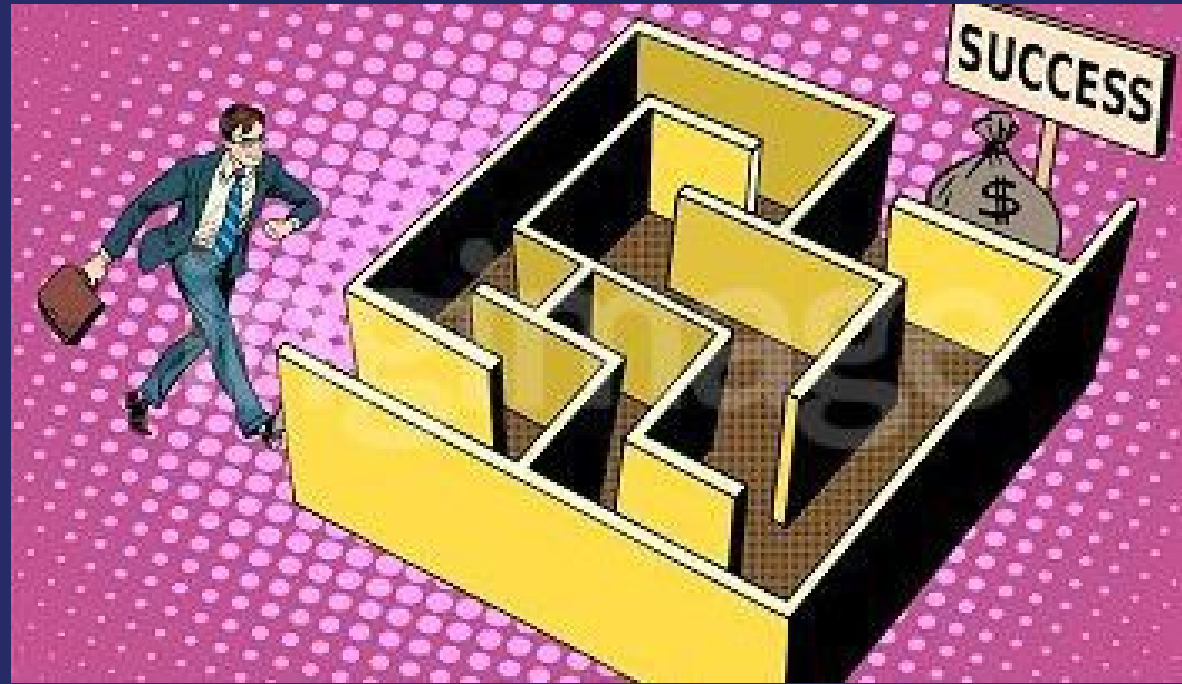


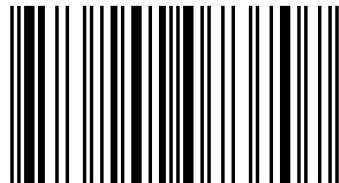
Analyzing the influence of human capital on the achievement of the career success has crucial role for each individual in turbulent environment on the labor market. Banking sector also is human capital intensive and plays a critical role for the banks in meeting their goals and offering services to its clients. Today, the fast progress of technology, globalization and "knowledge economy" progress principles are ruling. This is the reason for any individual that is building his own career to think about how to be the best and how to improve his work quality. Thus, here could be recognized the increasingly competitive labor market, which eliminates "weak players" since their inability to adapt the modern trends and staff needs. The book determines that human resource management (HRM) in banking sector must embrace strategic human resource planning programs with all banks strategy. This underlines the essential meaning of designing an effective recruitment policy with these strategies as formulation and implementation of active reward policy. Also, banks should include more active training and development for employees.



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HRM Communications and HCC Satisfaction Facing the Banking Sector



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HRM Communications and HCC Satisfaction Facing the Banking Sector

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1. INTRODUCTION

Over the course of human history society has changed as knowledge, resources, human development, technology, science, law and culture have evolved. Organisations have also changed over the years as they have adapted to emerging technologies, labour capabilities, markets for products and services, and the prevailing view of work and its role in human life, etc. The approach to managing people has also changed in response to all of the other changes in society and organisations. Personnel management has its origins in the nineteenth century as a consequence of a recognition by managers, business owners and politicians of the need to offset the worst aspects of worker exploitation that had emerged during the Industrial Revolution. The trade unions were also emerging as a potent force representing workers rights at about the same time. This could be described as the social justice period in personnel management. Subsequently the emphasis changed and more focus was placed on staffing, training and the work organisation, particularly during the First and Second World Wars when women began to be drafted into jobs traditionally done by men. Since then many other changes – including rising education levels, higher standards of living, attitudes to work, legislation, globalisation and technology – have forced organisations to become more sophisticated in their use of people at work and so personnel management has transformed itself into HRM in order to meet more effectively the needs of modern organisations (Torrington et al.,2005).

Analyzing the influence of human capital on the achievement of the career success has crucial role for each individual in turbulent environment on the labor market. Banking sector also is human capital intensive and plays a critical role for the banks in meeting their goals and offering services to its clients. Today, the fast progress of technology, globalization and “knowledge economy” progress principles are ruling. This is the reason for any individual that is building his own career to think about how to be the best and how to improve his work quality. Thus, here could be recognized the increasingly competitive labor market, which eliminates "weak players" since their inability to adapt the modern trends and staff needs.

The book determines that human resource management (HRM) in banking sector must embrace strategic human resource planning programs with all banks strategy. This underlines the essential meaning of designing an effective recruitment

policy with these strategies as formulation and implementation of active reward policy. Also, banks should include more active training and development for employees.

The research in this book show analysis of the correlation mentioned categories, and it is based on 474 employees in Serbian and Macedonian banking sector. Analyses such as Chi-square test, Mann-Whitney U, Kolmogorov-Smirnov Z test and linear regression, proving the significance impact of the development of employees' human capital on career success, viewed through different hierarchical positions in a particular sector.

2. LITERATURE REVIEW

Human resource management (HRM) has long been overlooked in the corporate sector in the country where a small section, comprising mostly the multi-national companies was practising the same. With the growing realization of proper HRM in the corporate sector, it has grown into an important activity. Now the head of HRM is an important member of the senior teams of any thriving business. Although the idea is new for many local businesses where entrepreneurs are at the beginning of the learning curve yet in reality the theme is getting support from the organized entrepreneurs.

There are four main approaches that have emerged over the past couple of decades that seek to explain how the human resource is to be understood in relation to the organisations that employ them. Fombrum et al. (1984) suggested that human beings should be considered as a resource, no different in essence to any other resource within an organisation. This approach to HRM began with an identification of the business strategy which was then converted into an HRM strategy. That then became the basis of the HRM policies and practices adopted in order to deliver the results sought. Beer et al. (1984, 1985) adopted the stakeholder view of people within organisations. Although 'top down' in adopting a business need and strategic focus to the role of people (as with the previous model), it implies that people are more than a static resource to be considered only as machine substitutes. This model holds that people are thinking, dynamic and interactive beings within organisations that can add

value. This model proposes four main areas of policy requirement in order to achieve the maximum benefit from people (employee influence on management and the business; human resource flow into, out of, and within the business; reward systems; and work systems).

Schuler and Jackson (1987, 1996) suggested a link between strategy of an organisation and the employee behaviours necessary to achieve it. They identified two strategy options representing alternative ways to compete in a particular market. These are cost minimisation and innovation. The model suggests appropriate employee strategies associated with each. For example, cost reduction strategies require repetitive, predictable behaviours; employees with a narrow skill range; and low levels of employee job involvement. By contrast, an innovative strategy requires a long-term focus; flexibility and change from employees; a tolerance of ambiguity and uncertainty; and high levels of job involvement from employees. Relevant HR policies appropriate to the chosen strategy would then need to be developed and implemented.

According to this model, what matters is not which strategy is adopted, but that HR policy and practices are consistent with the chosen strategy.

Developed in the UK by Hendry et al. (1989), this model proposes five main interlinked elements that can influence how people will be managed in any particular organisational context. These are:

- *Outer context.* This represents the external social, economic and cultural forces impacting on an organisation. It also includes influences impacting on the organisation that arise from industry and market conditions.
- *Inner context.* This represents the organisational factors that impact on how people are used. Such internal factors can include culture, structure, profitability, technology, products or services, management style, and politics.
- *Business strategy context.* This represents the effect on people management of the business strategy followed by the organisation.
- *Human resource management context.* This reflects the underlying philosophy of the business about how people should be allowed to contribute to its functioning and operate within it.

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
(Constant)	.232	.125		1.847	.065					
Corporate culture	.019	.062	.020	.304	.761	-.019	.014	.009	.196	5.098
Employee advancement	-.026	.039	-.028	-.664	.507	-.049	-.031	-.019	.475	2.104
Career success planning	-.006	.060	-.007	-.104	.917	-.018	-.005	-.003	.213	4.704
Educational Level (years)	.000	.010	-.003	-.080	.936	.514	-.004	-.002	.563	1.776
Current Salary	3.538E-5	.000	.781	20.290	.000	.780	.684	.586	.563	1.775

Source: Authors' results based on available data

8. CONCLUSION

Analyzing the influence of human capital on the achievement of the career success has crucial role for each individual in turbulent environment on the labor market. Banking sector also is human capital intensive and plays a critical role for the banks in meeting their goals and offering services to its clients. Today, the fast progress of technology, globalization and "knowledge economy" progress principles are ruling. This is the reason for any individual that is building his own career to think about how to be the best and how to improve his work quality. Thus, here could be recognized the increasingly competitive labor market, which eliminates "weak players" since their inability to adapt the modern trends and staff needs.

Career management is about balancing the needs of the individual with the needs of the organisation. It inevitably forms part of the HR planning process and has close links to succession planning, employee development and management development. From an individual perspective therefore, career management reflects the developmental practices and processes that the person undertakes when seeking to pursue their particular job and work preferences over time. From an organisational perspective, career management reflects the policies and practices undertaken to ensure that the short-, medium- and long-term need for an appropriate number of suitably trained and capable people required by the organisation at all levels of the hierarchy are available internally.

As such career management has a major part to play in the recruitment and retention of high calibre individuals who through the career development and opportunities offered by an organisation find that their personal aspirations coincide with those of the organisation. Of course there can never be a guaranteed or specific match in the long run between the career aspirations of an individual and those of the employing organisation. Individuals may develop interests and seek opportunities that the employer cannot offer; an individual may seek promotion at a time when the employer does not have such an opportunity available; an employee may seek to change their work-life balance.

Developed countries have long known that the human capital is the biggest asset they have. Even in many marketing analysis, the element of "people" ranks among the

major elements of marketing programs that ensure success in the market (product, promotion, distribution, pricing, packaging, planning, people ...). With each loss even the smallest part of the human capital which the organization has, it loses part of its knowledge, which essentially represents a certain way of reducing the competitive advantage. Therefore, the main development trend of the organization should be, in addition to other activities, the creation, development, sustainability and preservation of human capital at its disposal.

Planning of the career is very important because its role to enhance the realization of increased financial performance and financial inclusion in the banks. These plans for successful career must recognize the fact that the staff which is working in the bank has unique needs, wants and abilities. The other fact is that the employee in the banks will better do their work if that bank responds to their aspirations and needs. Further, if the banks give the bank staff its right opportunities, encouragement and guidance individuals can grow, change and seek new directions.

Banks human resource management should strive towards promotion of better relations between employees in order to create a friendly working environment. This leads to increased level of employees' engagement in the execution of banks job task functions hence contributing towards realization of increased banks financial performance.

Talking in this book about the human capital together with all its accompanying elements, could be conclude that it is one important link in the business of specific organizations but also link that makes employees more productive and successful in their career paths. Only employees with a strong potential of their own human capital for career success can create a work atmosphere that brings results. The book determines that human resource management (HRM) in banking sector must embrace strategic human resource planning programs with all banks strategy. This underlines the essential meaning of designing an effective recruitment policy with these strategies as formulation and implementation of active reward policy. Also, banks should include more active training and development for employees.

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