This paper aims at summarizing the development of human resources management (HRM) highlighting the contribution of the researchers and teachers of KTU Economics and Management Faculty (KTU EMF) into the development of this area of management. The paper distinguishes the following main sections:

- a short review of HRM science and studies in Lithuania including the period of the first independence of the state, the Soviet period and the period of the recent 18 years of independence;
- development of research in the area of HRM at KTU EMF focusing on the formation process of researchers in this area, the main areas of research and their importance for the Lithuanian economy;
- The place of HRM studies within the University study program in reviewing both the training of engineers in management and the management studies program for social sciences as well as improving professional skills of working specialists.

The conclusions and suggestions for the development of research and studies of HRM as well as for cooperation with universities of EU and other universities world-wide are presented.

Keywords: management, personnel management, human resources management, development of human resources, career, competencies, training, improving professional skills.

Introduction

Human resources (HR), replacing the former terms of labor force or staff, is the main factor determining the success of activity. This is one of the three production factors (work objects, working tools and labor force) which became the main factor of production in the last century. The ability to change, to adapt or even to overtake the ongoing changes is the main adaptation factor in the changing environment.

Several stages in the HRM development can be distinguished:

1. In the young independent state of Lithuania between 1920 and 1940, the greatest attention was devoted to taking over the experience of developed Western countries in the area of HRM.

2. In the period under socialism two stages can be singled out:

   - the early stage which is characterized by a command nature of centralized one-party management and a high degree of isolation from Western world.
   - the ‘warming’ stage characterized by reduced isolation, efforts to take over experience of developed countries adapting it to the requirements of the socialist theory and practice.

3. The period of accession of HRM system to the European and world-wide system with a view to create a system based on national development principles, but oriented to the common HRM development system of market countries.

Characterization of research is based on 30 year-long working experience of the author and his team in teaching and research in HMR area which is summarized in over 100 scientific papers, monographies and numerous text-books reflecting the development of attitudes towards HRM and its practice.

In the introduction we would like to give an explanation of the allegedly essential difference between the concepts of personnel and HRM. According to P. F. Drucker (2001), differences emerge because of old dogmas which, if taken into consideration, fail to meet modern conditions. As the present level of skills of the staff has risen considerably, other management principles have to be followed:

- people need not be administered;
- they have to be motivated;
- the aim is to make each individual’s specific skills (competencies) most efficient.

These requirements, however, are not the only ones, and the scope of their application depends on the level of the company and its staff as well as on numerous internal and external conditions. If the main focus of attention in personnel management is meeting the needs of the company, and the staff has to comply with these requirements, the human resources management should concentrate on mutual coordination of interests and development of personal competencies. But, if the principles of modern management are to be followed, the difference between personnel management and HRM should not be regarded as significant. In Lithuania, as in German-speaking countries the concept ‘personnel management’ has been popular; therefore, misunderstandings with people from English-speaking countries do occur occasionally, who, as a rule,
give a negative implication to this concept because of its name rather than content.

**Personnel management in Lithuania in 1918-1940**

Independent Lithuania had no scientific institution to deal with management issues. In 1938 V. A. Graičiūnas organized the Society of Scientific Management. He was a Lithuanian scientist of the world fame who established scientifically the size of the management norm for a high-rank manager, i.e. 5-6 direct subordinates (Management in Lithuania, 1991). On his initiative, the course in management science was offered for students of engineering at Kaunas University.

The theory and practice of professional orientation was the point of interest to psychologist J. Vabalas – Gudaitis. Thanks to this scientist, the study of psychotechnical professional selection under the Kaunas Trade School was started in 1928.

In the year 1926 P. Raulinaitis published the book “Principles of Administration” which included the fundamentals of management according to H. Fayol.

Prof. S. Nacevičius in his paper “Taylorism and Fayolism in Agriculture, or the Study for Rationalizing Agricultural Work” demonstrated the versatility of management methods.

S. Galvanauskas in his article “Work in Administration Institutions” analyzed the problems of selection and recruitment of employees as well as labor organization problems.

The above examples show that the specialists of Lithuanian industry and other fields got acquainted with the newest achievements in management and personnel management which were applied in the country’s economy to a certain extent.

**The Soviet Stage of Development of Personnel Management**

The period of totalitarian one-party management of personnel (up to 1970s) can be characterized by the following features:

1. Ignoring foreign science and practice, or showing only its negative aspects.

   For example, speaking about the good sides of taylorism as a sweat-pressing system in terms of management, the final statement used to be the following: “This was not for the sake of the worker, but, rather, for a bigger profit”.

   If there ever was a suggestion to implement some foreign experience, including that in personnel management, this idea was presented as the decision of the party neglecting the fact that this idea had already been substantiated scientifically and implemented in the West.

   Mostly, the idea used to be adapted to the requirements of the socialist theory, thus, its very essence was infringed.

   But the worst thing in that period was that all achievements in foreign research and studies were behind the ‘iron curtain’.

2. At that period, personnel management was looked upon with regard to these statements:
   a. “We are all specialists in personnel administration”.
   b. “In personnel management political reliability is more important than professional skills”.

The effect of this attitude was low skills of personnel administration and management specialists in general. The heads of the enterprises were, as a rule, engineers who had acquired their management skills in practical activity. The professions of manager or economist belonged to the secondary professional group of employees. Personnel management specialists were not trained in any higher school. More often than not, the heads of personnel departments were selected from the activists of the Komsomol organization, the Communist party or trade unions, who after their term of office were of poor qualification, but otherwise suitable for personnel departments.

This approach highlights one very important characteristics of the specialist in personnel management, i.e. his/her personal features, but the necessity of professional competence is neglected. The effect of this approach still influences the qualification structure of HRM managers.

3. One other specific feature typical exceptionally to the Baltic States should be mentioned. It is related to the acquired education of teachers’ staff and work experience under the market conditions. A number of Lithuanian teachers of that period had a university education, or some work experience in pre-war Lithuania, western style of management being a constituent part of their education and practice. Such teachers were V. Gubavičius and B. Prokopčiukas, Assistant Professors of the present Faculty of Economics and Management who were ardent followers of V. A. Graičiūnas’ management theory. The influence of senior relatives’ experience to the ideology of the students of those times has to be taken into consideration, as this ideology could be characterized by mistrust and disrespect to socialist ideas. These peculiarities made it easier for senior employees to survive in market conditions.

The second stage, i.e. ‘warming’ period of socialism is also characterized by some new specific features.

1. Broader opportunities for contacts with Western countries resulted in the increased number of employees engaged in research and teaching who got acquainted with the theory and practice of management and personnel management in the West.

All this led to the publication of new textbooks and monographies; in addition, new personalities, often rather influential appeared who modified and updated the study programs of the universities and departments. At this stage, HRM can be regarded as equal to personnel management.

The works by G. X. Popov reflecting the newest developments of the Western countries in this area are of great significance.

The Faculty of Economics and Management, on the initiative of P. Tvarionavičius, who had had probation studies in France, started to organize a group of researchers to deal with problems of personnel development. Consequently, a group of Doctoral students were admitted; majority of them, including the author of this paper, were engaged in the field of personnel management. There followed active cooperation with other universities, specifically, with Moscow and St. Petersburg Universities who had more profound information on Western achievements. This stage is characteristic of the development of research in this area.
2. The society’s greater interest in the problems of personnel management and, specifically, administration.

The proof of this might be the number of lectures delivered and the competence of lecturers. This affected the changes in the practice of personnel management. Bureaucratic one-party style of management also had some effect on the changes in personnel management practice. The party meetings and plenums raised problems to be dealt with which were actually important, but, because of their temporary character, constant amendments and formal control of execution, real work was formal, and only the titles and headlines were changed rather than the content of work.

The system of HRM within the EU and worldwide system

After Lithuania regained its independence, the country’s transition to the market system and the consumer market, and the appearance of new economic structures resulted in the need for the high ranking managers to address new tasks. It was their responsibility which determined the survival of the companies in the changing market. This also made the importance of HRM more significant.

Great impetus for these processes was given by the accession to the EU, the formation of international labor market, establishment of foreign companies and foreign partnerships and other factors. All this led to more rapid reorganization of all economic structures, educational institutions, and industrial enterprises.

The following are especially important for this stage:
- to abandon old traditions based on obedient execution, rather than initiative, which are still viable in many areas of activity;
- to train personnel management specialists able to meet market requirements;
- to adapt the most modern theory of personnel management and practical achievements for new Lithuanian realities and to take active participation in implementation.

The Lithuanian universities engaged in training researchers and specialists have to play a special role in realizing these tasks.

Development of research in the area of human resources management at EMF

The start of research in the field of HRM is the year 1975, when, after a long-term probation studies in France, Prof. P. Tvarijonavicius set up a group of young researchers. In 1976 E.S. Labutiene maintained the thesis “The French National System of Training Specialists and Improving Professional Skills”. In 1981 two dissertations were maintained which addressed the issues of establishing the number of management personnel and structure. This problematics was included into the plan of researches coordinated by the Ministry of Higher Education. The research carried out in this area reflected the need to solve the problems of planning both under the conditions of stable development (Sakalas A., 1996, 2001) and under market conditions (Sakalas A., 2005).

Today’s research can be referred to as research into the system of HR development. As many as six dissertations have been defended in this area.

The methodology and the study carried out provide the possibility to evaluate the level of personnel development in the Lithuanian enterprises (V. Kumpikaite, A. Sakalas 2005). They maintain that Lithuanian companies, especially the larger ones, accept modern requirements for HRM system; nevertheless, specific features typical to this country, do exist. A lot of smaller businesses pay insufficient attention to HRM problems; however, this interest is continuously increasing. It has been observed that the staff tends to seek knowledge, but alongside with enterprises which understand the importance of education, there are companies which consider education as the business of employees themselves.

Analysis of career motivation (R. Ėnitienė, A. Sakalas 2002, 2004) leads to the identification of several specific features of the problems in this analysis:

- In career formation it is essential to take into consideration women’s interests since they account for a big portion of managers;
- Though the level of remuneration is rather low, there are very high requirements for interesting work and the possibility to improve professional skills;
- It is to be noted that formal elements of career formation are more or less applied only in larger companies;
- Slow career is replaced by rapid career. Also, there exists a great resistance of senior managers to a rapid career of junior managers. This is related not only to their habits, i.e. long-time career, but, also, to low pensions which by no way encourage retirement.
- Though the role of vertical career is by no means diminished, the role of horizontal career has grown considerably, the re-qualification of employees playing an important role.

Lithuania’s accession to the EU and integration into the European and world markets disclosed one other important aspect of personnel development, i.e. development of the required competencies. This is a very important today’s problem, because many researchers stress that greatest attention is focused on the formation of professional competence, rather than to the development of personal, social and emotional competencies (Drejer, 2000).

The works carried out under the guidance of Savaneviciene A. allowed us to distinguish two main fields of research. The first encompasses methodological substantiation of competences and research into the structure of competences and study of models (Boyatzis, 1982, 2002; Spencer, Spencer, 1993; Collin, 1982, 1997). The second field is related to the research of the competences development models and training systems within organizations (Bristow, Bucner, Pease, 2002; Drejer, 2000). Irrespective of the focus on priority of HR, it can be noticed that these fields of research more often than not are reduced only to the problems of developing employees’ competences within the context of organizational needs, and the need of the individual’s competence.
development is of the secondary importance. Currently, there emerged the idea that the individual’s strategic competences are of the utmost importance. They are of universal nature, independent of the area of activity (Thompson, 1998; May, 1999), ensuring long-term success (Drejer, 2000), and they can be developed (Bennis, Nanus, 1997; Berger, Berger 2003; Maxwell, 1999; Simmon, 1996; Schuler, 1998).

The research of HR shows that in recent years the movement of employees has been increasing, and their loyalty has been diminishing. Under such situation, the importance of ‘hard’ competences (i.e. those dependent on specific features of the organization’s activity) is decreasing, and that of ‘soft’ competences (i.e. personal, social, emotional) is increasing.

The projects carried out in collaboration with other European universities and funded by Leonardo da Vinci programs have been performed in the area of competence development: “Development of the individual’s strategic competences in the European integration context” and “Methodology of study of common European business cultural values”. The application for participation in the project “LQW in the European context, coordinator ArtSet Qualitatstestierung, GmbH (Germany) has been prepared.

With the aim to define strategically important competences of the individual, 879 respondents from 8 countries of Europe took part in the research in 2007. The research established the most important strategic competences and the ways of their expression; the catalogue of the individual’s strategic competences describing the individual’s abilities in the areas of leadership, strategic thinking, purposefulness and cooperation was worked out (http://www.sicdevel opment.org).

The next stage dealt with the possibilities of developing strategic competences within the organization. The development of the individual’s strategic competences is very complicated due to direct relation with the individual’s personal motivation of competences development. Development of the individual’s strategic competences is not only the problem of regulatory system, but, rather, the problem of the viewpoint. Siebenhuner (2007) stresses the importance of the viewpoint and values which have a significant influence on individual development of competences

The possible learning methods, their strengths and weaknesses have been analyzed. All these statements are realized in the prepared methodologies, the practical verification of which demonstrated their applications.

With a view to practical realities of Lithuania, the problems of personnel development are addressed not only in business, but also in the enterprises of the public sector. The new public management based on the transfer of management principles of business sector into the public sector, calls for reorganization of the HRM of the public sector. The researches carried out in the municipalities of the public sector (M. Vienaži ndiene et al., 2007; R. Čiamiene et al., 2007) lead to the conclusions that:

- the changes in HR development system depend on the implementation level of the new public management in municipalities; however, the opposite effect has also been observed, i.e. the level of personnel development system tends to determine the implementation level of the new public management.
- in general, the municipality employees accept the new requirements of public management, i.e. implementation of market principles in public management;
- development of HR of the public sector has its own specific features which affect HRM of the public sector.

In summarizing it is possible to maintain that focusing only on the management principles of business enterprises is not the right approach, since they have to be in accordance with positive aspects of administration theory (Weber M., 1947). For this, coordination of both theories as well as a long transitional period are necessary, the latter depending on traditions and specific conditions.

Research in the area of personnel development is closely related to the research in the area of training management specialists. The demand for management specialists during the transition period to market system has greatly increased. The development of the required competences, however, rather than quantitative growth is of importance. The competences and their level necessary for the management specialists (B.Martinkus et al. 2002) among the Lithuanian management students proved that the main problem lies not in professional training, but, rather, in social and personal training. Much greater attention should be devoted to professional selection and formation of personal and social competences.

Development of studies and professional improvement in the area of human resources management.

The necessary condition raised for the European universities is coordination of studies and research. The results of research in the area of HRM form favorable conditions for training management students in the area of HRM.

The management and economics programs offer subjects of personnel management, knowledge management, labor economics as well as general subjects which provide knowledge about the newest theoretical and practical achievements in the area of HRM. The newest theoretical achievements and the results of research are reflected in the textbooks by A. Sakalas (2003), B. Martinkus et al. (2006).

Taking into consideration the demand for management specialists in the Lithuanian economy, KTU Faculty of Economics and Management was the first to start training Bachelor and Master students for this field more than ten years ago. The personnel management specialization program offers the subjects designed to ensure professional level of specialists (personnel strategic administration, personnel development, leadership, making administration decisions, personnel audit, labor law, etc.) and developing their skills in communication and team- work. The specialists of this specialization are in great demand in Lithuanian companies and abroad.

Great attention is devoted not only to training future specialists in economics and management, but also to re-qualification of technical students engaged in work and
their professional improvement. For this purpose the Personnel Development Centre is established to do research and practical activity, to develop leadership competences in the area of economics and management. Its main tasks are:

- research and applied works in HR development and consultation of specialists in this area;
- professional improvement and consultation of company managers and specialists in economics and management;
- education of engineering students in economics and management and granting the second diploma in management and business administration or Bachelor’s degree in economics;
- training chiefs and specialists in economics and management and granting them the second diploma in management and business administration or Master’s degree in economics. Studies are carried out in a form convenient for the students, i.e. intensive courses and distant learning are offered in Kaunas and other places of the country;
- preparatory course for college students, also teaching of non-economics and non-management graduates before taking Master studies in economics and management.

Ways to improve training of engineers. Small and medium businesses require specialists with not only the knowledge in engineering, but also in management and economics. Earlier this niche was occupied by engineers-economists. Currently, this kind of integration is not allowed by legal regulation of higher education.

Realistic demand for integrated specialists is satisfied by special measures initiated by the faculties of Social Science (for more details: Sakalas A., Venskus R., 2007).

Managerial/economic aspect of integrated training and improving skills. As the need for improving skills of such type is not diminishing, it proves the necessity of such measures.

One of the main tasks is to create conditions for the future engineer to acquire a second profession (manager-economist) (Fig.1.).

![Figure 1. Realization of second diploma](image1)

The students of engineering faculties, starting with the second year, have the opportunity to study at the Faculty of Economics and Management simultaneously. The study plan is coordinated with the curriculum of full-time, part-time and correspondence departments. Engineer’s diploma, additional studies and final paper make up the basis of second diploma, i.e. Bachelor’s in Economics and Management.

Even though the volume and intensity of studies are large enough, the studies are in great demand (each year second diploma is granted to over 10 graduates of engineering faculties).

The second task is improving professional skills of working population (Fig.2.) by giving them a chance to get second diploma in management or economics.

![Figure 2. Improvement of professional skills of diploma engineers and college graduates](image2)

A diploma engineer, before taking Master studies in economics and management, has to finish preparatory 20-credit term. Even though this form of studies is available for specialists –university graduates, there are plans to admit college graduates and extend the preparatory term up to 78 credits in the future.

The most specific feature of this program is its intensity and the chance to choose the most suitable schedule combining day-time, part-time and correspondence studies. Individual work and distance learning are also of the utmost importance. In re-qualification working specialists in Master studies of business administration and economics, close ties are maintained with colleges of Alytus, Marijampole and Utena. The program for preparing college graduates to join Master studies in management and business administration has been worked out.

The success of PUC lies in efficient cooperation of employees with the country’s and foreign organizations.

The accumulated scientific and educational potential allows creating the program of Human Resources Management designed to improve competences of working personnel department employees.

The success of PUC today is partially dependent on long-term cooperation with the Management Centre Scgloss Lautrach (Germany) within the framework of the TRANSFORM program. In 1990-1995, by applying the methodology of dual management training, over 100 chiefs were re-qualified, long-term practical work was organized for them and for teachers of EMF HRM in German enterprises. Five faculty teachers were certified as moderators.

Constant moderation of projects in professional improvement (“Dual management training for workers of
business enterprises”, “Improving administration and technical skills in implementing INTERREG program” as well as of individual professional improvement courses make a great influence on improving employees’ competences.

Conclusions

1. Personnel management theoretically was recognized as an important factor even under socialism, and it underwent several different stages.

   In the early stage there were efforts to create an isolated personnel management. The knowledge of personnel management in Western countries was fragmented, and its propagators were teachers – graduates of pre-war Lithuanian or foreign universities.

   In the later, so-called ‘warming’ period, propagation of progressive experience was raised to a higher level, though, with the underlying socialist implication. The opportunities for professional improvement studies abroad became more frequent, and the circle of people ready to share this experience and implement it practically expanded greatly.

   Both periods are characteristic of a large gap between the theories of socialist style of personnel management and their practical realization. It was because of command working methods and insufficient motivation of employees to carry out realistic re-organization.

2. Research in the area of personnel management at EMF KTU originated in the second, i.e. warming period. A problem-solving laboratory was established and the first Doctoral dissertations were defended, the researches to be carried out were included into the plans coordinated by the Ministry of Higher Education. The researchers started participating in international conferences.

   Unfortunately, the results of these researches failed to be reflected in the standardized plans approved by central administrative bodies.

3. The trend formed on the basis of these researches, i.e. development of HR, became extremely efficient after Lithuania regained its independence.

3.1. Great achievements were made in scientific research. As many as 7 dissertations were maintained, also, the scope of research in terms of content and areas under study was expanded. The research, apart from planning of the number of personnel and its structure, was expanded and encompassed the problems of personnel culture, evaluation of content and level of development system, leadership, career planning, and development of competences. The current researches, apart from industrial organizations, include those of agriculture and public sector.

   The researches carried out lead to the statement that tendencies and level of human resources management in Lithuanian enterprises are in accordance with the development in advanced Western countries. Several specific features can also be observed. For example, despite rather low standard of living, advanced motives seem to be prevailing, challenging work, initiative and education being a priority. Insufficient qualification of personnel department managers as well as low level of social competences are also evident: lack of initiative, poor communicative skills, etc. This is especially typical to aged employees.

   Promising researches are related to the transfer of HRM principles of business enterprises into the public sector.

3.2. We can state that the results of researches are closely related to studies. Here, two branches can be distinguished: training of HRM specialists and re-qualification of employees as well as improving professional skills.

   EVF KTU is the first higher educational establishment which started training Bachelor and Master students in personnel management. The study program is fully provided with teaching materials. The students of this program are in great demand and successful in local and foreign companies. To further improve training of specialists in this field, it is planned to work out the expansion HRM program for Master students in which all subjects will be related to personnel management problem.

   Re-qualification is going to follow several forms:
   - additional training of students of engineering faculties followed by second Bachelor’s diploma in Management and Business Administration, or Master’s diploma in Economics;
   - training of working managers and specialists followed by second Master’s diploma in Management and Business Administration, or Economics.
   - professional improvement of working personnel.

   Scientific experience of employees and high teaching skills result in successful implementation of all professional improvement forms and application of team work in education process. The demand for studies is increased by the opportunities and different forms of distant learning.

   In conclusion, we can maintain that HRM is one of the areas in which significant results by combining research and studies have been achieved.

References

17. Sakalas A. Bedarfsplanung des Personals // Economie und Management, 2001, Nr. 4, s. 46-49.

Algimantas Sakalas

Žmogžūkį jį išteklių vadyba – mokslos ir studijos KTU Ekonomikos ir vadybos fakultete

Santrauka

Šiame straipsnyje apibendrindama žmogžūkį išteklių vadybos (toliau ŽIV) raidą, akcentuojant Kauno technologijos universiteto Ekonomikos ir vadybos fakulteto (toliau KTU EvF) mokslinių ir pedagogų indėlį į šios aktualios vadybos sritis plėtotąją. Straipsnyje išskirti šie pagrindiniai skyriai:

- trumpa ŽIV mokslo ir studijų apžvalga Lietuvoje: apimamas nepriklausomybės, tarybinis laikotarpis ir pastarųjų 18-ų metų mokslinių laikotarpis;
- mokslinių tyrimų ŽIV srities raiša KTU EvF: aptariamas mokslinių kadrų formavimasis procesas ŽIV sritėje, pagrindinės tyrimo kryptys ir jų reikšmingumas Lietuvos šalyje, tyrimų įtakos mokslų šaltinių Europinės erdvės;
- ŽIV studijų vieta universiteto studijų programoje: apžvelgiamas tiek mokslinių tyrimų nuoseklumas, tiek socialinių mokslų Vadybos studijų programa, tiek dirbančių specialistų kvalifikacijos kėlimas.


Teigiamai, kad mokslinių tyrimų rezultatai glaudžiai susiję su studijų programų suformavimu. Čia galima skirti dvi kryptis: ŽIV specialistų rengimas ir darbuotojų perklaukavimas, kvalifikacijos kėlimas. KTU EvF yra pirmoji Lietuvos aukštoji mokykla pradėjusi rengti personalo vadybos bakalaureus ir magistrus. Darbuotojams perklaukėti yra taikomos kelios perklaukavimoformos:
- besudziuojančių inžineriniose fakultetoose studentų papildomas mokymas, - suteikiama jiems antras vadybos ir verslo administravimo ar ekonomikos baka lauro diplomas;
- dirbančių vadovų ir specialistų mokymas, - suteikiama jiems antras vadybos ir verslo administravimo ar ekonomikos magistro diplomas;
- dirbančių specialistų kvalifikacijos kėlimas.

Apibendrinant galima teigti, kad ŽIV yra viena iš tų sričių, kurioje, derinant mokslinius ir tyrimus ir studijas, pasiekti reikšmingų pasiekimų.

Raktas: vadyba, personalo vadyba, žmogžūkį išteklių vadyba, žmogžūkių išteklių ugdymas, karjera, kompetencijos, mokymas, kvalifikacijos kėlimas.

The article has been reviewed.

Received in July, 2008; accepted in October, 2008.