

Section 5. Economics and management

<https://doi.org/10.29013/ESR-21-7.8-44-47>

*Bebnadze Khatuna,
PhD in Economics, Associate Professor,
Gori State University, Georgia*

THE CURRENT STATE OF HUMAN RESOURCES MANAGEMENT AND WAYS TO PERFECT IT IN GEORGIA

Abstract. Human resource management is a function of the organization that focuses on the people employed in the company and involves the processes of organizational development, employee motivation, and training. Effective human resource management in the organization helps to achieve the goals and objectives effectively. Human resource is the most expensive capital, and its effective management is the main factor in the country's economic growth. That is why the perfection of human resources management is of particular importance at the current stage of society's development.

The main challenge for all organizations today is the need for professional staff. In this process the human resources manager has been assigned a decisive responsibility. It ensures the management of labor relations between employees and the company, coordinates the administrative functions of the organization, and the fluency of communication, which affects the overall productivity and results of the company.

In the paper, using quantitative and qualitative research methods, the analysis of human resources management systems in public and private sectors of the Georgian economy was carried out; The main challenges of human resources management got studied, and opinions got presented in order to improve it.

Keywords: human resources, qualification, private sector, state sector, staff motivation.

Introduction. Human resource management is a continuous cycle that includes human resource planning, selection, performance management, and development. The effectiveness of human resources management mainly depends on how it is in accordance with the level of development of the organization. Distinctly, along with the growth and development of organizations, human resource management programs, practices and procedures must change and evolve. Otherwise, there will be a disproportion in the development of personal and material factors of

production, which will negatively affect the effectiveness of the human activity.

Literature review. In order to develop the organization, it is necessary for the labor team to be organizationally well-knit and for people to have a relationship based on mutual respect. In such collectives, new ideas are born more often, costs get significantly reduced, and, accordingly, the organization develops [1].

Institutions included in the public service system differ significantly in terms of specific programs

implemented within the framework of human resources management. The value framework includes:

- Merit-based approach – decision-making (employment, promotion) is based on the competence of employees and taking into account their merits before the organization;
- Justice – the decision is made based on a fair argument and criteria;
- Diversification – the composition of employees is diverse, and it takes into account the diversity of society according to social, religious, gender, ethnic and other factors;
- Expediency – the most appropriate decision made from the alternatives available to the organization on financial and other rational grounds;
- Transparency – the use of open and public approaches in the planning and implementation of the human resources management function;
- The supremacy of public interests – any decision and process in the organization is aimed at offering high-quality services.

As in the entire economy, one of the decisive directions of human resource management in state structures is personnel development. In order to fulfill this function of human resources management, it is necessary to have a professional development plan for employees. Every educated person is considered as the wealth of the nation, and in the near future, this should become a priority in our country. Education is only a potential factor of development, which will become a source of growth if it is used productively [2].

The personnel development planning process includes the evaluation of the employee's capabilities, the need to increase their knowledge, and the determination of specific ways and means of increasing the professional training of employees. Unfortunately, the situation in the public sector of Georgia is not favorable. That got evidenced by the fact that only 25% of services have a personnel development plan.

The working ability of a civil servant can be evaluated by several factors: knowledge-competency of work, quality of productivity, initiative, leadership ability, supervisory ability, hierarchical attitude, etc. It is noteworthy that job evaluation systems exist in only 38% of the public institutions in Georgia. These systems are competency-based assessment, self-assessment, peer review, feedback, interviews, etc. In the public service, the more highly qualified and capable personnel gets selected, the stronger the human resources management system will be, and it will offer better programs and services to the population.

Discussion/Results. In public services of different countries, human resources management is implemented in different ways. In some, a peculiar agency has been created to centrally manage the human resources of all government agencies. In some countries, it is thoroughly decentralized, and each agency manages personnel individually. A mixed system is mainly used in Georgia: there is a central agency for human resources management, which determines the general strategy of human resources management, and the implementation of specific activities, for example, such as personnel selection, evaluation, etc. Individual agencies are in charge. The rules for public service competition are centralized and supervised by the Civil Service Bureau.

Personnel policy and human resources management services in the local self-governments of Georgia cannot ensure the proper management of officials, and their function is mainly exhausted by signing contracts with employees. In addition, the professional skills and qualifications of workers often do not correspond to professional requirements [3]. For the effective functioning of human resources management at the level of local self-government, it is necessary to carry out several practical measures that ensure the correct management of personnel. Especial attention should be paid to the qualifications of employees in the field of human resources management.

In the public sector of Georgia, less attention is paid to the optimization of workplaces. Along with the

optimization of workplaces, in the public sector, the exact scope of obligations and rights of each employee and the limits of personal responsibility should be defined, so that there is no room for irresponsibility and duplication in the performance of work [4].

As for the private sector of the Georgian economy, the management of human resources here is characterized by certain peculiarities. At the modern stage of economic development, a business is considered successful if it has the right human resources management strategy. In the development of the human resources development strategy, it is essential to involve a wide circle of the organization's leaders, because the human resources management strategy must be integrated with the business strategy. In the Georgian reality, unfortunately, less attention is paid to the issues of human resources management and provision of related services with highly qualified specialists [5].

At the current stage of society's development, private sector organizations should pay special attention to the issues of personality development of workers. It is necessary for the employee to have motivation for self-development, to work more on himself, to find ways and methods for the development of professional and personal skills, and to plan and implement appropriate concrete steps. He must be sure that these results will get properly valued. At the same time, the company must ensure the planning of the employee development process and its proper management. The study of employee motivation methods showed us that financial incentives have a concrete place in Georgian companies. Today, the use of monetary remuneration and compensation remains one of the most important methods for motivating staff [6].

Raising the knowledge of employees in both the public sector and the private sector can be done through training, self-awareness, professional and

work meetings, and other events. The mentioned knowledge-raising measures should be reflected in the personnel development plan. 90% of large companies have a staff development plan in the private sector of the country's economy. A general course of training gets used here, which is not relevant either in terms of content or duration. The trial period for new recruits is quite long, and often, before being appointed to a certain position, the work of job seekers is used in a completely different direction.

The analysis of human resources management systems in the private sector of the Georgian economy showed us that the roles, power, and responsibilities are incorrectly distributed among the performers, which leads to a low degree of use of the abilities and skills of the personnel, and the strategic tasks of management and development remain unresolved.

Conclusion and recommendations. In order to improve the management of human resources in the private sector of the Georgian economy, we consider it expedient to bring the strategy of human resources management into line with the business strategy in all those organizations where this is not the case today; The organizational structure should be established on the basis of a deep understanding of the purpose of the company and the correct planning of the main processes, to ensure the maximum use of the capabilities of the personnel, for the effective management of the current processes and the implementation of the company's strategies; Implementation of such an effective human resources management policy, which will have a positive effect on the employee's qualities, such as involvement in management processes, increasing motivation, rational distribution of responsibility among managers, etc., which will contribute to the organization (firm, company, etc.), raising the quality of general leadership.

References:

1. Paichadze N. The art of working without conflict with employees, a collection of materials of the international scientific-practical conference of the Institute of Economics named after P. Gugushvili,– Tb., 2012.– 135.

2. Chikawa L., Innovative Economy,– Tb., 2003.– 225 p.
3. Paichadze N., Chokheli E., Keshelashvili G., Kharkheli M., Tielidze Sh., Tchuradze G., Issues of Improvement of HR Management in Public Sector of Georgia.– P. 80. URL: <http://www.iises.net/proceedings/24th-international-academic-conference-barcelona/table-of-content/detail?article=issues-of-improvement-of-hr-management-in-public-sector-of-georgia>
4. Keshelashvili G., The quality of management and its influence on the public sector of Georgia, Proceedings of the International Scientific Conference of the Faculty of Economics and Business of TSU,– Tb., 2016.– 507 p.
5. Paichadze N., Chokheli E., Keshelashvili G., Kharkheli M., Tielidze Sh., Churadze G., Issues of improving human resources management in the private sector of the Georgian economy, Journal, “Economist” (P. Gugushvili Institute of Economics),– No. 4. 2016.– 140 p.
6. Chokheli E. The Peculiarities of the Employee Behavior Management in Multinational Companies (the Case of Georgia); Proceedings of International Academic Conference on Economics, Management and Marketing, Prague. 2014.– 5 p.