

STUDY ON HUMAN RESOURCE MANAGEMENT THE FOUNDATION OF SMALL COMPANIES

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European Union has established a policy of economic and social cohesion, to reduce the disparities of economic and social development between Member States and regions, to improve the functioning of the single market and its development, to promote stable and sustainable. One of the objectives of this policy intervention is regional competitiveness and employment.

Within this objective is supported increasing adaptability of labor and enterprises, increase access to the labor market, social inclusion of disadvantaged persons, education and training, strengthening institutional capacity and efficiency of public services and national and regional levels.

Key words: SME, evaluation, program, training, consulting, business opportunities.

On 25 June 2008 the European Commission has adopted a "Small Business Act for Europe" document that SMEs are the focus of interest in the formulation of European policies and national, contributing significantly to achieving the EU objective of economic growth and increasing employment [3]. Finds that too many Europeans are reluctant to start a business, primarily due to cultural factors, it is therefore important to develop an entrepreneurial culture, starting from the school. In addition, often a failure to allow their business footprint, and those who have suffered such an experience to feel disadvantaged in the future. Entrepreneurs are often discouraged by the administrative requirements involved in setting up and managing a small enterprise. They should face less difficulty in attracting investors to finance their ideas. Changing many of these factors requires a change of attitude to the whole society [4].

As in other EU countries, have been promoted various programs designed to reduce the negative social impact caused by restructuring of the Romanian economy. Among active measures promoted by the National Agency for Human Resources to include "Support Program for SMEs", in which I participated along with a firm foundation and Galati, the program developed since 2002.

MATERIAL AND METHOD

Remit was to support private initiative, through the establishment of small businesses made by persons, unemployment in the short term (3-6 months). This program has meant in principle to establish a number of eight smaller companies by persons from among this category of unemployed. It is considered that this approach

will influence the general economic benefit of the area, helping both to increase turnover in the area, and to better employment. Assistance activities have addressed a group of 150 people who came from among the unemployed and wishing to establish a small company but they knew how and why they need it.

To conduct in good condition of the program have worked 3 consultants, psychologists and other 4 people with average skills, which have provided services for the receipt, registration, training materials in the classroom, recording data in the database program, etc. The program included three phases:

A. Assessment of participants, meaning a first contact with all individuals included in the program to determine if they have certain skills and entrepreneurial skills, if you have the resources to start a small business in the competitive environment.

B. Training of management on the basis of an interactive training program, aimed at initiating selected individuals, who want to start a business.

C. Consultants individual activity which sought specialist assistance for people who have a minimum baggage of knowledge and can start a business, complete the registration procedure of newly established trade register.

RESULTS AND DISCUSSIONS

To run the program I proposed a scenario unfolding, from the entry, procedures and tools used in the identification, selection and assessment of people attending, followed by planning work and the final results and analysis of the impact of services provided.

In the three stages have been designed with several activities designed to evolve gradually over 40 days of work, each stage was completed with the selection of participants for the transition to the next stage. The module began with 150 people, in the second stage were selected by 80 participants, and the third stage were assisted 30 people. Each consultant had to watch a group of 50 trainees, which has covered all stages. Location of the program was the training room of the company, located close to stations for transport, environment room with a modern equipment and facilities for activities of a group of maximum 30 people, offices for consultants, teaching materials, access to internet etc.

a) Evaluation of the participants.

Enrollment in the program. This work involved the entry of students with completion of enrollment records and an application form, in an interview on the initial motivation and expectations from this program. Was conducted over 10 days, more than the originally estimated, because many participants came later to subscribe. He followed the analysis of files prepared and training working groups.

Methods for evaluation of interactive participants. They established six criteria for a first evaluation of program participants:

- motivation and commitment (financial and professional independence, a possible failure prior professional, family support;
- age <35 years, 35-45 years, > 45 years;
- level of expected future projects;
- resources available space to run a business, industrial machinery or equipment, office equipment;

- degree of understanding the business environment (legislation, competition, previous links with business;
- the professional level of education, the basic profession, other professions, prior experience in managing a business, negotiating skills.

In the stage was performed a second evaluation, namely in terms of skills and managerial capabilities. This activity was based on two questionnaires covering four degrees of discretion and of scale scores, which have sought to establish the level of organizational ability, creativity, perseverance and initiative in the team, management capacity, etc. targets.

Analysis of the assessment. The evaluation results, in terms of managerial skills and competences of the participants are presented in *table 1 and 2*, respectively *figure 1*. Abilities have been listed from min. 30 points and up to max. 100 points, while skills were rated from the minimum 36 points to 120 points max. Were set minimum quotas for selection, ie more than 60 points for skills and over 70 points for managerial skills.

Table 1

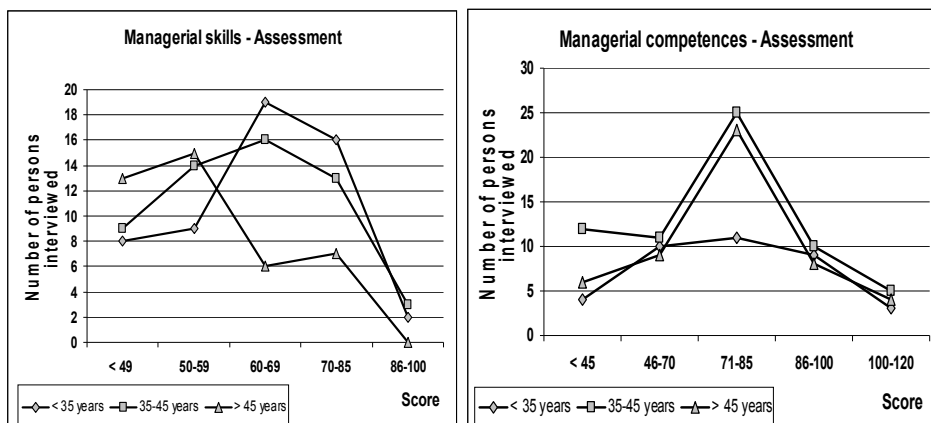
Assessment of managerial skills by scores

Nr. crt.	Age group	Managerial skills (number of persons)				
0	Scores	< 49	50-59	60-69	70-85	86-100
1	Age <35 years	8	9	19	16	2
2	Age 35-45 years	9	14	16	13	3
3	Age > 45 years	13	15	6	7	-
4	Total persons	30	38	41	36	5

Table 2

Assessment of managerial competences by scores

Nr. crt.	Age group	Managerial skills (number of persons)				
0	Scores	< 45	46-70	71-85	86-100	100-120
1	Age <35 years	4	10	11	9	3
2	Age 35-45 years	12	11	25	10	5
3	Age > 45 years	6	9	23	8	4
4	Total persons	22	30	59	27	12

**Figure1 Assessment skills and managerial skills**

We see that most students, namely 82 people have above average skills, therefore another necessary condition for starting a business is met for over 54.66% of the participants.

The assessment of managerial skills showed that 98 people have over the average managerial competencies, ie 65.33% of the participants.

Recommendation to participate in the managerial training. Based on the criteria and after the careful analysis of questionnaires and consultants experience, were selected the first 80 people considered to be able to access the next stage, interactive management training.

b) Interactive training program for starting a business

Participants were divided into three groups roughly equal numbers. Interactive program covering topics considered essential for participants, grouped into two modules, followed by a test.

Module 1 training included: initialization of a business (opportunities, legislation), making a business plan, marketing plan, accounting primary. Training Module 2: Cost price calculation, preparation of budget revenue and expenditure, cash flow, the balance sheet.

In the course have been some theoretical issues considered absolutely necessary for each subject in hand, schematically, the form of exposure for two hours, followed by four hours affected for examples, questions, case studies etc..

Models were presented business plans and marketing plans for areas considered more easily accessible: trade, services, food industry, agriculture. Then the students were familiar with the models accounting usual, were instructed how to complete and how to use the legal aspects of accounting firms. Were prepared with medical records being considered for each type of activity of a small business. He was provided a minimal ongoing support for each participant.

Analysis of the results phase of interactive training. At this stage were analyzed both the courses and results of tests which have completed the preparation, to see which is the interest of learners and to determine any corrections for the following modules consultancy.

The presence: demonstrated how far the materials exposed students meet expectations, as a form of presentation and content. Curve of interest to participants was, in principle, a barometer of the usefulness of the topics addressed. But there were other causes for the fluctuations: holidays, weekends, knowledge base low enough so the students. However, the vast majority of students were present at most activities have been numerous questions, not necessarily directly related to the topic, but related to the main reason of their presence in this program. In Fig. 2 is presented for evaluating the presence of three groups of participants. Result of that assessment at the beginning of each module of the course was quite low, but improved module 2, when we held in November, has increased rather than interest and learners. Improved communication with them when they have accumulated more knowledge you have made and their usefulness.

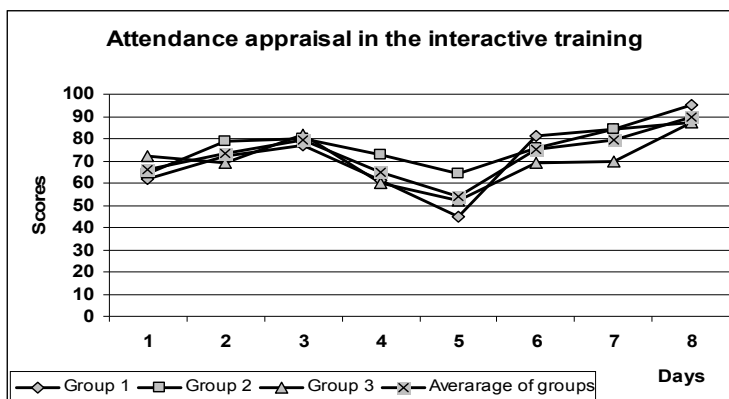


Figure 2 The Attendance appraisal in the interactive management training

Analysis of the results obtained in the two tests: the second was an evaluation of this type of training. After each module students attended lectures examining knowledge by completing a test-grid comprising a number of 20 questions, one of 4 possible answer choices. It was chosen this form of examination and recital because that participants are presented with great reluctance that would have been to a bar exam, the purpose being to open the course. In this way was considered to have minimal knowledge learned by trainees were fixed notions some brief, but clear on the topics addressed. The results of tests 1 and 2 is presented as an average of the three groups in *tables 3 and 4* respectively in *figure 3*.

Table 3

Average grades for the training – Test 1

Nr. crt.	Lecture title	Results (%)						
	Scores	6-8	8-10	10-12	12-14	14-16	16-18	18-20
1.	Initializing a small	0	14.28	14.28	33.33	28.57	9.54	0
2.	Business plan	0	9.52	19.05	28.57	23.81	14.29	4.77
3.	Marketing plan	9.52	19.04	28.57	23.81	14.29	4.77	0
4.	Accounting primary	4.76	19.04	23.81	28.57	9.53	14.29	0
5.	Average of groups	3.57	15.47	21.43	28.58	19.05	10.71	1.19

Table 4

Average grades for the training – Test 2

Nr. crt.	Lecture title	Results (%)						
		Scores	6-8	8-10	10-12	12-14	14-16	16-18
1.	Balance sheet	14.29	14.28	19.05	23.81	14.29	14.28	0
2.	Cash flow	23.81	19.05	23.81	19.05	9.52	4.76	0
3.	Cost Price	9.52	23.81	28.58	23.81	9.52	4.76	0
4.	Budget	14.29	19.05	23.80	23.80	14.29	4.77	0
5.	Average of groups	15.48	19.05	23.81	22.62	11.90	7.14	0

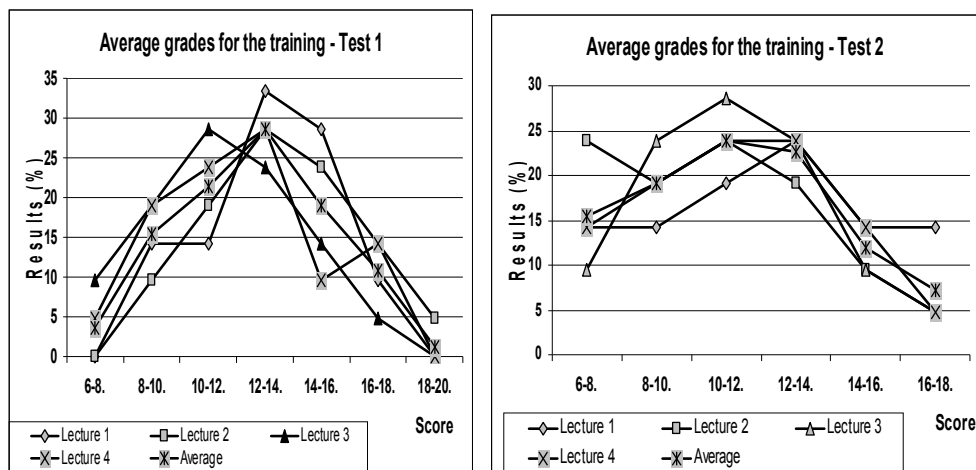


Figure 3 Average grades for the training – Test 1 and 2

For the first module of the course results are better and more uniform, evidence of the ability of students to assimilate more easily. The second module was a step higher and required a concentration greater, something more advanced knowledge in the economic field, so results were not as good. More difficult was charged and the calculation of cash cost price calculation, the second lecture, the third question.

However I found the effort of learning the students were quite marked and sustained progress in the preparation of their management.

Recommendation to participate in individual counseling. Centralization results in the two tests and interest for this stage of preparation led to the selection of 30 participants who meet the criteria to move to the next stage of the program.

c) Individual Consulting

Considered that the 30 people have minimum knowledge and ability necessary to be successful in initiating and running a small business. Therefore they spent a great time to be able to shape the profile and issues being considered for future business.

The first stage of this phase followed participants awareness regarding the real opportunities in the area, by organizing a colloquium-type brain-storming.

Working groups included 10 participants, the sessions lasted about 3 hours. Were conducted on the basis of questionnaires prepared by the consultants proposals and suggestions of students. The conclusion of this meeting was that there are opportunities for local small businesses:

- Most have been identified in services: cleaning services, a laundry, accounting, engineering, freight and people, elderly care and children, repair of electronics, etc.;
- Opportunities to conduct small production: building furniture, sewing equipment for protection, confectionery and bakery etc.

- Opportunities in agriculture: mushrooms culture, gardening, ornamental plants, storage of grain and other agricultural products, etc.;
- Trade: specialized shops, trade distinction through kiosks or small shops to residential, commercial, mobile means village fairs etc..

Individual advice was given on a schedule and a theme requested by the beginning of this stage by each participant. Most of the time was allocated to those who already had a business idea contoured on average cca.5-7 hours, 1-2 hours round. They did and discussions with other participants, which in the end of the program were not yet decided on average 1-2 hours per person.

Theme applied to both a target range of common problems and issues special law on the establishment of SMEs, commercial contracts, bank lending to the management company, legal responsibilities of management, technology and equipment location, design, office and public relations, correspondence business equipment business negotiation, state funds, business opportunities with foreign partners, training seminars for managers, etc..

At the end stage of consultation, a number of 10 persons have decided to initiate steps to set up a small business. These persons have benefited under the consultancy established throughout the company, certain services: preparation of documents for obtaining advice, drafting documents necessary for entry into the trade; advice throughout the proceedings until the company's entry into the trade and obtain registration certificate.

CONCLUSIONS

Throughout the program, the consultants have sought germs to induce a change in mentality and training of participants, allowing the transformation from the unemployed potential entrepreneurs, to offer another way of looking at their own existence. All program was established in a plea for changing the optics employed, more comfortable physically, but which allows low-income, with that of the developer, with more responsibilities, but also can achieve greater income, more independence. Not the intention was to provide a ninth degree or qualification, but to give the primary managerial concepts that wanted to start a small business.

So:

- Participants were afraid of a radical change.
- They were of opinion and knowledge willing to learn, but this approach neecesita confidence and patience, sincerity and professionalism.
- Quite a lot of people have not considered it very important for them to be independent, have a useful occupation, enabling them a social status and material better, because it decided that the price is too high: more responsibilities, stress and permanently abandoned.
- The level of interest on participation in courses has been a constant fluctuation, providing an barometer of relevance of topics discussed and require a permanent adaptation to the requirements of learners.

- Most results have been weak in testing knowledge, but I felt that they gained a basic minimum, which allows them to conduct business with some success they proposed it, especially if they continue training.

- Individual advice played a major role in the decision to start a small business.

- Persons who have reached the final proved that entrepreneurial capacity and knowledge of primary minimum, sufficient to start a small business, but still required and help.

In the final assessment was positive, and the program has reached the target by setting up a number of 10 small firms, which are meant to achieve a percentage of 125% over initial estimates and led the start of a new mode of training. Activities had a positive social impact, culminating with the decision of the 10 participants, short-term unemployed, to start a small business on their own.

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