

LEGAL ORDER OF HUMAN RESOURCES IN THE ORGANIZATIONAL STRUCTURE OF THE BUSINESS OF THE COMPANY

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Abstract:

The importance and priority of the choice of human resources is extremely important in the organizational structure of the company. The legal order of human resources in a particular business entity allows to perform tasks that provide conditions for smooth functioning of organizational units based on management, competencies and skills of employees. Within the legal order of human resources, a strategy and policy for the development of human resources are developed and implemented within the given organizational design of the company, and legal business norms, general and organizational acts are taken into account.

Keywords: *human resources, legal order, organizational structure, job design, legal norms.*

Introduction

Identification of the legal order of human resources, business structure and organizational design take place in order to perform business activities of the company and enable the realization of plans, and are directly related to the business strategy of a particular business entity. The importance and priority of establishing the legal order of human resources within the organizational structure of the company implies the development, monitoring, coordination and supervision of human resources, which arose in response to changes and demands of the modern market environment. When determining organizational acts in the organization of human resources business, general business acts are taken into account and based on them, organizational acts are determined which have their own conditions, procedures, drafts and rules.

1. The concept and role of human resources

Human resources are a set of physical and mental characteristics and abilities of a person that he possesses and uses in the production of material goods. When using human resources as goods or factors of production, it is necessary for the worker to become the sole owner of his working ability and to dispose of it freely.

In previous historical periods, human resources were treated as commodities, which enabled capitalists to develop their production. Guided by material reasons, factory owners and landowners exploited workers to the maximum in order to achieve their own goals and maximum profit. Human resources were equated with goods based on the introduction of personal freedom of producers and observation of the concept and significance of human resources separately from the means of production (means of labor and objects of labor) [1].

Human resources, as one of the basic factors of production, its development and the process of improvement are of crucial importance for the further course of development of the productive forces of a certain social community. The properties of human resources are reflected in their use value. The use value of human resources is made by human work itself, ie qualified human resources with all their knowledge, skills and abilities that employees possess when performing a certain work task.

The role of human resources is reflected in their value, which is defined by the quantity or value of goods and services needed for the reproduction of workers who have labor. The amount of necessary means of subsistence for workers is influenced by many factors, such as [2]:

- a) the level of socio - historical development of a particular social community;
- b) the quantity of material goods necessary for the basic physiological needs of the worker and his family members, and
- c) the quantity of material goods necessary for the education and vocational training of workers.

The value and use value of human resources are formed on the market of human resources, which by their specifics and with the help of competent institutions influence the formation of the price of human resources and the course of their movement [3]. The human resources market, unlike other commodity markets, is strongly influenced by institutional and legal norms.

Through the rules, norms and the Law, the formation of the price of human resources is influenced and the minimum, legally determined price of human resources is determined. The price of labor, which is received by the employed workers, is called the salary or personal income. Wage formation is not directly influenced by supply and

demand, which are crucial for price formation in commodity markets. If the laws regulating the movement of prices on commodity markets were applied on the human resources market, in periods of higher supply of human resources in relation to demand, there would be a reduction in wages and greater engagement of human resources by employers [4].

This process would lead to an increase in the employment rate by employers and a decrease in total unemployment. In the real world, wage cuts occur independently of the process of increasing human resource supply, and workers' rights are most often protected by collective bargaining agreements that guarantee them basic rights and wages. On the other hand, natural population growth affects the constant influx of newly skilled workers by increasing the real unemployment rate and reducing the real value of personal income [5].

1.1. The importance of the legal order of human resources

The adoption of the Law and legal acts in a certain economic entity determines the system of hierarchy of activities on which the organizational structure of the company is formed.

The organizational structure of the company is managed by the President of the Management Board, the General Manager of the business entity or an appropriate equivalent who has the authority for the managerial function.

When establishing the legal order in a certain organizational structure, it is necessary to establish a proper hierarchy and systematization of work by the sector in charge of human resources in a particular business entity. When establishing the legal order, it is necessary for the human resources sector to have [6]:

- a) consent and entrusted powers by the governing body of the company,
- b) the budget approved for the performance of tasks, grades and privileges for employees (basic salary plus bonuses and allowances),
- c) the supervisory body in charge of conducting the audit procedure,
- d) public powers and responsibilities related to human resource management within ministries and federal entities that are in accordance with the regulation on human resources within a given economic entity.

The competent sector for human resources within a specific organizational structure in the company is responsible for studying and proposing policies and laws

related to the rule of law and human resources in a particular company, proper application of human resources and legislation, insurance, respecting the provisions of adopted Law and bylaws of the same, consider possible complaints and appeals against the work of the human resources sector within a particular company. The Sector for Human Resources in a specific economic entity is responsible for the implementation and application of the rules established by the Law on Human Resources.

Organizational units in charge of human resources in each business entity are obliged to adhere to the principles of business policy contained and apply them consistently among all employees, in order to create an efficient work environment based on the achieved performance. Human resource planning within the legal order within the organizational structure of the company is a process that includes a number of activities and should help the organization to assess the current number of human resources in its organization in preparation for future needs.

Human Resource Planning (HRP) is a responsible job and includes job analysis, role analysis, and competency profiling as tools that provide a starting point for HRP. Human resource planning (HRP) is usually presented as a five- or six-step process that is broadly defined “as an effort to anticipate an organization’s future business and environmental requirements and to provide qualified people to meet and meet those requirements”. The HRP process begins with organizational goals and plans, as well as relevant environmental factors and analyzes that have been previously discussed as forces of change. This is based on an analysis of current human resources, which includes a list of talents and various sub-analyzes that complete the picture of current human resources [5].

Human resource needs for a given planning period are characterized by a gap between current and projected needs, which is the goal for action plans that follow in the implementation phase. These plans relate to the recruitment and selection, training and development of young staff, their replacement and relocation, promotion and eventual dismissal of staff. If necessary, this process needs to be redesigned. Strategic human resource planning usually takes place at three levels, long-term, medium-term and short-term. Long-term strategic planning is performed by top management by setting strategic directions for the company that reflect the philosophy, and goals of that company.

Medium-term planning includes program development and business plans that operationalize strategic plans for business units and departments. Short-term planning aims to make short-term decisions of an everyday nature that are routine and that are constantly repeated.

1.2. The role of human resources in the organizational structure of the company

Qualifications of human resources are a basic professional document that describes the work performed by workers in their workplace. The job description should include and identify the basic tasks and tasks that are necessary to perform at a certain early place, as well as the necessary resources for work.

The need to develop a new or improve an existing scheme of educational profiles (standards) of occupations arises during changes in technology and / or in the organization of work [7]. The request to change the occupation profile arises when taking the initiative, assessing the needs of the human resources market and in accordance with the possibilities for acquiring the same or similar classification. Human resource management (HRM) is a very complex subsystem of the organization system in which a large number of entities from the internal and external environment participate. These are: the management of the organization, the union of the organization, the human resources unit, the employment service, educational institutions, etc. All these entities perform their activities on the basis of organizational and legal acts. On the basis of general legal acts, the rights, obligations and responsibilities of human resources in the organization are determined. instructions as organizational tools that encourage the quality of achieving goals and making decisions about human resources.

Decisions on the description and needs for new educational profiles are made in competent institutions, such as the Ministry of Education, the Ministry of Labor, Employment and Social Policy, chambers of commerce, trade unions, etc. The methods used in defining existing or new educational profiles (occupations) and their characteristics that describe in more detail the process, methods and procedures for performing specific tasks are [1]:

- a) brainstorming;
- b) interview;
- c) survey i

e) method of observation at the workplace.

Brainstorming is one of the techniques that requires the active participation of the participants themselves and thus contributes to higher productivity of business training or working meeting. This technique encourages group creativity and generates a large number of different ideas that represent a solution to the problem. This technique contributes to greater participant satisfaction, makes teamwork more interesting and helps build a business team. The brainstorming process requires compliance with four basic rules that contribute to greater activity of participants and stimulates the presentation of new proposals and ideas. This technique is aimed at supporting the process of proposing new ideas, without burdening their quality levels, and the whole process takes place under the assumption that the more different ideas are presented, the greater the chance to reach the right solution.

Another important feature of the brainstorming technique is the condition that the entire process of proposing and adopting new ideas takes place without the possibility of criticizing the proposals presented at the beginning of the presentation. The goal to be achieved by this condition is to create an atmosphere in which the participants will feel accepted and free to present whatever comes to their mind, no matter how unusual it may be. The brainstorming technique implies creativity, and all unusual and unexpected ideas are very desirable because such ideas can move participants to a completely new way of thinking and looking at things.

Thanks to new ideas, unexpected and radical solutions can be reached. Combining and improving already presented ideas is a combination of several different ideas that can generate a completely new idea that can be further improved.

Interview and survey are two interrelated statistical methods. They can be performed by examining a certain number of respondents in writing or orally, selected on the basis of a random sample in order to adequately represent their statistical set or population. The survey process can be conducted directly (verbal survey) and by questionnaire (indirect or written survey). During the process of interviewing and / or filling in the questionnaire, numerically coded pre-defined questions are answered, which enable the surveyed subject to precisely formulate his / her answer [2].

The method of observation at the workplace enables the definition of all jobs, duties, responsibilities and work tasks that are performed at a specific workplace. Direct observation of individuals in the workplace provides a written description of the work tasks, duties and responsibilities of employees who are in a particular workplace. What jobs and tasks the employee performs, how, why and under what conditions he works are information that is crucial when formulating the job specification. The job specification shows a list of all the qualifications needed to do the job successfully.

2. Job design in the function of the legal order of human resources

Observing business design as a sociological and economic phenomenon, it can be noticed that, from the aspect of observation and study, its roots go back to the time of Adam Smith, ie related to the thoughts that appeared in Great Britain during the First Industrial Revolution. Adam Smith was the first to devise the division of labor or the so-called dividing the complicated and complex task into more complex tasks in order to specialize activities aimed at higher employee productivity [8].

After Adam Smith, Charles Babig emphasized the importance of simplifying work to simpler tasks that would require hiring cheaper labor, and Frederick Taylor and Henry Ford made a major contribution to the development of labor specialization. Frederic Taylor's idea, presented in *Scientific Management* in 1911, emphasized the most efficient way to perform tasks. Taylor's contemporary, Henry Ford, used this idea to control the work of employees, which was conditioned by the appearance of the conveyor belt in the Henry Ford car factory in 1914 in Michigan, USA [4].

It achieved its first beginnings in the specialization of jobs and tasks in industry, primarily in the sphere of production, but soon, in addition to the advantages in the specialization of tasks, certain negative characteristics of the specialization itself appeared, which slowed down the process. Experts from Great Britain and the United States have come to the conclusion that a certain specialization of jobs over time leads to fatigue, boredom and dissatisfaction among workers. But a solution was soon reached in the form of rotation of workers from certain jobs and tasks to other jobs and tasks after a certain time, in order to reduce tension and dissatisfaction with the hired workforce. Also, over time, the horizontal expansion of the business began to be applied. These limitations had their rise and high application in the world of industry in the period from

1950-1980. yr. when three very influential theoretical discoveries emerged, as well as proposals for business enrichment. The first most significant theoretical discovery relates to Frederick Herzberg and his colleagues. Frederick Herzberg introduced a two-factor theory that distinguished between two types of factors [8]:

1. motivational factors - are factors that affect the level of interest in the job;
2. hygienic factors that include hygienic conditions.

According to Frederick Herzberg's theory, motivational factors have a very strong influence on employee satisfaction within a certain organizational structure, but they have a very small influence on dissatisfaction. In the case of hygienic factors, the influence or action is completely opposite in relation to the motivational ones.

Hygienic conditions create and have a strong feeling of dissatisfaction, and have very little effect on satisfaction. This theory did not last long in practice because new ideas emerged that were advocated by Paul and Robertson in the 1970s. The two-factor theory was advanced by Huckman and Oldman in 1976 by presenting the Job Characteristics model. In addition to the previous two, a third theoretical direction emerged from the Taviskok Institute in London in the early 1950s. This approach is based on the following assumptions [7]:

1. minimum specified methods of work;
2. at the beginning, ie at the beginning of the process, differences in jobs are presented;
3. the application of the theory is focused on groups of workers;
4. the idea of creating self-governing working groups or teams was encouraged.

The model of job characteristics and the socio-technical system of thinking have remained the most significant research approaches to this day. According to Karasek's request-control model, the psychological stress of employees that arises as a result is emphasized [8]:

- a) combining the effects of high demands, ie workload, and
- b) low controls, ie possibilities of autonomy.

According to the model of job characteristics, the perception that employees have about the job most directly determines their attitudes and behaviors in a particular workplace. The perception of the worker is influenced by the social and objective work characteristics of the work he performs, and the primary influence is exerted by the

persons or employees and their experience of the work itself in relation to the secondary significance of the visual effect of the work.

The second approach, in addition to Mitch Herzberg's, represents the interdisciplinary approach of Champion and his colleagues who emphasized the biological and perceptual approach, as an additional approach to conceptualizing job design [9]. The characteristics of the job design process are [10]:

- 1) design of business flows;
- 2) configuration of working groups and nature of individual jobs;
- 3) the existence of a range of possible forms of job design;
- 4) non-existence of the best way of designing a job (cognitive understanding of job design).

Job design should enable employees to use the various skills they possess in order to perform tasks that have a significant impact on other employees in a particular company. Traditionally, design work was based on shaping individual tasks and roles. Due to the growing uncertainty and complexity, interdependence and the growing need for coordination and integration of employees has emerged.

2.1. Defining a strategy within the legal order of human resources

Organizational design affects and limits the possible choices of job design forms, and different factors can affect different dimensions of job design differently. Defining strategy, organizational structure and business processes precedes decision-making on job design, and the relationship between organizational design and individual behavior can be observed as follows [6]:

- a) organizational solutions can encourage and motivate individuals to accept certain patterns of behavior;
- b) organizational solutions may limit behavior;
- c) organizational solutions can be viewed as playground and game strategies.

Changes are effective if they change the way people think, and it is very important to accept all elements of organization or organizational design [8]. Changes in behavior, beliefs, and values cannot be formally prescribed because they occur through employee interaction and experience. Job design is the process of determining the content of a job,

its functions and social relations at work in order to achieve organizational goals and meet the individual needs of its executors.

2.2. Job forecasting approaches

Among the many divisions, two approaches stand out, specialist and motivational. These two approaches have different starting points related to the motivation of those who do the work and human resources and their use value.

The advantages of the specialization approach are reflected in less need for training, easier replacement of workers, fewer mistakes, less dependence on people, lower costs, etc. [3]. The specialization approach in the traditional sense, which reduces work activity to the smallest possible number of operations (ideally one), shows that its connection with greater efficiency is limited by the negative consequences it has on the individual, psychological level, producing disinterest, apathy, boredom, demotivation and others. negative effects.

Due to the psychological consequences after a certain period, the costs start to rise. That is why many world companies have reconstructed the technology of the tape and the work on the tape in such a way as to increase the meaningfulness of the work.

Job rotation is the periodic movement of people from one specialized job to another, thus preventing stagnation of people, monotony and boredom. The advantages of the motivational approach are reflected in less absenteeism and fluctuations, more ideas and suggestions, more flexibility, higher quality of products and services, greater job satisfaction. Job expansion is the process of combining and combining several similar specialized tasks into one job that is assigned to one executor.

Work enrichment is defined as a process that vertically expands the business to include more diverse tasks and skills, responsibilities and autonomy in a way that increases the possibility of applying and realizing various personal abilities and knowledge and enables full development and use of individual possibilities and potentials [6].

Conclusion

An efficiently established legal order in the organizational structure of the company enables the maximum use of human resources and their engagement in the business process. The legal order with an effectively implemented business strategy requires

certain characteristics of the organizational structure that is fully aligned with the organizational design of the company and the work performed by hired workers.

Modern market tendencies imply certain forms of organizational structure that are fully harmonized with the unit of organizational action. Job design should enable employees to use the various skills they possess and perform tasks that have a significant impact on others. The legal order of human resources, design and management of jobs implies interdependence and the growing need for their coordination and integration.

Every decision on human resources and field management in the organization is made on the basis of legal acts and norms of the environment (laws and bylaws) in accordance with the applicable internal norms of the organization. Since the process of drafting and adopting general acts is standardized in most organizations, decision-making and adoption of solutions can be given alternatively, and after their adoption, the formulation of legal provisions is approached. For the best results, it is necessary to determine the advantages and disadvantages of the adopted solution, risks and consequences. The goals to be achieved and the ways to achieve them are determined. In order to achieve the goals and achieve the desired results, it is necessary to draft general legal acts that contain guidelines and indicators, as well as provisions that are monitored towards the realization of the set goals. These goals depend on the type of general act that is passed and the ability of the organization to achieve them. Organizational acts should be distinguished from general legal acts. Because, the degree of achievement of goals depends on organizational acts, and that includes procedures and instructions. The degree of achievement of goals in the organization also depends on the knowledge, ability and competence of human resources to respond to organizational acts. For that reason, the degree of drafting of an organizational act differs from the drafting of a general legal act. The process of drafting a general act is more complex, because it is based on the legal and organizational bases and activities of different entities. The result should be the adoption of a general act whose implementation should lead to the achievement of the goals of the organization.

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