

AN ORGANIZATIONAL ASSET AND INVESTMENTS PREDICTOR BASED ON THE HUMAN CAPITAL BY USING RESOURCE MANAGEMENT MODEL

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Abstract

In this paper, it focusses in organizational asset and investments based on human capital is related to concentrate mainly on the working moments, not personal relationships of employees. Unfortunately, domestic companies often ignore this. Another important problem of the organization is insufficient attention or complete neglect of the need of human resource management. However, it must be understood that employees do not have the ability to self-regulate. In this paper a resource management model was proposed to predict the organizational asset and investments based on the human capital. A clear policy should be formulated in this regard. One of the most serious shortcomings of modern management is to view the organization as separate from the employees. Therefore, sometimes employees are not ready for changes in the work of the company.

Keywords:

Organization, Human Resource, Knowledge, Skills, Working, Domestic

1. INTRODUCTION

The success of the company (company, company) is ensured by the workers working in it. That is why the modern concept of enterprise management includes the selection of a large number of functional areas of management activities related to the management of the personnel component of production - the personnel of the enterprise [1]-[2]. There is a need to determine the number of employees in every organization in an effective system for selection, recruitment and placement of employees, keeping in mind the interests of production and employee, ensuring their employment [3]. In the wage system for labor, based on its results, the promotion of workers, labor organization, motivation, taking into account the personal problems of employees, improving their living conditions and entertainment, etc [4]. In the 60s-80s, the increase in interest in the human factor led to the development of social planning theory and practice in an organization, labor collective management [5]. The scientific literature of those years reflected the results of the study of various social and socio-psychological factors and their influence on the quality characteristics of joint activities [6]. At the same time, it was considered that the activities of the working group should be aimed at the systematic achievement of the socio-economic goal, which consists of obtaining a raise [7]-[8]. The final results, while reducing the costs of all resources, creating a favorable moral and psychological environment, incentives and working conditions determine its high attractiveness and satisfaction of all team members [9]. Much attention was paid to the formation and organization of the activity of the labor group, the management of its socio-economic development, organizational-economic and socio-psychological relations and their regulation (forms and methods of self-government) [10]. The development of labor, creative and social activity of group members, material and moral

incentives, socio-psychological environment in the work group, etc.) [11].

The transition of the country to market relations has radically changed the selection of methods and methods for the implementation of personnel management, personnel management tasks in order to increase production efficiency as a condition for the competitiveness of an enterprise [12]. The economic aspect in personnel management continues to have a decisive influence on the performance of an organization (organization, company) [13]. It is with him that the number of employees, its professional and qualification system (in combination with the use of equipment, technology, production and labor systems) is related, effective use of personnel based on time, qualifications, status [14]. However, a social orientation in employee work, a shift in emphasis in employee policy to take employee interests into account and an increase in the motivation of labor, as a condition for its high performance, have begun to gain more importance [15]. New economic conditions require not only new theoretical premises, but also a new technology for working with employees. Creating a product is always related to the people working in the company (organization) [16]. Sound manufacturing principles, optimized systems and procedures play a vital role. However, manufacturing success depends on specific individuals, their knowledge, skills, qualifications, discipline, motivation, problem-solving skills and receptivity to learning. At the same time, labor relations can be the most difficult problem of entrepreneurs, especially when the collective number of a company consists of tens, hundreds and even thousands of people. Labor relations include various issues related to the organization of the labor process, training and recruitment of employees, choosing the optimal wage system, creating social partnership relations in the organization. Therefore, for the organization to function effectively, it is necessary to regularly monitor the activities of employees, use various methods of personnel management, and properly organize the work of employees.

In the current stage of scientific and technological development, the role of man is very important. Today it is the main strategic resource of any company in the fight against competitors. This is due to his creative ability, which is currently becoming a decisive condition for the success of any activity. The modern market and competitive forms of its operation have radically changed the approach to "human resources" and their role in competitiveness. Human resource management is a special type of management activity that requires the performance of specific activities and the presence of special qualities in the people involved in this activity. Human resource management is about providing the skills and abilities needed by the organization and maintaining the willingness to use those skills and abilities among its employees. Organizations address this problem by developing specialized systems for employee selection, development, evaluation, and remuneration.

Personnel management consists in the selection and maintenance of the necessary organization of personnel, professional training and development, evaluation of the activities of each employee from the point of view of achieving the company's goals, which makes it possible to adjust his behavior, and reward the efforts of employees. In order to grow successfully, the organization must manage the selection, training, evaluation and remuneration of employees ie. Develop, use and develop methods, procedures, plans for organizing these processes. Investments in human capital are seen as a major source of profitability, although previously personnel costs were considered unnecessary costs. These investments are aimed at creating conditions for the development of creativity.

2. LITERATURE REVIEW

Employees are the most difficult object of management in an organization, because it has the ability to solve any problem independently, has subjective interests, is very sensitive to the influence of management and is critical of the requirements imposed on it. In managing the company, management at this stage of economic development, one of the main problems is the problem in the field of working with employees [1]. The main tasks of the personnel management system include: providing the organization with qualified personnel; creating the necessary conditions to effectively use the knowledge of workers' experience; improving the remuneration and motivation system; Management of internal operations and careers of employees; providing opportunities to employees to improve their qualifications [2].

Ideally, the separation of duties that a manager exhibits should focus on different levels. When considering issues that are important to the organization as a whole (setting salary levels or implementing regulatory procedures) or issues that require a lot of experience (taking into account the nuances of labor laws or understanding test results), professionalism can be very significant. Human resource management is an integral part of every manager's job [3]. Whether you are a CEO, middle manager or president, product manager, sales manager, office manager, hospital administrator or HR manager, the main goal is to get results from people. Therefore, efficient personnel management is the key to the successful functioning of an organization [4]. The person in the organization is the key resource. This is due to the fact that all production processes depend on the person, i.e. the employees of the company. The use of servants is not a new phenomenon to the economy, as even in ancient Egypt slaves differed from servants in their attitude towards them. The unique professional core of human resources is a key competitive advantage for any company that wants to strengthen its position in global markets [7]. This maxim, according to foreign analysts, will gain the force of an immutable law for successful entrepreneurs, because only highly mobile employees aiming at sustainable growth can adapt to unpredictable and often chaotic changes in the market environment [8].

Employees are our complex, expensive, but at the same time most valuable resource. A professional approach to personnel management, first of all, unlike other types of resources, employees do not lose over time, on the contrary, gain additional value [9]. Effective management function in modern

organizations presents an approach to human resources as a key strategic factor of management [12]. Gone are the days when intuitive management and financial management cannot be made the only effective management tool to be actively used. In modern business, it's not "money that makes money," but people that make money [16].

3. PROPOSED MODEL

Any organization thrives on the ability to effectively attract, retain and develop its workforce. It is the key to revenue generators and effective organization. Human resource management requires integration of management implications with psychological methods of human behavior. Therefore, the most important thing is that everyone who works in this company shows their best. Human resources is a part of the country's population that has some quality indicators, and the basis of human resources is labor efficiency and overall labor resources.

Considering human resources as one of the factors of production and development of the company has its own specifics. First, people are intelligent and their reaction to external influences is emotionally meaningful, and this affects the fact that the communication process between the organization and the employee is mutual. Therefore, human resources can become an effective investment of material resources in the long-term growth of the company and can bring huge dividends.

An organization's human resources have several characteristics that distinguish them from other resources of an organization shown in Fig.1.

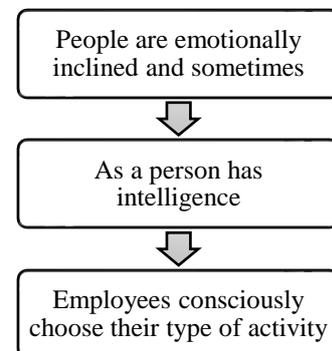


Fig.1. Human Resources Characteristics

- People are emotionally inclined and sometimes, react unexpectedly to certain changes in the work of the organization;
- As a person has intelligence, he constantly improves his knowledge and skills, which must be constantly supported by the efforts of leadership;
- Employees consciously choose their type of activity.

The principle of respect should be guided in personnel management. It is also worth adopting the experience of leading foreign companies on this issue. In order for the use of human resources in the organization to be effective, managers should be guided in their activities by several recommendations are shown in Fig.2:

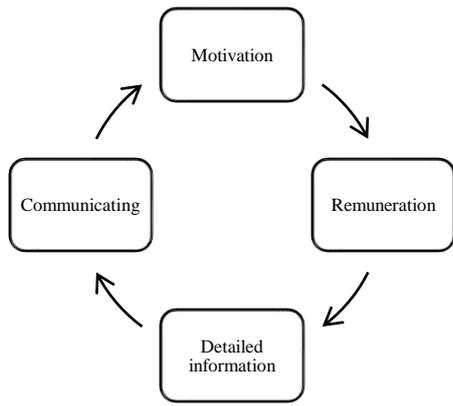


Fig.2. Activities by several recommendations

- The best motivation for employees will be a clear demonstration of professional development by top management (employees must set specific goals and know the reality of their achievement);
- One of the most important aspects is remuneration (even in the most difficult and critical times, employees should receive the agreed amount and know their value to the company);
- Employees must be familiar with detailed information about their company and the means of making a profit (the knowledge of employees should not be limited to a narrow range of their duties);
- It is worth being respectful in communicating with each employee, because each of them has the opportunity to move to another company.

The role of human resources should be clearly understood at all levels. It is not only an institution, but one of the most important elements of the functioning of the state as a whole. A person is of the highest value, and his abilities and intelligence are of the greatest economic interest. There are five main functions that managers perform: planning, organizing, recruiting, leading, and controlling. Together, these functions form a management process. Each of the above features includes the following shown in Fig.3.

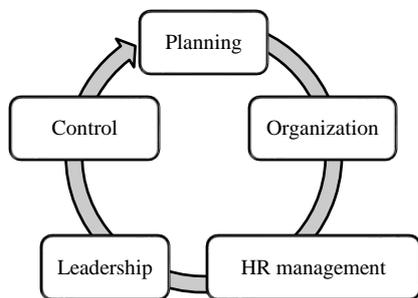


Fig.3. Functions form a management process

- **Planning:** setting goals and standards, creating rules and sequences of actions, making plans and predicting certain future possibilities;
- **Organization:** setting certain tasks for each subordinate, dividing into departments, assigning certain powers to

subordinates, creating control channels and exchanging information, coordinating the work of subordinates;

- **Human Resource Management:** defining criteria for suitable applicants, selecting suitable employees, selecting workers, setting work standards, worker remuneration, evaluating work performance, counseling workers, training and developing workers;
- **Leadership:** Getting employees to do their jobs, providing moral support, motivating subordinates;
- **Control:** setting standards such as sales allocation, quality, production levels; Checking work performance compliance with these standards; correcting them if necessary.

The human resources, unlike other resources of the organization, are capable of continuous improvement and development. In the context of modern scientific and technological progress, while technologies and their accompanying professional skills lose their relevance over the years, the ability of employees to continuously improve and improve is the most important reliable and long-term source of increasing efficiency. Third, a person’s working lifestyle continues in modern society for 30-50 years and a person’s relationship with an organization should and should be long-term.

4. RESULTS AND DISCUSSION

The proposed resource management model (RMM) was compared with the existing resource-based perspective (RBP), Impact of human capital management (IHCM), comprehensive model (CHM) and Analysis of enterprise human resources (AEHR)

4.1 ADMINISTRATIVE ACTION

HR manager is a young profession. As a type of administrative action, it originated at the end of the last century. The emergence of human resource professionals trained in industrial sociology and psychology represents a true revolution in traditional forms of human resource work. The appearance of a management (personnel) function, if earlier the personnel work was carried out by line managers of various levels and ranks and employees (and managers) of personnel services engaged in accounting, control and administrative (administrative) activities. This was shown in Table.1.

Table.1. Comparison of Administrative action

| No of Employees | RBP | IHCM | CHM | AEHR | RMM |
|-----------------|-------|-------|-------|-------|-------|
| 100 | 65.71 | 57.48 | 62.86 | 67.06 | 97.03 |
| 200 | 65.38 | 55.98 | 62.27 | 65.19 | 96.02 |
| 300 | 64.04 | 54.87 | 61.29 | 64.36 | 95.86 |
| 400 | 62.90 | 54.49 | 60.08 | 63.45 | 94.90 |
| 500 | 61.85 | 53.48 | 58.94 | 62.53 | 95.33 |
| 600 | 61.14 | 52.55 | 57.83 | 61.20 | 94.13 |
| 700 | 59.84 | 51.55 | 57.13 | 60.12 | 93.97 |

Related to ensuring the correct size of the possible organization of personnel, significantly expanded the range of tasks and increased the importance of this direction of

management. The formation of personnel management is associated with the emergence of personnel management as a specialized personnel function in the system of modern management.

4.2 GRIEVANCE HANDLING

In small companies, line managers can perform all personnel-related duties without any assistance. But as the organization grows, they need the help, expertise and advice of HR managers who deal with human resources. Human resource management or human resource management covers the concepts and methods that a manager must use when working with employees. A manager can do it right—make smart plans, draw a clear organizational chart, use advanced accounting—and still fail as a manager (by hiring the wrong people or not motivating people properly). This is shown in Table.2.

Table.2. Comparison of Grievance Handling

| No of Employees | RBP | IHCM | CHM | AEHR | RMM |
|-----------------|-------|-------|-------|-------|-------|
| 100 | 63.60 | 47.92 | 70.83 | 67.35 | 95.43 |
| 200 | 63.93 | 49.42 | 71.42 | 69.22 | 96.47 |
| 300 | 65.27 | 50.53 | 72.40 | 70.05 | 96.60 |
| 400 | 66.41 | 50.91 | 73.61 | 70.96 | 97.56 |
| 500 | 67.46 | 51.92 | 74.75 | 71.88 | 97.13 |
| 600 | 68.17 | 52.85 | 75.86 | 73.21 | 98.37 |
| 700 | 69.47 | 53.85 | 76.56 | 74.08 | 98.48 |

On the other hand, many managers succeed only when they use unconventional organizational or management schemes. They succeed because they know how to hire the right people for the right job and how to motivate, evaluate and develop them.

4.3 COOPERATION OF MANAGER

The Institute of Personnel Management has given the following definition of personnel management, which is formulated as follows. “Technical management is the responsibility of all those involved in people management, as well as professional personnel professionals. It is the part of management that deals with the relationships between employees and people in the organization. Human resource management is the performance and is about equality, and none of these goals can be successfully achieved without considering the others. This was shown in Table.3.

Table.3. Comparison of Cooperation

| No of Employees | RBP | IHCM | CHM | AEHR | RMM |
|-----------------|-------|-------|-------|-------|-------|
| 100 | 79.77 | 43.20 | 72.56 | 68.34 | 95.62 |
| 200 | 80.10 | 44.70 | 73.15 | 70.21 | 96.66 |
| 300 | 81.44 | 45.81 | 74.13 | 71.04 | 96.79 |
| 400 | 82.58 | 46.19 | 75.34 | 71.95 | 97.75 |
| 500 | 83.63 | 47.20 | 76.48 | 72.87 | 97.32 |
| 600 | 84.34 | 48.13 | 77.59 | 74.20 | 98.56 |
| 700 | 85.64 | 49.13 | 78.29 | 75.07 | 98.67 |

Human resource management seeks to unite both the men and women who make up the organizational team into an efficient organization. Giving everyone the best opportunity to work successfully for both personally. Therefore, it is a member of the work team. It strives to ensure fair terms and conditions for employees and their job satisfaction.

4.4 ENGAGEMENT OF EMPLOYEES

A manager’s tasks focus on the management of a group (department, department) while working with people. The manager must understand the HR policies of the entire company, and the main concern is team management. A common misconception about the functions of HR professionals is that they are responsible for all issues of personnel management in an organization, when in fact managers are responsible for solving small, localized problems. This was shown in Table.4.

Table.4. Comparison of Cooperation

| No of Employees | RBP | IHCM | CHM | AEHR | RMM |
|-----------------|-------|-------|-------|-------|-------|
| 100 | 78.31 | 55.76 | 71.83 | 73.56 | 98.27 |
| 200 | 76.65 | 49.90 | 78.67 | 68.15 | 98.37 |
| 300 | 76.20 | 51.04 | 79.96 | 66.66 | 98.44 |
| 400 | 80.78 | 49.90 | 82.10 | 63.42 | 98.49 |
| 500 | 81.28 | 49.02 | 80.53 | 64.14 | 98.53 |
| 600 | 81.12 | 47.82 | 78.91 | 64.27 | 98.56 |
| 700 | 80.38 | 46.17 | 77.11 | 63.00 | 98.56 |

Organizations understand that line managers need to engage employees; they are responsible for the discipline and problem solving of their people.

5. CONCLUSION

People, unlike material and natural resources, consciously come to the organization with specific goals and expect help from the organization to achieve these goals. Regarding this problem, the main problems arise, because it is necessary to attract this resource to the company, while at the same time it must be of the highest quality from all levels. A decent reward should be given for the work sold to the company, and this is often expressed not only in terms of money, but also in terms of the situation in the company. The uniqueness of human resources is that every person is unique in nature. Accordingly, the reaction of different members of the organization to the same management method may be diametrical. It is impossible to find a universal method and method for managing an organization, and the same methods and methods for managing human resources are also impossible. This raises the question of the universality of human resource management.

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