Research on Human Resources and Financial Performance

# Research on Human Resources and Financial Performance

Ву

Fatemeh Dekamini and Ramona Birau

Cambridge Scholars Publishing



Research on Human Resources and Financial Performance

By Fatemeh Dekamini and Ramona Birau

This book first published 2024

Cambridge Scholars Publishing

Lady Stephenson Library, Newcastle upon Tyne, NE6 2PA, UK

British Library Cataloguing in Publication Data A catalogue record for this book is available from the British Library

Copyright © 2024 by Fatemeh Dekamini and Ramona Birau

All rights for this book reserved. No part of this book may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of the copyright owner.

ISBN (10): 1-5275-5920-3 ISBN (13): 978-1-5275-5920-2

# **CONTENTS**

Foreword	vi
Chapter 1Basics of Human Resource Management	1
Chapter 2 Human Resources Environment	24
Chapter 3 Human Resource Management Models	39
Chapter 4Financial Markets	52
Chapter 5A Financial Guide for HR Professionals	73
Chapter 6	93
Chapter 7 Financial Performance	123
Chapter 8 Compensation of Employees	138
References	158

# **FOREWORD**

With a careful approach to organizational systems, we find that human beings are the most important factor in achieving the goals of any business. This resource, along with other material and physical resources, make the business goals come true. Therefore, it is necessary to place human resources at the center of cultural transformation efforts, as a way to adopt characteristics such as less hierarchy, process orientation, result orientation, integration and external focus. Human resource management is supposed to help the organization, in the long-term time horizon, with the lowest cost, get the maximum efficiency from the employees to move in line with the strategic goals of the organization. Today, organizations that look at their employees as capital can be on the path of sustainable development and growth. This is where the importance of human resource management expertise becomes more apparent. Also, today, many experts believe that paying attention to human resources and employees is more important than paying attention to the customer. If you have happy employees, these employees will definitely offer the product or service to the customer in the best possible way.

On the other hand, financial performance is an objective measure that shows how much the organization has used its assets to generate income. The financial performance of the company is one of the most important indicators to evaluate its performance and the degree of reaching predetermined goals.

Financial ratios are used to evaluate financial performance. Ratios are methods that allow companies and their shareholders to evaluate themselves against others. Ratios are the means through which the shareholder can get all the results that the company has from the financial statements. Of course, the ratios become more meaningful when they are compared with other ratios in the past of the same company or with similar institutions or with the desired standards of the related industry.

Financial performance and profitability are always a very important achievement for organizations. Perhaps it can be said that the financial consequences are the most important criteria for evaluating organizational

performance. It is also used to determine the problems, weaknesses, and financial strengths of companies.

#### What is Financial Performance?

Financial performance means the consequences that enter the organization in the form of income and cash flows. Various organizational activities are carried out with the aim of making profit. If we divide performance into financial and non-financial performance, it should be said that the purpose of non-financial performance is ultimately to achieve profitability.

In short, to ensure the financial health of the company, the financial statements of that company must be analyzed. Here, significant results can be obtained from the financial statements of that company with financial ratios. Analysis of financial ratios One of the tools used to determine the financial position of companies is the analysis of financial ratios. In fact, financial ratios reveal important facts about a company's operations and financial status. The benefit of calculating ratios is that the relationship between the major items of financial statements becomes accurate.

#### The Role of Financial Ratios

Financial performance is a measure of how a company uses its assets and business methods to generate revenue. This term is also used as a general measure of the company's financial health in a given period. Financial analysts use financial ratios to analyze a company's financial situation. Financial ratios can easily reveal some important facts about a company's operating results and financial position. Therefore, according to the purpose and use cases, specific ratios can be analyzed.

In the analysis of financial statements from a "ratio" that relates two figures belonging to two different groups of accounts, it is used as a primary tool. Financial analysis is a process in which the specific financial and operational characteristics of an economic unit are determined using financial statements and other financial information. This helps users of financial statements in making decisions. One of the common methods of analyzing financial statements is analyzing financial statements using financial ratios. Different approaches are used to evaluate the performance of companies, and the most important of these approaches can be divided into four general groups as follows.

viii Foreword

- Accounting data such as profit per share, return on equity, sales amount change trend.
- Financial management data such as yield per share, dividend yield, capital market line equation and capital asset pricing model.
- Economic data such as economic added value, adjusted economic added value.
- Consolidated data, which is the result of combining market value and accounting information.

#### **Financial Performance Measurement Models**

The users of financial reports evaluate the performance of the company using different criteria. There are many ways to evaluate performance. In general, they can be divided into two categories: accounting models and economic models.

## **Performance Evaluation Accounting Models**

The result of the accounting information system is the financial reports in which the profit reported is of great importance to the users. By relying on the accounting profit, investors evaluate the performance of the company and make their predictions based on that. Managers also use profits for future planning of the company. In the performance evaluation accounting model, the value of the company is obtained from the product of two numbers. The first number is the profit of the company and the second number is the profit-to-value conversion factor. As stated before, in the accounting models of performance evaluation, the value of a company is a function of various criteria. These measures include profit, earnings per share, profit growth rate, return on equity, return on investment, free cash flow and dividend.

## **Economic Models of Performance Evaluation**

Despite the various uses of accounting profit, some believed that accounting profit is not a suitable measure to evaluate the company's performance. For example, by using each of the different methods of evaluation, measurement and identification of inventory, research and development expenses and depreciation of fixed assets, the amount of profit will also be different. While this difference is not due to the way it works. Rather, it is due to the use of different accounting methods. The introduction of economic performance evaluation criteria is the result of researchers' efforts to solve

the shortcomings of models based on accounting numbers. In economic models, the value of the company is a function of profitability, existing priorities, potential investments and the difference between the rate of return and the cost of capital of the company.

#### Conclusion

Kaplan and Atkinson believe that financial performance is one of the most important and common management accounting tools. The focus of these criteria is on the factors that have the greatest impact on the company's profit. Performance based on multiple non-financial criteria leads to an increase in the organizational trust of the employees in the honesty of the leaders. Indicators such as customer orientation, innovation and expansion of production cause job satisfaction of employees.

Financial performance refers to the act of performing financial activity. In a broader sense, financial performance is the extent to which financial goals are met or achieved. It is the process of measuring the results of policies and operations of companies in monetary terms. Use the financial performance questionnaire to measure this category. Financial performance is a broad term that describes the two activities of studying how money is managed and the actual process of receiving needed funds. It includes the monitoring, creation and study of money, banking, credit, investment, assets and liabilities that make up financial systems.

There are different ways to measure financial performance. But all actions must be done in summation. Line items such as income from operations, operating income or cash flow from operations, as well as total unit sales can be used. In addition, the analyst or investor may wish to examine the financial statements in more depth. In this way, the growth rate of the margin or any debt can be reduced.

#### Contacts

- Managers and experts in the field of human resources of brokerages, investment funds; banks and financial institutions; Institutions active in the capital market and affiliated with the stock exchange organization; Insurance institutions and exchanges and other related financial institutions
- > Experts interested in learning and acquiring skills in the field of human resources

x Foreword

## Goals

The purpose of writing this book is to improve the level of knowledge, skills and abilities of managers and experts in the field of human resources and other related fields in order to empower this field in playing its strategic role in the capital market and increasing financial performance.

Dr. Fatemeh Dekamini Dr. Ramona Birau

## CHAPTER 1

# BASICS OF HUMAN RESOURCE MANAGEMENT

In today's world, the human factor is the most important element to maintain the organization's existence, and what is most important is human power. The human resources of any organization is the main factor in the life of that organization, so knowing people is necessary for its effective management. Human resource management aims to ensure the productivity of human resources and the profitability of the organization, while also meeting part of human needs.

## The History of Human Resource Management

The philosophy of human resources management can be explained according to the development process and the position of human resources management in today's world. This philosophy is based on a series of continuous activities that ensure coordination between the organization and human resources in accepting common organizational goals and achieving them.

In fact, it can be said that the philosophy of human resources management is based on two principles: on the one hand, it considers the achievement of organizational goals dependent on meeting the needs of human resources, and on the other hand, meeting the needs of human resources depends on the achievement of organizational goals. Human resource management and its organization in today's form is all the result of the interaction between a series of events and developments that began with the industrial revolution in England.

The history of human resource management dates back to the industrial revolution and the growth of large factories, which led to the employment of numerous employees. In the era before the industrial revolution, i.e. the master-apprentice period, the category of human resource management was practically meaningless because there was basically no manpower that needed to be managed.

According to the available reports about human resource management, it seems that the beginning of the discussion of human resource management is the 20th century. Therefore, the history of human resource management is not very old and there is still a lot of opportunity to present theories and perform new management actions and make changes. At the beginning of the 20th century, the theories of scientific management were proposed and immediately, managers and employers tried to attract the satisfaction of employees as much as possible and ultimately contribute to the economic productivity and profitability of their companies and organizations.

The industrial revolution also brought great changes in the labor industry and caused the age of the workforce to decrease to the age of children. Also, the conditions of many experienced people who need work should be ignored. Despite these incidents and situations, managers came to the conclusion that it is possible that hiring some new and inexperienced workers would result in huge costs for the organization and prevent them from performing more important tasks. Therefore, they decided to retrain the employees in a different way. Rewards were considered for them to show the value of their work and activity and to attract their opinion for long-term working in the organization.

# The History of Human Resource Management

Human resources were created during five historical events:

- Industrial revolution
- Labor movement.
- Scientific management movement
- Industrial psychology
- Human relations school

Each of these historical events has occupied a large part of management theories. During these historical periods, one of the parts that underwent changes was the field of human resources of the organization. In the following, the contribution of each of these eras in the history of human resources management is described.

#### **Industrial Revolution and Labor Movement**

With the industrial revolution in Europe, production in the form of mass production increased the need for labor. One of the characteristics of the industrial revolution was the difference between social classes and neglecting the human and emotional aspects of man. During this period, even children had to do hard work up to sixteen hours a day.

The establishment of large factories led to the employment of a large number of workers. Factories advanced with the introduction of industrial equipment and the discussion of division of labor was raised by Adam Smith. This division of work brought disadvantages such as neglecting human and emotional aspects. This caused the dissatisfaction of the employees and their efforts to create organizations such as unions and syndicates.

Due to the oppression of the workers during the industrial revolution, they repeatedly started protests, gatherings and strikes during the years 1799 onwards. Many times the employers suppressed them with the support of the government. Finally, in 1842, the Massachusetts Supreme Court ruled that labor activities were not conspiracies. Labor organizations have the right to strive to achieve their goals as long as it is not against the law.

# **Scientific Management Movement**

Frederick Taylor, the father of scientific management, conducted his studies in the steel industry in 1885, which led to four principles:

- Management should be scientific.
- The selection of workers should have a scientific basis.
- The training of workers must have a scientific basis.
- Close and friendly relations must exist between the workers and the employer.

Taylor's comments were the basis of the issues that were discussed in the school of human relations. However, he had a negative opinion about the social aspects of the work. In fact, it was another development of the scientific management movement, which played a big role in increasing efficiency in the industry with its 4 principles. The method of doing the work should be determined in a scientific way (work measurement and time measurement) and the selection of scientific employees. Employees should be trained scientifically. Use methods to motivate employees. The principles of scientific management.

## How to Use Taylor's Scientific Management in the Workplace

By doing the following steps, you can use the principles of scientific management in the workplace:

#### 1. Analyze Work Processes



By testing several different methods, you can determine the most efficient way to complete the task to see which one gets the job done the fastest. Taylor's scientific management receives these findings, standardizes the most efficient way to perform the task, and retrains employees as necessary.

## 2. Define and Delegate Tasks

Managers can handle complex projects by delegating each task to the right person instead of assigning one employee to do different tasks or doing a project from start to finish. This makes the employees efficient in completing that part of the project that is specific to them. The next step is assigned to the next employee until the project is completed.

# 3. Take Advantage of Employees' Skills and Encourage Them

Company managers should try to recognize the skills of employees and assign them tasks that match their talents so that they can be useful. Managers and supervisors can set goals for productivity and reward employees who consistently meet these goals with good performance. They

can also evaluate and give feedback on the performance of employees with regular reviews.

## 4. Create a Professional Hierarchy



Employees' awareness of what others expect of them and who they report to will help define workplace hierarchies. Employees who do not have a supervisory role must be accountable to their supervisors. Supervisors should report to company managers so that they can be accountable to company leaders. While employees follow managers and perform their duties, the manager's primary role is to establish work processes and allocate time to train employees, plan and supervise work.

## **Human Relations Movement**

The human relations movement refers to organizational development research that examines the behavior of individuals in work groups.

**Industrial psychology**: Mansberg stated in his book in 1913 that some workers are better suited to do the work than others. In his studies, he was looking for the result of how to choose the best person for the job and get the best result from him. Like Taylor, he is somewhat aware of the effects of social relations at work, but unlike him, he considers these relations to be positive and effective in increasing production.

Human resources specialists: Between 1880 and 1920, it was accepted that human resource management is a specialized task that has the following tasks: 1- Selection and recruitment 2- Employee welfare issues 3- Work pricing 4- Work safety 5- Educational and health issues. These factors are the basis for the rise of the personnel affairs department to the present day. School of human relations: Hawthorne's studies at the General Electric factory conducted by Elton Mayo led to the emergence of this school. Mayo's studies showed that the amount of production is a function of group cooperation. Compared to scientific management, he considers correct job design, appropriate selection of training and motivating workers as important factors in production. In Hawthorne's studies, group and group behavior is the most important factor in strengthening morale and thus increasing production.

# **Principles of Human Relations Movement**

Mayo and his colleagues concluded that the new "social environment" of work in the electro-amplification device fitting room increased worker productivity.

The important factors that were considered in this test are:

- 1. Group atmosphere workers enjoyed the social relations in the group and wanted the group to do a good job;
- 2. Participatory supervision workers felt self-esteem. Now they were given a lot of information; While this situation did not exist for them and other employees working in other places of the workshop;
- 3. The formation of the group The working women had formed a cohesive group, which emphasizes their loyalty and cooperation;
- 4. Morale There was a sense of unity among the members of the group; So that it can be said, the previous factors were also affected by this sense of unity in the group.

# Summarizing the History of Human Resource Management

The history of human resource management is not so long and it started with the creation of factories. An organization needs continuous work and activity to grow and improve itself. Therefore, competent managers should choose employees who have a set of efficient and specialized abilities. Also, always be ready to learn new materials and skills. Achieving such people has led to the formation of human resource management.

During the industrial revolution and after that, the aim of scientific management was to maximize the use of employees. This period is considered a dark period for employees and workforce. Later, the human relations movement made fundamental changes in it that shaped a new era. Staff and employees were changed from human resources to human resources. Managers of organizations realized that human resources are the biggest organizational capital and human capital replaced human resources.

Munsterberg suggested that some people are better suited for some jobs, which means that people's interests and talents are different. He designed tests that could measure people's talent and ability, which was the beginning of a path that was continued by industrial and organizational psychologists. Finally, it was Hawthorne's studies that brought attention to the social and human aspect in the history of human resource management. These studies led to the creation of the school of human relations, which today is known as human resource management, intellectual capital management, etc.

## The Nature of Human Resource Management

Human resources are the main capital of any organization, and every organization must take actions in the field of human resources in line with its mission and the realization of its goals and implementation of its strategies. The purpose of human resource management is the policies and actions required to implement part of the management task that is related to aspects of employee activity, especially for recruiting, training employees, evaluating performance, rewarding and creating a healthy and fair environment for Company employees.

Human resource management has been defined as identification, selection, recruitment, training and development of human resources in order to achieve the goals of the organization. The human resources of an organization means all the people who work at different levels of the organization, and the meaning of the organization is a large or small organization that was created with a specific intention and to achieve specific goals. The organization may be an industrial company, and production, private commercial company, ministry, public benefit institution and university.

In the division of the organization, human resources management is placed under the management of production, finance, etc., and the performance of its related affairs is entrusted to a specific area. It has very specialized duties that play an important role in the final success of the organization, and since the organization is designed and managed by human hands and the people working in the entire organization are the main subject of human resource management, as a result, human resource issues are not limited to only one area and the decisions of personnel affairs officials at all organizational levels affect the overall performance of the organization.

A human being is a living being who is capable of thinking, judging and making decisions, and is not an inanimate substance that can easily be shaped by the hands of others. For this reason, the demands, goals and hopes of the working forces are not always in line with the goals of the organization. The resistance of employees against the decisions that are made about them is the source of the difficulties and tensions that exist in managing and controlling people. For this reason, human scientists have not been able to accurately predict human reactions and behaviors according to a certain formula or model.

# Important Factors in Expanding the Role of Human Resource Management

Due to the importance of the human factor and his role as a designer and implementer of systems, we have seen the role of the personnel department in the organization. In fact, instead of this department, which used to do the administrative and office work of the employees, today we talk about human resources.

The role of human resources management is firstly to recognize the potential talents of the working forces in the organization and then to provide facilities for their flourishing, and human resources management has gradually expanded beyond the management of employees' affairs and duties such as selecting and using the workforce, determining salaries and benefits, and establishing coordination. And labor relations has an active participation in the planning of important and strategic plans, and in general, it has found a much higher position in the organization than in the past.

Today, many laws and regulations supervise the recruitment and the organization's activities, and often, violation of them leads to legal and criminal prosecution. Health and safety of the work environment, payment

of salaries and wages are among the things that are under the supervision of the government and the organization is obliged to comply with them.

Today's workforce has more expectations than before, it attaches great importance to the quality of work and a good working life. As a result, HR professionals should design jobs so that working in the organization's environment is desirable and satisfactory for employees. The composition of human resources is also changing. Economic problems and as a result, the lack of men's income have caused more and more women every day with special issues such as pregnancy, childbirth, the obligation to take care of children and being forced to do housework while working, for which measures should be taken. Also, the problems caused by the aging or youth of the workforce are among the problems that the organization in general and human resource management in particular are facing.

Considering that man is affected by various factors and according to their severity and weakness, his individual and social behavior will change, and his behavior in an administrative and organizational complex is affected by these factors. Therefore, in human resources management, these factors must be taken into consideration and included in organizational planning and decisions. In a human group, a manager is successful if he knows the factors affecting human behavior and tries to solve them by using the techniques of management science and cooperation of the group under his authority. In this section, we try to briefly mention the factors that somehow play an essential role in human resource management and decision-making.

Due to the fact that he has the gift of reason and wisdom and the formation of a family and social life, man has special privileges compared to other creatures, and since the beginning of his creation, he has undergone many changes in the path of life and has passed many eras and gained precious experiences. has done One of the most important achievements of mankind throughout history has been the formation of an administrative system and organization, through which the lives of human beings have undergone many changes, and every group and class has behaved and acted according to a certain plan and order since the beginning of its existence, and life has gradually changed from the state of tribes and Tribes have come and countries and international organizations have been formed and many styles in management and planning have emerged. Management and planning has gradually become an independent science and many schools and philosophies have been formed in it, and thinkers have made great efforts in examining the characteristics of organizations and the role of various factors

in promoting or weakening them, and today the blind and invisible points of human resource management have become visible. Managers and planners of each group act according to them. But sometimes these factors are so lost in the various investigations that it is not an easy task to find them and some managers are unable to pay attention to them and in the long run they face problems in managing affairs, so it is better to take measures to remind and remind these factors and highlight their role in the quality of human resource management and help less experienced managers in better execution of affairs. In this book, a number of effective factors in human resource management have been tried to be summarized.

#### Individual Characteristics

Individual and inherent characteristics of people are the basis of their behavior and behavior in society. Everyone will deal with others according to their inherent characteristics, unless they are under special conditions and are not able to show their individual characteristics. Therefore, a manager must first of all know the behavioral and psychological characteristics of each person under his group and act and plan accordingly.

## **Genetics and Heredity**

Individual behavior and characteristics are influenced to a great extent by genetic and hereditary factors, and due to genetic differences, the behavior of humans in society is different, and these differences are more visible in different races and nationalities, so that some behavioral characteristics in some races are very different. obvious and do not exist in other races at all. So, in planning and executing orders, a manager should pay special attention to the differences in the genetics of behavior and individual characteristics of his subordinates and understand the point in which he is managing a society of people.

## **Climatic and Geographical Conditions**

It has been proven that geographical and climatic conditions have a great influence on the individual and social characteristics of humans, and considering the role of human behavior in the necessary planning, special attention should be paid to the fact that in each region, action must be taken according to the conditions prevailing there, otherwise a type of The program and management for different regions will not have the same and high efficiency. So that the people of desert and hot and dry areas have

differences with the people of mountainous and humid and temperate areas that should be considered in human resources management.

#### Social Culture

The culture of any society is caused by many factors, many of which have historical roots and have been associated with the people of that society during different eras and play a decisive role in their social, political, administrative and economic orientations. As a result, a manager at any level is bound to know the social culture of his colleagues and plan and make decisions based on it.

#### History and Background of Civilization

The people of each region attach great importance to their history and civilization and rely on it in many positions and social interactions. They defend it. Therefore, in a group of human resources that is a combination of different nationalities and races, it is necessary to consider their history, culture and civilization and pay attention to it in different stances, and if the historical background of a nation or nation is neglected, then definitely in the way of dealing with it. A stance and perhaps a strong reaction will be taken with the superior manager and his policies. On the other hand, by knowing the history of nations, one can understand their behavior throughout history and use its strengths and weaknesses in the way of managing affairs.

## **Beliefs and Beliefs of People**

Perhaps the most important issue in the social orientation of nations is their beliefs and beliefs, because in most cases, people's religious beliefs and rituals are more important than any other issue, and the people of a region or country will be willing to sacrifice and fight to preserve and protect their beliefs. They will not accept any disrespect to their holy things and beliefs from anyone, and they will stand against the abusers in the strongest way. Therefore, in the management of a human group, first of all, one should pay attention to their sacred things and their beliefs, and strictly prevent neglect and disrespect to the sacred things of individuals, and by any means possible, provide the necessary conditions to enjoy equal opportunities in the performance of religious ceremonies and rituals. The people of that collection provided. Otherwise, you should expect unexpected and unwanted interactions from them.

#### **Educational System and its Directions**

The educational system of any country will determine the current and future direction of the social, political, administrative and economic behavior of the people of that society. By knowing the educational system of each country, it is possible to understand the administrative and social behavior of the people of that country, because in a country where the educational system is based on the flourishing of creativity and the growth of individual talents, and spiritualism and perfectionism are of special importance, the people of that society should be treated in the administrative systems. And the society will consider these values and ignore the small and unimportant standards and will not involve themselves in insignificant matters. But in an educational system that is based on material values and grades and shortterm incentives, the result will be students who always expect material incentives for doing things and will not do anything without obligations and regulations, so in the administration Human resources affairs and management should keep in mind what kind of education system the coworkers were trained under. A child who expects encouragement and reward for completing tasks related to his scientific and spiritual advancement, even in adulthood, in an administrative system, he will perform his job duties in return for receiving unlimited encouragement and thanks, and if he knows that he will be financially appreciated. It won't happen, it will fail in any way.

## Family and its Management

The family is the first social and administrative system of every human being, and in the family, people get to know the basic principles of social behavior, the rights of others, hierarchy, seniority, respect for superiors, honoring the elders, cooperation and cooperation and deputyship in affairs, and finally the management system. In any family that pays attention to these points, the members of that family will be more successful in administrative and organizational systems and their management will be done easily. Managers of human units must be careful in knowing the family system of the people under their group and gain relative knowledge of all the aspects governing the family of their colleagues, otherwise they will never be successful in managing an unknown group.

### The Country's Political System

The political system of any country originates from the culture and social behavior of the people of that country, who will ultimately follow the system based on their opinions and opinions, and the political system can determine how people deal with each other. In a closed political and police system where people are treated as accused and anyone who sees himself as a suspect, people have no trust in each other and always care about their language and behavior and will not show their true selves. No one will know another person well and finally no manager will be able to manage as he should. Because he did not know his subordinates well and was unaware of their inner secrets, and he will not establish any kind of friendly and sincere relationship with them, and they also regard the manager as someone who is always watching over them and treats them as accused. They have not accepted anything from him willingly and they always fail to do their homework. But in an open political system, where the people consider themselves partners of the government and participate in all decisionmaking and implementation of the country, and on the other hand, their opinions and opinions are given importance and they can easily express their critical opinions and their opinions are taken into account. They will express their opinion and criticize easily and actively participate in the management of their organization. As a result, the management of human resources in such environments is very different from the management in the first environment, and the manager must consider others as contributors in the implementation of affairs.

#### Social and Political Tensions

In a society that is full of tension and conflict and people are always exposed to countless threats, organizing and managing human resources is very difficult and even impossible. In case of lack of social stability and the presence of ever-increasing dangers and threats, people will always think about their own salvation and will refuse to obey a system that they care less about. Therefore, in the management of a human group, paying attention to the state of society and the existing tensions in it has a special priority.

#### **Economy and Finance**

When people are financially secure, they are willing to participate in social activities and consider themselves as owners of social systems and participate actively. In an administrative complex where employees are

worried about their salaries and benefits and are looking for other ways to compensate for their financial deficiencies, the manager will never be able to manage as he should. Therefore, paying attention to the financial problems of the personnel under your group has a special priority.

## Management Science and Knowledge

In the present era, management is one of the branches of human sciences and it is taught as a special field of study in different levels, and through the learning of this science, the developments of the new era have been formed. Therefore, someone who lacks this knowledge will never be able to manage a human group in the long run and will have problems. But unfortunately, in many cases, this point has been ignored and regardless of the unfortunate consequences of such management, people who have the least scientific degree in the field of management have been used, and countless problems have arisen in the systems. On the other hand, due to the fact that managers do not have management science and do not consider the characteristics and features governing the systems under leadership, they have many problems in leading their subordinates, and the co-workers are also confused and ultimately unwilling to continue working and finally The productivity of the systems has decreased.

## Occupational and Organizational Security

Having security in any complex has a special priority, because if there is no security, there will be no guarantee for people to stay in that complex, and any plan the manager formulates will eventually lead to failure. The lack of job security in administrative systems can be effective in two ways: on the one hand, the manager has no security to stay in his current position, and he expects to be fired or replaced, and on the other hand, if the employees feel that there is no guarantee for There is no way for their manager to stay, they have not aligned themselves with his opinions in any way, and they all expect to change the boss and disrupt his plans. Of course, if a specific set of plans is not developed for people and they do not feel safe and secure in their job position and expect to be demoted or demoted at any moment, they will always think of their temporary stay and will not cooperate with longterm plans. And they have not adapted themselves to any of the manager's plans and are thinking of finding a better position and leaving from there. This type of instability and lack of security has very unfortunate effects on the administrative systems of any society, including long-term stagnation and possible collapse. That organization pointed out.

### **Available Equipment and Facilities**

Management in a complex requires necessary facilities and equipment, and without them, management will not play much of a role and will have more of a symbolic and ceremonial aspect. To implement the plans and strategies of the organization, special funds and facilities are needed, and if they are not available, no plan will be implemented. In the eyes of his colleagues, a manager who plans without financial support and the necessary facilities and expects to implement it appears to be more talkative than practical. Therefore, a manager who formulates any plan must first consider the necessary financial resources and facilities and plan based on their existence, otherwise the plans will not work, and on the other hand, the legal and administrative authority of the manager will decrease in the eyes of his colleagues. In a simpler sense, they will not listen to him.

## **Political and Economic Stability**

The administrative systems of any country are directly influenced by the political, economic and social system of that country, and in case of any changes in them, the administrative system will undergo changes and transformations. In a society where there is no political and economic stability and there will be many fundamental changes in politics and economy from time to time, short-term and long-term planning can never be done in administrative systems. When the economic system of a country changes every year and financial and monetary policies are transformed, how can long-term projects and plans be formulated and put into effect. Therefore, the political, economic and even social stability of any society will be among the basic requirements of the management of an organization and even a small office of that society.

#### Conclusion

In this section, a number of factors affecting the human resources management of any society were discussed and it was determined to some extent that the management of a human group faces many challenges and obstacles. Therefore, the managers and planners of an organization must first of all know the human resources and their moral and behavioral characteristics and the society and family they live in and make macro and micro planning according to their needs. Before formulating and implementing his plans, a manager should know each of these factors and try to find a solution for them as much as possible. In general, it should be

said that management is not only a simple task, but also a very difficult and complicated matter. In addition to management science, every manager should have a relative knowledge of a number of other branches of human sciences, so that a manager should be somewhat familiar with the science of psychology, sociology, politics, economics, statistics, civil engineering, and financial and monetary affairs, and as much as possible in Each of these sciences should consider advisors for him to help him in planning and implementing affairs.

# **Duties of Human Resource Management**

In order to achieve its goals, every organization must take measures in the field of human resources. In this regard, every activity of the organization must be divided into smaller activities and designed as a job so that one person can do it. After analyzing and designing the job, the necessary planning should be done to attract human resources. Through recruitment, potential human resources are identified and they are hired by the organization through the selection system, after that the steps of socialization of the individual in the organization take place. The most important tasks of human resource management are as follows:

- Supervision of recruitment in the organization so that this is done
  within the framework of the law and in accordance with the rules and
  regulations and the legal rights of job applicants are not violated.
- Analysis of jobs so that the characteristics of each are defined.
- Planning to supply the required manpower
- Selecting and hiring the best possible personnel to take up jobs in the organization
- Designing programs that facilitate the entry of new employees of the organization to find their organizational and social position
- Design of employee performance evaluation system
- Designing a reward system
- Recruitment

In another category, the main duties of the human resources manager are as follows:

- Planning
  - The first step of human resource management is to plan processes. Achieving the right results of the company depends on proper planning. Visualization and prediction of actions and goals takes place in this stage.
- Organization

After planning, there is a need for organization, follow-up and coordination. Division of work, order, determining organizational positions, structuring the organization, and preparing the company to use new forces are among the things that lead to the achievement of the organization's goals.

#### Recruitment

The future of the organization depends on hiring competent personnel. Human resources that have the appropriate abilities and skills of the company and are consistent with the company's goals in terms of performance are the best gifts for the organization. Hiring staff depends on factors such as their ability, policy, cost and company goals. It should be noted that during the recruitment phase, all documents related to guarantee and good performance such as checks or promissory notes are also received by this unit from the job seeker.

## • Resource training

It can be said for sure that all forces need training after recruitment. Training behavior and performance according to the organization or training necessary skills at work can be a part of these trainings. It is one of the duties of the human resources manager in the human resources training company.

## • Employee development

A good HR manager looks for employee development. This increases their motivation and ability. Reaching the company's goals depends on the development of employees and their support.

#### Assessment

What was done in the previous steps needs to be tested. The level of employee learning, the effectiveness of training, and how people perform are continuously reviewed by the human resources manager. These evaluations can be tangible or during service.

# • Maintaining the culture of the workplace

Every organization needs its own special culture. This culture should be maintained during the service of the personnel. The behavioral culture of the workplace should not change with the entry and exit of different personnel. The existence of security, health and peace of work shows the role of human resource management in the organization's productivity.

## • Dispute Resolution

There is a difference in our taste among all people, and the larger the organization is with more forces, this difference increases. One of the duties of the human resources manager is to not allow this

behavioral difference to cause differences and problems at work. Also, if there is a dispute between employees, resolve it quickly.

#### Guidance

One of the duties of the human resources manager in the company is to guide the employees towards the organizational goal. This task can be done by influencing the employees. Guiding the direction of the employees towards the goals means aligning them with the organization's demands.

#### Control

In addition to directing affairs, human resource managers must have the ability to control. If the trends deviate from the correct path, they should be returned to their path by correct control. Detecting deviations, monitoring, measuring and taking action to correct them are included in the control tasks of human resources management.

#### • Communication with employees

Due to the nature of its work, human resource management cannot function without communication with its employees. One of the main duties of this job is to communicate properly with employees, along with using public relations skills and good manners.

#### • Rewards and encouragement

Human resource management has many nuances. Communication with human resources requires the use of appropriate tools to advance one's goals. One of these tools is giving rewards and encouragement for extraordinary things. Rewards and incentives increase the motivation of employees and make them see themselves as contributing to the company's profits. As a result, it improves the performance of personnel and aligns with the goals of the organization.

# **Rewards and Incentives Increase Employee Motivation**

# Knowledge of Law

Many duties and regulations of the human resources unit have already been determined by the law. For example, salary laws, taxes, labor administration laws, etc. must be identified and implemented by the human resources manager in advance. Failure to implement these rules may have serious consequences for the organization.

The internal laws of the organization, which are established according to the policies of the organization, should not interfere with the legal regulations

of the country. Examining this issue is part of the job description of the human resources manager.

In general, experts have classified human resources management tasks into two groups of managerial and operational tasks.

- A- Management duties: Management duties include: planning, organizing, directing and controlling duties.
- B- Operational duties: operational duties include: manpower procurement, employee improvement, service compensation, labor relations, health and safety, and research in the fields of human resources.

## **Managerial Duties of Human Resources Manager**

Management experts consider the implementation of this category of tasks essential in all organizations. This category of duties is general and some experts call it as organizational elements or principles. These tasks include:

### 1- Planning

Planning means forecasting and formulating plans and actions. In this case, the decision-making process in evaluating the work methods and choosing the best work method is necessary and necessary. The correct implementation of other management tasks such as organizing, directing and controlling as well as performing human resources tasks also depends on planning.

## 2- Organization

After determining the goals and activities of the organization, that organization must have the ability to carry out the set goals and achieve them; Therefore, organization makes it possible to achieve the goal, therefore, human resource management should be able to create a formal structure based on the relationship between jobs, employees and material factors to provide the basis for achieving the goals. Therefore, it is said that organization is identifying and grouping activities, determining authority and responsibilities for managers and supervisors, and creating coordination between tasks and activities.

#### 3- Guidance

Proper communication and interaction in the human components of the organization, i.e. leader and follower, managers and human resources of the organization in order to achieve the set goals, will maintain the balance of the system. In this regard, the human resources manager makes it possible to achieve the goal by motivating people and using their mobility. However, there are considerable problems in effective employment based on people's wishes that cannot be ignored.

#### 4- Control

It is logical that one of the tasks of management at any level is to observe the action and compare it with the plans and adjust them with deviations and take corrective measures. It is obvious that the control action in the human resources dimension is based on the human resources plans.

## **Operational Tasks of Human Resource Management**

At the human resources management level and position, the manager performs a set of tasks, which are called the operational tasks of the human resources manager, which are as follows:

#### 1- Provision of Power

The first task of human resource management is to provide the right number and types of human resources needed to achieve organizational goals. This practice is related to matters such as setting career goals, recruiting, selecting and employing those who have been hired. Determining such needs is related to the quantity and quality of human resources and includes techniques such as checking employment forms, psychological tests, interviews and justification of human resources.

## 2- Improvement and Cultivation of Human Resources

After the manpower is determined, their knowledge, behavior and performance should also be improved. Cultivation and improvement through training and increasing skills should be such that it prepares them for exploitation at organizational levels and levels. Due to the changes in technology and work methods, the increase in the complexity of the organization, the diversity of specialties and jobs, the issue of human