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Investments in human resources in self-government administrations

Currently we can observe increasing role of human capital in self-government administration. The reason of such situation is that human resources become a determining factor of development and making functioning of various organizations easier. On hired people depends the way and work organization, as well as the possibility to satisfy in the better way the needs of local society and caring about dependent area. Every organization, including public institution covers several elements – subsystems: aims and qualities, technical, organizational structure, management and human. The research was conducted in Municipal Office in Rzeszow in May 2014 with the help of questionnaire. Their subject was about employees in the municipal office and their satisfaction and analysis. The bigger values employees have, the better will be the quality of administration unit work. The aim of the article is the analysis of investments in human capital on the basis of Municipal Office in Rzeszow. Research shows that employees of Municipal Office in Rzeszow access positively their abilities and qualifications, however also want to constantly be able to take part in trainings and scholarships. Results give a possibility to observe positive as well as negative phenomenon in the investments in human capital area in particular city, for instance weak factors can be observed such as bad organization of clerks work or inappropriate taking care of customers affairs however results show that office's customers are satisfied with promptness and level of provided services. Such researches can become essential condition to correct and appropriate decision making and later on mentioned decisions will become a basis of performing activities by changes in the functioning of municipal offices.

Key words: investments, human resources, development, self-government, administration.

Important task of community, as the basic local government unit, is satisfying the needs of local societies and caring about developing of dependent area. Essential for community development is efficiently functioning self-government administration initiating and assisting in developing activities. Because of this Municipal Offices are created as an organizational entity which from the one hand is realizing back-office services for community organs, while from the other is responsible for taking care of public affair. Municipal office does not have «own» tasks (according to the law about self-government), but realizes tasks contracted out by executive and other community organs. The quality of realized tasks and done activities depends majorly on the employees hired in the office.

Currently big attention is put on research regarding human resources, including the one hired in self-government administration. The reason of such situation is that human resources become a determining factor of development and making functioning of various organizations easier. We can observe collaborations between the quality of human capital and the life of society on particular areas because local citizens are clients which office is supporting. City administration is responsible for its development. The more qualified and valuable hired people are, the better will be the quality of work in local government unit [Wachowiak, 2005].

The aim of the article is the analysis of investments in human resources basing on Municipal Office in Rzeszow.

Municipal Office as a public institution. Public institutions are organizations that act in the public affair area ¹, which is regulated by legal public norms. Their task is

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¹ Public area, so the one of public affair, „allows to determine mutual relationships between society and public administration”, por. Niczyporuk J., Sfera publiczna, [in:] Prawna działalność instytucji społeczeństwa obywatelskiego, pod red. J. Blicharz, J. Boć, Kolonia Ltd 2009, p. 119.

protection of public interest. In Polish Law they are equated with public entities, also with self-government units. Such organizations provide public goods and services. They possess all features of other organizations, however also have specific system of aims and values, which result in the character of internal and external relations [7, p. 108].

The sense of such investment can be understood by characterizing forms of services performer by them [7; 10]:

- providing services for citizens, so the ones connected with nationality and living on particular area, for example in the range of public safety and environment protection;
- providing utility to households in the area of socio-economic life; this is the most important from citizens point of view when private organizations are not making it on their own risk, for example: organization of social care, free education on the basic level;
- -providing services which are creating conditions to allow to function of sectors properly: private, social and public. As an example here investment in social and technical infrastructure can be given as well as safety of economic turnover and regulation regarding equal treatment of all sectors.

Taking into account features connected with such investments below is the list of major task of Municipal Office: 1) preparing materials essential to draw out laws, making decisions and other acts in the area of public administration as well as taking other law activities by community apparatus; 2) preparing the project of budget and report of its accomplishment; 3) basing on achieved authorizations doing activities in the area of community functioning; 4) providing to community bureaus possibilities of receiving and doing the queries and applications; 5) realization of other duties according to the law and by law of community bureaus; 6) providing organizational and technical condition to perform council session, meeting of its commissions, deliberations and other meeting of people functioning in community structure; 7) preparing collection of acts about city law to be publically available in the office headquarters; 8) doing administrative office work basing on the acts in this area, especially providing internal turnover of acts, their storage and giving the acts to archive as well as taking, sharing and sending correspondence; 9) doing the duties of rights of municipal office as an employer – accordingly to obligatory labor legislation.

Importance and forms of investments in human capital

Every organization, including public institution covers several elements – subsystems: aims and qualities, technical, organizational structure, management and human. Numerous authors highlight that humans are the basic capital [6].

The human capital term came in to permanent use in the second part of XX century.

Human resources is the part of organization that can learn, change, introduce innovations, work creatively and who is motivated appropriately will provide long-lasting functioning of organization. Moreover «human capital» covers all features of people (knowledge, possibilities, health, motivation). Those make a source of future incomes for employee as an owner of human capital as well as for organization which is using mentioned capital [12, p. 45].

Investments from the other hand are expenditures, majorly concentrated in time and made in connection with future advantages. They can be understood as a resignation of current consumption to achieve bigger future one. Such advantages are gained most of all in long period of times, so due to not safe future they are always fraught with risk [15, p. 9; 4].

Investments in humans are from the other hand defined as «all activities that have an impact on future financial and physical income due to increasing resources in people» [1, p. 22].

Investments in human resources mean the type of non-material investments that consist in aimed, fraught with risk bearing the financial and non-financial cost that mean for some period of time making expenditures (financial and non-financial), aimed at increasing the quality of human capital in organization. This enables the organization the survival and is increasing its attractiveness as an employer [9, p. 32].

Investments are such type of organization expenditure that lead to accumulation of human capital or its increasing productivity. They differ regarding various factors from other investments for example financial ones. They are specific among others because of they are fraught with high risk and the return on investment is extremely hard to access.

That is why organizations need to decide whether to abort such investment and also choose their type. The specificity of investing in human capital is characterized by the fact that employees are deciding or co-deciding about its form in which they are going to participate [13; 8; 11].

Employees can take into consideration the impact of such investments on their financial situation (among others the level of achieved income during the investment and after it) and socio-psychological (for example the impact on career possibilities). In contrast from the employer point of view important in choosing the investment have financial possibilities and impact of investments on municipal office working. While choosing the form of investments essential are also tendency and willingness to invest.

In the group of basic forms of investments in human capital we find: formal educating on all level of education, studies of adult people, trainings during the working hours and scientific researches. In self-government administration important role place also scholarships and gaining the knowledge during the studies. Trainings are important, however extremely hard task as they require detailed analysis of advantages and costs and also stating basic criterions of the aims of such investments. It affects particularly managerial positions, because mainly on them depends functioning of such organizations.

Methodology of the survey. The research was conducted in Municipal Office in Rzeszow in May 2014 with the help of questionnaire. Their subject was about employees in the municipal office and their satisfaction and analysis. Moreover analysis of the development needs and assessment of quality of functioning municipal office was made. In the municipal office currently there are 691 employees which are located in 29 departments and 4 one-person positions. Questionnaire was made in the group of 196 people working in all departments and among 280 citizens of the city.

Survey results. The first part of the research concerned employees. In the first question they were answering how they rate on basis of merit the knowledge necessary to work on particular position. It appears that as much as 50,8% think it's very good, 39% – good, 8,5% – average, and only 1,7% not necessary. Interviewees were also asked if they understand the term of «investments in human resources». For 79% of people it is known, they can define it easily, however for the outstanding part it is hard to define.

Next question concerned the fact if they took part in trainings, seminars or other forms of raising their qualifications. On such question 81,4% answered positively, only 18,6% negatively. Answers are corresponding as on the question of Authoress made in municipal office. We asked what was the number of people who took part in such trainings. The answers were as follows: 2010-339, 2011-281, 2012-221 and in 2013 almost 200. Decreasing number is the effect of even finishing the studies by part of employees who have already taken part in similar seminars. On subsequent question interviewees were answered if the participation in scholarships/trainings if increasing their qualifications. Here 72,9% gave the positive opinion, 27,1% negative one. Nevertheless of the fact that not all employees were compatible here, when next questions occurred about validity of such trainings almost 96% of people told that yes. This means that they are aware of the constant need to increase qualifications.

Moreover people were asked what form on investments in human capital is the most important for them. Here majorly trainings/scholarships were listed – 58%, education including bachelors, master and post graduate studies – 35% and self-educating – 7%. Many of recipients additionally mentioned here professional experience.

The second part of survey concerned the opinion of citizens – clients of the municipal office regarding the quality and help while working on their affairs. On

the question about factors with the biggest importance for recipients they listed: interest about problem and rapidity of solving them – 38%, giving information by officials – 27%, the help of officials while fulfilling the documentation – 23%. Smaller importance was put here on kindness and fairness of officials – 12%.

Then, citizens were asked about their opinion about number of jobs positions and employees qualifications (if it is necessary for efficiently solve tasks of community). Here opinions were split – citizens complained about too big amount of positions suggesting to totally eliminate municipal police or limitation of positions in administrative and organizational departments. Such opinion was shared by almost half of citizens.

Moreover, there was a question about frequency and way of contacting with municipal office. Citizens claim that they are informed in the sufficient way about what is going on in their municipal office (73%). All information included on their public website are actual.

Another question concerned if clerks are competent enough to give services to customers. Here 53% chose positive answer, 39,3% rather yes and the other part did not answer or selected «totally no» option.

The next question was: do clerks give you sufficient and complete information? For 53,3% the response was that yes, for 39,7% rather yes. Outstanding part answered that no or it is hard to tell.

Essential element of customers satisfaction was the quality of services and promptness in taking care of affairs. In the first example interviewees choose the very good and good rating (87% of answers) and sufficient (12%). Individuals were not satisfied of the quality of provided services. It can be a result of the fact that from 2008 in Rzeszow Municipal Office a system of quality management was introduced, which was constantly developed and improved. From the other hand, taking into account promptness – very good rating was chosen by 65% of people, however 35% chose sufficient option. It signalizes further work needed of employees in city offices in order to improve quality of services.

One of the questions was also to answer if government of Municipal Office should devote financial sources on making employees qualifications better. Unfortunately 45% of recipients decided that employees should do it on ones's own so for their own money. However 35% gave here positive answer. There were also people who did not mark any answer here.

To basic barriers in efficient functioning of municipal office below were underlined: bad organization of work in the office (36%) which means for example unsatisfactory flow of information, the way of managing the work of officials etc. and remanding customers to different person/position (20%). This is sometimes necessary due to different knowledge of employees. Furthermore they listed inactivity in affair realization (18%) and lack of possibility to know the status of required affair (15%). Moreover citizens told that officials were nonobjective in decision making – 11%.

Municipal office is the public institution that can be understood as an organizational unit that is providing services for administration apparatus. It consist of number of people e.g. employees and material ingredients that enable to do required tasks and competences [5, p. 191]. They are organizational entities which are helping village head, mayor and city president in realizing parish council acts and tasks defined by detailed country law [2].

Employees of bureau provide preparing and performing of settlements made in community government. Moreover they can achieve a power to give decisions on behalf of bureau in affairs connected with public administration (art.39 of law regarding community self-government). Furthermore employees can achieve a mandate to represent particular entity of self-government in civil law turnover based on the rules mentioned in basic system laws.

To sum up in the presented research employees of Municipal Office in Rzeszow access positively their abilities and qualifications, however also want to constantly

be able to take part in trainings and scholarships. From the other hand result show that office's customers are satisfied with promptness and level of provided services. Furthermore also weak factors can be observed such as bad organization of clerks work or inappropriate taking care of customers affairs.

The result of research have big practical importance. They give a possibility to observe positive as well as negative phenomenon in the investments in human capital area in particular city. Moreover they allow to correcting them by using appropriate policy. Such researches can become essential condition to correct and appropriate decision making and later on mentioned decisions will become a basis of performing activities by changes in the functioning of municipal offices. Additionally, such research can become the beginning of further analysis in different types of communities, especially rural and smaller ones.

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Гжебик М. Інвестиції в людські ресурси в адміністраціях місцевого самоврядування.

Зараз ми можемо спостерігати зростаючу роль людського капіталу в адміністраціях місцевого самоврядування. Від найманих людей залежить спосіб і метод організації праці, а також можливість кращого задоволення потреб місцевої громади і турбота про підопічну область. Чим цінніші працівники, тим краща буде якість роботи адміністративної одиниці. Дослідження було проведено в муніципалітеті міста Жежув у травні 2014 р. за допомогою опитування. Тематика стосувалась співробітників у муніципальному офісі, їх задоволення та аналізу опитування. Метою статті є аналіз інвестицій у людський капітал на основі муніципального бюро Жежув. Результати дають можливість спостерігати як позитивні, так і негативні явища інвестицій у галузі людського капіталу в конкретному місті.

Ключові слова: інвестиції, людські ресурси, розвиток, самоврядування, адміністрація.

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