

The Concept of Human Resource Management in Logistics Processes

Iryna Shtuler¹, Eleonora Zabarna², Nataliya Kyrlyk³, Hanna Kostovyat³

¹National Academy of Management, Kyiv, Ukraine

²Odessa Polytechnic State University, Odessa, Ukraine

³Uzhhorod National University, Uzhhorod, Ukraine

Summary

The article focuses on the need to deepen the issue of human resource management in logistics processes. It is noted that changes in market conditions and turbulence in the institutional environment require managers to form a highly effective human resources policy capable to ensure the innovative development of the enterprise. Functional strategies for human resource management in logistical processes are proposed, namely: adaptive, innovative, selective and exclusive. Innovative technologies that should be used in the adaptive human resources policy process are identified.

Key words: *logistics, human resources, production, sales channels, human policy, competencies, staff*

1. Introduction

Human resource management issues in logistical processes have always found attention in scientific researches amongst academics. The scientists' conviction that human resources are necessary for all operational activities is irrefutable. In researches of Bohlouli et al. (2017) has taken a rather interesting approach to human resource management. The authors proposed a methodology for human resource assessment and identified the required competencies for individual positions. The study thoroughly reflects the methodology for identifying competence gaps in the workforce and solution sources of them. The article introduces a wide range of mathematical models, software technologies, competence assessment modelling tools and adapts their practical use on the example of the European ComProFITS. Macke and Genari project (2019) highlighted key elements of human resource management and identified existing problems in scientific research on this issue. The authors analysed about 115 scientific articles published between 2001 and 2018. Usage of content analysis and "Alceste" software statistic models allowed the authors to categorise the studies of other scholars into separate categories. These categories, after careful analysis, allowed us to identify significant gaps in the science of human process management. Perdomo-Ortiz et al. (2009) have explored in depth the conceptualistic guidelines of the relationship between human resource

management practice and the effectiveness of the innovation process. Among other things, the authors detailed the adaptive directions of the accumulation of strategic orientations towards innovation. Usage of configurational approach, allow the scholars to elucidate the reasons of low staff productivity, which negatively influences on the logistics policy of a business. The authors noted the key success factors of knowledge management in the innovative type of economy. According to the authors, learning culture has a significant impact on the productivity of organisations, especially given the dynamic changes in logistics services sphere. Lengnick-Hall et al. (2013) evaluate the effectiveness of human resource management in moving products along the logistics supply chain. The authors extend the directions of strategic human resource management in enterprises by deepening internal inter-organisational relationships. The study proposes three supply chain attributes that need to be considered in the process of modelling of the design of a human resource management system. Quite unconventional for the academic world are the results of a study by scientists Murphy et al. (2017). The study substantiates a human resource assessment technique using induction, deduction, abstraction and synthesis methods. The authors point out the need for an uninterrupted and in-depth analysis of the state of human resources management in the enterprise, especially in the context of the formation of a renewed policy of logistical promotion of goods. In research of Singh and El-Kassar (2019), the issue of identifying sustainable human resources capabilities in the corporate commitment formation process is being mainstreamed. Using big data management techniques, the researchers suggested ways of ensuring enterprise sustainability that will lead to improve logistics policy effectiveness. Anderson et al. (1998). point out the role of marketing management from the perspective of formation of the highest client-oriented firm in the process of implementation of logistics policy. Furthermore, it highlights the issue of improving customer service quality by developing the necessary competencies of the firm's personnel. Sgarbossa et al. (2020) propose fundamentally new directions for changing of the way firms' employees perform their job duties. The scholars rightly emphasise that

the dynamics of the evolution of innovative technologies, operational processes and transport policies necessarily affect the way human resources are managed. It is argued in the article that effective workforce management administrative policies are responsible for fundamental changes in logistics policy performance. The higher the competencies of a company's key employees, the better the promotion of goods and services in the marketplace is being carried out. This is particularly important in the context of the coronavirus pandemic, exchange rate volatility and turbulence in the institutional matrix. Incidentally, Hnatenko considered the term "institutional matrix" quite thoroughly (Hnatenko, 2018). The author noted that the state of the institutional matrix certainly set the trend of the national economic system development, strengthens (and in case of low efficiency weakens) the economy's adaptability to the unstable external situation and globalization challenges. Kannan and Tan (2005) make a compelling argument for the importance of human resource management in logistics processes. Scholars have explored in depth the stages of implementation of operational activities and the place of operational strategy modelling. In particular, the influence of personnel motivation stimulating on the performance of ongoing logistics activities has been thoroughly researched. Yoon et al. (2008) in the process of logistical support for the construction industry. Scientists have proposed a combination adaptive approach to improve workforce management in logistic of logistical supply of planes. Fundamental researches based on innovative means of labour management in agro-industrial production, construction and other sectors of economy are proposed in the works of scientists (Brockova et al., 2021; Cooper et al., 2016; Gryshchenko et al., 2021; Hnatenko et al., 2019; 2020; Kuksa et al., 2019; Lozhachevska et al., 2020; Semenov et al., 2021; Zherdetska et al., 2021). The listed scientific achievements of scientists are undoubtedly important for improvement of human resources management of an enterprise, organisation or institution. At the same time, systematic configurations of the development trend of the institutional environment, pandemic and migration trends require a continuous review of human resource management issues in logistical operations.

2. Methodology and Results

Globalisation and increased competition in today's logistics market needs to focus enterprise activities on improving human resource management. Entrepreneurs striving for continuous economic growth need to adapt their policies to changing market conditions. Satisfying customer needs, making certain goods and services available, is an important way of increasing the efficiency of an enterprise. A well-balanced logistics policy, which is implemented by

this area of management activity, contributes significantly to customer needs satisfaction in the market and thus ensures a high competitive position of the business among competitors.

In the last decade, many business entities operating in the Ukrainian and foreign markets have experienced a real crisis due to the Covid-19 pandemic and a complete reformatting of the market environment. Crisis phenomena are forcing the company's current operations to be adjusted to more effective strategy for adapting to changing customer requirements. Implementing a holistic concept of human resource management in logistics processes is a means of achieving a profitable position in today's enterprise market. Today, human resource management in logistics processes is extremely important in the implementation of adaptive strategies, which is used by high-performance companies. Their introduction makes it possible to achieve the goals set by business entities. International recognition and prestige of any business entity is achieved through the implementation of a logistics strategy aimed at strengthening the process of building of market position. Many specific factors of external and internal environment have their influence on the process of forming of an adaptive logistics strategy. The most important factors in the formation of an effective logistics policy should include human resource management in logistics processes. Implementation of such management requires a clear allocation of functions and responsibilities of each employee of an enterprise, institution or organisation. Each employee should participate in shaping of the distribution policy of goods and services in the way that is most beneficial for the enterprise. Enterprises wishing to achieve a leading position in today's market must take specific measures to disseminate products or services which, according to the external and internal environment conditions, will allow them to cover the largest audience segments (not only in the internal market, but also in the external market). Development and implementation of an appropriate distribution policy, which we see as a form of implementation of a functional strategy, should be the mission of a modern company aimed at innovative development.

In our vision, enterprises can use one of four functional strategies for human resource management in logistics processes: adaptive, innovative, selective and exclusive. In order to determine the appropriate strategy for human resource management in logistics processes, consider the market-positioning map of enterprises that we have calculated. In the example of PE "Orbita-lux" it is possible to observe rather low efficiency of human resource management in logistics processes. Where the proximity of the indicator of professional qualities of the employee to the bisector indicates the level of effectiveness of human resource management in logistics processes (fig. 1). For this

purpose, it is advisable for the enterprise to use an adaptive strategy.

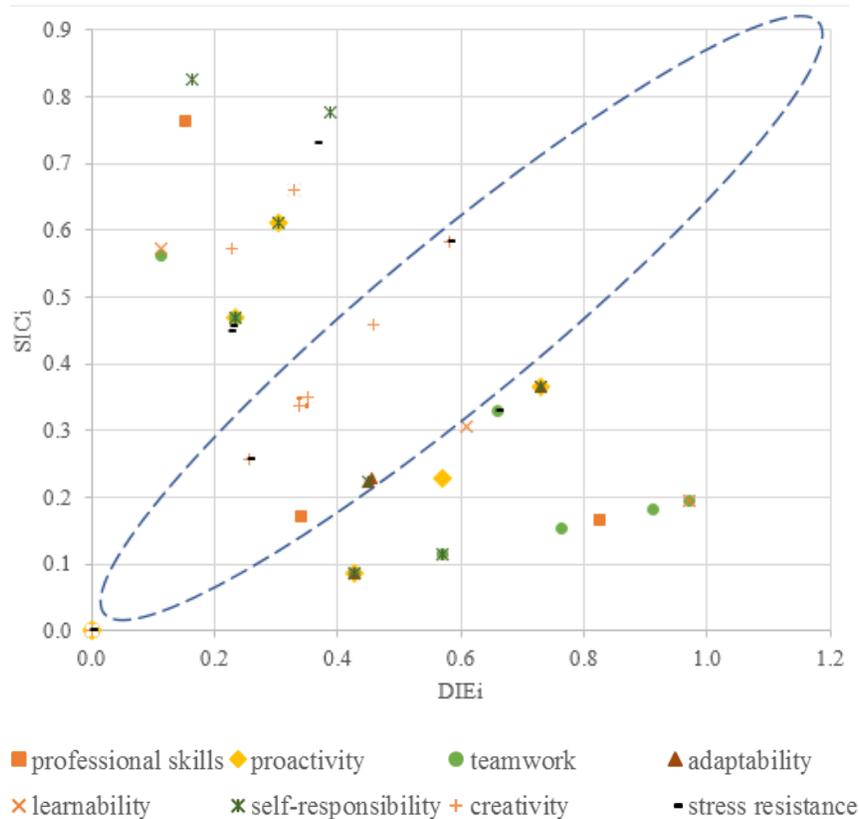


Fig. 1 Human resources management efficiency cartogram in logistics processes in the example of “Orbita Lux” Private Enterprise
Source: calculated by the authors

If an enterprise seeks to adapt its internal operation activity to changes in the external environment, it will make a management decision to develop an adaptive strategy for managing human resources in its logistics processes. At the same time, this adaptive strategy makes the enterprise's production dependent on external market trends. In this strategy, the manufacturer enterprise, places its own products in its own sales points, guided solely by situational trends in the market. With this strategy, there are shortcomings in the management of the enterprise. In particular, in planning of the future development strategy towards quality improvement. It also makes the enterprise dependent on other enterprises already presented in the market. Using this strategy, the enterprise can distribute goods and services in a wide geographical coverage. The goods of the enterprise in such strategy cover a wide range of potential consumers. Companies involve a significant number of merchandisers, marketers, logisticians, etc. in such logistics policies. Figure 2 shows the level of efficiency of human resources management in logistics processes in the example of “Victoria-Agro” PE. (Fig. 2).

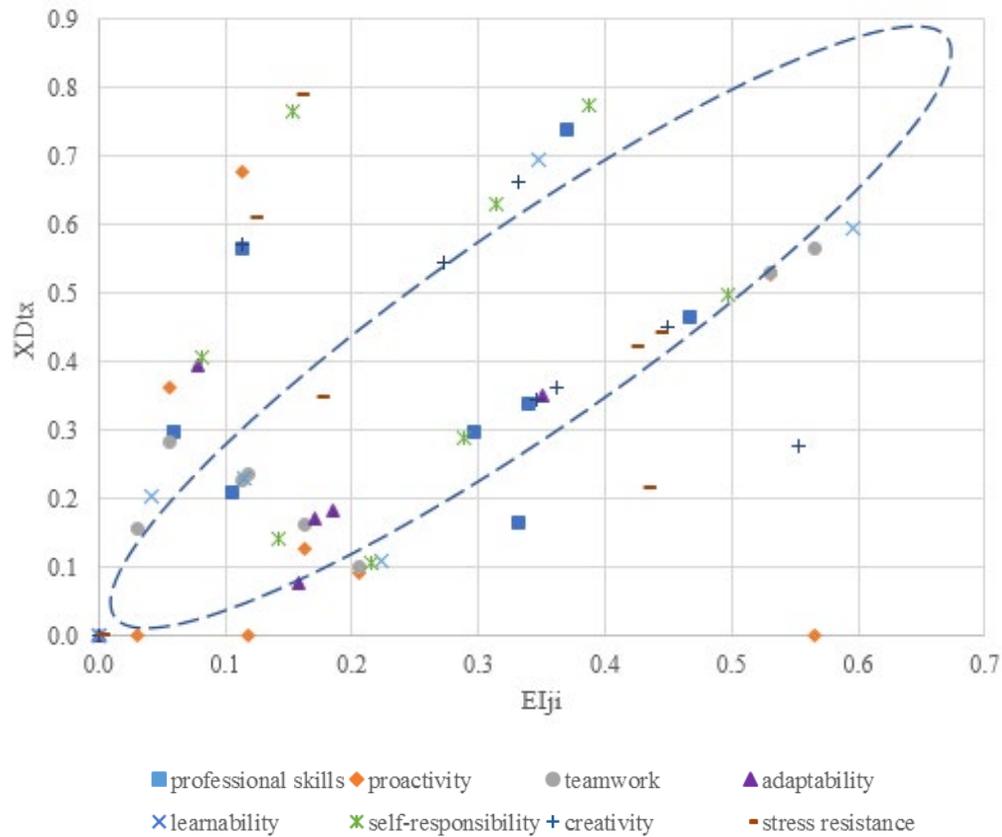


Fig. 2 Human management efficiency resources cartogram in logistics processes in the example of “Victoria-Agro” PE
 Source: calculated by the authors

Fig. 3 shows the level of effectiveness of human resource management in logistics processes in the case of the “Semioz” PE.

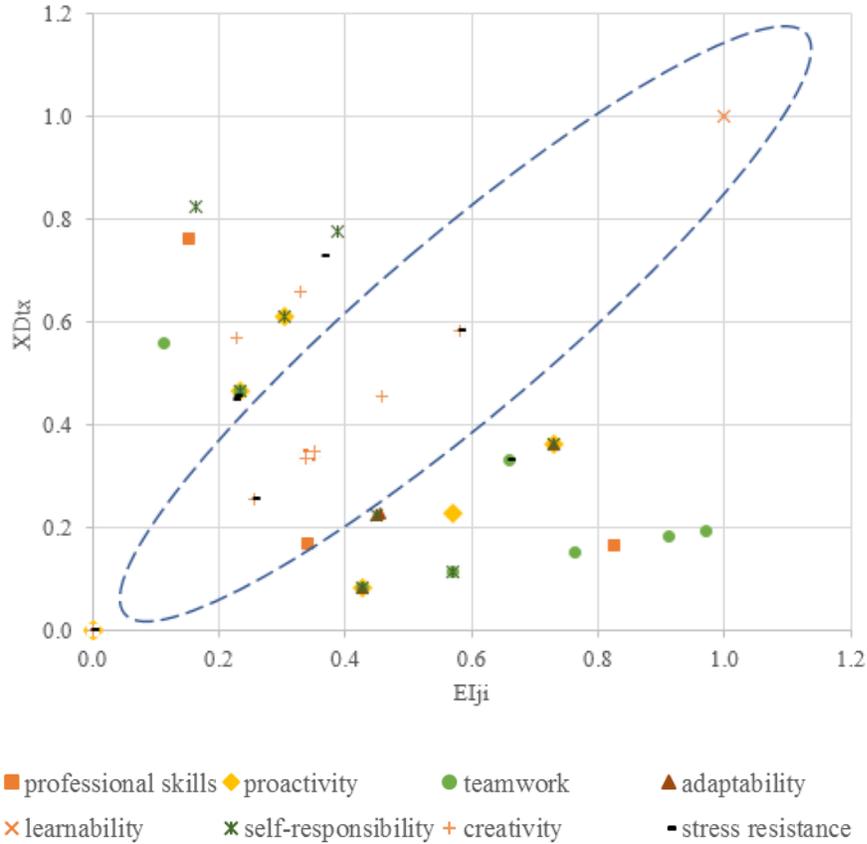


Fig. 3. Cartogram of human resource management efficiency in logistics processes on the example of “Semioz” PE

Source: calculated by the authors

Figure 4 depicts the level of effectiveness of human resources management in logistics processes in the example of Dimetra. 4 The level of efficiency of human resources management in logistical processes on the application of the PE "Dimetra" is depicted. At this level, the usage of exclusive human resource management strategies in logistical processes is appropriate.

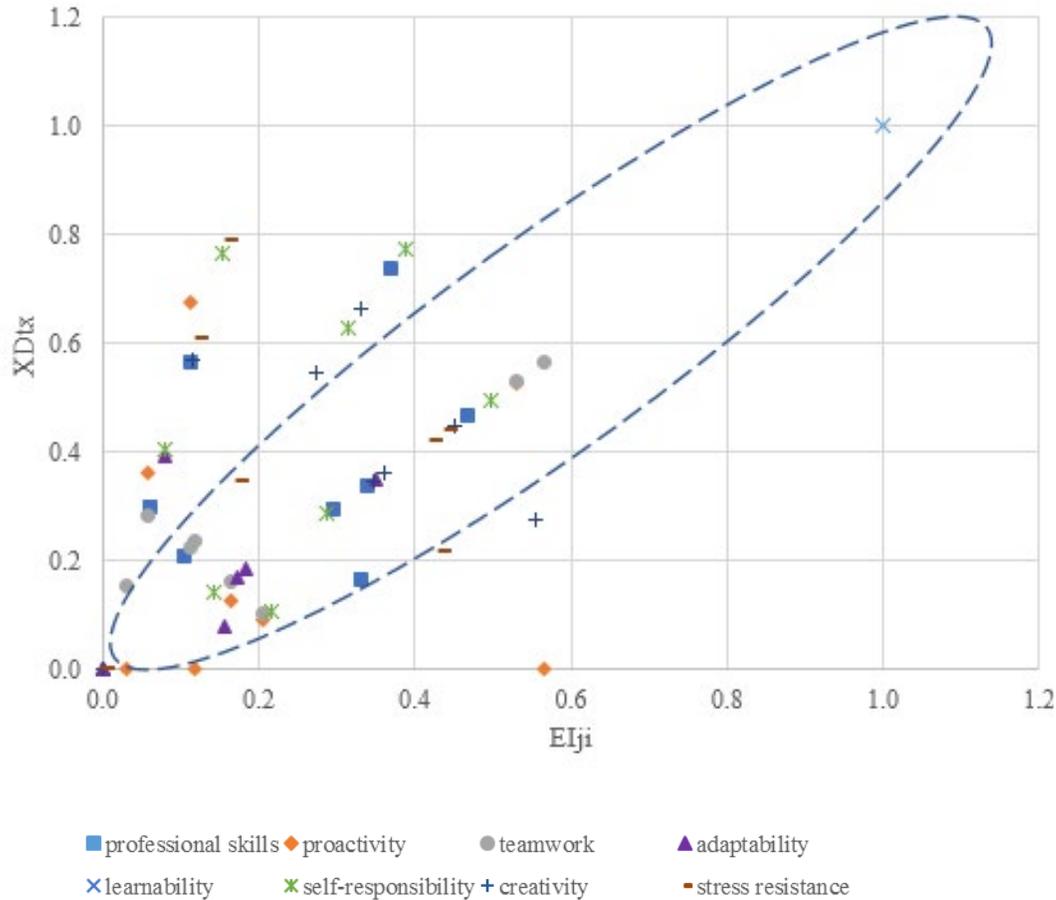


Fig. 4 Human resource management efficiency cartogram in logistics processes on the example of "Dimetra" Private Enterprise

Source: calculated by the authors

An exclusive strategy for human resource management in logistics processes involves the use of hybrid technologies in human resource policies. A partially exclusive strategy for human resource management in logistics processes can include the ways implemented in the innovation, selective and adaptive strategies. The main principle of this strategy is that employees can improve their skills not only during training, but also on a daily basis. Mentoring is also important, as it supports the development of young employees, particularly in their day-to-day work. It encourages their involvement in the life of the company and helps to pass on experience and basic knowledge.

3. Conclusions

Thus, human resource management in logistics processes is an important and relevant issue towards a comprehensive increase in the efficiency of production activities. It is feasible for business entities to use four strategies for human resource management in logistics processes: adaptive; innovative, selective and exclusive.

These strategies can be implemented simultaneously or one at a time. Managers' competencies are important in human resource management in logistics processes and should be systematically developed. A person with the necessary skills in logistics will be able to create a well-organised transport system and increase the efficiency of the company.

References

- [2] Bohlouli, M., Mittas, N., Kakarontzas, G., Theodosiou, T., Angelis, L., & Fathi, M. (2017). Competence assessment as an expert system for human resource management: A mathematical approach. *Expert Systems with Applications*, 70, 83-102.
- [3] Brockova, K., Rossokha, V., Chaban, V., Zos-Kior, M., Hnatenko, I., & Rubezhanska, V. (2021). Economic Mechanism of Optimizing the Innovation Investment Program of the Development of Agro-Industrial Production. *Management Theory and Studies for Rural Business and Infrastructure Development*, 43(1), 129-136.
- [4] Cooper, A. L., Huscroft, J. R., Overstreet, R. E., & Hazen, B. T. (2016). Knowledge management for logistics service providers: the role of learning culture. *Industrial Management & Data Systems*. 116(3), 584-602.

- [5] Gryshchenko, I., Ganushchak–Efimenko, L., Shcherbak, V., Nifatova, O., Zos-Kior, M., Hnatenko, I., ... & Martynov, A. (2021). Making Use of Competitive Advantages of a University Education Innovation Cluster in the Educational Services Market. *European Journal of Sustainable Development*, 10(2), 336-336.
- [6] Hnatenko, I. (2018). Conceptual approaches to small business management in terms of the criteria of economic security and an enterprise life cycle. *Bulletin of the Kyiv National University of Technologies and Design. Series: Economic sciences*, 123(3), 47-56.
- [7] Hnatenko, I., Kuksa, I. and Orlova-Kurilova, O. (2019). Paragenesis of entrepreneurship and innovation as drivers of the future economy. *Strategic Management: Global Trends and National Peculiarities. Collective monograph, Publishing House "Baltija Publishing", Poland*, 48–61.
- [8] Hnatenko, I., Orlova-Kurilova, O., Shtuler, I., Serzhanov, V., & Rubezhanska, V. (2020). An approach to innovation potential evaluation as a means of enterprise management improving. *International Journal of Supply and Operations Management*, 7(1), 112-118.
- [9] Kannan, V. R., & Tan, K. C. (2005). Just in time, total quality management, and supply chain management: understanding their linkages and impact on business performance. *Omega*, 33(2), 153-162.
- [10] Kuksa, I., Shtuler, I., Orlova-Kurilova, O., Hnatenko, I., & Rubezhanska, V. (2019). Innovation cluster as a mechanism for ensuring the enterprises interaction in the innovation sphere. *Management Theory and Studies for Rural Business and Infrastructure Development*, 41(4), 487-500.
- [11] Lengnick-Hall, M. L., Lengnick-Hall, C. A., & Rigsbee, C. M. (2013). Strategic human resource management and supply chain orientation. *Human Resource Management Review*, 23(4), 366-377.
- [12] Lozhachevska, O., Navrotska, T., Melnyk, O., Kapinus, L., Zos-Kior, M., & Hnatenko, I. (2021). Management of logistics and marketing behavior of innovation clusters in territorial communities in the context of digitalization of society and the online market. *Laplace em Revista*, 7(3), 315-323.
- [13] Macke, J., & Genari, D. (2019). Systematic literature review on sustainable human resource management. *Journal of cleaner production*, 208, 806-815.
- [14] Murphy, C., Klotz, A. C., & Kreiner, G. E. (2017). Blue skies and black boxes: The promise (and practice) of grounded theory in human resource management research. *Human Resource Management Review*, 27(2), 291-305.
- [15] Perdomo-Ortiz, J., Gonzalez-Benito, J., & Galende, J. (2009). An analysis of the relationship between total quality management-based human resource management practices and innovation. *The International Journal of Human Resource Management*, 20(5), 1191-1218.
- [16] Semenov, A., Kuksa, I., Hnatenko, I., Sazonova, T., Babiy, L., & Rubezhanska, V. (2021). Management of Energy and Resource-Saving Innovation Projects at Agri-Food Enterprises. *TEM Journal*, 10 (2), 751 - 756.
- [17] Sgarbossa, F., Grosse, E. H., Neumann, W. P., Battini, D., & Glock, C. H. (2020). Human factors in production and logistics systems of the future. *Annual Reviews in Control*, 49, 295-305.
- [18] Singh, S. K., & El-Kassar, A. N. (2019). Role of big data analytics in developing sustainable capabilities. *Journal of cleaner production*, 213, 1264-1273.
- [19] Yoon, K. B., Kim, H. S., & Sohn, S. Y. (2008). An air force logistics management index for effective aircraft operation. *Transportation Research Part E: Logistics and Transportation Review*, 44(6), 1188-1204.
- [20] Zherdetska, L., Diatlova, Y., Diatlova, V., Derkach, J., Goncharenko, A., & Zos-Kior, M. (2021). Digital banking in the marketing mix and human resource management: improving the approach to the assessment as an innovative component. *Laplace em Revista*, 7(3A), 111-119.