

# CONTEMPORARY PRACTICES ON HUMAN RESOURCE DEVELOPMENT IN THE SLOVAK ORGANIZATIONS

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## Abstract

The aim of this paper is to present some current practices on human resource development, i.e., training and education, in several Slovak companies of different industry. It focuses on people development of all employee categories in general, i.e., workers and managers, as well as production and administrative personnel. Ideas about people development presented in this paper can be used in other companies as an inspiration and example. However, the actual usage will depend on existing management attitudes and conditions of these individual companies.

## Introduction

The increasing importance of people to organizational success corresponds with the rise of strategic human resource management as a field of study worldwide.<sup>3</sup> There exist many academic papers confirming the impact of human resource management practices on the performance of the organization, for example, on its turnover, productivity or corporate financial performance.<sup>4,5,6,7</sup> Human resource development, as the element of human resource management besides other areas such as human resource analysis, planning, staffing, performance evaluation, compensation, labor relations, employee safety, etc., includes improving performance on the present job (training), preparing individuals for future but identifiable jobs within the organization (education), and helping individuals grow to meet future organizational growth (development).<sup>8</sup> During the past forty years, human resource development has grown, matured, and developed into an essential

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<sup>3</sup> BOXALL, P. and PURCELL, J.: *Strategy and Human Resource Management*. NEW YORK: Palgrave MacMillan, 2003. 299 pp. ISBN 0-333-77820-0

<sup>4</sup> HUSELID, M. (1995) The Impact of Human Resource Management Practices on Turnover, Productivity, and Corporate Financial Performance. In: *Academy of Management Journal*, Vol. 38, pp. 635-72.

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<sup>7</sup> PAPULA, J., PAPULOVÁ, Z.: *Strategické myslenie manažérov. Za tajomstvami strategického myslenia*. Bratislava: Kartprint 2010, s. 101

<sup>8</sup> NADLER, L.: *Developing Human Resources*. USA: Golf Publishing Company, 1970. 272 p.

component of most organizations.<sup>9</sup> As a result, human resource development is being viewed as an important strategic approach to improved productivity, efficiency, and profitability.<sup>10</sup>

The aim of this paper is to describe different aspects of people development in several coincidental companies in Slovakia. Other companies might take advantage of knowledge about people development presented in this paper and use it according to their needs, managers' stance, and culture.

## **Methodology**

The paper was written mostly by the field research in the companies. Two main methods were used. Firstly, the study of company documentation was applied to collect information. As the company documentation, officially published company brochures of investigated companies and bulletins were used, in which the general information was introduced. In companies where it was allowed, the Intranet was also used as a source of information.

Secondly, the interviews with the managers and respective staff of the companies were held. The purpose of the interviews was to get more detailed information about the educational processes in those companies.

The names of the companies are intentionally concealed because of the request of interviewed managers; only a type of the company is named.

## **Examples of the approaches on employee development in several Slovak companies**

### ***Large International Consultancy Company***

The employee development in this company is a typical example of a good practice in this area, typical for other well-established companies in Slovakia; therefore we start with this company.

Educational process in this company is coordinated by the coordinators of individual departments working together with HR department. In the courses mostly hard skills are developed (80%), soft skills are developed usually with specialists based on the needs resulted from the labor market. The number and type of provided courses depend on company's financial situation, as well as the labor market and employee requirements.

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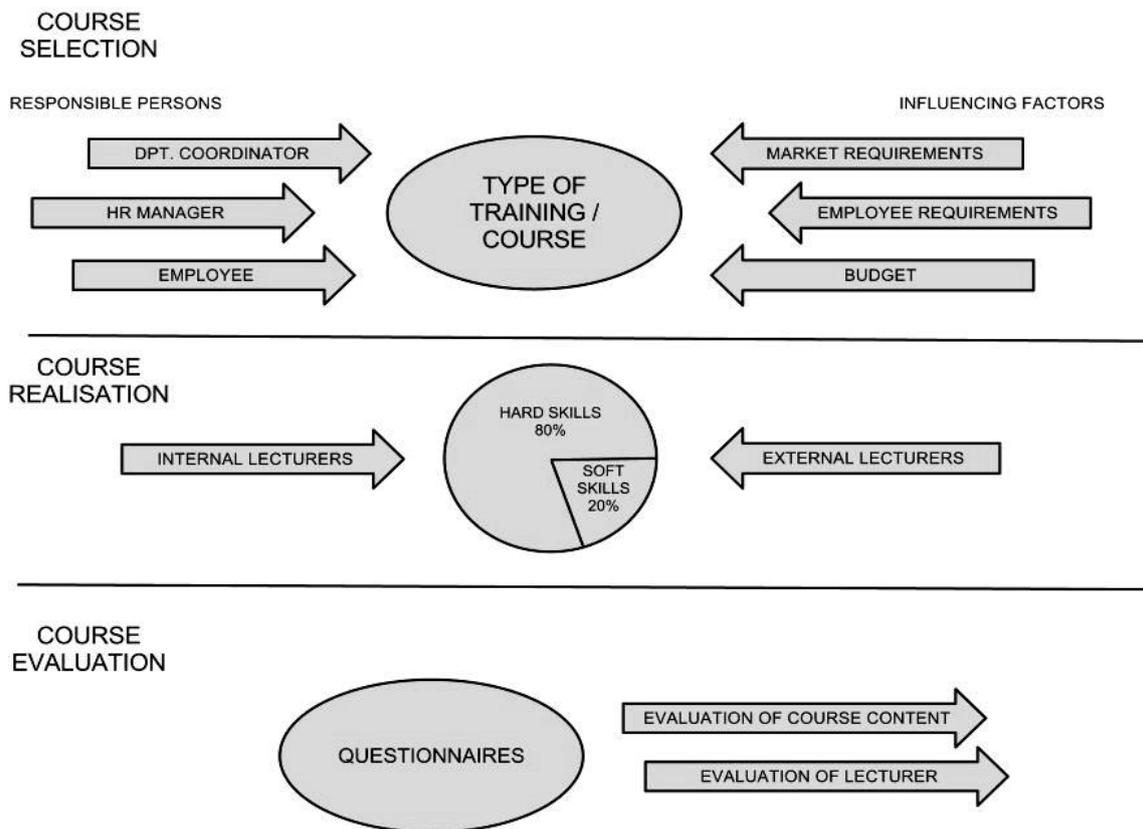
<sup>9</sup> GILLEY, J., EGGLAND, S. and GILLEY, A: *Principles of Human Resource Development*. CAMBRIDGE: Basic Brooks, 2002. 482 pp. ISBN 0-7382-0604-0.

<sup>10</sup> GILLEY, J., EGGLAND, S. and GILLEY, A: *Principles of Human Resource Development*. CAMBRIDGE: Basic Brooks, 2002. 482 pp. ISBN 0-7382-0604-0.

There are internal training sessions held by company’s own facilitators who provide lectures on a regional level, i.e., countries in the neighboring regions. Lectures are provided based on the standard global documents valid for the whole company. The company uses also external lecturers, especially for the certification or qualification purposes of their internal managers and specialists. This certification is important for tender bidding required by the clients.

All of the training events and employee participation on these events is documented for the purpose of monitoring the quality of education on an individual level.

As far as the cost calculation for training, the cost level does not reflect employee position or employee value for the company. The employees attend training based on the company needs, therefore, the cost level is not determined based on the employee position in the company, it comes out from the labor market requirements and requirements that the employee should fulfill in order to cover these market requirements.



Picture 1: Process of people development in the interviewed company

The employee education is a costly and time consuming process for the organization; therefore it is important to assess properly the quality of the course and the level of acquired knowledge at the end of each training. Internal as well as external training sessions and respective facilitators are evaluated by the questionnaires which are completed by participants. The questionnaires are collected by the HR department and an average score of each facilitator is sent to

the respective manager who is responsible for the education of his / her employees. The facilitators are also informed about the assessment of each seminar and also a feedback worked out by the participants is provided to them.

### ***Producer of Construction Materials***

#### *Fulfilling routine regulations*

In many companies there are several routine procedures (for example work safety or anti fire regulations) that the staff must be informed and trained about in order to meet given legislative regulations. How is the training of these kinds of routine procedures organized in this specific company?

The company no more uses a form of formal education seminar in a training room conducted by an expert at these regulations as it used to be in the past. Instead of that, the training consists of using the specific software program, which contains the set of questions related to the content of trained subject area. The trained employee goes over these questions and must answer correctly. If an employee doesn't know the correct answer or doesn't know the answer itself, he / she is not allowed to proceed to the following question. The software directs that employee to look at the corresponding paragraph so that he / she reads and learns what the content of paragraph is and thus is able to answer the question correctly. Only if the employee finishes self-teaching and knows the correct answer, the software allows him / her to proceed to the next question. The respective manager is able to check that in the software program and can find out, whether his or her subordinate passed the test.

The same software system is used for anti-cartel regulations. Management is very serious about forcing all employees to know the anti-cartel regulations because of the pressure from the state and corresponding penalties. Actually, managers regularly question the employees whether they know the content of anti-cartel regulations.

#### *Employee training and development evaluation*

In the end of the calendar year, every employee assesses together with his manager how the goals from previous year were fulfilled and sets the goals for the next year. They decide together what an employee should do to meet the new goals that were set. From the point of view of personal development, an employee together with his manager chooses which courses, lectures and trainings to attend. Based on that a development plan is designed and all this information is entered into the

software system. So an assessment of the previous year and a development plan for the next year is made by using the software program.

*How are trainings and courses organized and how economically?*

Human resources department helps to organize training and courses based on the requirements of managers, but an employee himself or herself can find and ask for sending him or her to another training organized by external company.

Every training or course and also the lecturer is evaluated by participants using questionnaires. Nevertheless, the organization lacks for centrally organized evaluation of courses / training participation benefits in general.

The overall performance evaluation of the employees is except for the HR department also the responsibility of individual managers to evaluate their subordinates. Evaluation is decentralized and consists of several possibilities, like questionnaires, software rigorous point system, yearly evaluation, and observation of employees in their work positions. All these the manager must take into account and assess.

*How the training can be organized without much cost expenditures?*

Managers or specialists deliver to their colleagues many courses or trainings in this company internally. Managers deliver these lectures for free, within their working time. They deliver lectures about different required topics like software programs (for example MS Office) or about particular knowledge resulting from their positions in the form of modules (for example the Customer Orientation course from marketing module).

Mother company organizes also courses for middle and higher managers and for specialists. These are organized abroad and the subsidiary companies must pay for them.

There are also trainings provided by external consultancy companies or lecturers (for example language courses, managerial courses or courses orientated on developing soft skills). These courses are paid according to market prices.

***IT Company 1***

The examples of managing the human resources development in two different IT companies are presented in this section.

The first example relates to the education of specialists. Many companies can have good, knowledgeable specialists, who know their position and their work very well. It can be difficult to further educate these knowledgeable specialists through some courses or lectures. The lecturer himself or herself might not have better knowledge and experience on the topic or area than these

specialists in the companies have already gained. The specialists on such courses can get bored and frustrated that their presence on the course or lecture was fruitless.

A good solution to this problem is to develop these kinds of employees by sending them to international conferences or similar events where these specialists can meet with their counterparts or with other specialists from their field (for example software developers of new software applications) and can share this new knowledge. The professional from the company can meet with other software designers and learn something new from area he / she is interested in.

After the specialist comes back from the conference, he / she is obliged to provide gained information to other colleagues and managers in the company on, for example, via organized workshops. It is the legal requirement from sending company placed on the specialist that after returning he / she will share the acquired information with other colleagues or managers.

Actually, knowledge sharing requires one important condition. It is the fact that newly learned knowledge must be implemented in a company, not only shared. Only in this case is the activity of sending the specialist to the international conference really beneficial. The problem with this idea is that especially in large companies the implementation of new knowledge requires much effort; it is cost and time consuming procedure in comparison to small, more flexible companies. However, this should not be an excuse for not implementing new knowledge at all. It is just more difficult and time consuming.

### ***IT Company 2***

The most important knowledge gained from discussion with this IT company points at slightly negative side of having too many training initiatives, or sending employees and managers to the courses too often. Too frequent education and manager's attendance on different courses and lectures can be for the employees and for the company even contraproductive.

In this IT company managers are forced to attend training courses three times per year. It makes them a frustration because they feel they are good at the company position they hold. They meet the company goals and other tasks well, so why they need to go every year three times to some courses? This forced attendance makes them a feeling, "Am I good enough if my boss forces me to attend so many courses?" "Courses take time, which I could use more efficiently," think some of the managers.

The company should carefully revise the needs of their employees for the education. It is also important and beneficial for the company to communicate the opportunity to attend courses and the self-development of employees as a company benefit.

### ***Large Automobile Company***

Large automobile companies employ many assemble workers. There is a question how to motivate this kind of company personnel. The problem origins from the usual practice of the company not to train assemble workers for different position as the position they were chosen.

#### *How these assembly workers can be developed?*

Large companies have one advantage – they possess a large intra-company labor market. So the answer to that question is through this internal labor market. When an assembly worker leaves the position or even a company for whatever reason, the position becomes vacant, the information about the vacant position is placed in the company's Intranet network and thus the information is visible to everybody who might be interested. The assembly workers can apply for this empty position.

In this way, the assembly worker previously worked on the certain position on an assembly line can now work as for example a quality inspector or material handler or even becoming a white collar. The advantage for a company is that the empty positions are filled with their internal workers whom the company managers already know and trust. The company does not need to always approach external labor market; the company has large internal labor market from which it can effectively supply labor in case of need.

### **Conclusion**

The presented ideas are by no means conclusive, further gathering of information is necessary when someone wants to learn much about the people development practices. The aim was just to bring some additional knowledge into this field, to provide contribution to this management discipline from the perspectives of praxis in several Slovak companies. Based on given examples, it is clear that designing an effective educational system in the company is not an easy task, because it requires taking into considerations many facets.

In conclusion, it can be said that the necessity for the employee education in the company comes out of what the customer needs and the lack of the skills of employees to fulfill these needs. Employees are then taught skills and knowledge which is required by the market and are able to fulfill the requirements of customers. Based on this, the training and educational needs and requirements are determined and filled in the personal educational plan of each employee. This plan contains all educational and developmental activities that are interlocked with the company strategic goals of the company.

The educational and training needs are transformed into educational and training goals. These goals then serve as the base for obtaining required level of skills and knowledge within

specified time period. These goals must correspond with the overall performance and departmental and company goals. This harmony must be clear to the participants of the training sessions whom a questionnaire is given before starting training seminar in order to show up the expectations from trainings. After training, another set of questionnaires is handed out and filled in by participants to evaluate the quality of provided training and lecturer.

In general, courses are picked up and planned according to the market needs, company goals and the concrete kind of skills and knowledge which an employee needs to acquire. Courses must pertain to employee's working area, i. e. training must correspond with the employee's competencies on a respective position and must be necessary for the performance of the work. Different employees with different skills and their job descriptions demand different types of courses. It is also important and beneficial for the company to communicate the opportunity to attend courses and the self-development of employees as a company benefit.

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