

The model of manpower management influence on mining business effectiveness

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Manpower management is one of the documents in a business firm which reflects the philosophy of human resources work, sets the priorities and procedures for the capacity of personal processes. The article describes the theoretical model considering the manpower management aspects which are related to adopting the competency model in mining business respecting the triad of capacity management namely by assessing the work capacity, remuneration, education and employees' growth. The motivation of employees, their efficiency and the work productivity will increase by the impact of the manpower management aspects which will provide the increase of mining business effectiveness.

Key words: *manpower management, human resources, effectiveness, competencies, work capacity, employees' growth*

Introduction

Realising the value and the importance of a human being, realising the fact that people represent the biggest resources for every organization and that their management and growth determinates the success of a business firm as a whole is the first condition of business success. The creation of the manpower management is subject to several factors which influence it and it is important to take them into account in its definition. Manpower management is the reflection of the philosophy of human relations, specifies the personal strategy purposes, sets the priorities and procedures for capacity of personal proceedings in a business firm. It starts from personal strategy which is determined by the general business startegy, its longterm, common and complex objectives. It itself forms the core of business strategy whereas labour force is a crucial resource which is available in a business firm. It interferes with social field and fundamentally contributes to performing the business aims and tasks. (Antošová, 2008)

The creation of the manpower management in mining business is closely related to achieving effective economy activities. Effective manpower activity contributes significantly to its high competitive competence. The change of effectiveness can stem inside a business firm (i.e. in the management change – e.g. increasing the work productivity, more proficient use of production factors, making the work organization more effective etc.) or it can be the result of external factors as price increase, company production sales increase etc. (Kotulič, 2008)

The impact of manpower management aspects on the effectiveness of mining business

Competency model is a combination of individual competencies, i.e. skills, knowledge and personal traits which are necessary for effective tasks fulfilment at certain work position. The competencies are expressed by the precise description of the required level of individual skills. The current level of the assessed competence with the required one can be compared by means of various methods of description such as behaviour description and numerical scale. (Kubeš, 2004)

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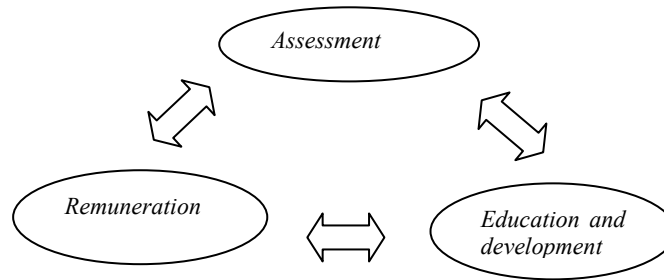


Fig. 1. The triad of capacity management.

The inscribed model of the manpower management impact on the effectiveness of mining business (Fig. 2) respects the triad of capacity management wherein. (Fig. 1 – adopted under the name of Hroník 2006).

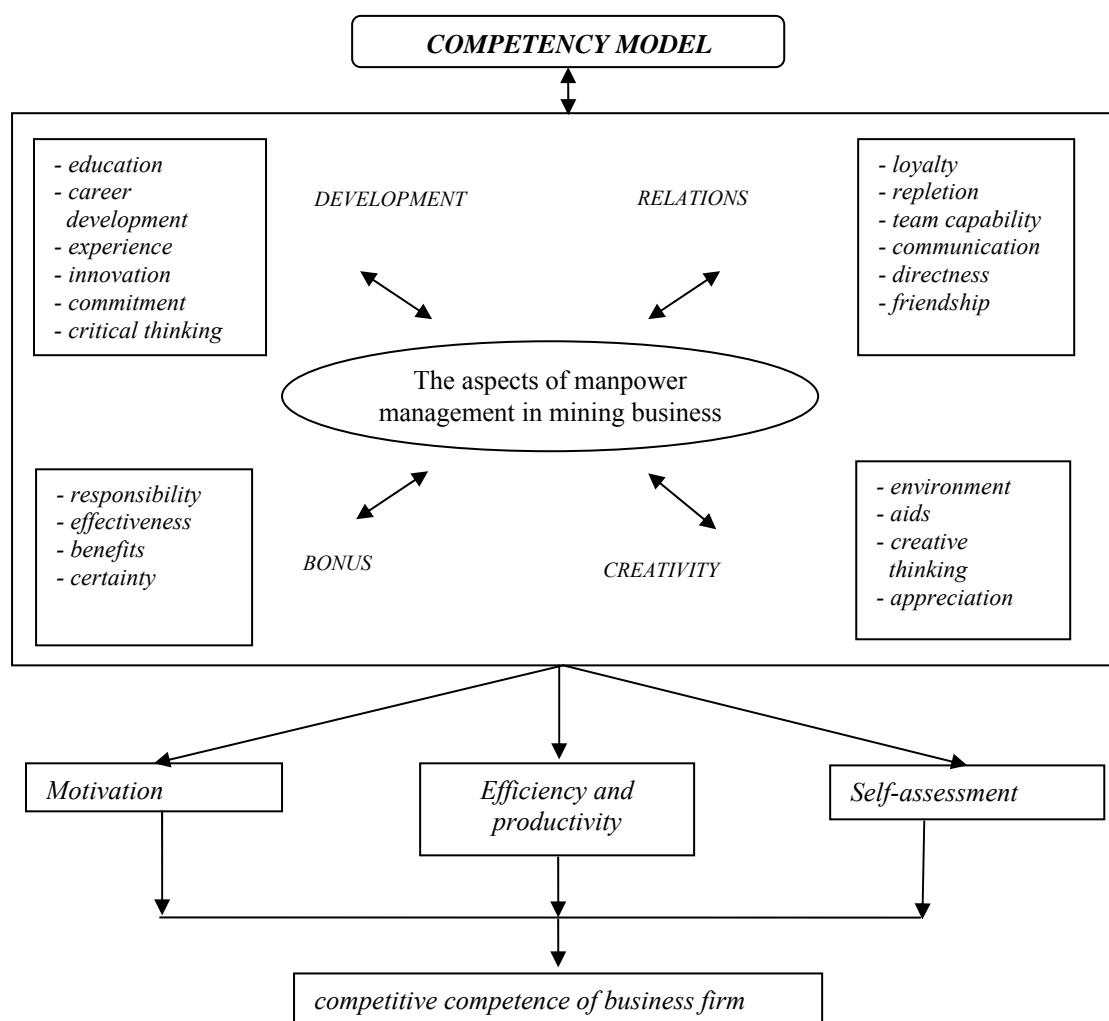


Fig. 2. The effectiveness of mining business firm influenced by manpower management aspects.

According to Hroník, the system of business motivation is based on three strong points, namely assessment, remuneration, employees' education and their growth. Hroník describes the mutual relations in the triad as follows: "The assessment helps the employees to make decisions in the field of remuneration, but it also refers to the future and it is a useful basis for personal development and planning. The positive effect of competence and skills development of the employees is thus reflected in the assessment and consequently

in the remuneration of the employees. Remuneration also reinforces backwards and motivates towards further development and influences setting the goals which are the part of assessment.“ (Hroník, 2006).

It is necessary to integrate the proposed individual aspects into the creation of manpower management, eventually to edit them. The situation of individuals at making decisions is included in the aspects and taken into account. The situation influences their perspectives, certainties or self - esteem of the employees. The suggested model will provide the quality of work life - its conscious and constant improvement as means of motivation increase and improving the results, it will strengthen the satisfactory feeling of the employees from their work by reducing the monotony, enhancing the diversity and responsibility and it will restrict stress situations and guarantee healthy, safe and pleasant working conditions. The motivation of employees, their efficiency, productivity and assessment will be increased by the impact of the manpower management aspects, which will provide the mining business effectiveness increase.

Implementation of the model

The model of manpower management aspects influence on the effectiveness of an organisation has been tried out in a mining company. The aim of its application is to achieve maximum output (revenue) with minimum input (costs), i.e. effectiveness maximation. The indicators of the analysed company (according to Kotulič, Király, Rajčániová, 2007), chain, eventually base indices of the years 2007, 2008, 2009 and their comparisons are indicated in the Tables 1, 2, 3, 4.

Tab. 1. Chain and base indices of the indicators in mining business .

Indicator	Index 2008/2007 chain	Index 2009/2008 chain	Index 2009/2007 base
DHM	1,008392726	0,972346301	0,980506937
P	0,979214781	0,998427673	0,977675135
MAT	1,376207960	0,761061191	1,047378470
MN	1,066785248	0,998843956	1,065551998
ODP	1,000886829	1,085523269	1,086485942
PH	1,099053000	0,875390924	0,962101021
VÝN	1,022110763	1,023800270	1,046437275
VH	1,659057127	0,948312291	1,573304266
ZÁS	1,001306442	0,848324227	0,849432514

Source: balance sheets of the companies, own calculations

Notes:

I = index, DHM = longterm corporeal property, P = amount of employees, MAT = material, MN = labour cost, ODP = transcript, PH = added value, VÝN = revenue, VH (B) = the economy results in accounting period before taxation, VH = the economy results in accounting period, ZÁS = stocks

Tab. 2. Indices values 2008/2007.

Index 2008/2007	Left index	Right index	Comparison
IDHM > IP	1,0083927	0,97921478	VALID
IMAT > IDHM	1,3762080	1,00839273	VALID
IMN > IP	1,0667852	0,97921478	VALID
IODP > IDHM	1,0008868	1,00839273	VALID
IPH > IVÝN	1,0008868	1,02211076	VALID
IVÝN > IDHM	1,0221108	1,00839273	VALID
IVÝN > IZÁS	1,0221108	1,00130644	VALID
IVÝN > IMAT	1,0221108	1,37620796	FALSE

Source: own calculations

The growing exploitation of up-to-date technology and technique as well as the growing exploitation of longterm corporeal property capacity has been confirmed in the analysed company during the monitored period. The average wage growth in this case has provided the motivation of the employees increase, by which higher quality of labour force has been achieved by the effect of increasing their qualification. The shortening of the average durability of longterm corporeal property and its faster reproduction can be alleged on the basis of the results. As well as the intensity of manufacturing has been reduced and the added value of a business firm has increased.

Tab. 3. Indices values 2009/2008.

Index 2009/2008	Left index	Right index	Comparison
IDHM > IP	0,9723463	0,99842767	FALSE
IMAT > IDHM	0,7610612	0,97234630	FALSE
IMN > IP	0,9988440	0,99842767	VALID
IODP > IDHM	1,0855233	0,97234630	VALID
IPH > IVÝN	0,8753909	1,02380027	FALSE
IVÝN > IDHM	1,0238003	0,97234630	VALID
IVÝN > IZÁS	1,0238003	0,84832423	VALID
IVÝN > IMAT	1,0238003	0,76106119	VALID

Source: own calculations

In 2009 the dynamics of some indicators in mining corporation slowed down, or it eventually stagnated. There is neither growth of up-to-date technology and technique exploitation nor the capacity exploitation of longterm corporeal property in the monitored period. There is constantly the growth of average salary at all indices calculations, it means marking up the employees involvement which contributes to achieving higher quality of the products. It is important so that the salary increase has no routine character. The shortening of the average durability of longterm corporeal property is still valid as well as the growth of its quality. However, added value, in relation to the production costs increase has been decreasing. The influence on the added value has been reflected in the commencing crisis in 10th – 12th month in 2009.

Tab. 4. Indices values 2009/2007.

Index 09/07	Left index	Right index	Comparison
IDHM > IP	0,9805069	0,97767513	VALID
IMAT > IDHM	1,0473785	0,98050694	VALID
IMN > IP	1,0655520	0,97767513	VALID
IODP > IDHM	1,0864859	0,98050694	VALID
IPH > IVÝN	0,9621010	1,04643728	FALSE
IVÝN > IDHM	1,0464373	0,98050694	VALID
IVÝN > IZÁS	1,0464373	0,84943251	VALID
IVÝN > IMAT	1,0464373	1,04737847	FALSE

Source: own calculations

The growth of exploiting up-to-date technology and technique and the growing exploitation of longterm corporeal property capacity can be alleged on the basis of base index calculations, as well as the average

salary increase and the shortening of the average durability of longterm corporeal property. The intensity of manufacturing has been growing at the expense of corporation added value.

At judging the results indicated above, there are possible deformities of values caused by the influence of the factors :

- by price change, eventually by inadequate price change of certain commodities compared to the others (e.g. longterm corporeal property prices compared to the material prices),
- by the change of input/output character,
- by gradual salary growth from inflation, not qualitative reasons,
- by the length of time in which the development of parameters is considered.

In consequence of the alleged factors there can be failure of eligible dynamics of indicators for a certain time, which do not have to signify bad development tendency.

Conclusion and results evaluation

If manpower management is to have an influence on the effectiveness of mining business, it is important that a corporation consistently applies the development of the employees' key competencies, particularly by thorough orientation in the field of corporate culture. It is inevitable to focus on the accurate communication within the company. The efficiency will be provided by the philosophy that a satisfied employee as well as a product of good quality is the best sign of a company.

We consider the increase of work capacity to be the most important influence on the effectiveness of mining corporation. On the basis of the issue research and the applicability of adopting the proposal of the influence on mining business it is desirable to define the employed aspects of manpower management and edit them on the basis of determination that the effectiveness of mining business is related to the quality of work life and the satisfaction of the employees. (Fig. 3)

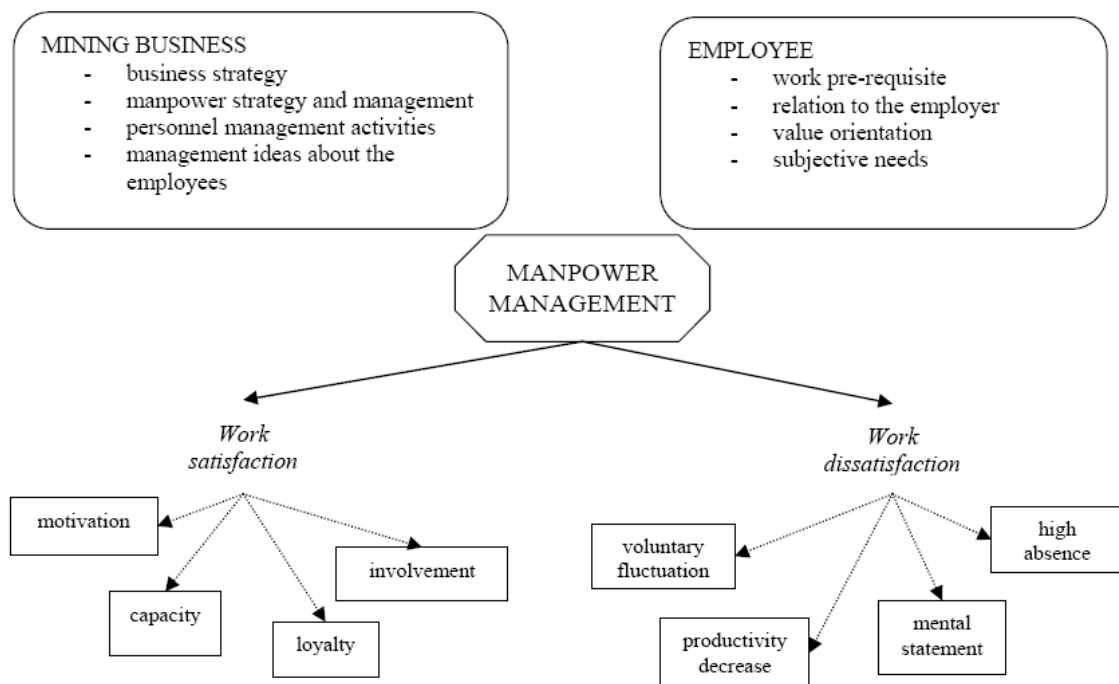


Fig. 3. Adapted model with the influence on the effectiveness of mining business.

The implementation of the adapted proposed model will help to provide the change of the employees' behaviour, solving conflicts at the workplace, managers competencies, remuneration, communication, education, checking and relations between employees. The definition of manpower management aspects influencing the efficiency of a company as well as their recommendations for the future are depicted in Figure 4. The interest unification of mining business management, its owners and employees is considered the most important factor of manpower management stability.

ASPECTS	NOWADAYS	IN THE FUTURE
Employees' behaviour	derives from standards, habits and practice	derives from commission, values and society principles
Conflict	the effort to avoid it, achieve cease fire	conflict as a source of energy
Managers' competencies	analytic thinking, negotiations	support, emotions handling
Remuneration	according to standards, tables	regulated by capacity, high share of variable salary component
Communication	regulated	information is not a powerful tool
Development and education	controlled approach towards learning	learning organisation
Core of personal work	personal activities	wide understanding of personal strategy and corporate culture
Psychological aspect	willingness to satisfy	commitment
Checking	external	self-control and self-assessment
Relations	collective	high confidence rate

Fig. 4. The present and the future of manpower management aspects .

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