a strategy is a rational and linear process. CV strategy is resulting from the business strategy and brings together specific strategies in key areas of CV. The process takes place under the influence of external and internal organization environment, which defines financial, organizational issues and CV issues that need to be considered. The linear model of HRM, presented by Armstrong (2006), cannot be used in strict sequence of defined steps in practical circumstances. Research has shown that it is not possible to first establish clear business strategy, under which a series of interactive supporting activities in the CV would then be defined.

4 Social Responsibility

Social responsibility refers to an organization’s ability to provide benefits to society (Wood, 1991). It includes the economic, legal, ethical, and discretionary expectations of society (Carroll, 1979). Prosenak and Mulej (2008, 10) defined SR as a concept in which the care for social and environmental problems should be included in activities to achieve humans’ goals.

The three fundamental lines of SR enquiry in the academic literature, while not mutually exclusive, might be characterized as (Basu and Palazzo, 2008, 3-4):

1. **Stakeholder driven**: SR is viewed as a response to the specific demands of largely external stakeholders such as governments, non-governmental organizations, and consumer lobby groups with regard to an organization’s operations, or with regard to generalized social concerns such as poverty reduction (Jenskins, 2005) or reducing global warming (Le Menestral and de Bettingnies, 2002).

2. **Performance driven**: emphasizes the link between external expectations and concrete SR actions of organization, focusing on measuring the effectiveness of such actions (Wood, 1991) as well as determining which activities might be best suited to deliver the requisite performance. Scholars have, for instance, attempted to strengthen the link between CR and corporate strategy (Porter and Kramer, 2002), assess the impact of SR on profitability (Aupperle, Carroll and Hartfield, 1985) or select modalities for SR implementation (Husted, 2003). For both the stakeholder and performance driven approaches, the key trust is, in the words of Carroll (1998, 1).

3. **Motivation driven**: examines either the extrinsic reasons for an organization’s SR engagement such as enhancing corporate reputation (Fombrun, 2005) pre-empting legal sanction (Parker, 2002), responding to non-governmental organization action, managing risk, generating customer loyalty or intrinsic rationales building on philosophical concepts such as contract theory (Donaldson and Dunfee, 1994).

When we are talking about the importance and benefits, which are result of socially responsible policy of organization, we have to bear in mind the fact that SR still creates a degree of confusion and controversy. Is the promotion and implementation of socially and environmentally preferable corporate conduct, a function of business or government? Is the implementation of SR practices a cost or a value-enhancer? In part, the problem stems from definitional issues, and a perception in some quarters that SR is more about philanthropy, rather than “doing business” and responding to shareholder interests.

Properly understood, SR should be seen as the way that organizations – working with those most affected by their decisions (often called “stakeholders”) – can develop innovative and economically viable products, processes
and services within core business processes, resulting in improved environmental protection and social conditions (Hohnen, 2007, 1-2).

Evidences suggest that organizations that are engaged in and publicizing SR activities can only add value if these activities and firm reputation are aligned. Hence, organizations with poor reputations are unlikely to reap any immediate benefits (in terms of shareholder value creation) from engaging in SR. In fact, such activities may appear disingenuous and may well have the opposite effect. In the long-run, the engagement in and dissemination of such activities could create value if they change the shareholders’ perceptions of the organization. It is entirely possible, however, that organizations engage in SR activities with the goal of enhancing shareholder wealth, but find it difficult to assess whether these activities actually create value (Servaes, Tamayo, 2012, 21).

4.1 Benefits of Social Responsibility

Researchers have found a strong correlation between social performance and financial performance of a business (Orlitzky, 2003). However the scale and nature of the benefits of SR go beyond the financial ones and can include benefits such as improved perceptions of the company, proactive risk management, building loyalty-based customers on account of distinctive ethical values, building a genuine culture of “doing the right thing” within the organization, following steps to implement issue related to labour standards and health and safety policies, and so on (Kanji and Chopra, 2010).

Conducting socially responsible behaviour can certainly bring various benefits. But in order for them to appear we have to look beyond the current quarter or year and factors in long-run benefits as a potential offset to short-term cost. Generally speaking an enhanced social image, formed via social responsible activities, should attract more customers and investors and thus provide positive benefit for the organization. Christopher and Bernhart (2007) reported that a “meta-analysis” of over 50 studies found SR social components, including treatment of employees, significantly affected financial performance measures. In addition, objective SR performance ratings were significant predictors of employer attractiveness to potential applicants. Based on the aforementioned facts, SR can be a key recruitment and retention strategy for the global organization, which business leaders and managers can use to attract, develop, and keep a highly engaged, motivated, and productive workforce (Cavico, Mujtaba, 2012).

By being socially responsible, declares the World Bank, businesses not only will accrue benefits, but also civil society as a whole will benefit from the “positive contributions” of business to society (Cavico, Mujtaba, 2012). Other reasons, why being socially responsible pays off, are:

1) Obtaining a “social license” to operate from key stakeholders,
2) Ensuring “sustainable competitiveness”,
3) Creating new business opportunities,
4) Attracting and retaining quality investors and business partners,
5) Securing cooperation from local communities,
6) Avoiding difficulties due to socially irresponsible behaviour,
7) Obtaining government support, and
8) Building “political capital”.

Prosenak and Mulej (2008, 10-11) state that SR is welcome also because of the following issues: (i) climate change, (ii) natural resources limitation, (iii) growing differences and stress, and (iv) global competition, etc. These issues are becoming objectified circumstances letting humans forget about the humans’ impact over their making. On the other hand, SR helps people at large enjoy benefits of a broader and longer-term treatment of nature around them.

It is also very important to mention that every organization itself should determine what kind of SR activity prior for it or is useful for competitive ability increase and what benefit it can bring and how it could be realized. Companies can involve some stakeholders into their communicative channels and their partnership can be beneficial for the both sides (Juščius and Snieška, 2008). SR offers indirect and direct benefits to internal stakeholders through organizational commitment.

5 Relationship Between Social Responsibility and Human Resource Management

SR and responsible capitalism pose a number of challenges for HRM and leadership in organisations. The HRM paradigm is based on a rational strategic management framework, which is consistent with traditional economic analysis. This paradigm is limited in circumstances where organisations seek to behave responsibly with regard to a range of internal and external stakeholders and seek to take a longer term perspective when dealing with issues relating to SR (Gupta, 2010, 393).

HRM plays an instrumental role in helping their organizations achieve its goals of becoming a socially and environmentally responsible organization – one which reduces its negative image and enhances its positive impact on society and the environment. Further, human resource professionals in organizations that perceive successful
corporate SR as a key driver of their financial performance can be influential in realizing on that objective (Ahmed, 2011).

Depictions of link between SR-HRM in extant literature tend to fall into two broad categories: SR enacted through HRM (HRM practices involve employees in the implementation of SR); and HRM enacted through SR (SR practices attract, retain and motivate employees. However, scholars that have examined the link between SR and HRM rarely explicate how they understand the connection between SR and HRM, and what assumptions they make when exploring it (Greenwood and Voegtlin, 2012).

The HRM system should take the primary responsibility for managing SR activities. SR therefore expands or broadens the HR agenda and focuses on effective implementation. SR is a significant way for HR to positively affect organizations performance. Kramar (2004) argues that the HR department has the potential to play a significant role in developing SR activities in the organization. While SR is expanding the role of HRM, it also supports the benefits of workplace practices, which contribute significantly to organizational efficiency and effectiveness (Inyang et al. 2011). PR Leap (2007) argues that there is a growing overlap between HRM and CSR and that it is becoming increasingly important for HR professionals to take a leading role in both planning and implementing SR strategies and in turn using SR to deliver their own HRM objectives. Sharma et al (2009, 205), add that “the combined impact of SR and human resource activities, which reinforce desirable behavior, can make a major contribution in creating long term success in organization That is why HRM department should effectively measure and evaluate SR activities. The value added by SR in the form of direct results, such as, economic savings and indirect results like increase in employee satisfaction, less employee turnover, measured by staff attitude surveys, shall indicate contribution to improved business performance. There is also a need to conduct periodic review of the SR activities (Ahmed, 2011).

6 The New Model of Human Resource Management for the social responsibility

Our guideline on developing the model was: people are the critical dimension for successful implementation of a social responsibility, thus the successful organizations are marked by excellent application of knowledge about the way how to recruit the optimal employees, how to manage them, how to train them, educate and develop them, how to evaluate and reward their work, and how to ensure their vocational and personal development by means of the permanent learning process (Fáilte Ireland 2005a, 8; summarized after Baum 2006a, 1383). The new model of HRM for social responsibility comprises creating of reputation of the work, employing and preserving the number of employees considering their fluctuation, flexible employment forms, creating adequate wages politics along with remuneration and facilities, as well as gaining a balance between work and non-work. The model considers also the influence of globalization, ensuring competitiveness, legislation and government measures as well as interventions, and the necessity of ensuring creativeness and innovativeness on the grounds of the new skills, gained by education and training of the employees (Page and Connell 2006, 230). As a starting point we have also considered the necessity of a permanent and socially responsible HR management, which is being referred to by Baum (2006b).

The proposed model of HR management for social responsibility comprises the future challenges of the human resources management, such as ensuring affiliation, loyalty of the employees in organizations, education and training of the employees and quality of services. A special emphasis is given to recruiting and selection of employees, team building, management development and professionalization of managers, business and finance awareness, career planning, flexibility of labour force, personal efficiency of managers, manner of appearance, and so on. (D’Annuzio-Green et al, 2004, 10).

The principal aim of HR management in social responsible organization is linking all functions of human resources into an integrated form to reach strategic goals of organizations. The reason for implementation of the suggested model that is introduced in the Figure 3, are the following factors: (i) restructuring of the market, (ii) decentralization, internationalization, mergers and acquisitions of the companies, (iii) endeavours for better quality of products and services, (iv) technological and other changes, etc.

According to this model the attributes of individual and organization, as well as the environmental influences, determine the layout of global strategy, which determines the orientation of single functional strategies, among the other also the strategy of human resources (Figure 3). The point is that the top management first selects the strategy of the company as a whole and then the functional strategies, by which it strives to carry out the primary chosen global strategy. Every single functional strategy affects the global strategy as well. Before taking a decision about the choice of the strategy the top management has to consider the existent functional strategies. Among the other it should take into consideration also the strategy of human resources and accomplishments of the employees, as this is the only way to estimate, how successful the chosen global strategy will be carried out.

2 By the environmental influences the opportunities and risks in following fields are meant: (i) economy and personnel market, (ii) branch and competition, (iii) society and demographic influence, (iv) politics and law, (v) international influence and in (vi) technology.
The integration of the company strategy with the strategy of human resources in social responsible organization is demonstrated in the Figure 3.

Figure 3: Model of HR management for social responsible organization

From the Figure 3 it is evident that several functional strategies are required, which contribute to the realization of the holistic strategy of human resources. These are particularly the strategies made for: (i) recruiting and selection of employees, (ii) motivation and remuneration, (iii) appraisal of work performance and turnover of employees, (iv) restoring and ensuring wellbeing, (v), (vi) development, training and management of diversity, stimulating of teamwork
and creativeness as well as (vii) securing psychical health and stress reduction. Following to the suggestion made by Nickson (2006), at determining the number of strategies we have born in mind that it is of crucial importance in organizations to reach hospitableness and ensure top innovative services that have to be performed in adequate organizational culture.

The result of the mentioned functional strategies is the behaviour of human resources in organizations that creates numerous advantages in the field of human resources such as higher motivation, better health of employees, better relations and communication, more successful (team) work, higher assessment to the organization, enrichment of knowledge and experiences, better quality of work performance, and others. These advantages have a long-term effect reflecting in higher efficiency of organizations, subjective and objective welfare of each individual and in social welfare. Following we are introducing in greater detail the single above mentioned strategies in the field of human resources.

We have upgraded the model by good practices and holistic instrumentation to ensure quality of working places in tourist organizations. It comprises the following fields: (i) flexibility at HR administration, (ii) communication, (iii) strengthening of the role of employees within organizations, (iv) motivation, (v) remuneration of employees, (vi) ensuring the participation of employees and acknowledging their work, development of employees, (vii) appraisal of work performance of employees, (viii) employee diversity management, (ix) implementation of creative thinking techniques, (x) teamwork, (xi) formation of adequate organizational culture and climate, (xii) managing stress, and (xiii) psychical wellbeing.

The contemporary model of HR management in social responsible organizations is complemented by other themes, as well, which Fáilte Ireland (2005a, 2005b, 66; summarized after Baum 2006a, 1387) states in the framework of good practices of HR management.

### Table 1: Good practices of HR management – eight important themes

<table>
<thead>
<tr>
<th>Flexibility</th>
<th>is evident from willingness at organizations side to adapt their time schedules to the co-workers admitting that in the modern society it is necessary to manage the relation between work and non-work.</th>
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<tbody>
<tr>
<td>Participation</td>
<td>is evident from willingness at organizations side to encourage the employees taking part in various decisions and exert influence on the patterns of their working day.</td>
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<tr>
<td>Management</td>
<td>regular function of the systems for checking efficiency ensures that the individuals and teams guarantee the standard services which bring the desired results.</td>
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<tr>
<td>Acknowledgment</td>
<td>is evident from rewarding the employees – individuals and teams - for their extraordinary contributions, and the celebration of it.</td>
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<tr>
<td>Remuneration</td>
<td>is evident from (monetary and non-monetary) payments, which are connected with the work performance and have contributed to the profitability of organization. Also all payments are clear to the employees.</td>
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<tr>
<td>Communication</td>
<td>shows in the regular dialog between the employees, based on openness and open-mindedness of the management as well as on the consistent feedback information.</td>
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<tr>
<td>Learning and Development</td>
<td>shows in immediate access to the education and training, in the support for learning and progress through courses, as well as in team development.</td>
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<tr>
<td>Strengthening</td>
<td>is evident from active support and management of the staff in a way that their participation at work is assured in the manner presented above.</td>
</tr>
</tbody>
</table>

Source: Fáilte Ireland 2005a, 2005b, 66; summarized after Baum 2006a, 1387

### 7 Conclusion

Organization that wants to implement social responsible business needs a new modern model of HR management that will ensure an accelerated development also in the future. The model is based on evolution of the business systems, attributes of the individual and organization, as well as on challenges of environment. All these influence the strategic management of the organization. It is a process, during which firstly the strategy at the organization level, i.e. the global strategy is defined by the management, Based on the global strategy the management defines different functional strategies, among the other also the human resources strategy. The aim of the latter is the realization of global strategy and through it of the aims of the organization, as well as fulfilment of employees’ expectations.

In the model of HR management we have foreseen several functional strategies in the field of human resources. The implementation of these strategies leads the organizations towards creating of competitive advantages in the field of human resources, such as higher motivation and better health of employees, better mutual relations, more successful teamwork, higher affiliation to the organization, enrichment of knowledge and experiences, and others. All these have a
positive influence on the success of the organization, on individual’s subjective and objective welfare as well as on the social welfare in general.

References

58.75


