Dr. Eng. **Nader Riad**

Connecting Link between Human Resources & Successful Economic & Social Policies

January 1994

Introduction

Human resources are a priority, worldwide, being the most important element in development. Both advanced and developing countries focus on setting comprehensive and ambitious programmes for human development, based on well-studied scientific fundaments.

World Bank report on global development in 1991 "Challenges of Development" stated that a great progress has been achieved for providing welfare and prosperity to humanity within the past century.

This progress took place concomitantly with the economic growth. Governments all over the world have sought to improve the quality of life by providing education, medical and health care, potable water, nutrition programmes, family-planning clinics and other forms of "investment in human beings".

Indicators of development, worldwide, have shown that intensifying investment in human beings is both logical and desirable, not only from the humanitarian aspect, but also for its purely economic revenue.

Hence, the traditional interest in "personnel management", which used to focus basically on procedural matters for personnel affairs, has evolved into a more advanced concept that extends to "human resources" and that focuses on the behavioural and administrative aspect, in order to magnify the benefit and profit from human potentials and to place them within the appropriate organizational context.

Thus, we have encountered lately terms like "personnel management" being replaced by more precise and comprehensive terms, such as "management of human resources".

Undoubtedly, no economic and/or social policy could be successful without focusing on human resources, managing them correctly and making optimum use of them, given that human resources are the basic wealth in any productive or service enterprise. In fact, they are the basic and primary element of production that surpasses all other production elements.

First: Human resources within an enterprise

Human resources include all the personnel of an enterprise, regardless of their sex and race and regardless of their skills and jobs. It is the entire administration and personnel, working in domains of production, services and assistant jobs.

Human resources are distinguished from other productive resources (physical and mental) by the following:

- Human resources think, discern and represent the information made available to them. In other words, they are capable of making a choice;
- Human resources have feelings, sentiments and reactions.
 Consequently, they have inclinations and tendencies. In other words, they are capable of taking sides;

- Human resources possess capacities and skills. Thus, they are capable of giving.

In view of the foregoing, managers of enterprises find themselves in front of an important question:

How can the management provide the right circumstances for obtaining optimum production (qualitatively and quantitatively), through which successful economic and social policies could be achieved?

Another idea lies within the above-mentioned question, namely:

Individuals vary in skills and capacities. How, then, can the management maintain high levels of efficiency and skill, while constantly seeking to improve them?

Second: Main reasons putting the management in constant difficulty vis-à-vis human resources:

- 1- Human beings are not equal, but different
- 2- Human beings are not constant, but changeable
- 3- Human beings are not always objective, but usually emotional.

Some features of the problems:

- 1- Irregular working hours (delay absence cease)
- 2- Irregular performance (rise or drop in efficiency)

- 3- Lack of response to instructions and orders
- 4- Holding different viewpoints to those of colleagues, superiors or subordinates
- 5- Lack of productivity (laziness)
- 6- Dissatisfaction with remunerations and incentives
- 7- Lack of team spirit (independence)

Third: Reasons for existing problems with human resources

1- Administrative reasons

- These are represented in weak management, bad planning of human resources and inefficient means of developing human resources.

2- Organizational reasons

- These are represented in bad implementation of good plans, set for human resources.

3- Humanitarian reasons

- Even managers are human and suffer from the same faults of others.

Fourth: Optimum exploitation of human resources

Here, we should take into consideration three dimensions:

1- Reality

a) Local reality:

Any enterprise operates under certain environmental conditions with limited and costly resources. Furthermore, market and environmental conditions impose some restrictions and impediments, which the management has to surmount.

b) External surrounding reality:

The new changeable global reality imposes itself on any enterprise, wherever it is.

How does reality affect management?

- It emphasizes the importance of research, study, planning and knowledge;
- It emphasizes the importance of development, modernization, constant motion and flexibility;
- It emphasizes the importance of distinction, precedence and solving problems of scarcity of resources (innovation);
- It emphasizes the importance of human beings in achieving all the foregoing.

2- Objective

- Achieving high and escalating rates of growth and profitability;
- Achieving optimum benefit from available resources under conditions of a changing market;
- Confronting the new global economic reality and tackling it from a position of power.

3- Path

Dealing with the local and global reality, in order to secure a better future for the enterprise.

Fifth: Active element in determining high level of performance within an enterprise

Is it the hierarchy?

Is it the material potentials?

Is it the high technology?

Is it organization, rules and regulations?

- It is no to one and all. It is the human beings.

Sixth: Relation between planning human resources and the problem of human behaviour

Planning human resources represents a scientific approach for determining the needs of an organization from individuals, where needs mean:

- Number of individuals needed
- Type of individuals needed

Types differ according to sex, education, skill, expertise, age, etc.

However, these traits deal with the physical aspects of human beings, although there are other important aspects to be taken into consideration by planners of human resources, which are usually the cause of problems:

- motives & desires
- inclinations & tendencies
- perception & understanding
- social setup
- ethics & values and traditions & concepts
- social experiences

Hence, the basic idea is:

If the planner of human resources succeeds in accurately determining the appropriate traits needed for the different working conditions in which these human resources will work, then he has managed to lay a sound foundation for good management of human resources, where probabilities of behavioural problems could be minimized and probabilities of success maximized.

On the other hand, human resources magnify, consolidate and motivate the positive traits, orienting human behaviour towards an optimum performance, which falls in line with objectives and aspirations of the management.

Basic elements in planning human resources:

- clear-cut hierarchy
- clear-cut specifications of individuals
- basics for determining responsibilities of each job
- determining the necessary number of individuals for each domain of work

Seventh: Developing Human Resources

1- Basic elements in developing human resources

- Raising and improving productivity
- Raising and improving quality
- Attaining affiliation (stability)

Hence, the presence of clear-cut policies governing the development of human resources is the optimal use of these resources.

2- Person in charge

The person in charge of optimum use of human resources is the direct boss. Thus, it becomes evident the importance of:

- leadership
- communication
- motivation

3- Specifications of a new management capable of optimum handling and exploitation of human resources:

- perceptive
- sensitive to others
- having an insight for the future
- expecting and capable of change
- handling change
- patient
- adept with technology
- able to withstand pressure

- open-minded and transparent
- handling groups
- decision-maker
- capable of carrying out decisions

4- General framework for managing human resources includes:

- planning human resources
- organizing affairs of human resources
- handling affairs of human resources
- supervising and following up affairs of human resources
- evaluating performance in field of affairs of human resources

5- Achieving objectives of human resources:

- a) Enterprise objectives
 - creating a homogenous work force
 - creating a productive work force
 - creating a stable and organized work force
 - developing the potentials of human resources
 - attaining affiliation and loyalty to the enterprise

b) Individual objectives

- providing appropriate job opportunities for individual skills and potentials
- providing a positive working atmosphere, where justice prevails
- providing guidance and advice to avoid individual errors
- fair compensation for efforts exerted
- providing opportunities for promotion
- offering appropriate services and care
- offering adequate stability and security at work

6- Training human resources for the sake of development

- linking training to actual needs of individuals
- convincing individuals of usefulness of training
 - It is only in this way that training becomes effective, while taking the following into consideration:
- training is a basic and sustainable activity
- training is an integral system
- training is a changing and renewable activity
- training is an administrative and technical process

7- Training human resources through other means than training:

- incentives linked to performance
- promotion could be a means of developing skills and potentials
- communication
- service and privilege programs
- psychological and social care programmes

^{*} Translated from Arabic Original 13/1/1994