# MANAGING HUMAN RESOURCES IN SLOVAKIA IN 1998 – 2018

Scientific monograph

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The scientific monograph was created as part of the project KEGA 012UCM-4/2022

"Managing people in the digital world – a bilingual (Slovak-English) university textbook with

the support of e-learning modules with multimedia content".

The publication was approved by the Editorial Board of the University of Ss. Cyril and

Methodius in Trnava as a scientific monograph.

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2023

First edition

Publisher: Oficyna Wydawnicza Stowarzyszenia Menedżerów Jakości i Produkcji

ISBN 978-83-63978-97-6

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#### INTRODUCTION

The theory of economics and management has a decisive influence on the formation of opinions about managing people in the work process. Personnel work begins even before the first employee is hired and represents work with people, regardless of their level of development. Human resources, as the only element of the work process, are the object of action of all managerial functions, namely planning, organizing, staffing, leading and controlling. While planning, organizing and controlling do not have an explicitly specified object of their action, staffing and leading refer only to human resources. Personnel work is part of the company's management system and touches the most important resource of the company – people. Many experts are devoted to its research. In the previous period, it went through several developmental stages, in which the position and roles of a human in the work process gradually change.

If personnel work is to play an important role in the fulfilment of company goals, it is inevitable to set clear rules and introduce a system for managing human work. The elements of the personnel work system are individual HR processes that are interconnected and influenced by the internal and external environment. Basic HR processes include recruitment of employees, creation of strategies, policies and other plans, planning of the number and structure of employees, adaptation of employees, employee welfare, training and further education, job analysis, job and performance evaluation, controlling, talent management up to release of employees. Each process is planned, provided organizationally, financially, materially and personally, and continuously checked in order to demonstrate its functionality and validity. Employees are the object of the personnel work system and their work performance depends on their abilities, motivation and opportunities.

The main goal of the monograph is to examine the historical development of the implementation and perception of the importance of HR processes in Slovak companies. The research is based on the opinions of recognized experts in domestic and foreign book and periodical publications. The collection of data on the state of personnel work in Slovakia companies was carried out by the sociological survey method using online and printed questionnaires in the years 1998, 2002, 2006, 2010, 2014 and 2018. We obtained the data in person or online from human resources

departments from persons responsible for personnel work in companies. A total of 2,188 Slovak companies participated in the survey.

**Acknowledgements:** This research was supported by the Cultural and Educational Grant Agency of the Ministry of Education, Science, Research and Sport of the Slovak Republic as part of project KEGA 012UCM-4/2022 "Managing people in the digital world – a bilingual (Slovak-English) university textbook with the support of e-learning modules with multimedia content".

#### 1. PERSONNEL WORK AND ITS DEVELOPMENT

#### Katarína Stachová

Companies are intentional, organized groups of people who perform certain activities according to predetermined rules. These rules result from contracts, agreements or other forms of participation of people in the functioning of the company. In many ways, they differ depending on the goals and focus of the company. Usually, the main goal of a company is to generate profit for its stakeholders. The meaning of organized human activity is the creation of added value and the fulfilment of the company's mission and vision. The result of these activities is known as human labour, and it has been considered one of the basic production factors since the beginning of the first economic theories. In order for companies to ensure a sufficient amount of human labour, they need to find, acquire, develop, maintain and motivate the necessary number of sufficiently high-quality employees. However, every employee is a unique human being and therefore has his own needs, his own ideas about life, his own way and pace of work, and his own perspective on solving problems. Such uniqueness is manifested in every area of human life. It is therefore natural that the mutual interaction of a large number of people may not always be problem-free. In the course of time, the management of companies therefore created procedures to ensure the correct and efficient execution of all relevant activities. The management of the company's main resources i.e. human, physical, monetary and information resources that the company receives and uses from the environment, is the part of managerial work. The role of managers mainly consists in combining them with each other in order to achieve the desired goals. Management functions, representing its individual phases, do not occur in such a clear logical arrangement in real life, but overlap each other in various ways (Malega, Petríková, 2008). In addition to other management functions such as planning, organizing, controlling and leading, we also encounter personnel work to a greater or lesser extent in companies. Personnel work includes all activities related to human resources in the company and their management. It starts even before the company hires its first employee and basically never ends during the existence of the company. When performing this function, managers also perform all other managerial functions.

Personnel work affects other functions and is influenced by them. It also has ties with the company's external environment.

In a market economy, capable employees with the necessary knowledge and skills who can work in both domestic and cross-cultural environments become a competitive advantage and provide the expected work performance (Bierema, 2014; Iqbal, 2019). Satisfaction with the adopted procedures and processes of personnel work is a prerequisite for the required work performance (Gander, 2019). According to Dessler (2013), personnel work focuses on typical processes such as workforce planning, recruiting, selection, training, development, performance appraisal and compensation. At the same time, it brings together people from different cultures and creates prerequisites for the integration of diversity into the company's values and visions. The only way to sustainable development and gaining a competitive advantage of the company on the market is the employment and support of people who can work, use and develop their knowledge potential and have a sustainable relationship with the environment in which they work. Gaining a relatively stable and strategic position of the company on the market requires fundamental changes in the thinking of managers and their approach to human resources. According to Pfeffer (1998), these are mainly changes that will support the involvement of employees, their job satisfaction and sustainability in the company. The general goal of personnel work is therefore to ensure that the company is able to employ people in such a way that they successfully meet the goals.

#### 1.1. Personnel work system

Personnel work is not static. On the contrary, over time, due to the changing needs of the prevailing generations on the labour market and the increasing options of companies, personnel work changes, expands and becomes more complex. As we have already mentioned, personnel work includes work with employees in the company, which carries elements of both operational and strategic activities. Therefore, we can consider the main goal of personnel work to be the use of everything that employees know and can do to achieve the company's short-term and long-term goals. This is only possible if the company succeeds in creating a functioning system of activities that follow each other, complement each other and cover all the needs of employees.

According to many authors (Koubek, 2007; Kachaňáková et al., 2007; Sojka et al. 2009; Vetráková et al., 2011; Armstrong, 2015; Kravčáková, 2014; Porvazník et al., 2016; Vetráková, 2017; Becker, 2019; Savov, 2019; Stachová et al., 2021 and others), the personnel work system consists of many interrelated activities that every company goes through gradually. Together, these activities form individual integrated HR processes. Due to the specifics of some companies, it is not necessary that all HR processes are included in the personnel work system. Each company chooses them according to its own needs, possibilities and, above all, the goals it pursues in personnel work.

We can divide HR processes according to the level of the corporate hierarchy with which they are related. Comprehensive HR processes affect the entire company and its environment. Ensuring the smooth running of such a process is the responsibility of the top manager or employee who is entrusted with personnel work at the company-wide level. Most often, these are processes that have a strategic nature, such as planning the number and structure of employees, planning the company's personnel development, planning HR activities and processes, job analysis, design and redesign of jobs, or job evaluation.

HR processes are often focused on the operational management of the given unit, or on the labour market or the information market. These processes mainly include recruitment, selection and placement of employees and control of their activities. Line managers in the relevant organizational units are most often responsible for these operational processes.

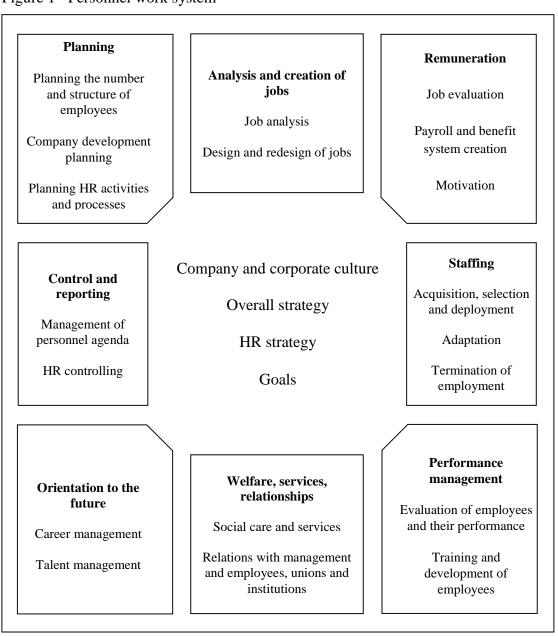
Skupinové procesy personálnej práce pozostávajú z činností ako zhromažďovanie alebo výpočet mzdových podkladov, vyplácanie miezd, tvorba motivačnej stratégie a systému starostlivosti o zamestnancov. Za ich realizáciu môžu byť zodpovední línioví manažéri, ale aj referenti ľudských zdrojov, podľa ich umiestnenia v organizačnej hierarchii.

Group HR processes consist of activities such as collecting or calculating salary documents, paying wages, creating a motivational strategy and employee welfare system. Line managers can be responsible for their implementation, but also human resources officers, according to their position in the organizational hierarchy.

The main goal of the HR department's activity in the company is not only the performance of administrative and control functions, but an intelligently managed,

active and innovative area that significantly contributes to the success of the company. The optimization of HR processes is a very important step on this path, the main goal of which is to reduce the costs of HR processes, increase the quality of processes, shorten the time of processes and innovate processes. Overall, the activities of each process must be economically justifiable in the personnel area, i.e. the ratio of value output to value input should be in an appropriate relationship (Geiselmann, 2011).

Figure 1 Personnel work system



Source: Smerek, Ďurian, 2021.

Figure 1 shows the HR processes that make up the personnel work system as we know them today. They are grouped into the areas they are dedicated to and which they ensure in the company. It is necessary to realize that there are mutual links between all the mentioned HR processes. The output of one HR process is usually the input for another one. However, a certain logical sequence is necessary to maintain the continuity of the company's operation. It can also happen that some HR activities are part of several HR processes, so that they are intermingled or completely merged. However, this is rather characteristic of smaller companies that do not have sufficient capacities to fully specify employees for all HR processes.

#### 1.2. Historical development of personnel work

By gradually changing people's thinking and increasing their importance in the work process, all areas of company management were improved. Today, many procedures appear to be outdated, insufficient or even non-functional. There were also changes and improvements in the field of personnel work. Many HR processes have been expanded or transformed, and some were created as a reaction to the growing business units, the distances between them, or the growing demands of employees and the need of the company to retain them.

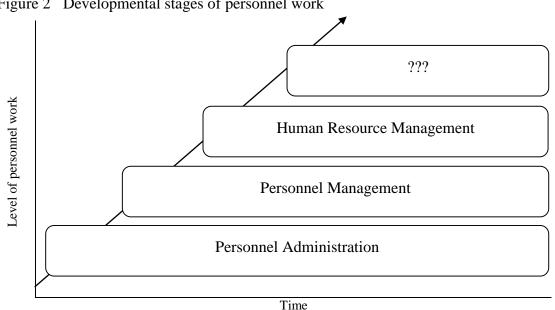


Figure 2 Developmental stages of personnel work

Source: Kazička, 2013

Although the personnel work in each company is different to a certain extent, over time, trends and procedures of working with people were formed, which showed certain common features. On the basis of these similarities, several developmental stages of personnel work were created (Figure 2). Each later stage of development built on the foundations of the previous ones, but in a certain respect supplemented and expanded them.

Although even in the ancient past there was some knowledge about the need to manage all resources, including human resources, the first mentions of management and managerial theories began to appear around the second half of the 19th century. Until that time, men and often women and children worked hard in poor conditions and for minimal wages (Reidy, 2015). Around this time, awareness began to form about the need for targeted and systematic work with people in the work process – about the need for personnel work. This gave rise to its very first, formally defined form, called personnel administration. Its name is derived from the predominant activities performed in personnel work. Personnel work was not considered part of management itself. Rather, it was understood as a service that was supposed to help better company management and was primarily of an administrative nature. The HR processes that were carried out were mainly connected with the need to satisfy the current needs of the company through the acquisition of employees, their remuneration and the registration of the necessary information about the people working for the company. However, they were largely concerned with the technical aspects of recruitment, evaluation, training and remuneration of employees. This field has typically not focused on the relationship of different hiring practices to overall company performance or on the systematic relationships between these practices. There was also a lack of a unifying paradigm (Ahmad, 2017). Because in this period people were still only adapting to operating machines, the individual was perceived as a secondary component of production and held a less significant position in the work process than other resources. There were no HR specialists. It was part of the work of ordinary employees who performed it in addition to their other work duties. There was no long-term view of human work, there were no HR strategies, plans or goals. Problems were approached primarily reactively and were only solved when they arose (Vetráková et al., 2011; Armstrong, 2015). During this period, Tomáš Baťa's companies were a model for other enterprises in our

country, which provided their employees with above-average wages, systematic and effective education, apartments and houses for employees, health care and insurance, (Mach, 1932). On the one hand, this period was characterized by an increase in the performance of the American and European economies, but also the onset of the first economic crisis, accompanied by high unemployment on the other hand, and a significant increase in state regulation (Stachová et al., 2020).

We can observe the qualitative development in HR processes and the growing importance of human in the work process compared to the initial stage of personnel work at the beginning of the twentieth century. This stage is called personnel management, which brought a qualitative leap in working with people. Before the World War II, companies began to form the first specialized HR departments, which are typical for this developmental stage of personnel work. It is believed that the first HR department was created in the National Cash Register Co. at the beginning of the 20th century. After several strikes and lockouts, the owner created a department to handle grievances, layoffs, and safety, as well as training supervisors on new laws and procedures (whatishumanresource.com, 2017). At the same time, new positions called "secretaries of social care" were created. They were primarily women and their primary interests were focused on the protection of women and children in the work process. Their emergence was a response to harsh industrial conditions coupled with pressures from the expansion of franchising, the influence of trade unions and the labour movement, and campaigns by some progressive employers for something called "industrial improvement". As roles expanded, there was a certain tension between the goal of moral protection of women and children and the need for higher performance (CIPD, 2014). The World War I accelerated changes in the development of personnel management. Women were recruited in large numbers to fill the gaps in compnies left by men fighting in the war, which in turn meant reaching an agreement with trade unions, often after bitter disputes over "dilution" - hiring unskilled women and changing staffing levels (Ahammad, 2017). This period was also influenced by the increased interest in the psychology of work. Thanks to its findings, managers realized that employees respond better to various social factors, such as the level of interest managers have in employees and the feeling that their managers really care about their work and them, as well as the quality of the environment. Increasing employee job

satisfaction has been used as a means of increasing their productivity (Chukwunonso, 2013). This period was also a period of mitigating conflicts between rank-and-file employees and administrative and managerial employees in companies. The ordinary employee was no longer understood as "a part of a production line or machine accessory", but as a human being. Although considerable progress has been made in the field of personnel management in Europe, it has continued to focus on the internal problems of employing people and managing their work skills (Koubek, 2007). When characterizing personnel management, we must emphasize that it supports the development of new methods of personnel work and the expansion or improvement of existing HR activities. Managers at this stage of development dealt with activities such as job analysis, human resource need planning and provisioning, employee development and career planning, occupational health and safety, employee care, collective labour relations and trade union relations. However, personnel work was still primarily focused on internal company problems of employing people and using the workforce. Similarly, a strategic (long-term) view of working with people is absent. Problems that arise were usually solved only when they arose. Therefore, there was a lack of a proactive approach to internal and external factors that affect employees. Personnel work was more in the nature of operational management and rests predominantly on HR departments (Vetráková et al., 2011; Stachová et al., 2021). Personnel managers were primarily responsible for the management and leadership of their own departments, but they were not considered part of the company's top management. Therefore, they did not have a significant impact on the formation of the overall strategy of the company.

After World War II, around the 1960s and 1970s, the perception of people's status at work improved even more. Employment began to rise significantly. At the same time, HR processes were further developed with the help of social science theories on motivation and organizational behaviour. For example, selection testing was increasingly used and professional training of managers was also supported. In the 1970s, specialization began to improve, for example, compensation and recruitment began to be addressed as separate issues. In the mid-1980s, the term "human resource management" came from the USA to Europe. The concept of human resources suggests that employees are understood as assets and at the same time emphasizes their

commitment and motivation (Ahammad, 2017). Thus, human resources gain importance and the most modern perception of the time began to give them a higher importance than other resources. The philosophy of personnel work was already starting to be built on a strategic approach to working with people. Strategic management includes decisions and procedures that help formulate strategies developed to achieve the company's goals and their subsequent implementation in practice. For the successful operation of the company in the future, it is very important to correctly apply a strategic approach to the management of human resources in the present. Thus, a strategic approach to human resource management concerns the long-term issues of employees in the company.

Managing human resources encompasses a number of specialized fields, including diversity management, compensation (including employee benefits and pensions), insourcing, building and maintaining employee relations, creating a desirable corporate culture and climate, company development and growth, and training and development (CIPD, 2014). The main features of human resource management are derived from this philosophy. At this stage, HR departments gained much more importance. The human resources manager is, in contrast to the personnel manager, mostly a part of the company's top management. Thus, it has a significant impact on formulating the overall vision and strategy of the company. These often include an orientation to people in the future, because human resources enable the efficient use of other resources in the company. Human resource management is gradually applied mainly by large companies and corporations operating on international markets. A human as the bearer of the labour force with his knowledge, skills, creativity and motivation becomes the most important resource that is able to ensure effective production and competitiveness and is able to activate other company resources as well. The difference compared to personnel management is in the strategic approach to management, in the orientation not only to performance but above all to the development of employees' competencies and their recognition as an asset and not a cost item of the company. Only people have the ability to bring more value than their own value.

Table 1 Difference between personnel management and human resource management

Difference	Personnel Management	<b>Human Resource Management</b>		
Meaning	An aspect of management that concerns the workforce and its relationship to the company	A part of management that focuses on the most efficient use of the company's workforce to achieve corporate goals		
Approach	Traditional	Modern		
Dealing with people on a level of	Machines and tools	Assets		
Type of functions	Routine	Strategic		
Basis for reward	Job evaluation (position)	Performance evaluation		
Role of management	Transactional	Transformational		
Communication	Indirect	Direct		
Work management	Collective negotiation	Individual contracts and agreements		
Incentives/stimuli	Partial, individual	Integrated		
Management focus	Procedures	Needs		
Decision-making process	Slow	Fast		
Job design	Division of work	Groups / teams		
Focus	Mainly for day-to-day activities such as recruitment, compensation, training and administration	Strategic orientation to the future and sustainability		

Source: Sampras, 2019.

Personnel administration, personnel management and human resource management can be described as developmental stages of personnel work over time. However, it is necessary to realize that individual development stages have their approximate period of origin, when they were considered the highest level of personnel work. But their existence is not a thing of the past. It is quite common for a company to be in one of the mentioned developmental stages of personnel work even today. There can be several reasons. An important characteristic that will affect the level of personnel work in the company is its size. Micro and small companies do not need to develop personnel work to strategic dimensions. A small number of employees can be managed relatively easily, without the need for elaborate procedures. The diversity of HR activities is therefore relatively low. On the contrary, the more jobs and employees work in the company, the more the company has to invest in their acquisition, training, remuneration, promotion, etc. This causes pressure for greater efficiency of the resources spent, which stimulates the search for new procedures in personnel work. The financial and material capabilities of the company are another factor that affects the

level of services provided for employees. Although managers are aware that they should offer more to their employees, they simply do not have the resources to do so, and their priority goal is short-term stabilization in a competitive environment. Companies that have more financial capital can provide their employees with more comfortable working conditions, higher rewards, better care and motivation. From the point of view of securing their human resource needs, they are therefore at a considerable advantage compared to less financially secure companies. The level of personnel work is also influenced by the stage of the life cycle in which the company is located. In particular, the period of creation and establishment is characterized by a lower level of implemented HR activities. However, its level usually increases over time. To a certain extent, it is also related to their size and financial capabilities. Last but not least, personnel work is influenced by the nature of the company and the commitment of its employees. While, for example, employees of a family business are often willing to accept a lower level of personnel work due to family ties in order to strengthen other areas of the company, if outsiders work for the company, their expectations for the work performed will generally be higher (Armstrong, 2015).

Since the development of human resource management as a field of practical application and scientific research in the 1980s, many changes have taken place in this field. An important development is the integration of human resource management into the process of strategic management. This growing area of research is referred to as strategic human resource management because it emphasizes the strategic role of human resource management in meeting company objectives (Delery, 1998). In strategic management, the role of human resource management is to design and develop a business strategy plan to achieve competitive advantage. All business functions, i.e. human resource management, marketing, finance, and manufacturing operations, must be aligned with this strategy to fulfil the company's strategic business plan (Vyas, Junare, 2018). Understanding the important role of strategic human resource management in modern company provides an important context for understanding the ethical responsibilities that managers have (Becker et al., 2001). This linking of overall corporate strategy with aligned HR systems is critical to maximizing performance outcomes in a world that increasingly depends on the initiative, creativity and commitment of employees to succeed (Senge, 2006). Strategic human resource

management draws attention to the contribution of human resource management to the performance of companies and highlights the added value of human resource management for companies. To achieve this, the integration between strategy and the effective management of people in the company is emphasized. The basic premise of strategic human resource management is that companies adopting a particular strategy require HR practices that may differ from those required by companies adopting alternative strategies (Delery, Doty, 1996), while an important link between corporate strategy and practices in areas of human resources that are implemented in this company.

When defining the various models used in the field of strategic human resource management, we must distinguish between the process and content aspects. Strategy process refers to the way strategies are created, while content refers to the strategy product in terms of what constitutes a strategy. In addition to this, De Wit and Meyer (2004) also distinguish the context of the strategy, which refers to the set of circumstances in which the process and content of the strategy are formed, developed or simply created.

The combination of process and content is the so-called Harvard model (Beer et al., 1985), one of the best-known models of strategic human resource management, which starts from a situational perspective (Figure 3). In addition to market and strategic considerations, it also takes into account the interests of various stakeholders in the external and internal environment. The emphasis on results does not only include performance in its strict economic sense, but attention is also paid to individual well-being and social consequences. The framework is both descriptive and normative. It provides an overview of the factors that are important in the formation of human resource management policies, but at the same time it is quite convincing in prescribing what results the decisions should lead to after their implementation (Paauwe, Boon, 2009).

Interests of stakeholders Shareholders Management Groups of employees Government **Outputs of HR** Communities **Selection of HRM** Long-term Dedication consequences Unions policies Competences Individual comfort Employee Match Organizational influence Flow of human Cost effectiveness efficiency **Situational factors** Social well-being resources Workforce characteristics Reward systems **Business strategy** Work systems Management philosophy Labour market Unions Task technology Laws and social values

Figure 3 Harvard model of strategic human resource management

Source: Beer et al., 1985; Paauwe, Boon, 2009.

Fombrun et al. (1984) defined a different model. This model is based on the view that the human resource system and organizational structure should be managed in a way that is consistent with the organizational strategy (Figure 4). The main focus is on the four processes of human resource management – selection, evaluation, development and compensation and their interrelationship.

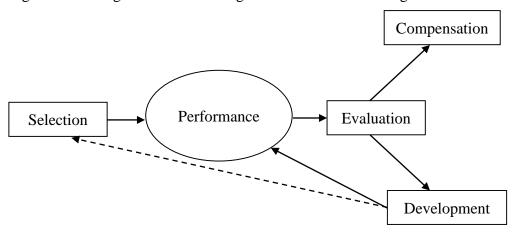


Figure 4 Michigan model of strategic human resource management

Source: Fombrun et al., 1984.

Achieving close alignment between the strategy, structure and policies of the human resource management takes place amid economic, political and cultural forces. The focus on the functional level of the human resource management itself emphasizes the so-called cycle of human resources, which can be considered one of the first content models, which serves as a heuristic framework for explaining the essence and meaning of key activities in the field of human resources. However, it is not complete because it only focuses on four functions and ignores all the environmental and unpredictable factors that affect the functions of human resource management. In their cycle, performance depends on selection, evaluation, rewards and development.

One of the best-known models of strategic human resource management is the standard causal model (Figure 5). It is derived from many similar models published at early 2000s. The model shows a chain of causation that starts with business strategy and ends with improved financial performance through HR processes. Thus, the model shows how HR processes that are in line with organizational strategy lead to company performance. According to the model, human resource management will be effective only if its strategy is in line with the business one. The human resource management strategy is thus derived from the overall strategy. HR Procedures are governed by the HR strategy. Examples include recruitment, training and development, and compensation. These HR practices lead to certain outcomes such as commitment, quality output and engagement. These results in turn lead to improved internal performance. Examples include productivity, innovation and quality. These results lead to financial performance, e.g. profits, financial turnover, better margins and others.

Overal strategy

HR strategy

HR strategy

HR results

HR results

Reverse causality

Unmediated effect of HRM

HR results

Improved internal performance

Reverse causality

Figure 5 Standard causal model of strategic human resource management

Source: Boselie et al., 2005.

Two specific relationships are the unmediated effect of human resource management and reverse causality. The first shows that some practices can directly lead to improved internal performance. For example, good training can directly lead to better performance without necessarily affecting human resource management results. Reverse causality in the model shows that sometimes stronger financial performance leads to greater investment in HR practices and better HR outcomes. When performance is strong, employees are often more engaged. This shows that the relationships in the model are not always unidirectional. In general, however, this model of strategic human resource management shows how the HR strategy is formulated and what the impact of human resource management is on the internal processes and financial results of the company (Vermeeren et al., 2008).

Another of the many models of strategic human resource management is the value chain of human resources. According to it, we can divide everything that we do and measure in personnel work into two categories – activities in the field of human resource management and results in the field of human resource management (Figure 6).

**EFFICIENCY EFFECTIVENESS IMPACT** HRM activities and Results Company goals processes Engagement **Profit** Workforce planning Retention Market value Recruitment and selection Low absenteeism Market share Compensation and Competency levels Turnover benefits Performance Productivity Relations Work climate Quality Training and development Trust Customer satisfaction Internal mobility Employee satisfaction Moral values Talent management Legitimacy Job design

Figure 6 Human resources value chain

Source: Van Vulpen, 2019.

HR activities are day-to-day activities, including acquisition, compensation, training and succession planning. These activities are often measured using various metrics specific to human resource management. These are the so-called efficiency metrics. The cheaper the company acquires employees and the faster it trains them, the better. The results of the human resource management are the goals that it tries to achieve with the help of the HR activities. Recruiting, training and rewarding ensure the achievement of certain goals (results). These outcomes include employee satisfaction, motivation, stability and engagement. If a company focuses only on measuring HR activities, it will automatically focus on reducing costs (i.e. maximizing efficiency). However, it should instead focus on results, as this helps align processes with goals (Louw-Potgieter, 2012; Van Vulpen, 2019).

#### 1.3. Summary

Managerial work includes the management of the company's main resources, including human, physical, monetary and informational resources, which the company acquires and uses from its surroundings. The activity of managers mainly consists in connecting them with each other in order to ensure the fulfilment of corporate goals through their interaction. In addition to other management functions such as planning, organizing, controlling and leading, personnel work is also part of the daily work of managers. It covers all activities related to human resources in the company – hiring, utilization and improvement. Personnel work is constantly influenced by other managerial functions, but at the same time it has an effect on them. Its main goal is to use everything the employees know and can do to achieve the company's short-term and long-term goals and fulfil the company's mission. Individual related activities that are implemented in personnel work form integrated HR processes. These processes, in turn, create a system of personnel work in the company. The personnel work system most often includes processes such as the creation of strategies, policies and other HR plans (in addition to plans for the number and structure of employees), planning the number and structure of employees, job analysis, recruiting and selecting employees, adaptation, job evaluation, performance evaluation, remuneration, training and further development of employees, career planning, talent management, employee welfare, HR controlling, employee release and personnel administration. There are mutual links

between all the mentioned HR processes. Information that forms the output of one HR process is used in another. However, a certain logical sequence is necessary to maintain the continuity of the company's operation. It is common that some HR activities are part of several HR processes, so that they are intermingled or completely merged. Since there are significant differences between companies and each of them is unique in its own way, it is not always necessary that the personnel work system contains all the HR processes that we define from a theoretical point of view. Each company creates its own HR system according to its needs, possibilities and, above all, the goals it pursues in personnel work and according to the importance it attaches to human resources. The differences are also often caused by the nature of the work activities performed, the gradual change in people's thinking, the entry of new generations into the labour market, the growing demands of people, or the increase in their importance in the work process. This resulted in the improvement of all areas of company management. Today, many procedures appear to be outdated, insufficient or even non-functional. There were also changes and improvements in the field of personnel work. Many HR processes have been expanded or transformed, and some were created as a reaction to the growing business units, the distances between them, or the growing demands of employees and the need of the company to retain them.

Although, as we mentioned, the system of personnel work is to some extent specific in each company, trends and procedures of working with people were formed over time, which showed certain common features. Based on these similarities, personnel work went through several developmental stages, which were determined by its focus. Work with people gradually transformed from personnel administration to personnel management, and later to human resource management. An important development shift is the integration of human resource management into the process of strategic management, emphasizing the strategic role of human resource management in the fulfilment of business goals. Strategic human resource management draws attention to its contribution to business performance and highlights its added value for companies. The basic premise of the strategic management of human resources is the connection between the corporate strategy and procedures in the field of human resources, which are implemented in companies. Strategic human resource management applied in the domestic and international environment has proven to be

the dominant approach to human resource management policy over the past 30 years. However, it is necessary to realize that individual development stages have their approximate period of origin, when they were considered the highest level of personnel work. But their existence is not a thing of the past. It is quite common if the company is still in one of the earlier development stages of personnel work, because it suits it that way, or it has no options for change.

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#### 2. OPERATIONAL HR PROCESSES IN SLOVAKIA IN 1998-2018

#### Lukáš Smerek

It is clear from the theoretical knowledge presented in the first chapter of the monograph, that personnel work undergoes constant changes. Knowledge from business practice shows that personnel work is becoming more complex and new and new activities are increasing in working with people in the work process. At the same time, companies are increasingly oriented towards processes that have a longer-term strategic nature. They try to minimize the risks of unwanted situations and problems and proactively create an environment that will ensure high-quality, efficient, satisfied and loyal employees.

### 2.1. Operational HR processes

The operational HR processes in companies are the subject of research in this chapter. We consider recruiting and selection of employees, job evaluation, employee evaluation, releasing employees and personnel administration as processes related to the operational management of human resources. These processes are typical for earlier developmental stages of personnel work – personnel administration and personnel management.

Job evaluation compares and assesses differences between analysed positions and classifies them into similar or different job categories. This ranking provides a basis for determining the contribution of each job (rather than the human) to the performance of the company. A job evaluation allows a company to compare many jobs to each other, thereby enabling it to develop an overall picture of how different positions relate to and support each other. It also allows the company to assess the direct and indirect contribution of each job to the vision of the company. Job evaluation is a matter of ensuring equality. It is an attempt to identify the relationships that connect different positions with the mission of the company. Each position is rated according to a factor or set of factors that have been chosen because they include the main, compensable components or dimensions that lead to successful performance. By identifying how each position contributes to company success, the intrinsic value or value of that job relative to all other roles within the business can be determined (Daley, 2013). The

company thus hierarchically arranges job positions according to their level of difficulty, risk and importance in achieving goals. In addition, job evaluation can also form the basis of reward and benefit systems (Heneman, 2003). The entire job evaluation process provides input information for determining the fixed component of individual wages of future company employees and forms the first and mandatory part of the company's remuneration system. Other components are not mandatory and depend on the subject of the company's activity and its capabilities. Usually, however, the basic fixed wage component is supplemented by a performance (variable) component, which depends on the work performance of the employees, and other rewards or benefits according to the possibilities and discretion of the company. However, the share of the individual components, the criteria for their acquisition and the method of their calculation must be defined in the company even before hiring the first employees. Remuneration of employees is one of the main areas of human resource management. Its goal is to lead employees to such behaviour that leads to the achievement of the goals of the company. In this case, it must be of primary importance for the company to realize what and to what extent it can motivate its employees to perform better by satisfying the personal needs of the employees and thus the entire company. It is important that the company correctly identifies the factors that determine the motivation of employees, and only makes decisions based on the established facts. Salary and fair appraisal system are the most important motivation factors relating to finance affecting the motivation of the employees to improve job performance (Hitka et al., 2021). Thus, we understand motivating and stimulating employees as other processes that can influence employee remuneration. Employee motivation is an essential aspect of HR processes, as it effectively influences the behaviour and actions of not only individuals, but also work teams, which leads to the development of the company as a whole. The company should therefore make a targeted effort through HR professionals and managers to find and effectively use motivational tools and factors that can influence satisfaction, motivation and thus the final performance of employees (Hansson, 2009).

Recruiting is one of the most important HR processes in a company. In order to progress and be successful in an ever-increasing competitive environment, every company needs the best available candidates to be part of its human resources. From the point of view of the development of human resource management, it can be

recommended that companies focus on acquiring qualified and experienced employees who will become a competitive advantage (Mura et al., 2017). In recent decades, labour markets have changed significantly in almost all countries. Migration for work is becoming natural because it is much easier for people than it was in the past. The perception of travelling and resettlement by younger generations is different compared to older generations. The priority goal of companies remains the minimization of costs while simultaneously obtaining a satisfactory quantity and quality of employees necessary to meet the need for human resources. While recruitment opens up new opportunities, it also brings the need for some changes in the entire process. Their common feature is a certain innovation of already existing, traditional ways to ensure maximum reach for potential employees, and in the final stage, the right choice based on predetermined specific criteria (Smerek, Jurášová, 2019). It means those organizational activities that influence the number and types of applicants who apply for a position or influence whether a job offer is accepted (Breaugh, 2008). Recruiting begins with the identification of needs and ends with the signing of a contract between the employer and the employee. There are three phases in between – searching for applicants from available internal or external sources, approaching and engaging suitable candidates, and selecting those who best meet the requirements to fill the job and are willing to work for the company (Barber, 1998). In other words, it is first necessary to search for, approach and inform possible employees and then select the most suitable one. The general recruitment process includes six steps (Münstermann et al., 2010). In the first step, companies try to build a positive self-image through several marketing activities (Galera Matúšová, 2020). In this case, the goal of the company is to be interesting for a potential future employee. As part of the next step, companies try to fill their vacancies in the shortest possible time frame. This usually involves posting job offers both online and offline. Subsequently, companies manage all incoming responses to published offers and initial communication with relevant candidates begins. After that, a pre-selection is carried out based on the information provided by the applicants themselves and a selection by a suitably chosen method, which will allow the company to compare the actual and required abilities of the applicants. However, we must remember that selection is a two-way process, because not only the company chooses future employees, but the employees also choose the company. The first choice on the part of the employee takes place at the moment when he decides to respond to the published job offer, the second when he decides to accept or reject the conditions offered by the company. The recruitment process ends with the final decision on the future job holder and his acceptance (Laumer et al., 2009; Laumer et al., 2012). From that moment, after fulfilling all the formal requirements, the job seeker becomes part of the company's human resources.

Recruitment is closely related to the evaluation of the level of employee knowledge, abilities and skills and the evaluation of their performance, that is, the practical use of knowledge, abilities and skills in the work process. Employee performance evaluation is a comparison of the employee's work output with what he actually did. The individual performance of each employee is assessed differently, depending on the job position in which he works and the performance requirements defined in the job analysis. Based on the assessment of this performance, the results can be taken into account in the remuneration of a specific employee. Sojka et al. (2009) list the following functions of employee evaluation and performance:

- recognition the performance and behaviour of employees is continuously monitored,
- comparative differences between individual employees are monitored,
- regulatory enables changes to be made in favour of achieving better performance,
- causative tracks the causes of changes in work processes and relationships,
- incentive connection to motivation and stimulation of employees,
- selective related to career and advancement planning.

Employee evaluation often generates measurable indicators used in the creation of the variable component of the employee's salary, or the granting of other extraordinary rewards. Other evaluated areas can be behaviour, attitudes or potential for future development. The results of employee evaluation can be further used to improve their work performance, motivate and stimulate, promote, fire, etc.

In connection with the aforementioned HR processes, the need for their proper administration, registration and storage of a large amount of information is growing. These activities are part of personnel administration, which brings together all documents related to employees and their records, including basic identification data,

evaluation forms, payslips, records of completed training and courses, and much more. Together with the growing amount of recorded information and the development of information technology, electronic HR information systems have begun to be developed, serving for easier and more efficient acquisition, storage and further editing of documents used in personnel work. Furthermore, they are used to acquire, process, analyse and store information about valid legislation, trends, social affairs, work and work procedures, strategies, policies in the internal and external environment of the company. While in the past they were in paper form and were mainly stored in folders, filing cabinets and archives, nowadays they are fully electronic and available online from anywhere in the world at any time. The HR information system is part of the management information system. It has a high ability to support correct decisionmaking, it has great data availability, effective operation time, high accuracy, relatively low cost, thereby intensifying user knowledge, improving productivity and providing better data and information (Fatimah et al., 2018). Their use in modern company management is a matter of course and one of the main requirements of today's time. Many HR information systems are developed precisely according to the requirements of specific companies in order to provide all the functionalities required by the specificity of the company compared to the competition.

#### 2.2. Implementation and importance of operational HR processes

The aim of the chapter is to examine the historical development of the implementation of operational HR processes in Slovakia. To fulfil the main goal of the chapter, we formulated 3 sub-goals as follows:

- 1. To compare the implementation of operational HR processes in Slovak companies in the monitored years.
- 2. To compare the perception of the importance of operative HR processes in Slovak companies in the monitored years.
- 3. To compare the methods and tools used in selected operational HR processes in the monitored years.

The collection of data on the state of personnel work in companies in Slovakia was carried by sociological interviewing using online and printed questionnaires in the years 1998, 2002, 2006, 2010, 2014 and 2018. The questionnaire until 2014 contained

15 questions focused on HR processes and trends in the development of personnel work. The questionnaire in 2014 and 2018 was supplemented with 1 question regarding talent management, as one of the latest HR processes (Appendix).

We obtained the data in person or online from HR departments from persons responsible for personnel work in companies. The number and size structure of surveyed companies is shown in Table 2.

Table 2 Research sample of Slovak companies

<b>X</b> 7	No of employees						TF - 4 - 1		
Year		< 10	1	0 – 49	50	0 – 249		≥ 250	Total
1998	85	21.46 %	131	33.08 %	118	29.80 %	62	15.66 %	396
2002	73	20.17 %	120	33.15 %	101	27.90 %	68	18.78 %	362
2006	63	18.05 %	98	28.08 %	109	31.23 %	79	22.64 %	349
2010	64	20.58 %	96	30.87 %	93	29.90 %	58	18.65 %	311
2014	71	18.25 %	111	28.53 %	119	30.59 %	88	22.62 %	389
2018	87	22.83 %	110	28.87 %	120	31.50 %	64	16.80 %	381
Total	443	20.25 %	666	30.44 %	660	30.16 %	419	19.15 %	2188
Year	Sector							Total	
Year	Private				Pul	olic		Total	
1998	325		8	2.07 %		71	1	7.93 %	396
2002	299		8	2.60 %		63	1	7.40 %	362
2006	280		8	0.23 %	69		19.77 %		349
2010	263		8	84.57 %		48	1.	5.43 %	311
2014	319		82.01 %		70		17.99 %		389
2018	337		88.45 %		44		11.55 %		381
Total	Total 1823		83	3.32 %		365	10	6.68 %	2188

Source: Own elaboration, 2023.

Using theoretical and historical knowledge about the development of personnel work, we have come to opinion that personnel work in Slovakia is changing and gradually developing towards its latest development stage. Although the personnel work itself in companies depends on the specific people who are responsible for it, we can describe the general qualitative shift in personnel work by a higher orientation to selected HR processes that are supposed to direct the company towards long-term

sustainability and strategic setting. To verify our assumption, we formulated the following research questions and hypotheses:

- RQ<sub>1</sub>: Has the implementation of operational HR processes in Slovakia changed over time?
- RQ<sub>2</sub>: Has the perception of the importance of HR personnel processes in Slovakia changed over time?
- H<sub>1</sub>: We assume that the proportion of companies that implement operational HR processes is decreasing in examined companies in Slovakia.
- H<sub>2</sub>: We assume that the importance of operational HR processes is decreasing in examined companies in Slovakia.

Since the variables are mostly nominal and we compared more than two groups, to compare the implementation and importance of HR processes in Slovak companies in the years 1998, 2002, 2006, 2010, 2014 and 2018, Pearson's Chi-square test of homogeneity was used, which can be used to answer questions about differences between groups. It compares the distribution of discrete quantities in two or more groups. It tests whether this distribution does not differ across groups. In the field of behavioural sciences, the Pearson Chi-square test is one of the most frequently used non-parametric statistical tests. Its null hypothesis (H<sub>0</sub>) assumes that the two groups come from the same population. In other words, the two independent groups are assumed to be homogeneous and have the same distribution. The alternative hypothesis (H<sub>A</sub>), assumes that the distribution of the data in the first group is different from the distribution of the data in the second group (Pearson, 2009). We performed the testing at a significance level of 95%. To calculate the test statistics, we used the statistical software IBM SPSS Statistics 20. From the analytical methods, we used descriptive statistics, especially absolute and relative frequencies and arithmetic mean, comparison, synthesis, induction and deduction. The achieved results are processed in tables and charts.

According to available data from the Statistical Office, the share of large companies in Slovakia in the monitored years was at the level of 0.1%, the share of medium-sized companies at the level of 0.5-0.6%, the share of small companies at the level of 2.4-5.5% and the share of micro-companies at the level of 93-97% of all companies. The results of statistical testing are in Table 3.

Table 3 Testing the similarity of sample files

Year \* No of employees

			Total			
		< 10	10 - 49	50 - 249	≥ 250	Total
	1998	85	131	118	62	396
	2002	73	120	101	68	362
Vaan	2006	63	98	109	79	349
Year	2010	64	96	93	58	311
	2014	71	111	119	88	389
	2018	87	110	120	64	381
Total		443	666	660	419	2188

#### Chi-square tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-square	15.746 <sup>a</sup>	15	0.399
Likelihood Ratio	15.700	15	0.402
Linear-by-Linear Association	0.878	1	0.349
N of Valid Cases	2188		

a. 0 cells (0.0 %) have expected count less than 5. The minimum expected count is 59.56.

Year \* Sector

		Sec	Total			
		Private	Public	Totai		
	1998	325	71	396		
	2002	299	63	362		
Year	2006	280	69	349		
1 ear	2010	263	48	311		
	2014	319	70	389		
	2018	337	44	381		
Total		1823	365	2188		

#### **Chi-square tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-square	11.029a	5	0.051
Likelihood Ratio	11.619	5	0.040
Linear-by-Linear Association	4.504	1	0.034
N of Valid Cases	2188		

a. 0 cells (0.0 %) have expected count less than 5. The minimum expected count is 51.88.

Source: Own elaboration, 2023.

It is clear by looking at Table 3, even without statistical calculations, that the examined sample of companies is not representative. The achieved results cannot therefore be generalized to the whole of Slovakia. However, in order to compare the historical development of personnel work, it is more important to preserve the similarity of the examined set in individual years. When collecting data, we therefore applied a

quota selection of respondents so that the sample sets in individual years were statistically comparable according to at least two selected characteristics, which are the size of the company and the sector of operation. Based on statistical testing using Pearson Chi-square test of homogeneity, the examined samples of companies in individual years are statistically similar in terms of size and the sector in which they operate.

For a deeper understanding and description of the development of personnel work, we must look at what processes companies implement in personnel work. One of the indicators of the level of personnel work is the number of processes that companies implement. Our assumption, formulated in hypothesis H<sub>1</sub>, that the number of operational HR processes implemented by companies is decreasing in Slovakia, is based on the knowledge of foreign experts about the increasing level of personnel work in companies. In order to verify the assumption that there is a change in the approach to personnel work in Slovakia from its older development stages to newer ones, we continue by investigating the implementation and perception of the importance of those processes that are rather considered operational. Subsequently, we compare the implementation of operational HR processes in Slovak companies in 1998, 2002, 2006, 2010, 2014 and 2018.

Recruitment and selection of employees can of course also be understood from a strategic point of view, especially if they are connected with the formulation of an HR strategy and follow on from the planning of the need and structure of human resources. However, at the same time, excessive recruitment of employees occurs if some HR processes are completely absent. The result is reduced employee satisfaction and increased turnover, which forces companies to engage in constant search, outreach and selection of new employees to meet emerging needs. In the long term, however, it is costly and inefficient, which drains time and financial resources that could be used in personnel work to implement other processes and activities. The development of the recruitment of employees in the monitored years is shown in Table 4.

Table 4 Development of implementation of recruitment

						Ye	ar						
Recruitment	1:	998	20	002	2006		2010		2014		2018		Total
	N	%	N	%	N	%	N	%	N	%	N	%	
No	72	18.18	84	23.20	86	25.79	38	12.22	20	5.14	35	9.19	458
Yes	324	81.82	278	76.80	263	75.36	273	87.78	369	94.86	346	90.81	1730
Total	3	896	3	62		349	3	311	3	889	3	881	2188
			362         349         311         389         381           Value         df         Asymp. Sig. (2-signature)					(2-side	d)				
Pearson Chi-squar	re			87.	687ª			5			0.00	0	
Likelihood Ratio				93.	333			5			0.00	0	
Linear-by-Linear	Assoc	ciation	50.681					1			0.00	0	
N of Valid Cases			2188										

<sup>&</sup>lt;sup>a.</sup> 0 cells (0.0 %) have expected count less than 5. The minimum expected count is 47.62.

Source: Own elaboration, 2023.

Based on the respondents' answers in the investigated years, we calculated the value of the Pearson Chi-square test (87.687). A p-value < 0.05 reveals that the share of companies that recruited employees in the monitored years is not the same and that there have been some changes over the years. Among all monitored HR processes, however, it is the only one whose development trend stands out from the rest. Between 1998 and 2006, there was a gradual decline in the number of companies that recruited employees from 81.82% of companies to 75.36% of companies. Subsequently, by 2014, this share grew to 94.68% of companies. In 2018, there was a slight decrease again to 90.81% of companies. We can partially justify these results by looking at some macroeconomic indicators. For example, the GDP growth rate of Slovakia since 1998 (except for stagnation in 1999) was the highest in history until 2009. The companies were therefore working at the limit of their capacities. There was no room for a dramatic increase in the number of employees. Nevertheless, the lowest share of companies that were forced to recruit employees was in 2006 at the level of 75.36%. After 2009, the Slovak economy was restarted and companies were forced to fill the released capacities, which caused an increased need to recruit new employees.

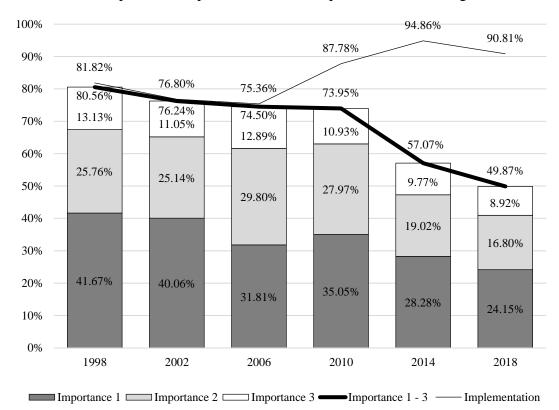


Chart 1 Development of implementation and importance of recruiting

Source: Own elaboration, 2023.

However, from the point of view of companies, the importance of recruiting employees (Graph 1) decreased in the monitored years. In 1998, it was identified as one of the three most important processes by 81.82% of companies, in 2018 it was less than half (49.87%) of companies. We can state that recruitment is an almost inevitable part of personnel work, because the preferences of employees are constantly changing, as well as their mobility and competition in the labour market. All this causes labour migration for, from their point of view, better conditions. Recruiting employees will probably always be among the most frequently implemented HR processes. On the other hand, it is far from being considered the most important, and the orientation of companies is more towards other HR processes, which should reduce the need to recruit employees. Our claims are supported by the fact that the share of companies that consider high turnover as one of the most frequent problems in personnel work has decreased over the entire observed period. The lack of available qualified labour, the

possibility of their retraining and their willingness to enter employment (Chart 2) is increasingly becoming a problem.

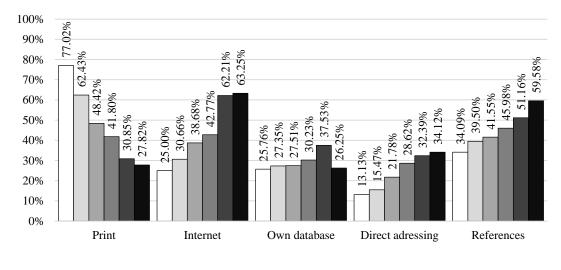
90% 76.26% 80% 74.31% 69.05% 70% 62.70% 59.64% 56.43% 60% 50% 40% 31.50% 25.45% 30% 20.90% 17.70% 7.40% 20% 15.40% 10% 0% 1998 2002 2006 2010 2014 2018 □Turnover ■N & Q of applicants

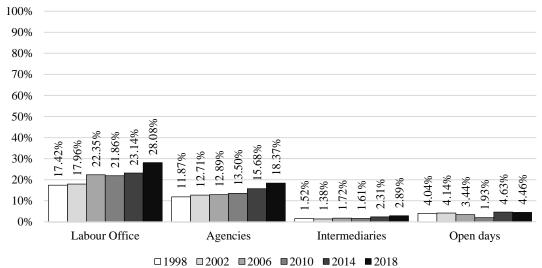
Chart 2 Problems with turnover, and number and/or quality of applicants

Source: Own elaboration, 2023.

Although the process of recruiting employees has several phases, in the research we were more interested in the tools used by companies in two of them – when addressing potential employees (Graph 3) and when selecting them (Graph 4). They are the two phases of the recruitment process with direct interaction between the company and the job seeker. The addressing phase includes formulating the job offer in such a way and using such channels that can cover and reach the largest possible group of potential applicants. They are usually identified in the previous phase of the search for employees and make the initial decision whether the offer is interesting for them or not. It is also the first contact between the employer and the future employee, so companies at this stage try to present themselves in the best possible light in order to reach a sufficient number of applicants. They use various tools for this, from favourable wage conditions, through a wide range of different benefits to the good name of their own brand of products or the company as a whole (Galera Matúšová, 2021).

Chart 3 Tools used in recruiting employees





Source: Own elaboration, 2023.

The order of the most frequently used tools when addressing employees has changed significantly over the years. The development of information and communication technologies and their use in personnel work had a great impact. In 1998, the most frequently used tool for contacting employees was a printed advertisement, which was used by 77.02% of companies. Its use decreased, as in 2018 it was used by 27.82% of enterprises. We observe the exact opposite trend when using electronic forms of addressing employees in the form of corporate website, job portals or social networks. While in 1998 this method of addressing employees was used by 25% of companies, in 2018 this share rose to 63.25% of companies. We also note a

significant increase in the use of direct addressing of selected potential employees (13.13% of companies in 1998 and 34.12% of companies in 2018) and the use of references from employees and acquaintances (34.09% of companies in 1998 and 59.58% of enterprises in 2018). We can also observe a certain increase in the case of using the services of labour offices and intermediary agencies. In addition to moving employee outreach to the online space, we can notice that companies are using multiple tools at the same time, thus trying to include the maximum possible range of suitable candidates.

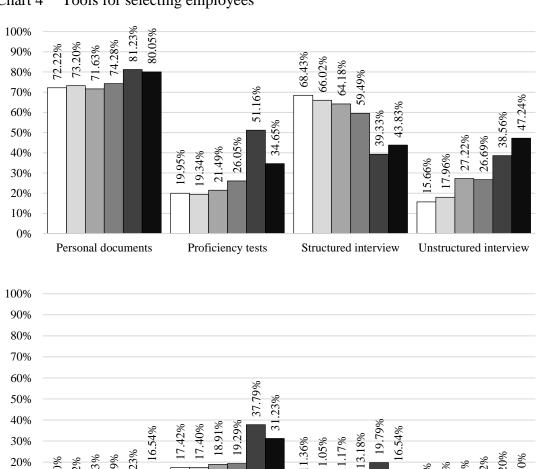


Chart 4 Tools for selecting employees

Source: Own elaboration, 2023.

IQ and EQ tests

10%

□1998 □2002 □2006 ■2010 ■2014 ■2018

Personality tests

AC

Skill tests

The selection phase follows the applicant's response to the offer. Depending on the job position and the possibilities of the company, applicants are subjected to a test of their abilities and skills using a suitable method. It is not an exception that the selection phase takes place in several rounds and is a combination of several methods aimed at different areas of revealing human potential. The selection itself is the culmination of the entire process and represents a comparison of the required qualities for the job with the actual qualities possessed by the applicant. It can also be a question of comparing the qualities of several applicants with each other. The company will offer a job to the best and most suitable applicant. However, the final decision rests with the employee, who makes the final decision whether to accept the job offer or not. Also for this reason, we can describe recruiting (but especially selecting) employees as a two-sided process.

Among the methods used by companies in the employee selection phase, checking the information in the applicant's documents is the most preferred for a long time. This method is most often used in the initial sorting of applicants who can meet the set criteria and those who do not match the requirements at all. The second most frequently used method is interviews. However, during the monitored years, companies prefer structured interviews to a lesser extent (68.43% of companies in 1998 and 43.83% of companies in 2018). On the contrary, the share of unstructured interviews is increasing (15.66% of companies in 1998 and 47.24% of companies in 2018). This indicates a kind of greater freedom of HR professionals in the selection of employees and less emphasis on the standardization of procedures. However, the share of companies that test their future employees (with all kinds of tests) has increased significantly. The use of assessment centres is also gaining popularity, but still only a small percentage of companies use them (1.52% of companies in 1998 and 6.30% of companies in 2018).

Job evaluation belongs to another of the processes that are rather characteristic of earlier developmental stages of personnel work, more oriented to activities, to the work itself and to specific job positions. In the newer understanding, the focus shifts more to the individual, his qualities and the performance he delivers. From the above, if we assume a shift towards human resource management, the traditional determination of the value of work should lose its importance. The remuneration system should be

based less and less on the value of individual jobs and more on the employees themselves. They should be able to influence their reward with their own skill, commitment and the results of their own work. Especially when we consider that many jobs today are highly specialized and require personal input from the employee who works on them. The development of the implementation of determining the value of jobs in personnel work is shown in Table 5 and Chart 5.

Table 5 Development of implementation of job evaluation

						Ye	ear						
Job evaluation	19	998	20	002	2006		2010		2014		2018		Total
	N	%	N	%	N	%	N	%	N	%	N	%	
No	180	45.45	169	46.69	187	53.58	181	58.20	233	59.90	243	63.78	1193
Yes	216	54.55	193	53.31	162	46.42	130	41.80	156	40.10	138	36.22	995
Total	3	396	3	62	349		3	311	3	889	3	881	2188
				Va	lue			df		Asymp	. Sig.	(2-side	d)
Pearson Chi-squa	re			41.6	520 <sup>a</sup>		5				0		
Likelihood Ratio				41.	779			5	0.000				
Linear-by-Linear	Asso	ciation		40.	365			1	0.000				
N of Valid Cases				21	88								

 $<sup>^{\</sup>mathrm{a}}$  0 cells (0.0 %) have expected count less than 5. The minimum expected count is 141.43

Source: Own elaboration, 2023.

When comparing the implementation of job evaluation in the years under review, we calculated the value of Perason's Chi-square homogeneity test of 41.620. A p-value < 0.05 indicates that the share of companies that are engaged in job evaluation in the monitored period is not the same. From a closer look at the relative number of companies, we note that this share is constantly decreasing. In 1998, 54.55% of companies devoted themselves to determining the value of jobs, in 2018 it was only 36.22% of companies. Looking at the importance (Chart 5), we see that the predicted decrease is even more significant. In 1998, 40.66% of companies identified job evaluation as one of the three most important processes. Until 2006, from the point of view of companies, it was the third most important process overall. By 2018, the number of companies that consider job evaluation to be one of the three most important processes had dropped to 6.30%. According to the companies, this process became the

least important process out of all 13 investigated processes. Fixed wage components, as one of the results of job evaluation, no longer play such an important role in the calculation of the total remuneration as the results of other processes. The observed trend confirms our assumption that personnel work and its orientation are gradually leaning towards the person as the centre of their interest.

90% 80% 70% 60% 54.55% 53.31% 46.42% 50% 41.80% 40.66% 40.10% 40% 36.22% 33.70% 28.94% 18.94% 30% 24.12% 13.54% 13.18% 17.48% 20% 8.68% 9.60% 10.50% 6.43% 9.17% 6.30% 10% 10.93% 5.91% 12.12% 9.67% 6.59% 3.15% 2.10% 5.14% 4.50% 0% 1998 2002 2006 2010 2014 2018 - Implementation

Chart 5 Development of implementation and importance of job evaluation

Source: Own elaboration, 2023.

To a large extent, the trend of importance also corresponds to the decrease in the existence of another frequently occurring HR problem – the problem with the fair setting of the remuneration system (Graph 6). While until 2010 this problem was the second most common among all the companies in the research, its representation has fallen below the level of 20% of companies in the last two years under review. We claim that this decrease can be caused by a change in the approach to calculating the total remuneration so that it is even more motivating for employees. By changing the mind-set of the younger generations, who currently make up the majority of the labour

force on the labour market, such a development is inevitable. Younger generations need to feel that they can change and influence things with their own abilities, including those that affect them the most. Reward (especially monetary) is considered an area that people perceive very sensitively. Any tying of the reward system to criteria that a person cannot influence can appear unfair. The original idea of determining the value of jobs is undoubtedly based on rational foundations. However, it is too little flexible for the needs of modern personnel work.

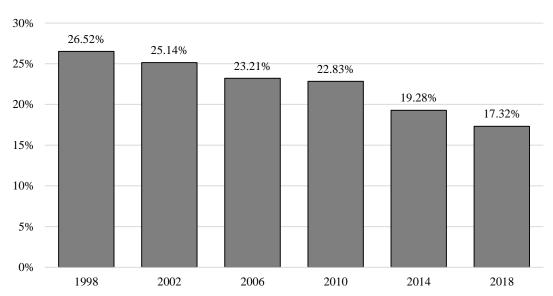


Chart 6 Problems with the fair setting of the remuneration system

Source: Own elaboration, 2023.

Releasing employees is one of the necessary HR processes, which are rather a consequence of the functioning of others. The priority goal of HR specialists in all stages of personnel work is to minimize the dismissal of employees and the dismantling of administration, or other steps that are necessary when temporarily replacing a dismissed employee with another. However, sometimes leaving an employee is the only acceptable solution. Especially if it is an employee who does not achieve the required performance, repeatedly violates discipline, is conflicted or otherwise disrupts the work climate. In that case, his release from employment has more positives than negatives. The opposite situation occurs when an employee who is beneficial to the company leaves. According to companies, the most common voluntary reasons for leaving

employees are better offers from competitors or personal reasons. The departure of an employee may also occur if he cannot handle the work he is supposed to perform at his workplace. In such a case, it is debatable whether it is a purely personal reason, or whether it is the bad organization of the work or its objectively high level of difficulty that is to blame. In such a case, companies approach the re-analysis of work. It is often necessary to redesign jobs, or to create completely new ones, between which the other job duties are divided. In some cases, companies are involved in helping a former employee even after his departure. This happens especially in situations where an employee is released for organizational or financial reasons, but the company wants to behave responsibly towards its employees despite the difficult situation. Due to the fact that among the most common problems in personnel work are also problems in obtaining a sufficient number of suitable employees from the external labour market, we can assume that the share of companies that release their employees will decrease. The development of the realization of the release of employees is shown in Table 6 and in Chart 7.

Table 6 Development of implementation of releasing employees

Dalaasia						Υe	ear						
Releasing employees	1	998	2	002	2006		2	010	2014		2018		Total
employees	N	%	N	%	N	%	N	%	N	%	N	%	
No	110	27.78	93	25.69	91	26.07	119	38.26	121	31.11	185	48.56	719
Yes	286	72.22	269	74.31	258	73.93	192	61.74	268	68.89	196	51.44	1469
Total	3	396		362		349	3	311	3	889	3	881	2188
				Va	lue			df		Asymp	. Sig.	(2-side	d)
Pearson Chi-square	;			67.5	559a			5			0.00	0	
Likelihood Ratio				65.	808		5		0.0			0	
Linear-by-Linear A	ssocia	ation		41.	775			1			0.00	0	
N of Valid Cases			2188										

 $<sup>^{\</sup>rm a}$  0 cells (0.0 %) have expected count less than 5. The minimum expected count is 102.20

Source: Own elaboration, 2023.

Our assumption was confirmed based on the answers from companies in the monitored years. Pearson's Chi-square test of homogeneity (67.559) and p-value < 0.05 confirm that in the monitored years there was a significant change in the share of

companies that are engaged in releasing employees. Nevertheless, we cannot clearly determine the trend in the monitored period, because while in 1998-2006 this share of companies was approximately the same (72.22% of enterprises; 74.31% of enterprises; 73.93% of enterprises), in 2010 it decreased quite significantly to 61.86% of companies. In 2014, we again observed a slight increase to 68.74% of companies, and in 2018 there was the largest decrease, up to 51.44% of companies, which released their employees for various reasons.

80% 74.31% 73.93% 72.22% 68.89% 70% 61.74% 60% 51.44% 50% 40% 30% 20% 16.16% 13.80% 11.18% 10.29% 4.29% 9.00% 6.56% 10% 7.18% 3.44% 3.54% 9.09% 4.30% 3.31% 3.08% 2.89% 4.50% 2.78% 3.31% 3.44% 3.34% 2.10% 0% 2010 1998 2002 2006 2014 2018 - Implementation

Chart 7 Development of implementation and importance of releasing employees

Source: Own elaboration, 2023.

We also observe a decrease in the perception of the importance of releasing employees (Chart 7). Although releasing have never been among the most important HR processes, between 2014 and 2018 less than 10% of companies ranked it among the top three processes (9% of companies in 2014; 6.56% of companies in 2018). A less important process was talent management in 2014 and job evaluation in 2018. It also follows from the above that companies try to focus primarily on those HR processes,

through which they can improve the position of their employees, and they resort to releasing them less and less.

The last examined operational HR process is personnel administration. Its implementation is often not a choice of companies, but a necessity, which is determined by the level of state bureaucracy, changes in the business environment and the level of implementation of other HR processes. It is connected with the reporting of results in personnel work, in recruiting, evaluating and rewarding employees, as well as in releasing them. Nevertheless, there are situations where personnel administration is not a complete necessity. We have already mentioned, for example, the specific position of family businesses, which operate on the basis of different ties and in which individual administrative activities could really be limited only to necessary actions required by the external environment of the company. In the research, we were interested in whether companies, as part of internal company processes, carry out administrative tasks connected with personnel work (Table 7) and what importance they attribute to them (Chart 8).

Table 7 Development of the implementation of personnel administration

D			Year										
Personnel administration	1	998	2	002	2006		2	010	2014		2018		Total
	N			%	N	%	N	%	N	%	N	%	
No	78	19.70	72	19.89	70	20.06	66	21.22	51	13.11	83	21.78	471
Yes	318	80.30	290	80.11	279	79.94	245	78.78	338	79.18	298	78.22	1717
Total	3	396	362		3	349	3	311	3	889	3	881	2188
				Va	lue			df		Asymp	. Sig.	(2-side	d)
Pearson Chi-square				3.6	501 <sup>a</sup>		5				0.60	8	
Likelihood Ratio				3.5	34		5		0.618			8	
Linear-by-Linear A	ssoci	ation		0.4	150			1			0.50	3	
N of Valid Cases			2188										

 $<sup>^{\</sup>mathrm{a}}$  0 cells (0.0 %) have expected count less than 5. The minimum expected count is 66.81.

Source: Own elaboration, 2023.

The calculated value of Pearson's Chi-square test of homogeneity (3.601) and p-value > 0.05 show that personnel administration is the only HR process whose implementation share has not changed significantly over the years under review.

Although at first glance, we can note a slight decrease in the share of companies that devote themselves to personnel administration in their personnel work, the differences between individual years are so small that they may be the result of admissible statistical deviation. As we have already mentioned, this fact is probably caused by the necessity of recording data from HR activities, for their further processing and reporting, and which the companies themselves cannot influence.

However, we observe a completely different situation when we look at the perception of the importance of personnel administration (Chart 8). While in 1998 personnel administration was considered one of the three most important HR processes by more than half of the companies (53.54%), in 2018 it was already less than a quarter of companies (22.31%). Until 2010, personnel administration was even considered the second most important HR process. In this regard, we can state a definite progress towards a higher level of personnel work, because processes that support the development of individuals and their abilities, compared to administrative reporting, which is necessary, but unnecessarily drains HR personnel's energy and time, are gaining in importance over the years.

90% 80.30% 80.11% 79.94% 79.18% 78.78% 78.22% 80% 70% 60% 53.54% 49.72% 50% 42.99% 18.94% 37.62% 40% 20.17% 17.77% 30% 24.94% 15.43% 22.31% 14.90% 15.19% 20% 10.32% 6.75% 11.83% 11.02% 4.88% 10% 19.70% 3.15% 15.43% 14.90% 14.36% 8.23% 8.14% 0% 1998 2002 2006 2010 2014 2018 

Chart 8 Development of implementation and importance of personnel administration

The research is based on the assumption that personnel work in Slovak companies changed during the years 1998 to 2018. In hypothesis H<sub>1</sub>, we assumed that the share of companies that implement operational HR processes is decreasing in Slovakia. This assumption was confirmed only in the case of job evaluation, the implementation of which actually decreased in the years under review. Although there were statistically significant differences in the share of companies implementing them in the recruitment and release of employees in the monitored period, we were unable to confirm the assumption of their continuous decline. Regarding personnel administration, we even found that there was no significant difference between the monitored years in the share of companies that implement it as part of their personnel work. Therefore, we reject hypothesis H<sub>1</sub>.

In hypothesis H2, we assumed that the importance of operational HR processes is decreasing in Slovakia. Considering the answers of the companies that participated in surveys on personnel work between 1998 and 2018, we accept the above hypothesis., There was a decrease in the perception of the importance in all HR processes, which we consider to be oriented towards operational personnel work, because the share of companies that consider them as one of the three most important HR processes decreased.

## 2.3. Summary

Since personnel work includes a large number of activities and we can look at it from different points of view, we chose the process point of view for our research. We were therefore interested in what changes in the implementation and importance of HR processes occurred in Slovakia in 1998 – 2018. The development of the order of implementation of operational HR processes is shown in Table 8. As we can see, recruitment was the most implemented HR process. To some extent, this is understandable, as there will probably always be some labour movement within the labour market. Since 2006, there has been a continuous increase in the proportion of companies that have been forced to search for, contact and select new employees to fill their vacancies.

However, the order of other HR processes is considerably more variable and there are certain shifts in the order during the monitored years. While in 1998 and 2002,

in addition to recruiting, companies mostly focused on releasing employees and personnel administration, in 2014 and 2018 only recruiting retained its position.

Table 8 Development of implementation of operational HR processes

	1998	2002	2006	2010	2014	2018
Recruiting	1.	1.	1.	1.	1.	1.
Job evaluation	6.	7.	10.	11.	12.	12.
<b>Employee evaluation</b>	4.	5.	5.	2.	4.	5.
Releasing of employees	3.	3.	4.	8.	8.	9.
Personnel administration	2.	2.	3.	4.	6.	6.

Source: Own elaboration, 2023.

Recruiting is the most important among all HR processes, i.e. the most surveyed companies rated it as one of the first three places of importance. However, the shift from operational processes towards strategic ones is particularly visible in the case of the importance of job evaluation, which fell from third place in 1998 – 2006 to the last one in 2018. Similarly, the importance of personnel administration dropped from second place in 1998 – 2010 to eighth place in 2018. On the contrary, the increase in importance is noticeable in the training and development of employees and their evaluation as well.

Table 9 Development of importance of operational HR processes

	1998	2002	2006	2010	2014	2018
Recruiting	1.	1.	1.	1.	1.	1.
Job evaluation	3.	3.	3.	5.	9.	13.
<b>Employee evaluation</b>	6.	6.	6.	7.	4.	5.
Releasing of employees	7.	10.	10.	10.	12.	12.
Personnel administration	2.	2.	2.	2.	6.	8.

Source: Own elaboration, 2023.

We formulated two hypotheses as part of our research, trying to prove that the implementation and importance of operational HR processes decreases over the years. The evaluation of hypotheses is shown in Table 10.

Table 10 Evaluation of hypotheses H<sub>1</sub> and H<sub>2</sub>

Hypothesis	Result
H <sub>1</sub> : The share of companies that implement operational HR processes is decreasing.	rejected
H <sub>2</sub> : The importance of operational HR processes is decreasing.	accepted

Source: Own elaboration, 2023.

Almost all monitored HR processes showed a statistically significant change in the share of companies implementing them. There was also a change in the use of tools, especially in the area of recruitment and selection of employees and their training and development. There was also a change in the employee evaluation outputs, in which we noted a change in the length of the period to which they apply.

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## 3. STRATEGIC HR PROCESSES IN SLOVAKIA IN 1998-2018

#### Lukáš Smerek

Personnel work is a reflection and result of managerial work. It is not enough to emphasize the importance of employees, it is important to look for them, to support those who are strategic for the company and can achieve excellent results. It is therefore necessary to create an environment that motivates employees to work better and change their behaviour. Recognition of employees with their knowledge, skills, experience and work motivation as the most important source of existence and development of the company is a basic attribute of successful work with people.

## 3.1. Strategic HR processes

The subject of research is strategic HR processes in companies. We consider the creation of strategies, policies, plans, planning the number and structure of employees, job analysis, employee adaptation, training and development, talent management, employee welfare and HR controlling as processes oriented towards strategic work with human resources. Hence, those processes that are characteristic of the later development stage of personnel work – human resource management.

When creating a system of personnel work, a systematic procedure and a basic vision of the future state, including the goals of personnel work, are necessary. Depending on the place of personnel work in the company's management system and the importance that the management of the company attaches to personnel work, the overall vision and goals are influenced precisely by the needs of human resources. In any case, it is important that individual HR processes follow each other in a logical sequence. To understand it, the creation of strategies, policies and plans serves as a HR process, the output of which is the ability to solve long-term realities, create an idea of the future direction and minimize the risk of HR problems in the future. The goal of developing a strategy is to enable the company to use the knowledge it has about the context in which it operates in order to decide where financial resources should be allocated (Foster, 2018). Formulation of the goal or goals to which the company should move is the result. Concrete procedures are subsequently derived from the goals, which will be applied in personnel work in the future. If we take into account the priority goal

of companies, which is the maximization of profit, it is clear that the visions and goals in the field of personnel work will mainly focus on the effective use of human resources and reducing the costs of their management. In the case of other organizations, goals may not always be measured by expenses, although a certain efficiency is expected in any sustainable system (Smerek, Ďurian, 2021).

Every company needs to formulate well-thought-out work procedures in order to be able to assess how successful it is in achieving its goals. The evaluation of goals itself is actually a comparison of the planned state with reality. In personnel work, we know several types of plans. Planning the number and structure of employees is the process of predicting the future human resource requirements of the company and determining how the existing human resource capacity of the company can be used to meet these requirements. Thus, it focuses on the basic economic concept of demand and supply in the context of the human resource capacity of the company (Agrawal, 2011). In other words, it is an estimate or assumption of what kind of people will be able to perform individual work activities, a possible estimate of reserves for the future in this area. So companies are looking for answers to the questions "how many?" and "what kind of people?" do they need. However, the need for continuous development does not allow companies to function only on the basis of inertia. On the contrary, constantly increasing production, moving companies to new markets or new work procedures force managers to constantly reassess their options. More accurate and qualified estimates are based on company development plans that answer the questions "when?" and "why?" will they need employees. Only then can companies proceed with employee security planning, that is, with the creation of specific plans for the implementation of HR activities. These plans answer the questions "from where?" and "how?" to get the necessary employees, "who?" will be responsible for it and "how much?" it will cost (Smerek, Durian, 2021).

After answering the initial questions, it remains to answer the questions "what?" will the employees do and "where?" will they do it. Job analysis is a process in which a specific job, i.e. a specific work activity or position, is analysed, examined and described in detail. Information from job analysis can affect all aspects of the company. It is considered the basis on which the human resources of the company are built (Spector et al., 1989). Its outputs can be used in all other HR activities, and its

underestimation or complete omission has far-reaching consequences for the company. The goal of the job analysis is to describe in as much detail as possible the activities that must be performed at a specific workplace, to define the powers and responsibilities for the work to be performed. At the same time, a suitable person is identified who will be assigned to the given job position. It is on the basis of the job analysis that the necessary number and structure of employees is planned using suitable methods. In the case of a start-up company, the initial job analysis takes place simultaneously with the creation (design) of jobs. It represents the initial allocation, composition and structure of work tasks, responsibilities and powers so that they can be effectively performed by an employee with the necessary abilities and skills. However, the analysis is also carried out during the redesign of jobs, which may be forced by organizational changes, a change in the company's orientation or philosophy, the financial situation or other problems that have arisen.

Current job positions are characterized by great heterogeneity. Each company uses its own best practices for its production, employees work with different tools and technologies, the organization of work is adapted to the needs of a specific company and the people who make it up. It is therefore very unlikely that the company will be able to get an employee who can deliver the maximum expected performance at the moment of signing the employment contract. On the contrary, companies are encountering ever-increasing disproportions between the required level of knowledge, abilities and skills and that of newly hired employees. This fact is not the result of incompetence or laziness of the employees and can be changed by appropriate procedures. In addition to the already mentioned adaptation, which helps employees in the first weeks at the new workplace, companies invest in education, training and further development of employees. A company that wants to steer its development and its mission in the right direction needs to have employees who undergo continuous training and evaluation so that they can progress regularly. Further training of employees can take place directly during the employee's work activities (on-the-job) or outside the workplace (off-the-job). On-the-job training methods are increasingly used by employers, who thus increase the quality of their company's human capital. In general, the most common methods of on-the-job training include instructing, coaching, mentoring, consulting, counseling, assisting, shadowing, or job rotation. Among the methods of employee training that are implemented outside the workplace, i.e. in the external environment, are primarily lectures, lectures combined with discussion, case studies, workshops, role-playing, brainstorming, simulations, e-learning modules and development centres (Hromková et al., 2014). Most progressive companies host on-thejob training opportunities. In such a case, the company's management team often conducts training through its leaders or implements these services externally using verified consultants (Al-Awlaqi et al., 2018). Employee training is often associated with their development. Although almost identical methods are used in both cases, the goals of both mentioned activities are different. Training is aimed at improving the skills needed to achieve organizational goals, as it increases the effectiveness of individuals, groups and the entire company. We understand corporate training as investing in employees with the aim of achieving better performance. The content is the deepening of qualifications and requalification. Its results are applied to the job where the employee is currently working. So it mainly helps in performing current tasks. The concept of employee development can also be considered as continuing education. However, it focuses on acquiring new abilities and skills for personal growth, increasing qualifications, acquiring knowledge, developing abilities and skills needed in another, usually more demanding and important job. We understand it as preparation for performing higher qualified work or work with higher responsibility. Since the needs of individuals and companies undergo a natural development, over time the demands on the quality of employees change or the filling of individual jobs is adjusted. In order for employees to be able to perform other, usually more demanding activities in the future, it is necessary to invest in their development. By the development of human resources, we understand the professional orientation of the employee towards the future, which assumes the acquisition of new knowledge and behaviour. As a rule, these are knowledge and skills that the employee does not need in the current job (Smerek, Durian, 2021). It can also be seen as a broader concept. It can be considered as the overall long-term growth of individuals for the purpose of fulfilling future tasks and responsibilities, for the needs of their promotion and management of their career in the company. It helps with professional orientation for the future, shapes work skills, personality traits and potential. It is often the basis of forming and developing human potential and human capital and is part of the career development of employees (Elnaga, Imran, 2013; Nassazi, 2013; Rodriguez, Walters, 2017). The goal of professional development is to acquire an expanded set of knowledge and skills. By gradually improving the individual processes of personnel work and moving to its higher development stages, the development of human resources has been transformed into talent management, which can be characterized as a set of processes and strategies with which the company can identify, recruit, develop and retain the best employees (Serrat, 2017). It represents a comprehensive philosophy in working with people, which affects all other HR processes and adapts them to the benefit of those employees who can be assumed to have a high potential for future personal and professional development. The definition of a talented employee is determined by each company, according to its own needs and available possibilities. Most often, a talented employee is considered to be an employee with above-average performance, creativity or the one who has the prerequisites to work in a key position in the future. Despite being demanding in terms of time, costs and human resources, we can consider the main advantages of talent management to be helpful in determining whether the right employees are working in the right places, support for the retention and development of the talent of top employees, more effective recruitment of employees, lower employee turnover, better understanding of employees and their formation future or effective communication in various disciplines (Oracle, 2012).

Each set of processes ends with a retrospective review. Similarly, a comprehensive process called HR controlling was created in the system of personnel work. Vetráková et al. (2011) define it as looking back, learning from what we did in the past and looking for ways to support our own company in the future. It is used to analyse whether activities are carried out as planned. It includes both quantitative and qualitative methods to reveal discrepancies with how individual processes were planned. Adjustments to deficiencies in HR processes can then be made. The overall effectiveness of the costs spent on specific HR processes and their quality is also measured through the results of HR controlling. At the same time, it can predict potential problems that may arise in personnel work, especially unnecessarily high expenditures on human resources, dissatisfaction and demotivation of employees, surplus or lack of labour, and others.

# 3.2. Implementation and importance of strategic HR processes

The aim of the chapter is to examine the historical development of the implementation of strategic HR processes in Slovakia. To fulfil the main goal of the chapter, we formulated 3 sub-goals as follows:

- 1. To compare the implementation of strategic HR processes in Slovak companies in the monitored years.
- 2. To compare the perception of the importance of strategic HR processes in Slovak companies in the monitored years.
- 3. To compare the methods and tools used in selected strategic HR processes in the monitored years.

We expanded our initial assumptions related to the implementation and importance of operational HR processes to include assumptions related to strategic HR processes:

- RQ<sub>3</sub>: Has the implementation of strategic HR processes in Slovakia changed over time?
- RQ4: Has the perception of the importance of strategic HR processes in Slovakia changed over time?
- H<sub>3</sub>: We assume that the proportion of companies that implement strategic HR processes is increasing in examined companies in Slovakia.
- H<sub>4</sub>: We assume that the importance of strategic HR processes is increasing in examined companies in Slovakia.

We verified the stated hypotheses on the same research sample of companies, using the same methods and procedures. Strategic processes interested us from a quantitative point of view, i.e. whether companies implement them and what importance they attach to them, but also from a qualitative point of view, i.e. what methods and procedures companies most often use in them. The first investigated process was the creation of HR strategies, policies and other HR plans. Table 11 shows a statistical comparison of the development of the implementation of this process. Using Pearson's Chi-square test of homogeneity, we investigated whether the statistical differences between the number of companies creating HR strategies, policies and other plans could be the result of chance. We performed the testing at a significance level

of 95%. We subsequently applied the same procedure to all investigated personnel processes.

Table 11 Development of implementation of HR strategy

						Υe	ear						
Strategy creation	1	998	20	002	2006		2010		2014		2018		Total
	N	%	N	%	N	%	N	%	N	%	N	%	
No	284	71.72	247	68.23	212	60.74	164	52.73	179	46.02	191	50.13	1277
Yes	112	28.28	115	31.77	137	39.26	147	47.27	210	53.98	190	49.87	911
Total	3	396	3	62	3	349	3	811	389		3	881	2188
								Asymp	. Sig.	(2-side	d)		
Pearson Chi-square				83.4	172ª			5			0.00	0	
Likelihood Ratio				84.	651			5			0.00	0	
Linear-by-Linear A	ssoci	ation		74.	724			1			0.00	0	
N of Valid Cases				21	88								

<sup>&</sup>lt;sup>a.</sup> 0 cells (0.0 %) have expected count less than 5. The minimum expected count is 129.49.

Source: Own elaboration, 2023.

Based on the calculated value of Pearson's Chi-square test (83.472) and p-value < 0.05, we reject the null hypothesis of the test that the values obtained in the studied years come from the same population. We therefore claim that there are statistically significant differences between the years under review in the number of companies that implement the creation of HR strategies, policies and other plans. From the perspective of the relative frequency of implementation of the process in individual years, we conclude that between 1998 and 2014 there was a continuous increase in the implementation of the process. In general terms, it was almost a one hundred percent increase (90.88%). While in 1998, 28.28% of companies devoted themselves to the creation of strategies, policies and other plans, by 2014 there was a gradual increase to 53.98%. We identified the opposite trend between 2014 and 2018, when it decreased to 49.87%. Currently, around half of the interviewed companies are devoted to the creation of strategies, policies and other plans (Chart 9). In terms of the importance of the mentioned HR process, the trend is slightly different. In 1998, 7.51% of companies included it among the three most important processes. During the examined years, there was always an increase up to 13.62% in 2014 and 15.49% in 2018 respectively. The

determined share of companies thus increased more than twice during the examined period. Despite the rising trend, we can consider this share to be relatively low, and the strategic orientation of the investigated companies has significant reserves from this point of view.

60% 53.98% 55% 49.87% 47.27% 50% 45% 39.26% 40% 35% 31.77% 28.28% 30% 25% 20% 15.49% 13.62% 15% 5.51% 9.17% 9.32% 8.84% 3.86% 7.51% 10% 3.41% 2.89% 2.87% 3.86% 3.31% 5% 4.80% 2.58% 3.54% 3.04% 6.56% 5.91% 3.72% 2.89% 2.21% 2.49% 0% 1998 2002 2006 2010 2014 2018 Importance 1 Importance 2 Importance 3 Importance 1 - 3 - Implementation

Chart 9 Development of implementation and importance of creating HR strategy

Source: Own elaboration, 2023.

Additional information related to the existence of a formalized HR strategy in companies. Chart 10 shows that the development trend of the implementation of the HR process is almost identical to the trend of the actual formal development of the HR strategy, as a comprehensive document that is decisive for further personnel work. Not all companies that are dedicated to the creation of strategies and policies have a strategy that is actually developed. In fact, in 2018, only a little more than a third of the surveyed companies (35.96%) had such a document. We recorded the highest level in this direction in 2014, when almost half of the surveyed companies (47.81%) had an HR strategy. The results from 2018 are even worse than in 2006, which is rather alarming

from the point of view of the long-term direction of companies. Larger companies predominate among companies that have developed an HR strategy. On the contrary, micro and small companies rarely devote energy to the creation of similar formalized documents.

47.81% 50% 43.41% 36.10% 35.96% 40% 27.90% 30% 21.97% 20% 10% 0% 1998 2002 2006 2010 2014 2018

Chart 10 Existence of HR strategy in companies

Source: Own elaboration, 2023.

HR strategy and personnel policy are almost immediately followed by planning the number and structure of human resources. Table 12 shows the results of statistical testing of Pearson's Chi-square test of homogeneity, whether there are statistical differences between the number of companies that make plans for the number and structure of employees in the years under review.

Table 12 Development of implementation of planning

				Year									
Planning	19	998	2	002	2006		2010		2014		2018		Total
	N	%	N	%	N	%	N	%	N	%	N	%	
No	187	47.22	153	42.27	140	40.11	116	37.30	92	23.65	108	28.35	796
Yes	209	52.78	209	57.73	209	59.89	195	62.70	297	76.35	273	71.65	1392
Total	3	96	3	362	349		3	311	3	889	3	881	2188
				Va	alue			df		Asymp	. Sig.	(2-side	d)
Pearson Chi-squa	are			65.6	505ª		5				0		
Likelihood Ratio	1			67.	092		5				0.00	0	
Linear-by-Linear	Assoc	ciation		56.	071			1			0.00	0	
N of Valid Cases	5			21	88								

 $<sup>^{\</sup>mathrm{a}}$  0 cells (0.0 %) have expected count less than 5. The minimum expected count is 113.14

Based on the calculated value of Pearson's Chi-square test (65.605) and p-value < 0.05, we reject the null hypothesis of the test that the values obtained in the studied years come from the same population. We therefore claim that there are statistically significant differences between the years under review in the number of companies that plan the number and structure of human resources. By comparing the relative number of companies that create such plans, we claim that between 1998 and 2014 there was a continuous increase in the creation of plans for the number and structure of human resources. While in 1998 slightly more than half of companies (52.78%) were engaged in planning, in 2014 it was more than three quarters of companies (76.35%). In 2018, we again recorded a decrease to 71.65% of companies. Regarding the importance of planning the need and structure of human resources, in 1998, 16.16% of companies included it among the 3 most important processes. This share gradually grew up to 28.08% of companies in 2018 (Chart 11).

80% 76.35% 71.65% 70% 62.82% 59.89% 57.73% 60% 52.78% 50% 40% 28.08% 26.48% 30% 22.19% 4.46% 6.43% 18.62% 16.85% 20% 16.16% 10.61% 13.39% 4.30% 4.14% 3.28% 11.05% 3.44% 3.04% 10% 5.30% 5.79% 10.89% 10.24% 9.67% 9.00% 7.58% 5.79% 0% 1998 2002 2006 2010 2014 2018 Importance 1 Importance 2 Importance 3 Importance 1 - 3 Implementation

Chart 11 Development of implementation and importance of HR planning

The period for which companies create plans for the needs and structures of employees is often different. Graph 12 shows the share of created plans in the examined years in terms of the length of the period to which they apply. Since the length of planning is largely influenced by the nature of the work activities performed, companies can create several types of plans. From the point of view of the level of personnel work and its expected shift towards more strategic activities, we asked the companies about the longest period for which they create HR plans. We assumed that over time the share of companies that do not plan the need and structure of employees at all, or plan them operationally and at irregular intervals, will decrease. On the contrary, longer-term planning should come to the fore, which should ensure continuity in the case of planned departures of employees, for example to retirement, and the smooth replacement of one employee by another. A non-negligible factor that supports the importance of longer-term human resources planning is demographic development, which companies cannot influence, but by monitoring it and planning proactive steps in time, they can mitigate its effects.

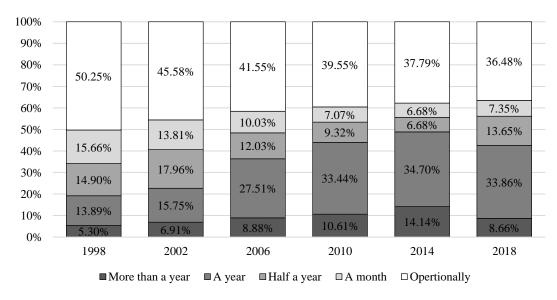


Chart 12 Length of HR planning period

Source: Own elaboration, 2023.

Operational planning has the largest representation in all the examined years, although its share of more than 50 percent (50.25%) in 1998 has shrunk to just over a

third (36.48%). Long-term planning for one or more years is rather the domain of recent years and indicates a longer-term orientation of personnel work in companies.

We can consider job analysis as one of the basic HR processes. Job analysis is a set of systematic steps that provide the company with a detailed overview of the work activities performed at individual jobs, the working conditions in which employees work, the powers and responsibilities that employees have, and the requirements that the holder of a specific job must meet to be able to perform work correctly and efficiently. Many, especially smaller companies, do not implement full-scale job analysis, but integrate some of its practices into other HR processes, such as workforce planning or recruitment. However, a full implementation of the job analysis indicates that the company has an overview of the level of its own human resources and the activities they perform. A properly implemented job analysis will ensure that no work activities are performed in duplicate, are not omitted, and at the same time are performed by employees with the appropriate competencies and the necessary competence. In accordance with the formulated hypotheses, we assume that the share of companies that implement job analysis will increase over the year, which would indicate a growing interest in a complex view of personnel work, typical of the later development stages. A statistical comparison of the development of the implementation of the job analysis is shown in Table 13.

Table 13 Development of the implementation of job analysis

						Ye	ear						
Job analysis	1	998	20	2002		2006		010	2014		2018		Total
	N	%	N	%	N	%	N	%	N	%	N	%	
No	225	56.82	202	55.80	159	45.56	163	52.41	138	35.48	168	44.09	1055
Yes	171	43.18	160	44.20	190	54.44	148	47.59	251	64.52	213	55.91	1133
Total	3	896	3	362	3	349	3	311	3	889	3	881	2188
				Va	lue			df		Asymp	. Sig.	(2-side	d)
Pearson Chi-squa	ire			51.1	138ª			5			0		
Likelihood Ratio				51.	601			5	0.000			0	
Linear-by-Linear	Asso	ciation		31.	224			1			0.00	0	
N of Valid Cases			2188										

<sup>&</sup>lt;sup>a.</sup> 0 cells (0.0 %) have expected count less than 5. The minimum expected count is 149.96

According to the calculated value of Pearson's Chi-square test of homogeneity (51.138) and p-value < 0.05, the share of the implementation of job analysis in the examined years is not the same. In the entire monitored period from 1998 to 2018, our assumption about the growing rate of companies implementing job analysis was not confirmed, because we recorded an increase from 43.18% to 54.44% between 1998 and 2006. It was followed by a decrease to 47.76 %. The biggest increase in the implementation of job analysis was until 2014, when it was implemented by almost two thirds of companies (64.52%). In 2018, however, there was a drop again to slightly more than half (55.91%) of companies that regularly implement job analysis (Chart 13).

70% 64.52% 60% 55.91% 54.44% 47.76% 50% 44.20% 43.18% 40% 30% 23.10% 21.85% 18.01% 17.48% 20% 3.86% 6.82% 16.02% 14.65% 4.82% 5.66% 3.15% 6.59% 5.80% 6.31% 10% 5.79% 5.44% 5.80% 13.12% 4.80% 12.34% 7.40% 5.44% 4.42% 3.54% 0% 1998 2002 2006 2010 2014 2018 Importance 1 Importance 2 Importance 3 ■Importance 1 - 3 Implementation

Chart 13 Development of implementation and importance of job analysis

Source: Own elaboration, 2023.

Looking at the development of perception of importance of job analysis (Graph 13), we can note a slight but constant increase from 14.65% in 1998 to 23.10%

of companies in 2018, which consider job analysis to be one of the three most important processes. This confirms the assumption that job analysis is gradually gaining importance and companies are gradually becoming more and more aware of its importance for the long-term growth of the quality of personnel work.

We consider job descriptions and job specifications to be the main outputs of job analysis. The job specification has a more or less unambiguous structure and content of information regarding the requirements for the holder of a specific job with regard to the achieved formal and informal education, level of abilities and skills. It is very often a part of advertisements and other job offers that companies issue to potential future applicants. There is almost no company that does not have a similar document created in one form or another. However, job descriptions appear more sporadically and in considerably more diverse forms in the practice of companies. We were therefore interested in how many job positions in companies actually have a job description (Chart 14) and what information it contains (Chart 15).

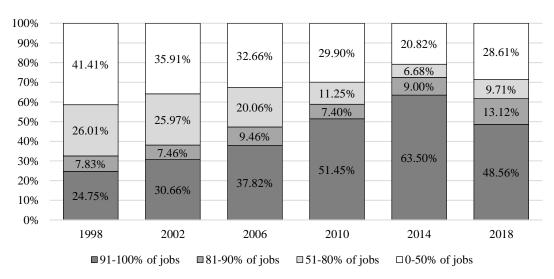


Chart 14 Elaborated job descriptions in companies

Source: Own elaboration, 2023.

The share of elaborated job descriptions grew between 1998 and 2014, which is slightly contrary to the curve of the implementation of the job analysis (Chart 13). In 2006 in particular, we could expect the number of job positions with a developed job description to be slightly higher, as more than half of the companies (54.44%) reported

that they regularly implement job analysis. Despite this, only 37.82% of companies had developed job descriptions for more than 90% of job positions. Quantitatively, the best situation was again in 2014, when up to 63.50% of companies had developed job descriptions for more than 90% of job positions. The discrepancy in the number of companies that implement job analysis and have developed at least a few job descriptions is caused by the fact that the creation of job descriptions most often happens for newly emerging positions, most often when a company is founded. A higher level of personnel work is associated with regular job analysis and re- or completely new creation of job descriptions over time.

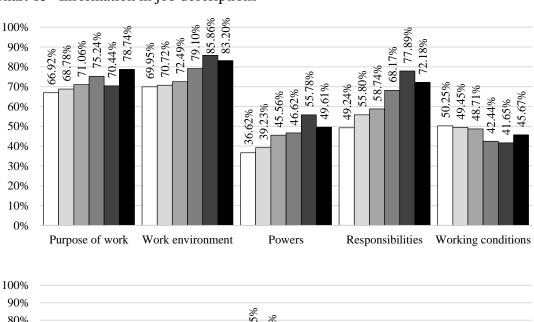
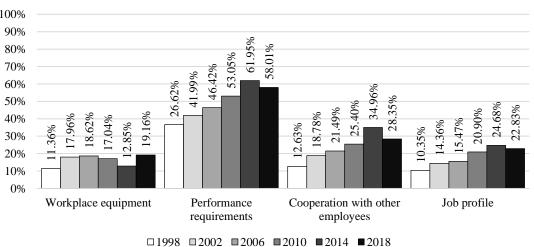


Chart 15 Information in job descriptions



The work environment and the overall purpose of the work prevail among the information that is most often contained in job descriptions. The most significant, almost threefold, increase was observed in cooperation with other employees, because in 1998 it was part of the job descriptions in 12.63% of companies, and in 2014 it was included in the job descriptions of 34.96% of companies. In the last observed year, there was again a slight decrease to 28.35%. There was also an increase in employee responsibilities from 49.24% in 1998 to 77.89% in 2014, or 72.18% in 2018, in the case of powers from 36.62% in 1998 to 55.78% in 2014, or 49.61% in 2018 and in the case of the overall job profile from 10.35% in 1998 to 24.68% in 2014, or 22.83% in 2018. This is almost exclusively information in which humans dominate over material equipment or process arrangements. This is in line with the shift in personnel work towards human resource management centred on the individual and their behaviour. On the contrary, there was a decrease in information about working conditions, since some work activities can be performed outside the workplace in recent years.

Another process, which according to our assumption should show a growing trend, is the adaptation of newly hired employees or employees transferred to another position. As a rule, these are job positions with higher importance, higher powers, responsibility and higher demands on the employee (promotion). If an employee is to be successful in a new job position and to remain in it for a long time, he must feel comfortable at work. This can be achieved by appropriate adaptation from the first day of starting work. Adaptation takes place in two areas – social and work. Social adaptation is important for employees who join a completely new team. A work adaptation is necessary whenever an employee starts performing new work activities for him. Table 14 shows a statistical comparison of development of implementation of adaptation in Slovak companies in the monitored years 1998 to 2018.

Pearson's Chi-square test of homogeneity (167.852) and p-value < 0.05 show that over the years there has been a statistically significant change in the proportion of companies that provide adaptation for their employees. Moreover, this change is very significant, because in 1998 slightly more than half of the companies (58.59%) adapted their employees, in 2014 more than nine out of ten companies (91.77%) did so. In 2018, we again recorded a decrease to 86.61% (Chart 16).

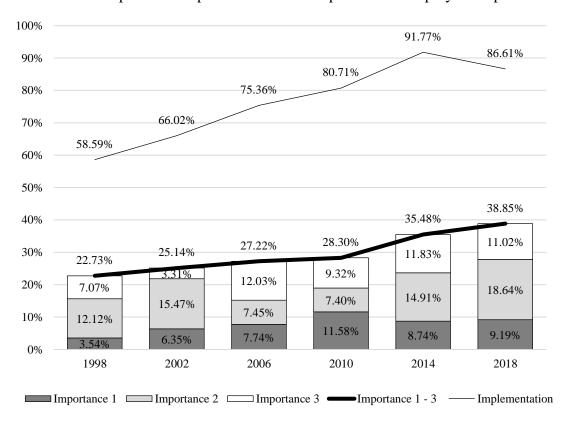
Table 14 Development of the implementation of employee adaptation

						Ye	ear						
Adaptation	1	998	20	002	2006		2010		2014		2018		Total
	N	%	N	%	N	%	N	%	N	%	N	%	
No	164	41.41	123	33.98	86	24.64	60	19.29	32	8.23	51	13.39	516
Yes	232	58.59	239	66.02	263	75.36	251	80.71	357	91.77	330	86.61	1672
Total	3	396	3	362	3	349	3	11	3	889	3	881	2188
				Va	lue		C	lf		Asymp.	Sig.	(2-sided	1)
Pearson Chi-squa	ıre			167.	852ª			5	0.000				
Likelihood Ratio				173	.138		,	5			)		
Linear-by-Linear	Asso	ciation		151	.558			1			0.000	)	
N of Valid Cases				21	88								

 $<sup>^{\</sup>mathrm{a}}$ . 0 cells (0.0 %) have expected count less than 5. The minimum expected count is 73.34.

Source: Own elaboration, 2023.

Chart 16 Development of implementation and importance of employee adaptation



The importance that companies attribute to the adaptation of employees has an increasing trend over the monitored years. While in 1998, 22.73% of companies ranked it among the 3 most important, in 2018, 38.85% of companies did so. Even in this case, a shift in the perception of personnel work towards longer-term sustainability is evident. By increasing their interest in employee adaptation, companies reduce the risk of failure of their employees in new situations, thereby increasing their engagement, satisfaction and loyalty. At the same time, they reduce the risk of increasing turnover and the need to re-implement some HR processes, for example the process of recruiting employees. They thereby save the energy of their employees, who are responsible for personnel work, the time needed to re-acquire and select an employee, and last but not least, a significant amount of financial resources.

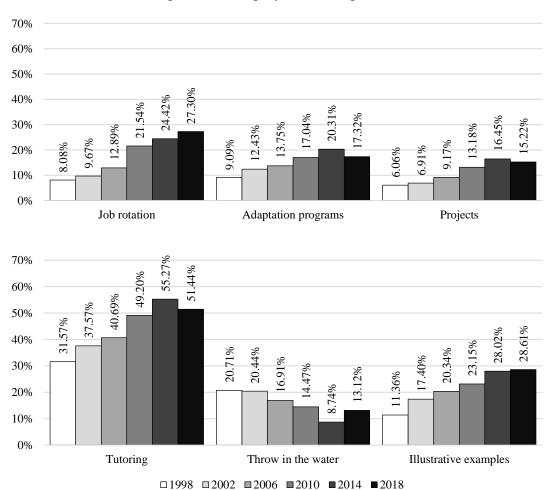


Chart 17 Methods of adaptation of employees in companies

Tutoring, which was used by more than half of the companies in 2014 and 2018 (55.27% and 51.44% respectively) is among the six most frequently used methods of employee adaptation (Chart 17). We also note an increase in the use of job rotation, planned adaptation programs, creation of special projects for new employees, use of illustrative examples and demonstrations. On the contrary, the decrease from 20.71% in 1998 to 8.74% in 2014, or 13.12% in 2018 is observed in the so-called "throwing the employee into the water where deepest".

The inclusion of employee evaluation among processes that are related to longer-term, strategic work with human resources can be somewhat debatable. Employee evaluation is one of the basic HR processes that should be part of personnel work. However, Table 15 and Chart 18 show, quite surprisingly, that this may not be entirely true. In addition, from the point of view of improving the level of personnel work, it is interesting to know in what way (Chart 19) and how often (Chart 20) employees are evaluated and where the results of their evaluation are used (Chart 21).

Table 15 Development of implementation of employee evaluation

E1	Year													
Employee evaluation	1998		2	002	2	006	2	010	2	014	2	018	Total	
	N	%	N	%	N	%	N	%	N	%	N	%		
No	162	40.91	129	35.64	102	29.23	58	18.65	51	13.11	80	21.00	582	
Yes	234	59.09	233	64.36	247	70.77	253	81.35	338	86.89	301	79.00	1606	
Total	3	396	362 349			3	311	3	889	381		2188		
				Va	lue			df		Asymp	ymp. Sig. (2-sided)			
Pearson Chi-square				110.	347ª			5			0.00			
Likelihood Ratio				112	.592			5			0.000			
Linear-by-Linear Association				88.	055			1			0.00	0		
N of Valid Cases				21	88									

 $<sup>^{\</sup>rm a}$  0 cells (0.0 %) have expected count less than 5. The minimum expected count is 82.72.

Source: Own elaboration, 2023.

The result of Pearson's Chi-square test of homogeneity (110.347) and p-value < 0.05 confirm that during the years 1998 to 2018 there was a statistically significant change in the share of companies that evaluate their employees. Despite the fact that there is an almost constant (apart from 2018) increase in the number of companies that

carry out employee evaluations, 59.09% of companies in 1998 is an unexpectedly low proportion of companies evaluating. In the given year, the evaluation was the fourth most frequently implemented process, after recruiting employees (81.82%), personnel administration (75.25%) and releasing employees (72.22%). In 2018, more often than evaluating employees (79.00%), companies devoted themselves to employee recruiting (90.81%), adapting (86.61%), training (82.68%) and welfare providing (79.53%).

86.89% 90% 81.41% 79.00% 80% 70.77% 70% 64.36% 59.09% 60% 50% 40% 27.56% 26.48% 30% 20.58% 19.77% 18.78% 17.42% 12.34% 20% 13.88% 10.61% 10.03% 6.31% 10.77% 10% 9.97% 8.74% 4.30% 5.14% 7.32% 2.21% 5.80% 5.44% 5.25% 4.82% 3.86% 3.79% 0% 1998 2002 2006 2010 2014 2018 - Implementation

Chart 18 Development of implementation and importance of employee evaluation

Source: Own elaboration, 2023.

The perception of importance of employee evaluation (Chart 18) has a growing trend during all monitored years. However, the increase from 17.42% of companies in 1998 to 27.56% of companies that consider employee evaluation as one of the three most important processes in 2018 does not reflect the importance that HR professionals attach to employee evaluation. However, the following answers indicated that

companies consider employee evaluation primarily to be a comprehensive formalized system of employee evaluation, ideally at regular intervals.

Chart 19 shows the method of evaluating the employees we identified in the surveyed companies. Here, too, the prevailing trend is the growth of formal employee evaluations, i.e. those embedded in formalized strategies, policies and procedures. The output of such employee evaluation is a standardized result, which can be quantitative or qualitative in nature, or a combination of both. It is beneficial that employees know exactly what and how their work, behaviour and personality will be evaluated. The results are also applicable to them and help to shift their own possibilities towards the development of their own human capital. In turn, it is advantageous for companies to collect evaluation results in a certain defined structure, which are relatively easy to compare over time or with the results of other employees.

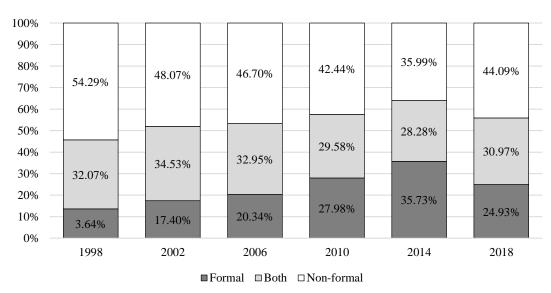


Chart 19 Methods of evaluating employees in companies

Source: Own elaboration, 2023.

Chart 20 shows the frequency of employee evaluation as another qualitative dimension of this HR process. It is indisputable that companies are gradually abandoning the irregular random evaluation of employees (47.98% of companies in 1998 compared to 30.97% of companies in 2018) and are rather introducing evaluation at precisely defined time intervals. It is interesting that while in 1998 the period between

the regular evaluation intervals was dominated by a month (26.52%), in later years the evaluation of employees was most often carried out within a time horizon of one year (31.11% of companies in 2014, or 24 .15% of companies in 2018).

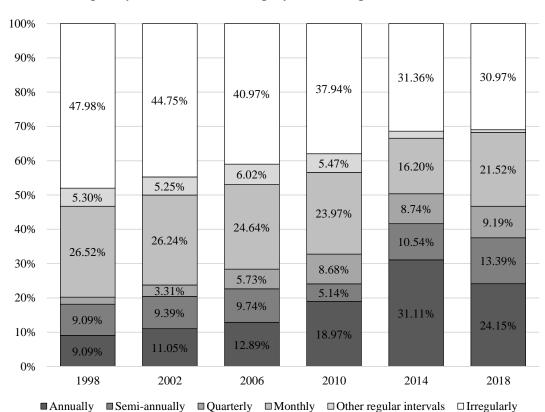


Chart 20 Frequency of evaluation of employees in companies

Source: Own elaboration, 2023.

Among the qualitative indicators of the perception of employee evaluations in companies, we include the fact in which other processes they use the results of employee evaluations (Chart 21). In all the years under review, these results were most often used for employee compensation. In 1998, however, less than half of the companies (49.24%) calculated their remuneration in this way. In 2018, employees in 78.48% of companies could influence the amount of remuneration through their own performance. There were even more (82.78%) of them in 2014. A significant increase from 18.94% of companies in 1998 to 41.99% of companies in 2018 can also be observed in the use of employee evaluation results for their further training and

development needs. An almost two-fold increase occurred in human resources planning (from 10.61% of companies in 1998 to 19.69% of companies in 2018), job analysis (from 9.85% of companies in 1998 to 17.85% of companies in 2018) also when releasing employees (from 13.64% of companies in 1998 to 25.98% of companies in 2018). This indicates the fact that companies increasingly take into account the characteristics, abilities and performance of their employees when implementing HR processes.

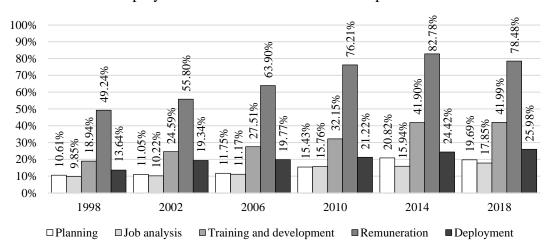


Chart 21 Use of employee evaluation results in other HR processes

Source: Own elaboration, 2023.

If we assume that there is a shift in personnel work towards human resource management, we must focus on HR processes that ensure the continuous improvement of individuals in companies. Characteristic for this stage is that the focus of personnel work is on the person, not other resources or processes and activities. The further training and development of employees, including the development of their careers, are processes that should therefore show constant growth and support the increase in the level of competence of employees in the work process, but at the same time take into account and support the individual needs of employees and their functioning within various and extra-company roles. We must point out that the training and development of employees are processes that are most often implemented in companies through external providers in the form of outsourcing. Still, that doesn't mean they don't happen. On the contrary, we can consider the appropriate selection of an external entity that can

create training or development program precisely tailored to specific employees and implement it professionally as a high level of service provided to employees. A statistical comparison of the implementation of training and development activities in companies is in Table 16.

Table 16 Development of implementation of training and development activities

<i>m</i> · · · · ·	Year													
Training and development	1998		2	002	2	006	2	010	20	014	2	018	Total	
	N	%	N	%	N	%	N	%	N	%	N	%		
No	254	64.14	201	55.52	149	42.69	77	24.76	44	11.31	66	17.32	791	
Yes	142	35.86	161	44.48	200	57.31	234	75.24	345	88.69	315	82.68	1397	
Total	3	396 362			3	49	311		389		381		2188	
				Va	lue			df		Asymp	d)			
Pearson Chi-square				379.	735ª			5			0.000			
Likelihood Ratio				398	.567			5		0.000				
Linear-by-Linear Association				349	.272			1			0.00	0		
N of Valid Cases				21	88									

 $<sup>^{\</sup>rm a.}$  0 cells (0.0 %) have expected count less than 5. The minimum expected count is 112.43.

Source: Own elaboration, 2023.

The calculated value of Pearson's Chi-square test (379.735) and p-value < 0.05 indicate that the difference in the implementation of training and development activities is statistically significant, that is, in the monitored years there was a quantitative change in the implementation of these processes. On the basis of Table 16 and Chart 22, we can conclude that in the monitored years there was a significant increase in companies that implement training and development activities, regardless of who is the actual implementer. In 1998, 35.86% of companies implemented these processes, in 2014, 88.69% of companies, and in 2018, 82.68% of companies. We therefore observe a significant, more than 130 percent increase compared to 1998. In addition, in 2014 and 2018, training and development were among the three most frequently implemented processes. For comparison, in 1998 they were among the three least implemented processes.

The perception of importance of employee training and development (Chart 22) has an increasing trend in all monitored years. While in 1998, 19.70% of companies

included them among the three most important processes, by 2018 this number had risen to 32.02% of companies. The share of companies that considered training and development as one of the three most important processes in 2018 is therefore only slightly lower than the share of companies that implemented these processes at all in 1998.

88.69% 90% 82.68% 80% 75.32% 70% 57.31% 60% 50% 44.48% 35.86% 40% 32.02% 29.26% 29.31% 27.22% 30% 23.20% 9.97% 19.70% 8.36% 5.73% 10.80% 20% 9.67% 11.55% 8.59% 13.83% 16.62% 12.08% 10% 11.33% 9.09% 10.50% 7.07% 6.43% 4.87% 0% 1998 2002 2006 2010 2014 2018 Implementation

Chart 22 Development of implementation and importance of employee training and development

Source: Own elaboration, 2023.

Chart 23 shows the methods that were most often used in the training and development of employees. The displayed share is captured only among those companies that devoted themselves to the training and development of employees. In the entire observed period, lectures were most often used to acquire theoretical knowledge, necessary for the performance of work activities. There was a slight decrease in their implementation from 90.14% of companies in 1998 to 73.65% of companies in 2018, or 70.20% of companies in 2014. Self-study was also used to supplement missing knowledge. However, there was also a decrease in its use from

88.03% of companies in 1998 to 62.54% of companies in 2018. The increase to 80.41% of companies in 2014 is interesting. The development of skills was most often implemented in the form of instructing during the performance of work. However, the decline is most noticeable in the case of this method over time. While in 1998, 85.21% of companies used instructing, in 2018 it was used in only 59.05% of cases. On the contrary, we noticed an increase in the use of coaching (25.35% of companies in 1998; 38.41% of companies in 2018; 43.27% of companies in 2014), model situations (14.08% of companies in 1998; 33.33% of companies in 2018; 41.22% of companies in 2014) and e-learning programs (14.79% of companies in 1998; 23.17% of companies in 2018; 34.69% of companies in 2014).

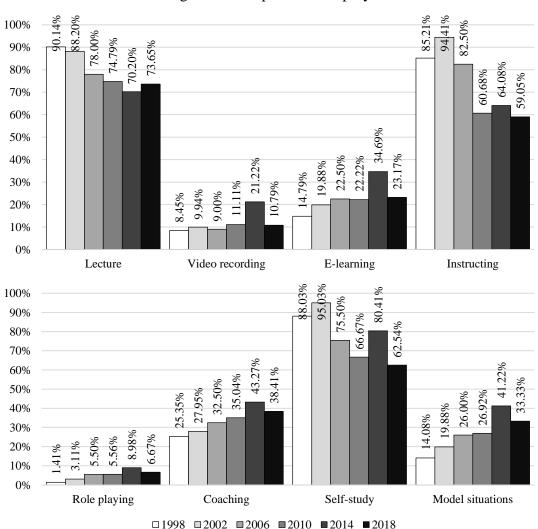


Chart 23 Methods of training and development of employees

In order to maintain the satisfaction and loyalty of employees, it is necessary to provide them with appropriate care. The level of employee welfare is difficult to measure and compare, as it is greatly influenced by the geographical location of the company, industry in which it operates, the size of the company, the structure of the job positions and many others. In addition, the new generations entering the labour market and gradually establishing themselves in it require a completely different approach than previous generations. For example, the welfare of companies in the IT sector in Bratislava, which employ mostly younger people, is mainly aimed at reconciling work and personal life, opportunities for personal development, providing space for personal psych hygiene and employee benefits that have a motivating effect in a highly competitive environment. On the other hand, industrial companies in central Slovakia, employing the middle and older generation, focus mainly on improving working conditions, work environment, mobility or providing social care. Also for this reason, the examination of specific steps in care or the benefits provided is pointless. On the other hand, the fact that companies deal with the welfare of employees, which goes beyond the obligations in the Labour Code or other binding documents (e.g. collective agreements), is a sign of increasing interest in their own employees and the growth of the level of personnel work. Table 17 captures the gradual development of the share of companies that provide their employees with care beyond legal obligations.

Table 17 Development of implementation of employee welfare

						Y	ear						
Employee welfare	1	1998		002	2	006	20	010	2	014	2	018	Total
Wellare	N	%	N	%	N	%	N	%	N	%	N	%	
No	234	59.09	187	187 51.66		46.70	84	27.01	60	15.42	78	20.47	806
Yes	162	40.91	175	48.34	186	53.30	227	72.99	329	84.58	303	79.53	1382
Total	3	396	362			349	311		389		381		2188
		Va	lue			df		Asymp	d)				
Pearson Chi-squa	Pearson Chi-square				482ª			5		0.000			
Likelihood Ratio				276	.598			5		0.000			
Linear-by-Linear Association				241	.413			1			0.00	0	
N of Valid Cases				21	88								

<sup>&</sup>lt;sup>a.</sup> 0 cells (0.0 %) have expected count less than 5. The minimum expected count is 114.56

The value of Pearson's Chi-square test of homogeneity (266.482) and p-value < 0.05 show that in the monitored period there was a significant change in the proportion of companies that provide their employees with increased care. From 40.91% of companies in 1998, their share almost doubled to 79.53% of companies in 2018, or to 84.58% of companies in 2014. The obtained values confirm again that the individual and his needs are becoming the centre of interest of companies in personnel work, which in the previous period were far from being taken into account to the same extent as they are now. This is also confirmed by the perception of the importance of employee welfare, which has intensified (Chart 24). Although looking after employees is not considered nearly as important as, for example, recruiting, adapting or training them, there has been a more than two-fold increase (27.56% of companies) in 2018 compared to 1998 (11.36% of companies). This is one of the indications of the shift of personnel work in Slovakia towards later stages of development. However, as we have already stated, the importance of employee welfare is significantly influenced by various corporate and external factors.

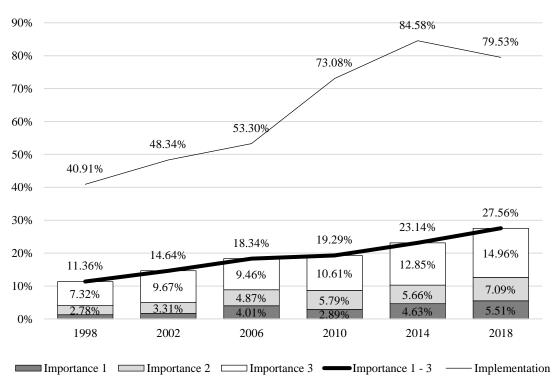


Chart 24 Development of implementation and importance of employee welfare

Every activity that is carried out in the company must follow pre-planned rules. At the same time, it should show signs of systematicity, justification and efficiency. To ensure and verify these parameters, there are various tools used to check the declared procedures. In personnel work, we talk about HR controlling, as a separate process that, using various strategic, operational, qualitative and quantitative tools, monitors whether everything that was declared in the form of strategies, plans, policies is being done in relation to employees and whether these are in accordance with the overall strategy of the company. HR controlling is a relatively demanding process, as it requires high complexity and knowledge of various, not only HR procedures, as well as access to a large amount of information from its implementers. In addition, depending on the tools chosen, it is quite time-consuming and sensitive to the objectivity of the controller. Also for this reason, we did not assume that the share of companies that have it in place would be too high. However, its results help companies change inefficient procedures, create completely new ones, make faster and less risky decisions, eliminate injustice, keep promises and thus increase the comfort and satisfaction of their own employees.

Table 18 Development of the implementation of HR controlling

						Ye	ear						
HR controlling	1998		1998 2002		2	2006		2010		2014		2018	
	N	%	N	%	N	%	N	%	N	%	N	%	
No	321	81.06	267	73.76	247	70.77	215	69.13	223	57.32	223	58.53	1496
Yes	75	18.94	95	26.24	102	29.23	96	30.87	166	42.67	158	41.47	692
Total	396 362			3	49	3	311	389		381		2188	
				Va	lue			df		Asymp. Sig. (2-sided)			d)
Pearson Chi-square				74.3	365ª			5			0.00		
Likelihood Ratio				75	574			5			32 223 58.53 1496 67 158 41.47 692 381 2188		
Linear-by-Linear Association				68.	805			1			0.00	0	
N of Valid Cases				21	88								

<sup>&</sup>lt;sup>a.</sup> 0 cells (0.0 %) have expected count less than 5. The minimum expected count is 98.36.

Source: Own elaboration, 2023.

According to the development of implementation of HR controlling in companies (Table 18, Chart 25), the value of Pearson's Chi-square test of homogeneity and p-value < 0.05 indicate that there has been a significant change in the share of

companies that use HR controlling to verify the correctness and suitability of the implementation of other HR processes. In 1998, HR controlling was the least frequently implemented HR process, as only 18.94% of companies had it in place. It is necessary to repeat that until 2014, we did not ask about the implementation of talent management in surveys, as it was hardly known in our conditions. Certainly not in the form as we know it today. In 2014 and 2018, talent management and determining the value of jobs were implemented by a smaller share of companies than HR controlling, which was implemented by 42.67% of companies in 2014 and 41.47% of companies in 2018. In any case, this is a significant improvement in the position of HR controlling within personnel work. This is also evidenced by the perception of its importance, since in 1998 it was considered one of the three most important processes by 1.52% of companies (none of which was the most important), while in 2018 almost 10 times more (14.70% of companies).

50% 42.67% 41.47% 40% 31.19% 29.23% 30% 26.24% 18.94% 20% 14.70% 11.83% 5.77% 10% 7.07% 5.14% 4.58% 7.09% 3.04% 4.18% 3.60% 1.52% 1.72% 2.57% 3.08% 1.84% 1.66% 0% 2002 2010 2018 1998 2006 2014 Importance 1 Importance 2 Importance 3 Importance 1 - 3 Implementation

Chart 25 Development of implementation and importance of HR controlling

In order to supplement the complexity of the view on HR controlling, we asked the examined companies which HR controlling tools they use. Since HR controlling, like other HR processes, takes a different form in different companies, we were primarily interested in groups of tools, i.e. whether companies use strategic tools, such as surveys or audits, operational tools, which are various indicators, related to personnel work or, ideally, tools from both groups (Chart 26). In the long term, operational tools of HR controlling prevail, because they provide faster feedback on the current state of personnel work, are less time and financially demanding. In 1998, they were applied by 16.41% of companies, while strategic tools were used by 4.55% of companies. Also in 2018, the ratio was in favour of operational tools, which were used by 28.87% of companies, while strategic tools were used by 18.64% of companies. At the same time, the number of companies using both types of tools also increased. While in 1998 both types were used by a meagre 2.02% of companies, in 2018 this share grew to 6.04%. Even more HR controlling tools were used by companies in 2014. In this year, strategic tools were used by 29.56% of companies and operational tools by 19.28% of companies.

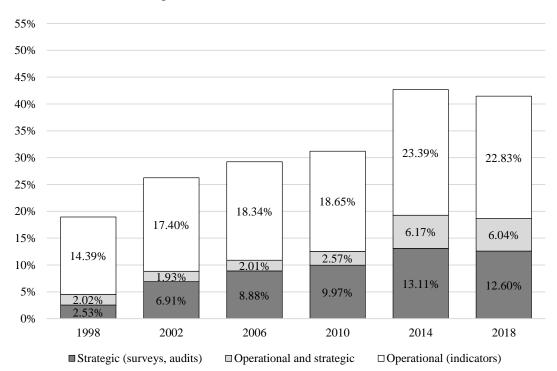


Chart 26 HR controlling tools

The last HR process, which we consider to be strategically oriented and whose implementation supports the shift in the level of personnel work towards later development stages, is talent management. Since it is one of the newest comprehensive concepts of personnel work, it has been part of our surveys since 2014. In previous surveys, not a single company explicitly signed up for its implementation in the additional open questions. Thus, until 2014, we consider its implementation as part of personnel work at the level of 0%. For the calculation of a statistically significant change in its implementation, we consider the two monitored periods to be too few, therefore we present the trend of its development only in a descriptive form. In 2014, 15.68% of companies signed up to implement talent management. In 2018, there was a slight increase to 17.85% of companies (Chart 27). However, the perception of its importance appears to be significantly higher, when between the two monitored years there was a more than 100% increase in companies that included it in some of the first three places of importance of HR processes (3.34% of companies in 2014; 7.87 % of companies in 2018).

20% 17.85% 18% 15.68% 16% 14% 12% 10% 7.87% 8% 3.15% 6% 3.34% 4% 2.36% 2% 1.54% 2.36% 0% 2014 2018 

Chart 27 Development of implementation and importance of talent management

Source: Own elaboration, 2023.

From the above calculations and graphic displays of the development of the implementation and importance of individual HR processes and from the perspective of the development of the use of some tools in selected HR processes, we can indicate

the trend of the development of strategically oriented HR processes. In hypothesis H<sub>3</sub>, we assumed that the share of companies that implement HR processes oriented to strategic work with human resources is growing in Slovakia. Based on the answers of the companies in our research, we reject this hypothesis. We managed to prove that the level of implementation of the mentioned processes is statistically different in the investigated companies. From the point of view of comparing the marginal years 1998 and 2018, there was indeed an increase in the implementation of strategically oriented processes, but we cannot claim that there was an increase in all the monitored years. The year 2014 was an exception in all investigated HR processes, when we recorded the highest level of implementation of HR processes. From the above, it follows that personnel work in Slovakia came closest to its later stages of development in 2014, and then in 2018, the trend reversed again.

In hypothesis H<sub>4</sub>, we assumed that the importance of HR processes oriented towards strategic work with human resources is growing in Slovakia. We can state that we have confirmed this assumption in the case of all investigated HR processes. Therefore, we accept hypothesis H<sub>4</sub>. The results of hypotheses H<sub>3</sub> and H<sub>4</sub> are in slight contradiction, which was caused by the change in the trend of implementing strategically oriented HR processes in 2018.

## 3.3. Summary

The environment where companies operate is constantly changing. In the same way, the requirements of people who work in companies are also changing. It would therefore be unreasonable to think that personnel work, which is part of any company that employs people, can be constant over the years. What was sufficient at the beginning of the last century may appear outdated to us today and insufficient for satisfying the needs of employees, increasing their motivation and loyalty, and ultimately also for fulfilling the goals and visions of the companies themselves. The development of the sequence of implementation of strategic HR processes is shown in Table 19. While in 1998 and 2002, companies mainly focused on operational HR processes, in 2014 and 2018, adaptation, training and development of employees come to the fore. This confirms our initial assumption that the focus of personnel work is on the individual with his qualities and abilities.

Table 19 Development of implementation of strategic HR processes

	1998	2002	2006	2010	2014	2018
Creation of strategies, policies and other plans	11.	11.	11.	10.	10.	10.
Planning the number and structure of employees	7.	6.	6.	7.	7.	7.
Job analysis	8.	10.	8.	9.	9.	8.
Adaptation of employees	5.	4.	2.	3.	2.	2.
Training and development of employees	10.	9.	7.	5.	3.	3.
Talent management	-	-	-	-	13.	13.
Employee welfare	9.	8.	9.	6.	5.	4.
HR controlling	12.	12.	12.	12.	11.	11.

Source: Own elaboration, 2023.

Our assumption is even more significantly confirmed by the development of the perception of the importance of strategic HR processes (Table 20), because their implementation can often be a necessity and can reflect on changing conditions in the economic system, in the industry or on the labour market. The perception of importance, however, reflects the beliefs of HR personnel in companies and shows in which direction HR work will develop when HR professionals in companies have a "free hand" in formulating HR strategies and policies.

Recruiting employees is in the first place among all HR processes from the point of view of importance, too. However, the shift from operative processes towards strategic ones is particularly visible in the case of the importance of adaptation, training and development of employees, but also in job analysis, planning the number and structure of human resources and the creation of strategies, policies and other plans.

Table 20 Development of importance of strategic HR processes

	1998	2002	2006	2010	2014	2018
Creation of strategies, policies and other plans	11.	11.	11.	11.	10.	9.
Planning the number and structure of employees	7.	7.	7.	6.	4.	4.
Job analysis	9.	8.	9.	9.	8.	7.
Adaptation of employees	4.	4.	4.	4.	2.	2.
Training and development of employees	5.	5.	4.	3.	3.	3.
Talent management	-	-	-	-	13.	11.
Employee welfare	10.	9.	8.	8.	7.	6.
HR controlling	12.	12.	12.	12.	11.	10.

As part of our research, we formulated 2 hypotheses. Their evaluation is shown in Table 21.

Table 21 Evaluation of hypotheses H<sub>3</sub> a H<sub>4</sub>

Hypothesis	Result
H <sub>3</sub> : The share of companies that implement strategic HR processes is growing	rejected
H <sub>4</sub> : The importance of strategic HR processes is growing.	accepted

Source: Own elaboration, 2023.

Although we can unequivocally claim that between 1998 and 2018 there was a shift in personnel work towards human resources management, according to our findings, the level of personnel work in terms of the implementation of HR processes in Slovakia reached its peak in 2014. Almost all monitored HR processes showed a statistically significant change in the share of companies that implement them. There was also a change in the use of tools, especially in the area of adaptation of employees, their training and development, and in HR controlling. There was also a change in some outputs of HR processes, such as HR plans or job descriptions, in which we noticed an emphasis on a different content of information.

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# **SUMMARY**

Each company is a deliberately organized group of people who spend time in it, work and behave according to predetermined rules. The reason for their activity is the creation of added value and the fulfilment of the company's goals. The result of human activity in the company is work, spread of information but also continuous development and impact on their surroundings. However, individuals have their own needs, visions, ideas about life, their own view of problem solving, their own way and pace of work and their own problems. This individuality is manifested in every area of human life, not excluding the work sphere. It is therefore common that the interaction of a large number of people may not always be seamless in a company. Therefore, company managers design mechanisms and procedures for the correct, timely and effective implementation of all relevant activities. Recognition of employees with their knowledge, skills, experience and work motivation as the most important source of existence and development of the company is a basic attribute of working with people. Working with people is a reflection and result of managerial work. It is not enough to emphasize the importance of employees, it is important to look for them, to support those who are strategic and efficient for the company.

Personnel work as a system of mutually interfering processes, represents intentional work with people in the work process. It is also one of the subsystems of company management. It brings together all activities and operations related to human resources in the company, from planning their number and location up to their departure. It is present before the first employee even starts working for the company and basically never ends during the company's life cycle. Personnel work as we know it today has evolved in the past to its current form, which is also influenced by various external factors. The change in the functioning of the whole society, the change in the thinking of whole generations, the increasing demands of individuals are just a few examples that have gradually established the need for new ways of working with people. The gradual increase in the perception of the importance of people in the work process has made personnel work more complex and sophisticated. New activities have been added to the daily work of human resources and the time period contained in them has changed. Operational management is gradually changing to a more strategic – longer-term one. The focus is no longer only on short-term efficiency, but also on long-

term sustainability and continuous growth. The focus is on the individual, as the bearer of human capital and the main creator of values. Companies are changing their philosophies and modernizing management practices to encourage and make full use of people while maximizing individual and collective performance. Investments are no longer limited to products and services, but also include the people who design, create, improve and sell them. A key factor in the company's success is the ability to acquire, allocate, develop and retain employees who are willing to lend their human capital to the company in order to increase their own and corporate value.

The main goal of the monograph was to examine the historical development of the implementation and perception of the importance of HR processes in Slovak companies. We collected data on the state of personnel work in companies in Slovakia using the method of sociological questioning using online and printed questionnaires in 1998, 2002, 2006, 2010, 2014 and 2018. The respondents were employees of human resources departments or other persons responsible for personnel work in companies. A total of 2,188 Slovak companies participated in the survey.

We assumed that the implementation of strategically oriented HR processes in companies from 1998 to 2018 was constantly increasing. By comparing the implementation of HR processes in Slovak companies in the examined years, we could not confirm our assumption. In 2018, however, there was a significant increase in the implementation of HR processes, which we consider to be strategically oriented. At the same time, however, we found out that most HR processes were implemented by companies in 2014. The assumption of a constant increase in the level of personnel work is not met. In 2018, there was a decline that we did not expect. In the case of operational HR processes, we assumed a continuous decline. Confirmation of this assumption was prevented by the opposite trend of recruitment, which had a declining trend until 2006, but increased between 2006 and 2014. In terms of perceiving the importance of HR processes, both input assumptions were confirmed. Based on the respondents' answers, we state that in the years 1998 to 2018, the importance of strategically oriented and the importance of operational HR processes decreased steadily. Nevertheless, recruitment remained the most frequently implemented and also the most important HR process in the entire period under investigation. However, the position of their adaptation, further education and development has been significantly

strengthened. Based on the analysis of repeated surveys, we can say that the level of personnel work in Slovakia in the monitored years increased significantly. We observed its maximum level so far in 2014.

**Acknowledgements:** This research was supported by the Cultural and Educational Grant Agency of the Ministry of Education, Science, Research and Sport of the Slovak Republic as part of project KEGA 012UCM-4/2022 "Managing people in the digital world – a bilingual (Slovak-English) university textbook with the support of e-learning modules with multimedia content".

# Appendix: Personnel work questionnaire

	ъ.	Importance	printed advertisement electronic advertisement labour office
	Performing	(1 = the most)	applicants database direct addressing friends, acquaintances
Developing strategies, policies, and other			recruitment agency formalized intermediaries
plans			open door days other
Employee number and structure planning			
			7. Which employee selection methods do you use?
Job analysis  Recruiting and selection of employees			selection according to the applicant's documentation (CV, questionnaire, references)
Employee recruitment and adaptation		1	<ul> <li>testing a) ☐ intelligence (IQ, EQ) b) ☐ skills (thinking, behaviour)</li> <li>c) ☐ personalities (types) d) ☐ expertise</li> </ul>
Training and further education  Talent management			interview a) structured b) unstructured
Talent management			assessment centrum other
Job evaluation (payroll system creation)			
Employee welfere			8. Do you plan employees' adaptation? If yes, please specify the methods used:
Employee evaluation			job rotation planned work programs
Release of employees (termination of			special tasks / projects tutoring and guidance
employment)			☐ "throw into the water, where the deepest" ☐ illustrative examples
HR controlling			other
Personnel administration (except			
mandatory bureaucracy)			9. Which methods of employee training do you use most often?
			course/lecture video e-learning instructing
2. Does your company have an HRM strate	gy?		☐ role playing ☐ coaching ☐ self-education ☐ model situations
yes no			other
	1 0		10. A talented employee in your company is an employee:
<b>3. For how long do you plan the need for en</b> operational monthly semi-annu		🗆	
operational monthly semi-annu	any 🗀 annuan	y other	long-term stabilized with long-term high performance
l. How many % of jobs in the organization	al structure have	un-to-date ioh	very creative other
lescriptions?	ai structure nave	up-to-date job	·
	91-100		11. How do you evaluate employees?
			non-formally – there is no system in place, evaluation is done as needed, sporadically
5. Existing job descriptions provide inform	ation about:		formally – systematic evaluation
purpose of work work dutie		competence	both formally and non-formally
responsibility working c		vorkplace facilities	10 TF (t) 1
		yees and departments	12. How often do you evaluate employees?
profile of the job holder other			annually semi-annually
			quarterly monthly
			other regular intervals: irregularly

☐ H ☐ tra	3. In what HR processes do you use the evaluation results?  HR planning job analysis training and development remuneration employee deployment other other												
14.	What	are	the	most	common	problems	you	face	in	HRM?			
•••••		•••••	•••••	•••••			•••••	•••••	•••••				
•••••			•••••	•••••				•••••					
15. V	Vhat wou	ıld you	like to	change	in the HRM	I system in th	ne futur	e?					
•••••									•••••				
•••••			•••••	•••••			•••••		•••••				
•••••		•••••	•••••	•••••				•••••					
		_											
	organiza f employe or:					9 ☐ 50 ing non-profi ng state instit			> 250 tions				

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# MANAGING HUMAN RESOURCES IN SLOVAKIA IN 1998 – 2018

# Scientific monograph

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### 2023

## **First edition**

Extent: 96 pages; 4.73 publ. acct.; 100 copies

Publisher: Oficyna Wydawnicza Stowarzyszenia Menedżerów Jakości i Produkcji

ISBN 978-83-63978-97-6