

## COHESION IN THE EUROPEAN UNION: NEW CHALLENGES FOR HUMAN RESOURCE MANAGEMENT

Liudmila Lobanova<sup>1</sup>, Borisas Melnikas<sup>2</sup>

Vilnius Gediminas Technical University, Faculty of Business Management,  
Saulėtekio ave. 11, LT-10223 Vilnius, Lithuania  
Email: <sup>1</sup>liudmila.lobanova@vgtu.lt; <sup>2</sup>melnikas@vgtu.lt

**Abstract.** The paper considers the problem of improving the management of human resources, closely associated with the cohesion processes, taking place under the conditions of European integration and the European Union development and expansion. It is shown that the cohesion processes determine the basic changes in human resource management, creating the need for using its means and methods to respond to the creation of social and economic common space in the EU. The paper describes the variety of the cohesion processes, identifying new trends of human resource management and emphasizing new demands for consistent updating of human resource management strategies, taking into account such factors as labour market internationalization, migration of people, the development of multiculturalism, etc.

**Keywords:** human resources and management development, European integration, cohesion process.

**Jel classification:** A13, E24, F02, F59, J01, J53, J58, O52

### 1. Introduction

Under modern conditions of *globalization* and *internationalization* of social, political *development* and cultural scientific and technological *advance*, as well as the creation of *knowledge-based society* and economics and *European integration and the EU expansion*, new demands for identifying and solving the so-called *cohesion* problems emerge: adequate realization of these problems and the ability of solving them may be perceived as an important precondition for making true the wishes of modern society for advance.

The problems of cohesion are in the focus of many research works. Their significance is emphasized in the context of social, economic and political development, the advance of culture, science and technologies, as well as the relationship with the environment and the development of safety ensuring activities. Special attention is paid to the problems of cohesion under the conditions of European integration and the EU expansion.

In addition, it is noted that the present level of research into the cohesion problems is *not sufficient* for their solution: the *variety* of cohesion problems, needs and cases have not been identified, and a *system approach* to cohesion and *prevention of the lack of cohesion* has not been developed yet.

An adequate description of the cohesion problems requires the use of the appropriate cohesion *concepts*. It is well-known that there are many dif-

ferent approaches to cohesion and its concept. Despite the existence of various approaches, the concept of cohesion is usually described as *convergence* (or harmonization), meaning the trend of *decreasing the differences* in a particular area of social life, activity or development.

Thus, it may be stated that *cohesion as a process*, describing *harmonization and decrease of differences*, also reflects the orientation to *decreasing or eliminating conflicts or disproportions*, as well as the *realization of wishes for sustainable development and harmonization*.

This approach to cohesion and its concept may be considered to be *universal* in describing the meaning of *the cohesion processes as harmonization and decreasing of differences*. The universal character of this approach requires us to take into account the *diversity of cohesion processes*, realizing that they can be considered and assessed, when a number of *various factors* are taken into consideration. The main of these factors reflect the following types of cohesion:

- the cohesion between various *processes* (e.g. between economic, social, political, technological development or other processes, as well as between social and economic processes, between technological development and environmental protection or between other combinations of processes),
- the cohesion between various *regions* or other *geographically identified spaces* (in this

case, the cohesion between *globally, internationally, nationally* or even locally described regions, may be mentioned),

– the cohesion between various *social groups or social layers* (which may be considered and assessed globally, internationally, nationally or even locally),

– the cohesion between various *activities*, between the sectors of social, economic, political, cultural, scientific and technological development, as well as various *spheres* of social activities or business,

– the cohesion between various *organizations or subjects* engaged in various activities.

Now, under the globalization conditions, the factors, reflecting the cohesion between various *cultures, mentalities*, as well as between the *systems of various lifestyles, ideologies or values*, may be mentioned as particularly important. It is clear that the cohesion of this type may be analysed only if the respective cultures, mentalities, systems of lifestyles, ideologies or values can be, *in principle*, considered *harmonized*, or be able, at least, to exist or evolve *in parallel* (however, even in the cases, when the above cultures, systems of mentalities, lifestyles, or values clearly manifest the *lack of harmony*, the cohesion between them is still *possible* to some extent and even *necessary* and *unavoidable*: even in the cases of disharmony, some naturally occurring *interaction* between the above-mentioned factors, causing the development of vague *signs of cohesion*, may be observed).

It should be emphasized that *cohesion* and *cohesion processes* are perceived as *a basic precondition* for implementing the wishes to achieve the *sustainable development* and *harmonization*. This means that, in the context of the current challenges to social, economic, political development and the advance of culture, science and technologies, reflecting the values of sustainable development and harmonization, the problems of cohesion should be *at the centre of attention*.

It may be noted that the considered approach to cohesion and cohesion processes is not only *universal*, but has the *prospects* of wide application, especially, when it is necessary to comprehend and solve complicated problems, relating to the development, evolution and advance of *large systems*, described from various *perspectives*.

The considered approach is and may be applied in various areas. One of these areas is management and management activities. It is clear that the need for proper response to various requirements associated with various kinds of cohesion means that the respective actions and changes should be made in various management areas. It

can be stated that management methods and means should be directly used to satisfy the particular cohesion requirements.

These management methods and means may be *very diverse*. They may be identified and classified, based on *various criteria*.

Under the conditions of European integration and the European Union expansion, it is possible to respond to the cohesion requirements as follows:

– applying the methods and means of *public policy and public management*, including the methods and means of public policy and public management used by the EU and particular states or their groups, as well as the methods of public policy and administration used by various public management or local government institutions,

– using the methods and means of *business* and other management instruments, including the management methods of various organizations and the ways of improving these methods.

The methods and means of public policy and public management, also including business and other management methods used in response to cohesion requirements, should be very diverse, embracing, actually, all spheres of modern social, economic, political development, as well as the advance of culture, science and technologies and the relationship with the environment. It can be also stated that orientation to cohesion challenges and wishes to respond to cohesion demands may be considered the priorities of public and business management, representing highly important problems of management investigation, practice and profile.

It may be stated that in the study of management practice and management profile aimed at responding to cohesion demands, the consideration of such important problems as *training of human resources* cannot be avoided. This statement is true because the cohesion needs can be and are usually satisfied by methods, associated with *training, development and management of human resources*. Moreover, the priority of the problems of training, development and management of human resources is particularly evident in responding to the cohesion demands and challenges under the conditions of European integration and the EU expansion: one of the main features of cohesion and response to its demands is the *priority* given to the factors, characterizing training, development and management of human resources.

Thus, generalizing the above considerations, the following conclusion may be made: adequate response to current cohesion demands raised in the conditions of European integration and the EU expansion requires us to pay the greatest attention

to measures, aimed at proper training, development and management of human resources. It may be stated that, in its turn, an adequate response to cohesion needs and challenges requires that practical and research works, aimed at investigating these problems, should be given the priority in the context of the works devoted to the improvement of training, development and management of human resources.

## 2. A modern concept of cohesion under the conditions of European integration and enlargement of European Union

The *universal* approach to cohesion and its concept may be applied to diverse conditions of social, economic and political development, as well as the advance of culture, science and technologies: the application prospects of this approach under the conditions of *European integration and the EU expansion* should be emphasized.

It may be stated that *consistent cohesion* is considered to be *the main precondition* for achieving that the processes of European integration and the EU expansion should be really oriented to the statements of *humanism, democracy, environmental safety, morality and social responsibility* and that they could be *effective* in ensuring the *stability* of the European Union as a multifaceted and very complicated system. Besides, social, economic, political, technological and other changes, taking place in the EU, should be clearly *directed at its advance*.

The *priority* areas and trends of cohesion under the conditions of European integration and the EU expansion are as follows:

- the cohesion between cultures, mentalities, lifestyles and systems of values, as well as between the harmonized ideologies spread or being propagated in the EU space,
- the cohesion between social, economic, political and informational development, as well as between the processes, associated with cultural, scientific and technological development and the relationship with the environment, which are taking place in the conditions of European integration and the EU development and expansion,
- the cohesion between various EU regions, various states and their groups (particularly, the cohesion between the so-called “old” and “new” EU member-states), as well as the cohesion between the regions of various countries,
- the cohesion between various social layers and social groups of Europe and the European Union (particularly, between the so-called “native” people and “traditional” social groups and layers

and the so-called “newly arrived population” or “foreigners” in various European or the EU states),

- the cohesion between various areas of activities and various business and public sectors, including the cohesion between them in various European or the EU member-states (particularly, the cohesion between technologically centred and technologically advanced areas of activities and the areas of activities lagging behind in this respect),

- the cohesion between various organizations and other subjects, primarily, between those, acting in Europe or the EU space (particularly important are various forms of cohesion between the organizations of business and public sectors’ harmonization),

- various forms of cohesion between individuals, particularly, at the time of using modern computer network facilities.

The most important trends and areas of cohesion under the conditions of European integration and the EU expansion are considered to be those, which characterize the phenomena of *multichannel “penetration”*, implying the simultaneous *spread of processes, originated in Europe, into non-European areas* and, vice versa, *the spread of non-European processes into European spaces*. These phenomena reflect various conditions of cohesion between Europe and the European Union as a whole and non-European spaces and are considered to be of great importance *in the context of modern globalization* because they help to perceive the need for European integration and the EU expansion not only on the background of local, but of the global changes, as well.

Therefore, it is possible to state that the cohesion processes, taking place under the conditions of European integration and the EU expansion, are very complicated and diverse, requiring an *adequate response to specific cohesion conditions*, characteristic of European and the European Union space: the processes of European integration and the EU expansion determine both the new cohesion *requirements* and the need for and the inevitability of the appropriate perception of *goal-directed effects of cohesion* on the creation of *common spaces* in Europe and the European Union. This also implies that the cohesion processes may be treated as the actions, raising *new challenges to management and management activities in the EU space* and providing *new possibilities for management improvement*, taking into account *the specific features of cohesion*, which manifest themselves under the conditions of European integration and the EU expansion.

### 3. Challenges to human resource management and its improvement in the context of the European Union's cohesion needs

The main problem of human resource management and its effectiveness in the EU space is associated with the fact that human resource management does not take into account the requirements for addressing new challenges connected with the intense processes of European integration, as well as the European Union expansion and cohesion. It can be observed that, recently, the cohesion processes and the associated problems have spread over the whole European Union. The importance of such forms of cohesion as the cohesion between cultures, mentalities, types of lifestyles, systems of values, harmonized ideologies, etc., is constantly growing in the multicultural EU space. The associated problems may arise mainly at the organization level (Adler *et al.* 2002), particularly, if the organizations will not be able to adequately respond to the cohesion problems by human resource management methods.

Since most of the modern organizations are open systems strongly affected by the use of modern computer network facilities, even through private contacts between individuals, it is clear that the problems of human resource training, development and management are most important at the organization level.

Before undertaking the analysis of human resource management problems associated with cohesion processes, it could be useful to critically review the methods and means presented in the theory and models of human resource management and to determine their practical value, applicability and usefulness, taking into account the cohesion processes, taking place in the EU.

Assuming that modern human resource management theories do not allow for consistent response to the EU cohesion challenges, it is necessary to make certain that the suggested and used (or only suggested) measures are not sufficient and, therefore, may be considered ineffective. This would help us to understand what steps should be taken both in carrying out the research into this area and setting political, economic, social, ecological and other aims for solving the above problems and choosing the methods of their achievement. Recently, new demands for developing and using the models of human resource management and its improvement, which could address modern challenges of European integration and EU cohesion, have emerged in the most of the business and public sector organizations. The solutions, allowing the organizations not only to adequately respond to cohesion challenges, but to use common

European standards and to meet the requirements for consistent implementation of the political, cohesion and multicultural principles, are required.

The importance of evaluating the effectiveness of the above solutions is emphasized by the strategy "Europe 2020", its goals and flagship initiatives. The European Economic and Social Committee (EESC) states that the cohesion policy is a "historical EU value", whose three goals – convergence, increase of regional competitiveness by creating more and better jobs and closer territorial cooperation should be maintained and reinforced (EESC Opinion to Europe Council 2011). The European Social Fund, as the EU tool for promoting investments in human resources, should support three priority issues of the strategy Europe 2020, i.e. smart, inclusive and sustainable growth (Fig. 1).

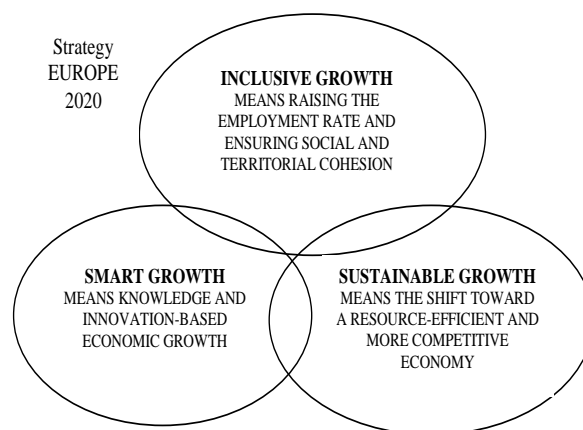
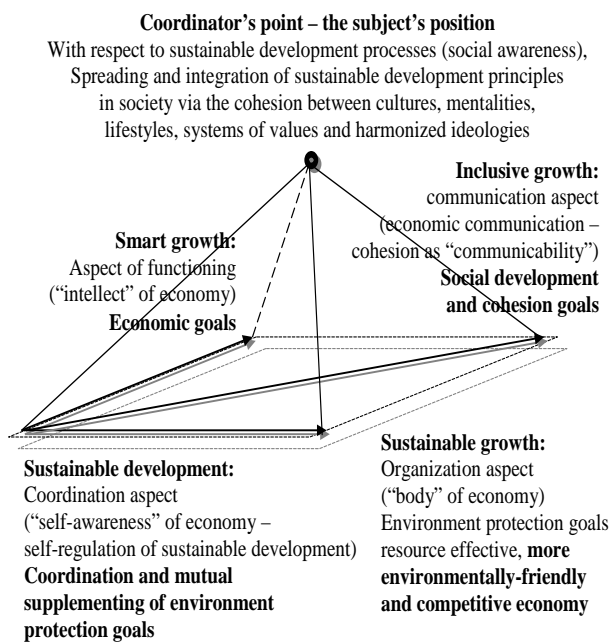


Fig.1. Three priorities of the strategy EUROPE 2020

The term sustainable development was first mentioned in 1987 in the report of the World Commission on the Environment and Development "Our Common Future". It should be noted that this was the time of intense development of human resource models by the US and European researchers. Sustainable development is perceived as the development.

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. To achieve a better quality of life now and in the future, the economic, social development and environment protection goals should be properly coordinated (they should supplement each other). This is clearly illustrated by the developed coordination model of sustainable development ideas, based on the method of qualitative structures (Lobanova 2008, 2003, 2001; Grigas 2001) (Fig. 2).



**Fig.2.** The coordination model of sustainable development (based on the works Lobanova 2008, 2003, 2001; Grigas 2001)

The concept of sustainable development includes the synergy effect under the condition that its growth is uniform in all directions. However, if the growth rate in one direction starts to exceed that in the others (e.g. in the case of the excessive growth of production or consumption), the system gets out of balance, i.e. the essence of the sustainable development idea is lost. The inclusive growth performs a dual function in this model, associated with the direction of sustainable development and economic communication, thereby harmonizing the subject and direction of sustainable development in the cohesion processes. This can be clearly observed in considering the universal character and diversity of the cohesion concept.

In this context, some particular features of the Open Method of Coordination (OMC) (Borras *et al.* 2004; Zeitlin 2005), resting on soft law mechanisms, should be discussed. Though this method has been used since 1992 in the European Monetary Union, it was defined only in 2000 in the conclusion made by Lisbon European Council as a new method for formulating the following strategic European Union aims (LEC 2000): “to achieve that, during a decade, the European Union should become the most competitive and dynamic knowledge-based world economy, combining sustainable development with the creation of more and better jobs and stronger social cohesion”. However, the European Economic and Social Committee expressed regret that the Commission had not created any growth scenario, allowing the

common market possibilities to be maximally used, and focussed its attention on drastic consolidation of finances as a “basic precondition of growth” (Project EUROPE 2030). It should be noted that Europe will need a highly competitive and sustainable market economy for ensuring social cohesion and developing methods to struggle with climatic changes. To achieve this aim, the programme of large-scale reforms, defining the priority issues and a more effective realization mechanism than those suggested by the Open Method of Coordination, should be developed. The strategy Europe 2020 is part of these great efforts.

At the present stage of the European Union expansion, it is clear that the statement of the targets and formulation of slogans, as well as drastic consolidation of finances, are not sufficient for solving the problem, which is much more complicated than it may seem to the “development bureaucrats”. The targets set and measures and financing suggested for particular European Union development stages (the European Union institutions revise their policy every seven years and the next stage of programme development will begin in 2014) can hardly be effective in the absence of fundamental research into the problem of sustainable development, required for its successful solution. Though the ideas of intensifying the sustainable development and cohesion have become an inherent part of the European Union integration policy, the lack of the respective research (particularly, into the cohesion problems), as well as insufficient efforts in dissemination of these ideas in the society (though it could be an effective cohesion promotion measure), can be observed. These disadvantages at the conceptual level, including uneven and insufficient spread of ideas and the lack of empirical research, will be “compensated” in reality, when the implementation of the ideas turns into a social experiment with hardly predictable and removable outcomes (which has already become clear during the global economic crisis). The Open Method of Cooperation has not either become an effective European Union management method (Nakrošis *et al.* 2007).

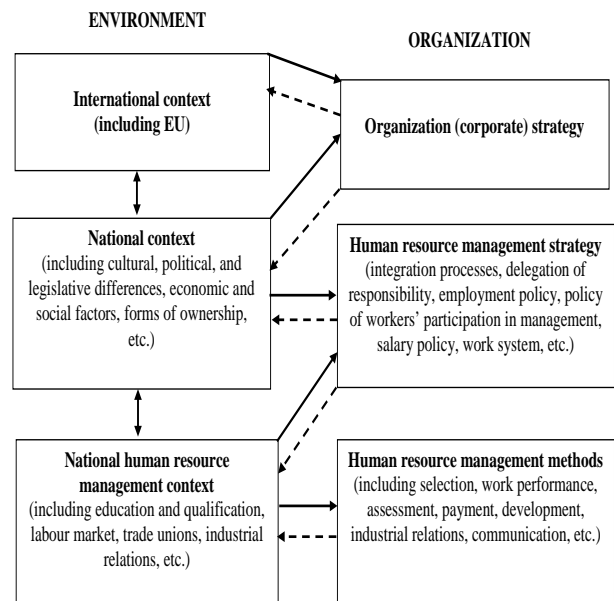
It is clear that the implementation of the ideas of increasing sustainable development and cohesion in the whole European Union is a very complicated problem. Therefore, the scope of further analysis will be narrowed to include the cohesion challenges only with respect to human resource management at the organization level.

#### 4. Human resource management models improvement considering cohesion processes in European Union

Though the human resource concept was first used in the third decade of the 20th century, two decades after the appearance of human resource management models in the literature (the Michigan model: Devanna *et al* 1984; Harvard model: Beer *et al.* 1984) and their spread (in the 90's, the teaching of various aspects of human resource management was started at universities and business schools), the problem of human resource management is still being discussed and new approaches to its analysis are being suggested. Thus, in the first decade of the 21-st century, the efforts were made to consider workforce as a strategic business partner, rather than the system of an organization, performing only a supporting function. The leaders of the workers, as their main representatives, contribute to strengthening social responsibility of an enterprise, developing the ideas of sustainable growth and solving the environmental problems (Armstrong 2007; Sinha 2011; Hanada 2000).

The integration of the ideas of human resource management into traditional systems of personnel management may be considered to be a great achievement. The models of human resource management, particularly, the 'soft' Harvard model, drew attention of both business management practitioners and public management strategists because it suggested that, in the long term, individual and social welfare should be sought alongside the organization's efficiency. Moreover, the Harvard model provided a possibility to approach human resources as valuable organization's resources.

The European human resource management model gave rise to heated discussions and interpretations (Brewster *et al.* 2004) in comparing human resource management methods used in Europe and the US. The attention was drawn to the fact that the context of the situation in human resource management in European organizations (background, meaning, relationships) differs from that found in the United States, the country where the first models of human resource management originated. The European (the so-called "contextual") human resource management model (Fig. 3) emphasizes that the management of the state, market and work relations is a specific management combination, becoming highly efficient in the European Union.



**Fig.3.** European (contextual) human resource management model (Brewster *et al.* 2004)

The main advantage of European human resource management model is that the external factors are given the greatest attention, allowing the organizations to freely decide how much attention to pay to every particular factor (Brewster *et al.* 2004). This shows a certain influence of the Open Method of Coordination on this model. It is also emphasized that the above approach would allow the organizations, working under similar conditions, to choose other human resource management strategies than those 'recommended' by some popular model and still to achieve good results. The relationship between the level of human resource management and the welfare of a particular state was sought by considering the problems associated with issuing labour market laws and trade union involvement. Ch. Brewster (Brewster *et al.* 2004) claimed that this model was the best in reflecting the EU realities and the best results were expected from testing it in the post-Soviet countries, where staff management policy differed from the Western Europe policy. Testing was performed in East Germany and Czech Republic which confirmed the advantages of using the European (contextual) model of human resource management in these states.

However, at the current stage, when the economic crisis consequences are getting more severe in the EU, the need for reconsidering the problems associated with the "freedom" of organizations arises. This is particularly important, when the problems of responsibility of the EU member-states (e. g. Greece and other countries) for their obligations directly related to their labour markets and employment are widely discussed.

Discussing the problems of human resource management models' efficiency, the European researchers emphasize that methods of highly developed countries should not be blindly copied because they were developed under the influence of other cultures and traditions. The emergence of European models of human resource management may be partly accounted for by the fact that European researchers critically assessed the adequacy of the respective US models for European needs and, therefore, suggested a purely European concept. They also emphasize that management of state, market and working relations is a specific management combination, becoming very efficient in the European Union.

The European human resource management model has not been widely discussed by researchers in the years which followed its presentation about 30 years ago, though the main prospects of its application were outlined and some positive results were mentioned (Brewster *et al.* 2004).

*Generalizing the assessments of the main principles of human resource management models* available at the end of the 20-th century, it should be emphasized that "hard" Michigan model (Fombrun *et al.* 1984) has never been developed, though some interpretations of this model by other authors can be found. Other models (including the European model) mainly represent the results obtained in developing the Harvard model, which gave rise to the development of "soft" concepts.

At the conceptual level, human resource management models are considered to represent a particular philosophy, showing the organization, seeking its own interests, how it should behave with its workers (employees). This philosophy may be described and developed in the process of human resource management. This accounts for the existence of the variety of human resource management models.

Considering a great number of various theories, concepts and approaches aimed at investigating and solving the particular human resource management problems, which can be found in the modern management science, one can observe almost in all theories that a perspective approach to the problems of human resource management emerged as a result of developing historical hypotheses (conjunctures) (Bratton *et al.* 2003; Jameson 2002).

A number of causes for the emergence of human resource management (according to Korsakienė *et al.* 2011; Lobanova 2008; Melnikas 2011, 2010, 2008, 2002) may be found, which show how the challenges raised by social development were addressed by human resource management. The following stages of human resource management

theories' transformation in response to the cohesion challenges may be outlined:

1) *Responding to the changing conditions of competition by more efficient use of human resources.* This was also associated with a possibility of creating the welfare in a particular enterprise, region or country. In the 80's, the discussion mainly focussed on two problems: the efficiency of the US worker (particularly, compared to the efficiency of a Japanese worker) and the decreasing growth of innovations in the US industry (Devanna *et al.* 1984). Then, the need for the development of conflict-free work relations, when the employers and employees are working towards the same aims, seeking the success of an organization, emerged (Fombrun *et al.* 1984). It can be stated that the capitalists, creating welfare ("soft" human resource management) and the employers hostile to trade unions ("hard" human resource management) represent typical features of the US business system. The success in business is also associated with particular companies and involvement-based management, motivating the employers and, in this way, responding to market changes. Finally, the concepts based on the employees' loyalty and responsibility pointed out another trend in discussing management practice and human resource management. It should be noted that the "soft" HRM version (Storey 1992) pays the greatest attention to human resource issue, emphasizing the guaranteed employment, continuous development, effective communication, staff involvement and quality of the working life. Though the first human resource management concepts originated in the US, they agree with European cohesion policy statement. At the same time, the 'hard' HRM version emphasizes the profit obtained from the investment in human resources, relating it with the company's interests (Lengnick-Hall *et al.* 1990), as well as compromising, good will, responsibility and communication at all functional and hierarchical levels.

2) *Responding to challenges of social responsibility concepts.* The US, Canadian and British companies are considered to be the fathers of socially responsible business. These countries were not only engaged in discussing the problems of social business responsibilities, but started to realize them. It is not strange because there was little law making in the area of work relations there, compared to the situation in the most of European states. The essential difference between human resource management in the US and Western Europe lies in the extent of state regulation of enterprise human resource management, relating to the solutions made in the area of social security of employees. At the end of the 20th century, the

growing globalization of economy stimulated the interest in social responsibility of enterprises. Theoretical analysis of social responsibility of enterprises has a long history. The researchers were finding its principles in various social science concepts, the discussions about social responsibility of enterprises were organized in the 70s and 80s of the 20th century, when the new area and discipline of management science – business ethics was being developed in the USA (Atkinson *et al.* 2000; Vasiljeviene *et al.* 2008; Vasiljevas *et al.* 2005). Social responsibility is defined as an improvement of life quality in the way suitable not only for business, but for society as well (Mankelov *et al.* 2007; Jonker *et al.* 2007). Enterprise responsibilities for society and the sustainable development are strongly emphasized. All definitions of social responsibility include three main areas: attitudes to society, environment protection and employees. It is also emphasized that social responsibility is closely related to sustainable development (Grybaitė *et al.* 2008). The main issues relating to social responsibility development are as follows: competitive enterprises under the conditions of ever changing global economy, safe and clean environment, and strong social cohesion, transparent and ethical business.

3) *Responding to diversity management challenges (ensuring equal rights), including the problem of gender equality.* The important role of diversity has been recognized since the 1970s, when this term was mainly used to denote the working minorities and women. For a long time, managers were thinking that the employment diversity consisted in giving work to as many as possible people of different genders, nationalities and religions, i.e. employing the workforce from the social “insufficiently represented” groups. However, the diversity experts started to doubt about the “positive character” of this action. They noticed that people representing the diversity usually stayed in the Department of Human Resources. The Costs and Benefits of Diversity (Keil *et al.* 2007) noted the trend of employees to moving beyond the Department of Human Resources (The European Commission study 2003). Based on this study, five main advantages of enterprises pursuing an active diversity policy were identified: 1) keeping the cultural values within a company, 2) enhancing the staff prestige, 3) helping to attract and retain clever people, 4) encouraging staff motivation and productivity, 5) encouraging the innovatory spirit and creativity of employees. The main benefit gained by such enterprises from diversity is that the latter is useful not only for a particular department, but for the whole company as well. The integration of diversity management into everyday company’s management is a

very important factor. Based on the above considerations, we may define diversity management as follows: diversity management is active and deliberate future development, oriented to value-based enterprise strategy; it is a management process, based on the use of particular differences and similarities as enterprise potential; it is a process aimed at creating enterprise values. Finally, diversity management can only be realized in the climate of high morale and legality. It is important that both enterprise ethics and policy should reflect its attitude to anti-discrimination. The observance of human rights should be one of the enterprise traditions.

4) *Responding to the growing need for intensifying the cohesion processes under the conditions of the EU development and expansion.* The first steps were made toward the evaluation of human resources (workforce) as a business partner (early in the 21st century), but the global economic crisis which began in 2008 interfered with this process. It raised new economic challenges to human resource management and slowed down social cohesion processes. The changes predicted for the second decade of the 21st century are associated with transformation of public management principles towards partnership, also involving market models, which should promote the transformation of human resource management doctrine.

The analysis performed revealed that, in the last three decades, the efforts were made to address public management challenges by using human resource management methods. In general, all main changes in human resource management theories were made to respond to public management challenges.

The considered stages show that sporadic efforts were made to address social development challenges by using methods of enhancing human resource management. Human resource management as a new area of management science (compared to staff management) was also developed to address the social needs for human resource development (Stankevičienė *et al.* 2006; Korsakienė *et al.* 2011; Lobanova 2003, 2008, 2009; Melnikas 2011, 2010). The same applies to major changes in the theories of human resource management which were made to address social development challenges. If the methods and means of management and human resource management were not used to address the needs and challenges of the cohesion processes, there would be a threat of the development of stresses in the course of cohesion which might lead to open conflicts. This situation could be observed in recent years. It is



well-known that social networks often play the role of catalysts in these processes.

## 5. Conclusions

The processes of European integration and the EU expansion determine both the new cohesion requirements and the need for and the inevitability of the appropriate perception of *goal-directed effects of cohesion* on the creation of *common spaces* in Europe and the European Union. This also implies that the cohesion processes may be treated as the actions, raising *new challenges to management and management activities in the EU space* and providing *new possibilities for management improvement*, taking into account the *specific features of cohesion*, which manifest themselves under the conditions of European integration and the EU expansion.

The need for goal-directed response to modern cohesion demands emerging under the conditions of European integration and the European Union cohesion requires that the greatest attention should be paid to the development of human resources and the methods and means for their management. An adequate response to cohesion needs and challenges requires that practical and research works, aimed at investigating these problems, should be given the priority in the context of the works devoted to the improvement of human resource management.

All major changes in human resource management theories emerged in response to social development challenges. Taking into account the new demands and challenges of European integration and the EU expansion, the solutions helping to implement common European standards, to meet the needs for consistent implementation of the cohesion principles and to address multiculturalism challenges, should be sought.

## References

- Adler, Nancy J. 2002. *International Dimensions of Organizational Behavior*. Cincinnati, Ohio: Thompson Learning.
- Armstrong, M. 2007. *A handbook of human resource management practice*. 10th edition. London and Philadelphia: Kogan Page.
- Atkinson, R.; Simin Da Voudi 2000. The Concept of Social Exclusion in the European Union: Context, Development and Possibilities. *JCMS: Journal of Common Market Studies* 38 (3): 427–448.
- Beer, M.; Spector, B.; Lawrence P.R.; Quinn Mills, D.; Walton, R.E. 1984. *Managing Human Assets*. New York: Free Press, 203 p.
- Borras, S.; Jacobsson, K. 2004. The open method of coordination and new governance patterns in the EU, *Journal of European Public Policy* 11 (2): 185–208. <http://dx.doi.org/10.1080/1350176042000194395>
- Bratton, J.; Gold, J. 2003. *Human Resource Management: Theory and Practice*, 3rd ed. London: Palgrave Macmillan.
- Brewster, Ch.; Mayrhofer, W.; Morley, M. 2004. *Human Resource Management in Europe: Evidence of Convergence?* London: Butterworth Heinemann.
- Devanna, M. A.; Fombrun, C. J.; Tichy, N. M. 1984. A framework for strategic human resource management, in Fombrun, C. J.; Tichy, M. M.; Devanna, M. A. (eds.) *Strategic Human Resource Management*. New York: John Wiley: 33–51.
- Employment and Social Developments in Europe 2011. [online] [cite 17 December 2011]. doi: 10.2767/44905. Available from Internet: <http://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=6176&&furtherPubs=no>
- European Union Politics. 2010. Ed. M. Cini, N. Perez-Solorzano Borragan. Oxford: Oxford University Press: 530.
- Europos ekonomikos ir socialinių reikalų komiteto nuomonė dėl Sanglaudos politikos vaidmens ir prioritetų ir dėl strategijos „Europa 2020“. Tiriamoji nuomonė ES Tarybai pirmininkaujančios Vengrijos prašymu (2011/C 248/01). [online] [cited 7 January 2012]. Available from Internet: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2011:248:0001:0007:LT:PDF>
- European platform against poverty and social exclusion. [online] [cited 4 January 2012]. Available from Internet: <http://ec.europa.eu/social/main.jsp?catId=961&langId=en>
- Fombrun, C.J.; Tichy, N.M.; Devanna M.A. 1984. The external context of human resource management. *Strategy Human Resource Management*, New York: Wiley.
- Grigas, R. 2001. Sociologinė savivoka. Specifika, metodai, lituanizacija. - Vilnius: Rosma. 233 p.
- Grybaitė, V.; Tvaronavičienė, M. 2008. Estimation of sustainable development: germination on institutional level, *Journal of Business Economics and Management* 9(4): 327–334. <http://dx.doi.org/10.3846/1611-1699.2008.9.327-334>
- Hanada, M. 2000. Changing HR Paradigm and Practices in Japan. [online] [cited 7 January 2012]. Available from Internet: <http://www.soi.wide.ad.jp/class/20020015/slides/03/>
- Korsakienė R., Lobanova L., Stankevičienė A. 2011. Žmogiškųjų išteklių valdymo strategijos ir procedūros. Vilnius: Technika.
- Lengnick-Hall, C. A.; Lengnick-Hall, M. L. 1990. *Interactive Human Resource Management and Strategic Planning*. Westport, CT: Quorum Books.
- Lisbon European Council. Presidency conclusions. 2000. [online] [cited 4 January 2012]. Available

- from Internet: Available from Internet:  
[http://www.europarl.europa.eu/summits/lis1\\_en.htm](http://www.europarl.europa.eu/summits/lis1_en.htm)
- Lobanova L. 2009. Žmogiškųjų išteklių vadybos vertė žiniomis grindžiamoje visuomenėje. *Verslas: teorija ir praktika*, 10 (3): 233-246.  
<http://dx.doi.org/10.3846/1648-0627.2009.10.233-246>
- Lobanova, L. 2008. Žmogiškųjų išteklių vadybos modeliai kuriantis žinių visuomenei. *Verslo ir teisės aktualijos: mokslo darbai*. Vilnius: VTKV. t. 1: 37-45. [online] [cited 4 January 2012]. Available from Internet: [www.islb.eu/uploads/documents/leidiniai\\_versl\\_teis.../1217.pdf](http://www.islb.eu/uploads/documents/leidiniai_versl_teis.../1217.pdf)
- Lobanova, L. 2003. Žmogiškųjų išteklių transformacijos: problemos kontūrai. *TILTAI*. Klaipėda: Klaipėdos universiteto leidykla. 1 (22): 51-62.
- Lobanova L. 2003. Žmogiškųjų išteklių transformacijos žinių visuomenėje. *Verslas, vadyba ir studijos* 2002. Vilnius: Technika. 1 t.: 80-88.
- Lobanova L. 2001. Konkurencingumo modelis: žmogiškųjų išteklių kokybės potencialas. Organizacijų vadyba: sisteminiai tyrimai. Kaunas: VDU. 20: 135-155.
- Melnikas, B. 2008. Integral spaces in the European Union: possible trends of the social, economic and technological integration in the Baltic region. *Journal of business economics and management*, 9 (1): 65-77. <http://dx.doi.org/10.3846/1611-1699.2008.9.65-77>
- Melnikas, B. 2010. Sustainable development and creation of the knowledge economy: the new theoretical approach. *Technological and economic development of economy: Baltic journal on sustainability*, 16 (3): 516-540. <http://dx.doi.org/10.3846/tede.2010.32>
- Melnikas, B. 2011. Transformacijų visuomenė: ekonomika, kultūra, inovacijos, internacionalizavimo procesai. Monografija. Vilnius: Technika.
- Melnikas B. 2002. Transformacijos. Vilnius: Vaga.
- Nakrošis, V., Vilpišauskas, R. 2007. Kodėl neveiksmingas Europos Sąjungos atvirasis koordinavimo metodas: silpnas iš prigimties ar dėl netinkamo taikymo Lietuvoje? *Politologija* 3 (47): 44-70.
- Jameson, F. 2002. Postmodernizmas ir vartotojų visuomenė. Jameson, F. *Kultūros posūkis*. Rinktiniai darbai apie postmodernizmą (1983–1998). Vilnius: Lietuvos rašytojų sąjungos leidykla.
- Jonker, M., Marberg, A. 2007. Corporate social responsibility, *Journal of corporate Citizenship* 27: 107-118.
- Keil, M., Amershi, B., Holmes, St., Jablonski, H., Lüthi, E., Matoba, K., Plett, A., Kailash, von Unruh. 2007. *Mokymų vadovas įvairios valdymui*. International Society for Diversity Management.
- Mankelov, G., Quazi, A. 2007. Factors, affecting SME's Motivations for Corporate Social Responsibility. Australian and New Zealand Marketing Academy. Conference track: 348-358.
- Project EUROPA 2030. Challenges and Opportunities. 2010. A report to the European Council by the Reflection Group on the Future of the EU 2030 [online] [cited 17 December 2011]. Available from Internet: [http://www.reflectiongroup.eu/wp-content/uploads/2010/05/reflection\\_en\\_web.pdf](http://www.reflectiongroup.eu/wp-content/uploads/2010/05/reflection_en_web.pdf)
- Sinha, R. 2011. History of Human Resource Management. [online] [cited 03 December 2011]. Available from Internet: [http://ezinearticles.com/?expert=Rana\\_Sinha](http://ezinearticles.com/?expert=Rana_Sinha)
- Social Accountability standard 8000. [online] [cited 17 December 2011]. Available from Internet: <http://tradestandards.org/en/Standard.11.aspx>
- Stankevičienė, A., Lobanova, L. 2007. The evaluation of the personnel development priorities. 4th international scientific conference „Business and management' 2006“. 14th international scientific conference „Enterprise management: diagnosis, strategy, efficiency“: selected papers. 5-6 October 2007, Vilnius, Lithuania.
- Storey, J. 1992. *Developments in the management of human resources*. Oxford: Blackwell Business.
- Strategijos „Europa 2020“ socialinė dimensija: Socialinės apsaugos komiteto ataskaita. 2011[online] [cited 17 December 2011]. Available from Internet: <http://ec.europa.eu/social/main.jsp?catId=956&langId=lt&furtherPubs=yes>
- Vasiljevas, A.; Pučėtaitė, R. 2005. Socialinės įmonių atsakomybės ir efektyvaus žmogiškųjų išteklių valdymo įgyvendinimas dalykinės etikos priemonėmis. *Organizacijų vadyba: sisteminiai tyrimai*, 36: 193–208.
- Vasiljevienė, N., Vasiljevas, A. 2008. Verslo ir visuomenės santykių kaita – įmonės socialinė atsakomybė. Kaunas: Kauno prekybos, pramonės ir amatų rūmai; Europos verslo ir inovacijų centras, 72 p.
- Zeitlin J. 2005. Conclusion: The Open Method of Coordination in Action: Theoretical Promise, Empirical Realities, Reform Strategy // J. Zeitlin, P. Pochet with L. Magnusson (eds). *The Open Method of Coordination in Action: The European Employment and Social Inclusion Strategies*. P.I.E. Peter Lang: 28–29.