

Human Resources Management in Industrial Sector of Mali

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Abstract

*Over the last decade, much research has been conducted in the field of human resource management (HRM) and its associations with firm performance. Prior studies have found substantial positive evidence for statistical associations between HRM practices and improved firm performance. The purpose of this study is to investigate the relationships between HRM practices and firm performance in industrial sector of Mali. It is hypothesized that HRM practices could positively influenced profitability and turnover. Data were collected by the results of the industrial census of Mali in 2006. This industrial census was carried out from January 1 to June 30, 2006 by the planning cell and of statistics (CPS) of the Ministry of industry and Commerce (MIC) in collaboration with the Direction National des Industries (DNI), and with the technical support of the National Directorate of statistics and Informatics (DNSI).
Key words: human resources, industrial sector, management.*

Introduction

African countries operate in a dynamic global environment and often, as changes happen elsewhere, developing countries move in stride to adopt, adapt to and accommodate the new developments. The 1990s was when the new concept of Human Resource Management was introduced in Africa. Staff management departments and units were changed into human resource functional units, but mostly without any significant changes in people management practices. The mainstream literature propounds that human resource management is a result of the evolution of Personnel Management. In response to the changes in the management and business environment, human resources management had to assume a strategic role rather than an administrative or operational role associated with the more traditional approach (Beaumont, 1992; Schuler and Huber, 1993).

Human Resource Management identifies four characteristics which distinguish Human Resource Management, giving it an 'architect' role, from traditional staff management: integration of human resource policies and practices with organizational strategies, a holistic; coordinated approach to policies and practices for managing people at work; a primary focus on the individual employee as opposed to the collective relations within the organizations; strong organizational value and culture emphasizing a sustainable match between the values of Human Resources and the organization, whereby key elements of HR add value to the organization and returns on investment is simultaneously achieved (Storey, J. 1992).

Other important features of Human Resource Management designed to increase employee commitment and motivation towards organizational goals while meeting the staff needs of Human Resources include the following: greater employee participation in work organization and management, and the strengthening of the role of line managers through approaches such as quality circles; increased internal public relations through corporate videos; joint consultation committees, with membership open to all Human Resources regardless of union membership; employee share-ownership schemes; and performance appraisals to determine training, development and performance feedback. Individualized pay: determined by performance, competencies and market factors, rather than cost of living or collectively negotiated increases; and single status employment conditions and benefits removing the distinction between 'manual' and 'staff' Human Resources (Anthony, Perrewe and Kacmar, 1996).

An organization's success is determined as much by the skill and motivation of its members as by almost any other factor. While this has always been true, the pace and volume of modern change is focusing attention on ways human resources development (HRD) activities can be used to ensure organizational members have what it takes to successfully meet their challenges (Desimone, Werner and Harris, 2002). An optimal level of development climate is essential for facilitating HRD activities (Rao and Abraham, 1986). This can be characterized by the tendencies such as treating Human Resources as the most important resources, perceiving that developing Human Resources is the job of every manager, believing in the capability of Human Resources, communicating openly, encouraging risk taking and experimentation, making efforts to help Human Resources recognize their strengths and weaknesses, creating a general climate of trust, collaboration and autonomy, supportive personnel policies, and supportive HRD practices (TV Rao and E. Abraham, 1986). The top management subscribing to these values is a starting point. When a critical mass internalized these values, there emerges a conducive climate for HRD. This positive HRD climate makes existing systems more effective and makes the organizations more receptive to the introduction of relevant additional system (Athreya, 1988). A healthy

HRD climate certainly bolsters the overall internal environment of the organization, fosters employee commitment, involvement and satisfaction with the job (Mishra. 1999).

Table I

Douglas Mc Gregorsets of worker assumption

Theory X	Theory Y
Employee is lazy	Employee is not lazy
Managers must closely supervise	Must exact work setting to build initiative
Great strict Rule and defined rewards	Provide authority to Workers

This paper focusing on the staff expenses incurred by the industry will define the importance of staff motivation on the sales turnover. Staff quality is a key determinant of success for all organizations, but for think tanks it is fundamental. Senior researchers and policy analysts provide ideas about which problems facing their countries an institute can portably address, direct the analysis on the problems, and proffer policy responses to meet them. Following the Theory X of Mc. Gregor, we empirically analyze the Human resource practice in Mali in different industrial sectors to conclude the impact of staff motivation in the sales of the industry.

In the era of globalization (or globalizaton) and the regional and sub-regional, it is recognized that the industrialization of Mali is still in its embryonic phase according to the last census conducted in 2003 industrial. The industrial sector contributed Mali only 11% of GDP in 2002, 6% comes from manufacturing and provides employment for 13,127 people with a total payroll of 51 billion CFA francs in 2002.

In Mali, the business environment is characterized, among others, by:

- Failure at the Public Administration of a true culture of industrial development;
- The poor or lack of basic infrastructure;
- Insufficient power supply, especially in terms of quality and availability;
- Narrowness and lack of access to the market;
- the high cost of factors of production;
- the lack of support and advice in the field of industry;
- Insufficient research on the industry.

To qualitatively change this situation and reverse the structure of our economy towards a strong industrial sector, and the implementation of rapid industrialization and sustained on the basis of agro-forestry-pastoral

This study's main objective is to achieve an orderly industrial development and training of human resources, rapid and sustained to create 6,000 jobs and industry to increase the share of manufacturing from 6% to 10% of GDP in 2004 to 2007.

Review of Literature

Human Resource Management is directed mainly at management needs for human resources (not necessarily Human Resources) to be provided and deployed (Torrington and Hall 2005). There is greater emphasis on planning, monitoring and control, rather than of problem-solving and mediation. It is totally identified with management interest, being a general management activity and is relatively distant from the workforce as a whole (Michael Poole 2003). Planning is a vital aspect in the human resource operations. Human resource management uses planning to scrutinize the present as it focuses on the future (Budhwar & Mellahi, 2006). The changing market demands require frequent change of strategies in the human resource sectors. Recruitment is a process of attracting a pool of high quality applicants so as to select the best among them (Kulik 2004). There are steps in human resource planning and recruitment depending on the nature of the entity. In practice, the human resource in the industrial sector has to consider appropriate planning and recruitment strategies in order to stay relevant in the Mali industries limelight (Walsh, 2009).

Selection is the process of choosing individuals with the relevant qualifications to fill existing or projected openings. Staffs selection forms a pivotal process in the human resource department. It depicts the nature of workforce an organization is going to establish and nurture for its progress. There are numerous practices played by human resources at retail levels in the Saudi Arabian context. Numerous entities have strived to create a viable selection process where the involved firms provide an equal opportunity milieu for all prospective Human Resources (Van den Bossche, Segers & Jansen, 2010). Some companies undertake employee selection through consultants mandated to embrace such services. Such companies might use various criteria including advertisement of the concerned vacancies, separating applicants, aptitude tests, interviews, and the final selection for the organization's management to verify (Nankervis, Compton & Morrissey, 2009)

Human resources development is the medium that drives the process between training and learning. Human Resources Development is not a defined object, but a series of organized processes, "with a specific learning objective" (Nadler, 1984). Training and Development is a continuous process within the retail industry following the constant emergence of the new business trends and fresh commodities in the market, which might require personnel competency in handling and promoting them (Cartwright, 2003). Practices that ensure effective training and development (TD) are similarly evident in the industrial sector. The retail industry in has strived to enact viable practices to ensure that the training and development efforts are successful hence establishing competitive Human Resources within the organization (Randhawa, 2007). Another viable practice is the consideration of the learning styles and personalities of the target group for appropriate planning of the training processes (Talwar, 2006). Setting clear objectives, knowing the number of trainees, formulating appropriate training and development format, choosing the right venue, and effective training and development appraisal strategies are other viable practices (Ekerman, 2006). Most retail companies have embraced these practices. It is crucial to prepare trainees, explain the rationale of the training and development, incorporate practical demonstrations, and monitor the progress.

Industrial Sectors in Mali

The industrialization approaches used so far by our country have failed to ensure a sustainable industrial growth. As a reminder, we will remember that during the first years of independence, the industrialization of the country strongly saw creation of companies and enterprises of State for vital sectors of our economy (cement, oil, tobacco, sugar, hides and leathers, textiles, fruits and vegetables....etc). The industrial activity that is defined by all economic activities that produce material by processing goods and raw materials was at this time, to the satisfaction of the needs of our populations and decentralized in the economic regions of the country (Kayes, Bamako, Sikasso, Ségou). During their startup, these industrial units, wholly owned by the State, contributed to the creation of a fabric industrial provider of jobs and national wealth. It is useful to note that next to these companies through economic liberalism and State advocated in the early 1970s, a few rare private operators which the figurehead was fire SadaDiallo started, but shyly in the creation of industrial units.

In the mid-1970s, companies and State enterprises have encountered difficulties in its technical, financial and human resource management, mortgaging their survival. This situation led the State in the early 1980s to establish the diagnosis of these units and to be concluded in 1987 with the Bretton Woods institutions a public business sector adjustment program. In essence, the abovementioned adjustment program was part of the progressive disengagement of the State from the productive sector to the benefit of the private (domestic or foreign). In the early 1990s, the State has resolutely opted for an industrial development based on private initiative by limiting its role in the regulation and creating an enabling environment for business.

Currently, the contribution of the industrial sector, despite the advantages and the potential of the country in the agro-industrial field, is still low in the creation of national wealth. Indeed, according to the results of the industrial census of 2003, this sector accounted for 11% of the gross domestic product (GDP) in 2002, and only 6% have been produced by manufacturing enterprises. This situation reflects the fragility of our economy, as heavily dependent on the internal and external economic disturbances. This census, include also the industrial park has 243 industrial enterprises in activity of which 79% are held by national, 9% by foreigners and 12% by related to foreign nationals. This indicates the weakness of foreign direct investment. Nation said the operational objectives to be achieved for the implementation of this directive during the aforementioned period presidential.

The industrial development of our country, despite the ongoing efforts of improving the business environment remains faced with objective constraints, which are the basis of the lack of attraction of investors, especially foreigners for our country. These constraints are mainly due to the quality of factors of production, including the State of the infrastructure-related. The country through various ongoing programs is to improve said factors and business framework (energy, communication, transport, financing, industrial areas, sanitation, training, health justice, simplification of administrative procedures, dialogue State/private). However, tangible results of this different dialogue States/sector privacy). However, the tangible results of these various reforms will be no noticeable short term. . That is why, for the realization of industrialization objectives for the next four years, it would be appropriate, while continuing to effectively programs and reforms in progress, to find the solution relative to the availability of industrial land with little electricity, water, telephone.

Human Resources Management in Industrial Sector in Mali

The industrial strategy will be based on a sector approach. In this context, the Government will favor implementing industrial zones and free zones to promote the creation of new industrial units in the most promising sectors in order to create and develop regional centers of economic growth and social prosperity. The implementation of the new investment projects will be at the level of at least five (05) sectors considered to be highly strategic, namely (i) oilseeds and products collection (Shea, gum Arabic), (ii) the fruits and vegetables (mangoes, potato, tomato, shallot, green beans, peas, sugar, hibiscus), (iii) the animal products (cattle, meat, milk, fish, hides and skins), (iv) the dry cereal (rice(.), (v) the materials of construction (cement, lime, plaster).

The approach aims to strengthen the linkage between Agriculture and industry from the perspective of implementation, in areas of high agricultural production, new industrial units for processing of primary products. It will focus, on the one hand, on the development of the regions and the promotion of exports of industrial products. To do this, strong support will be provided to company projects in the agricultural sector and building materials with aims to contribute to the doubling of number of viable firms. Emphasis will be placed on supporting industrial companies in their effort of modernization and technological adaptation, improvement of the quality of their products and energy control and production costs. Support in the form of renewed competitiveness, will be given to existing industries. Intellectual property assets and digital technologies will be heavily used.

This support will be based on a set of mechanisms relating to the development of information and documentation industry so as to allow regular monitoring of the evolution of the markets. the promotion of the partnership between industry and trade for a market positioning; encouraging the emergence of industries mutually reinforcing in competitiveness clusters; Master of marketing and distribution for improving circuits market share has export.

The industrial strategy will also focus on the use of new technologies, the operation of the national capacity for innovation, the development of a dense network of small and medium-sized enterprises, the development of the partnership developed the strengthening of vocational training to the needs of the industry, the effective fight against counterfeiting and unfair competition.

To attract more investors, particular emphasis will be placed on strengthening the legislative and regulatory framework within the overall framework of a more attractive business environment. In this context, a new more incentive investment code and providing stronger guarantees to investors and a law on the development and management of industrial zones will be developed as well as a law of the private sector for both local and foreign investors from a wide consultation with all actors in the public sector and the sector private. For a better ownership and dissemination of the policy of industrial development, a communications strategy will be developed and implemented. For the financing of investment needs, the current funding mechanisms will be strengthened and diversified through new.

Table II

Industry wise Average (CFA Francs): Year 2003 – 2005

S.N	Industry	Turnover Sales	Value Added	Staff Exp.	Tax paid
1	mining and quarrying	330548.13	201447.07	20812.78	27191.07
2	Production and distribution of electricity. gas and water	67595.10	12590.20	9577.22	71.55
3	Publishing, printing and reproduction of recorded	13010.41	4104.56	904.64	439.22
4	Manufacture of other transport equipment	3080.48	1436.37	229.28	460.47
5	Manufacture of machinery and electrical equipment	14119.68	3164.90	1243.86	201.44
6	Manufacture of furniture; manufacturing activities NCA	2081.92	384.53	138.80	101.51
7	Manufacture of paper, cardboard and paper or cardboard	659.14	81.85	10.22	6.77
8	Manufacture of food products, beverages and tobacco	123488.18	26135.37	11395.02	2161.13
9	Chemical Manufacturing	10500.62	2900.92	882.70	374.55
10	Manufacture of rubber or plastics	8395.20	3172.24	767.26	168.30
11	Manufacture of textiles and clothing	207861.26	33978.66	11021.89	1647.94
12	Manufacture of glass, pottery and building materials	278.17	49.89	21.27	8.81
13	Manufacture of fabricated metal products and metal working	28137.17	5628.15	2542.96	552.74
14	Metallurgical foundry	3938.67	658.63	126.76	41.23
15	Leatherwork, manufacture of luggage, shoes	122.45	39.83	8.75	1.61
Total		813,816.59	295,773.15	59,683.40	33,428.34

The present report covers the results of the industrial census of Mali in 2006. This industrial census was carried out from January 1 to June 30, 2006 by the planning cell and of statistics (CPS) of the Ministry of industry and Commerce (MIC) in collaboration with the National Directorate of Industries (DNI), and with the technical support of the National Directorate of statistics and Informatics (DNSI).

To analyze the HRM practice and its effect on sales turnover in Malian Industries, we take above data and do the linear regression. The objective of this survey is to contribute to knowledge of the industrial sector that will be used for the various users of statistical data

Table III
 Regression Analysis of Variables from year 2003 – 2005 of 15 Different Industrial Sector of Mali

Independent Variables	Dependent Variable
	Beta Coefficients and Significance (P value)
	Turnover
Staff Expenses	0.39 (0.06)
Value Added	0.54 (0.02)
Constant	2.45 (0.00)
Adj R – Squared	0.97
SE	0.43
N	15

Table III summarizes the result obtained from regression analysis of the variables Turnover as dependent variable and Staff expenses and Value added as independent variables. It examines the impact of independent variables on dependent variable in industrial sector of Mali. While examining regression analysis, all control variables are positively significant; Staff expenses ($p < 0.10$) and Value added ($p < 0.05$) with Turnover. This finding supports that increment in staff expenses and Value added are subject to increment in turnover. It shows at the level of 90% significance, there is 39% increment in Turnover with increment in staff expenses. Likewise at 90% significant level, 54% of increment in turnover is attained in increment of Value added.

This finding strongly indicates that staff reward and staff motivation results high turnover. This finding also supports Theory X of Douglas McGregor that employees are lazy and they must be closely supervised and motivational awards should be provided to them.

Summary and Conclusion

This paper proved that Theory X of Douglas McGregor is applied in industries of Mali indicating higher staff expenses results higher turnover. Theory X is the standpoint that traditional management has taken towards the work force while many modern organizations are now taking the enlightened position of theory Y (Boerne, 2006:3). McGregor’s theory Y is linked to the questions in the questionnaire that are concerned about training, monitoring performance, performance assessment, working con

Finally, this research provides the empirical evidence of the importance of staff motivation and reward for the development of industrial sector increasing turnover. This study also focuses the situation of HR management in Malian industries.

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