**ABSTRACT**

**Objective:** Problems in modernizing human resources of Lithuania’s service sector are discussed in the article. The objective of the article is to reveal the issues of human resources modernization, identify the trends and measures for human resources’ modernization in the service sector of Lithuania. The process of human resource management is understood as a continuous procedure where the main activities are planning, recruitment, selection, socialization, training and improvement, assessment of activity, promotion, displacement, downgrading or dismissal. The essential trends and measures for modernizing management of human resources is strategic management of human resources, growth of employee competencies and development of electronic human resources. Noteworthy to mention that in the modern world, when striving for competitive advantage, it is important to follow the guidelines of strategic management of human resources. The significance of information technologies cannot be forgotten, because the instalment of these technologies helps to coordinate innovations in science, originality and practical experience, all of which is oriented towards creation of new services and products for the society.

**Methodology:** The research methods are based on the insights of the researchers using the analysis of scientific literature and synthesis methods. The study analyzes issues related to the modernization of human resources management in the Lithuanian service sector.

**Findings:** Summarizing the study results, aspects of a modern organizational culture can be distinguished: promotion of friendly communication among employees (this allows solving problems in the organization among employees without the need for the employer to interrupt); constructive conflict solving with the help of a mediator; an employee who is valued in the organization becomes initiative, able to independently make decisions, is more involved in achieving goals of the organization; organizational culture is being modernized by promoting employee creativeness, or through pleasant and beneficial tasks; a manager in a modern organization is distinguished by a democratic leading style, is not a sole controller – decisions are made with the involvement of the entire team; it is modern to seek for a high level of service provision (not to be only profit-oriented).

**Value Added:** Based on the results of the research, a way of modernizing human resource management in Lithuanian catering establishments was suggested in order to maintain high level of services provided by modern motivation methods and other elements of the organizational culture model.

**Recommendations:** Summarizing the results of the research it is possible to distinguish aspects of modern organization culture, which showed that modernization of human resource management in Lithuanian catering establishments includes ensuring of microclimate in the organization; healthy workplace emotional and physical well-being; employee socialization; motivation of employees and encouragement to seek a high level of service in modern ways of motivation and other elements of the organizational culture model that are recommended to be emphasized in the organization.