

EFIKASNOST FUNKCIJE UPRAVLJANJA LJUDSKIM RESURSIMA U NAFTNIM KOMPANIJAMA U LIBIJI

THE EFFECTIVENESS OF THE FUNCTION OF HUMAN RESOURCE MANAGEMENT IN THE OIL COMPANIES IN LIBYA

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Abstract: *Around the world, the local economies are faced with the liberalization of developing more competitive strategy. There is no doubt that the management developed the focal point of the success of modern organizations and in many ways bears a central role in the provision of labor force able to respond to competitive moves in the increasingly global framework in which modern organizations operate. This means that changes of approach to the development of HRM in the international arena is under the influence of globalization. This research deals with the problems and obstacles faced by HRM exploring values, responsibilities, limits and even the purpose of the program HRM in two companies that are organizationally structured differently, and working in Libya's oil sector, which is the most important sector of the economy of Libya. In the oil sector in Libya there are lacks of qualified manpower at many levels; first of all there are problems because of the lack of qualified staff, i.e. graduates of the Libyan educational institutions. Therefore, all Libyan oil companies continue to rely on foreigners. The efficiency of the management company mediates between HRM practices (performance evaluation, career management, training, reward system, employment) and organizational culture.*

Key words: *Libya, Human Resources Management, Management Efficiency*

Sadržaj: *Širom sveta, lokalne ekonomije suočene sa liberalizacijom razvijaju konkurentsku strategiju. Nema sumnje da je razvoj menadžmenta žarište uspeha modernih organizacija i na mnogo načina nosi glavnu ulogu radne snage koja može da odgovori na poteze konkurencije u globalnom okviru u kojem savremene organizacije rade. To znači da se menja pristup razvoju upravljanja ljudskim resursima u međunarodnoj areni pod uticajem globalizacije. Ovo istraživanje se bavi problemima i preprekama sa kojima se suočavaju HRM, istražuju se vrednosti, odgovornosti, ograničenja i čak svrha programa upravljanja ljudskim resursima u dve kompanije koje su organizaciono strukturirane na drugačiji način, a rade u Libiji u naftnom sektoru, što je najvažniji sektor ekonomije Libije. U naftnom sektoru u Libiji postoji nedostatak kvalifikovane radne snage na mnogim nivoima; pre svega postoje problemi zbog nedostatka kvalifikovanog kadra koji je diplomirao na libijskim obrazovnim institucijama. Dakle, sve libijske naftne kompanije nastavljaju da se oslanjaju na stranu radnu snagu. Efikasnost društva za upravljanje posreduje između HRM prakse (ocene učinka, upravljanje karijerom, obuke, sistem nagrađivanja, zapošljavanje) i organizacione kulture.*

Ključne reči: *Libija, upravljanje ljudskim resursima, upravljanja efikasnošću*

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Introduction

Human resources of any organization consist of all people who perform some activity within the company. Human resource management-HRM (eng. Human Resources Management) refers to the personnel and management practices and systems that affect the workforce. The basic responsibilities of the HRM include design work and job analysis, training and development, recruitment, team building, performance management, evaluation of employees, etc. HRM affect the management and productivity of the company. It plays an important role in the training and control of employees and organizations. HRM plays a vital role in maintaining the life, work and career planning of employees. Helps managers of human resources to solve conflicts and motivate staff in the achievement of personal and organizational goals. To achieve organizational goals of training within HRM is important because without the possibility of HRM created chaos and conflict in the organization. We can conclude that HRM play a vital role in the organization in terms of achieving both personal and organizational goals and resolve conflicts and management of the diversity of the workforce. Around the world, the local economy faced with liberalization that developing more competitive strategy.

Human resource management practices

It is widely known that effective human resource management practices and significant in terms of the positive work behavior among employees, which repeatedly lead to organizational innovation. According to Harter, Schmidt and Hayes [1], HRM practices can generate an increased level of knowledge, motivation, synergy and commitment of employees of a company, resulting in a continuing source of competitive advantage for the firm. However, many authors, such as Hilsop, Moro and McElroi [2], and Moinihan, Gardner Park and Wright [3] claimed that the missing link between HR practices and performance of the organization. The authors say more research needs to focus on the indirect relationship between the practice of human resource management and organizational innovation. Because knowledge exists in the individual and bearing in mind the role of HR practices in influencing attitudes and behavior of individuals, it is believed that the practice of HRM has a significant and positive relationship on organizational innovation through knowledge management.

Dyer and Reeves [4] have reviewed much of the current research on the relationship between HR practices and performance of the company and suggested that performance measures can be divided into four categories. First, the outcomes of employees who deal with the consequences on employment practices, such as attitudes and behavior, especially behavior such as lack of transport. Second, organizational outcomes focused more on operational performance measures such as productivity, quality, and all of which would be precursors of profitability. Third, financial / accounting outcomes that relate to real measures of financial performance and involve costs, revenues and profitability. Finally, the market results that are reflected in the financial market, especially the price of shares on the stock exchange.

Rogers and Wright [5] discussed the empirical research on performance HRM practices are current trend. First, although the strategic human resource management focuses mainly on the relationship between HR and business strategies, the majority of studies were conducted at the level of corporate analysis. Almost completely ignored the connection between research HR and performance analysis at the level of the business units. Secondly, in terms of types of performance outcomes, they found that few studies have investigated HR outcomes in terms

of turnover, accounting measures and financial markets, and the highest number of organizational outcomes (productivity, quality, service, etc.). Becker and Huselid [6] argue that the analysis at the corporate level valid because it provides an overview of shareholder wealth. However, they recognized the potential methodological issues at this level because they concluded that one of the reasons for the low reliability in Gerhart studies involving large corporations. They pointed out that the original Huselid study had an average size company of about 4,000 employees. On the other hand, Wright and colleagues question the usefulness and validity of the research on the level of corporate analysis. They pointed out that, given the potential for tremendous variation in HR practice in the business units and locations, the potential for obtaining accurate measures of HR practices rather low. In addition, Rogers and Wright suggested conceptually, the study of the links between HR practices and business strategies by proposing to focus on the analysis level business unit. Regardless of the level of analysis, many authors have suggested the need for a better understanding of the processes through which HR practices have an impact on performance.

Functions of human resource management in the oil companies in Libya

Libya is ranked as the fourth largest African country after Sudan, Congo and Algeria, but has the lowest population of the three countries. The vast majority (about 90%) of Libyan land is desert, and in 2007 the population numbered 6,036,914 people who are mostly concentrated in major cities such as Tripoli (1,149,000), Benghazi (636,000), Misurata (360,000), Al Mirkab (328,000), Bitnan (142,000) and Sebha (126,000). Statistics for 2007 show that Libyan society has a slightly more men than women under 15 years of age. Most of the population (62.4%) belonged to the age group up to 64 years, 33.4% are from 0 to 15 years of age and 4.2% over 65 years.

National Oil Corporation (NOC) is the national oil company of Libya. It dominates the Libyan oil industry, together with a large number of smaller but dependent companies. They manage around 70% of oil production in the country. The largest oil producer is Vaha Oil Company (VOC), followed by Gulf Oil Company (AGOCO), Zueitina Oil Company (ZOC) and Sirte Oil Company (SOC).

There is no doubt that the management development the focal point of the success of modern organizations and in many ways bears a central role in ensuring workforce able to respond to competitive moves in a more global framework in which they operate modern organization. This means that changes the approach to the development of human resources management in the international arena is under the influence of globalization. This research deals with the problems and obstacles faced by HRM exploring values, responsibilities, limits and even the basic purpose of HRM in two companies that are organizationally structured differently and working in Libya's oil sector, which is the most important sector of the economy of Libya.

The main object of study and work is the systematic analysis of the functions of human resource management in the oil companies of Libya. Libya in the oil sector lacks qualified manpower at many levels; first of all there are problems due to the lack of qualified staff who graduated from Libyan educational institutions. Therefore, all Libyan oil companies continue to rely on foreigners. Budhwar and Debrah [7] have suggested the need for the practice of HRM in oil companies that dominate the country and noted that the Libyan oil companies are suffering from an acute lack of competent employees.

The motive for the preparation of this paper lies in the fact that in Libya there is a very great lack of knowledge associated with this topic, and we believe that this study of HRM in the oil companies fill the void. Development of oil sector that followed the lifting of sanctions of the international community makes a pressure oil companies so that they improve their efficiency and increase production to meet market demands. The effectiveness of HRM function depends on appropriate decision-making procedures and those in turn depends on the skills, knowledge and attitudes of employees, primarily management. The aim of this study is to assist in the implementation of the oil in the Libyan oil companies and to assess the applicability and transferability of Western models of HRM on Libyan oil companies. In this context, the aim of this study was to examine the role of the efficiency of knowledge management in relation to HRM practices (appraisals, career management, training, reward system, employment) and organizational innovation (product innovation, process innovation and administrative innovation) within oil companies in Libya.

Conclusion

Human resources management is essential for the normal and healthy functioning of the company. In order to be properly set up, human resources management must use the knowledge and skills in management, sociology, psychology, statistics, computer science, work organization, etc. Measurement of the effects of human resource management is a complex task because of the good and a measured evaluation usually need certain time distance and a large amount of data such as, for example, data on employee satisfaction, working conditions, employees' attitude towards the immediate superiors, interpersonal relations, employees' to work under pressure, willingness of employees to change whether they are organizational or other, the willingness of employees to training and additional training, and the like. Increase the efficiency of human resource management involves the use and expansion of knowledge and skills in social psychology, social organization, ergonomics, and education.

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