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LANGUAGE COMPETENCES IN HUMAN RESOURCES DEVELOPMENT

EXTERNAL SUPPORT OF START-UPS

Štefan SLÁVIK, Eliška ZÁLEŽÁKOVÁ

Abstract

Start-up is a very small, beginning enterprise that has a business idea, but it is almost lacking all the resources needed to develop a business, including experiences. Extremely fast growth and scalability cannot be ensured by internal resources from organic growth, so start-up will be dependent on an external support. The aim of the research was to find out how start-ups perceive the form and degree of external support from larger and established companies, government/state administration and universities, start-up scene and investors. Research has shown that the most effective and most accepted support is provided by the start-up scene and investors, apparently less support comes from larger established enterprises, support from the state/government and universities is little expected and accepted. The key to suitable support is to investigate the motivation of providers and recipients of support and to understand the asymmetry of their relationships. The extent and quality of start-up support from larger and established companies depends on mutual expectations. Support of start-ups from government and higher education institutions has the lowest effect among all external actors. Support from investors is accepted most among the evaluated impacts. Investors with their resources are a vital condition for running the start-up.

Keywords

Start-up, state/government support of business, universities, bigger and established companies, start-up scene, investors

JEL Classification: M13, L26, L25

Introduction

Start-up is a very small beginning enterprise, usually without any business experiences, with very modest financial, human and material resources. Its only significant asset is a business idea that has to be verified on the base of a functioning business model. P. Graham adds (www.forbes.com, 2013) that most start-ups cease to be a start-up after three years of business making, P. Thiel writes (2014, pp. 10, 11) that the start-up is a community of people who have joined to achieve a remarkable goal through extraordinary intellectual effort, E. Ries emphasizes (2011, p. 27) that start-up operates under conditions of extreme uncertainty, S. Blank and B. Dorf (2012, p. XVIII) put emphasis on scalability and technology, and A. Kiska Jr. (www.tyinternety.cz) considers exponential growth and a high rate of return on venture capital as a typical start-up attribute.

Start-ups may be perceived to some extent as a source of economic development impetus. They are a school of practical business making, creating jobs, providing with space for unprecedented self-realization of their founders and their co-workers, finding and creating inventions, transforming them into innovations that are outside the field of view of bigger companies or are too risky for standard companies. Start-ups are entrepreneurial initiatives that "contribute to the development of high added value industries, to regional and global competitiveness, contribute to building the image of the country as an innovative economy" (Kolektív, p. 119). Start-ups can contribute to structural changes in the national economy as they are the carriers of significant innovations.

The entrepreneurial potential that start-ups hide in their core, as their economic results and their impact on the country is still negligible, attracts not only business pioneers, but also elicits the attention of investors, established companies, universities and the state lastly. The questions arise whether the start-ups should be influenced externally, in what way, with what effect, what do the start-ups themselves need or do they want/do not they want. The deliberate influence upon a system from the outside, although with the best intentions, may be as controversial, risky, or ineffective as the spontaneous behaviour of its inner elements.

1 Current state of external start-up support

State support of business making in Slovakia is carried out by the Ministry of Economy. This central body of state administration manages activities to support and develop small and medium-sized businesses in general and then specifically to support start-ups. The executive agency that directly supports start-ups is the Slovak Business Agency (SBA). Agency through a specialized subsidiary of the National Holding Fund, s. r. o. supports small and medium-sized enterprises in the form of micro-loans and venture capital funds (NHF, 2015). The SBA has a simple administration and soft conditions to provide support. It sends out start-upers abroad for exhibitions, competitions, internships and conferences.

The State Start-up Support Program (MH SR, 2015) is implemented through two components:

The first component supports the creation of a favourable environment for the emergence of technology-driven start-ups and innovations. It provides information, consultancy and education, supports launching start-up events in Slovakia, participation of business applicants in international start-up events, mediates meetings with investors and potential business partners and associates applicants for entrepreneurship.

The second component supports the implementation of specific intents, such as processing a feasibility study, completing a product development, or creating a functional prototype, including testing and introductory presentation to get feedback. All activities are provided without co-financing of the applicant up to the limit of 15 000 euros within the component (MH SR, 2015).

When granting a state support, it is necessary to examine whether a small or medium-sized enterprise is not behind a start-up. Some start-ups do not even have a business model. Many start-upers cannot do the basic administration, elaborate the project and present it well. Many are grateful for help, others are uplifting, even slightly stubborn. Some of them can extend their hands only, so government agency has to be careful when providing support.

Universities are currently facing a challenge to move from the classroom to the business ecosystem (Bliemel, 2014). Universities are traditional centres of scientific research and exceptional knowledge, but they cannot use their precious resources to meet market needs. Their results have little impact on the lives of ordinary people outside the academy (Stagars, 2014). They are challenged to support establishing start-ups because they have both knowledge and infrastructure but have difficulty in identifying market opportunities (Rae et al., 2012). Problems also arise in the business sphere, as there is a lack of specialists in co-operation with universities (Ranga et al., 2013). Universities face the opportunity to set up their own start-ups to implement their inventions. However, this requires further investment (Swamidass, 2013). Three examples of start-up activities are known from the Slovak universities: the private VŠEMvs in Bratislava (GROWUP – Start-Up Centrum) and the public universities ŽU v Žiline (Start-up program - Occupation the Entrepreneur) and TU in Košice (Start-up Centre).

According to the KPMG Slovakia survey in 2013, the start-up support from medium and large enterprises amongst all types of external support was the smallest (KPMG, 2013, p. 12), although the entrepreneurial interests of start-ups and companies are considerably overlapping (around 75 %). However, companies have shown willingness to provide mentoring and knowledge about market and entering market (KPMG, 2013, pp. 19, 23). According to a similar survey by KPMG Slovakia in 2014, the business sphere is open to cooperation (KPMG, 2014, p. 23). Up to 96 % of respondents said that start-ups should be supported. Reasons for granting support are mostly commercial. Social responsibility towards start-ups is only at the end of the interest of the questioned companies. It is encouraging that companies see specific business reasons for start-up support, e. g. access to talent, contribution to self-growth, internal innovation needs, prospective investment, diversification, new products and services, and a gradual change of attitude is coming.

In the start-up ecosystem survey in 2016 (KPMG, 2016, p. 33), about two-thirds of the surveyed enterprises did not engage in the Slovak start-up ecosystem because 65 % of them did not consider it an internal priority. However, 79 % of the companies that engaged in it considered this to be their biggest challenge. It is remarkable that large companies with more than 500 employees have hardly been involved in this matter. A minority of companies that engaged in the ecosystem have expected (KPMG, 2016, p. 34) a contribution to their growth, access to innovation and the acquisition of talent. Benefits for companies far outweighed the benefits for the society, e. g. socially responsible conduct. Enterprises supporting start-ups (KPMG, 2016, p. 35) provide mentoring (75 %) and direct investment (50 %). Transferring knowledge and experiences is extremely valuable to founders, and investment is a clear indication of engagement and confidence in the start-up. Compared to 2013, the industry interests of start-ups in 2016 were scattered, but 50 % of questioned enterprises prefer fintech, business services, and enterprise software.

The start-up scene is important for the existence and development of start-ups, providing business and advisory services. The start-up community is teaming up at the StartupCamp events at KC Dunaj and the informal StartupWeekend event. It works in co-working centres, e. g. The Spot, Impact Hub, Connect, Binarium and others. Co-working is a style of work and business making in an open office environment where tenants assess and exchange their experiences and ideas. It is a dynamic, stimulating and creative environment. Also developers who offer free space in office buildings and an internet portal of Startitup that captures current events amongst start-ups also contribute to the development of the start-up scene. Start-ups are also being developed through industrial spin-off projects. These are small companies that are split off from a larger company and fairly independently develop their business ideas. The purpose of the start-up scene resides in building a related community that gives the complete beginners a sense of self-esteem, professional help, and basic material conditions for doing business.

For the existence of start-ups there is very important access to a seed capital. In the beginning completely, funding is coming from the founder, friends and family. For larger investors, this is a positive sign when a starting entrepreneur risks his/her own money. The second source is business angels. In particular, they are physical persons who, besides finance, also bring their own experience, advice and valuable contacts. In Slovakia they are associated in Slovak Business Angels Networks (SBAN). A special group of resources as well as expert assistance are mediators and consultants, particularly 42angels, Neulogy and G4 private investment club. Another source of investment is financial groups, e. g. Arca Capital Slovakia. Some of them are specialized in high-risk investments with considerable potential, e. g. Fond of Fonds, Credo ventures, Genesis Capital and 3TS Capital Partners. Start-ups are also supported by large companies, e. g. SAP organizes the Start-up Forum Technology Conference, where it selects the start-ups it implements in its technology incubator. In the meantime, crowfunding is becoming popular that is a form of collective funding from small donors. Start-ups as a major problem and barrier to their existence consider very limited access to resources from which they would finance their operation until they become financially independent. Investors consider a malfunctioning start-up business model as the main reason for prudent financing. Start-up is in the relationship of investor and entrepreneur in the position of the applicant and its main and almost the only argument is a convincing and attractive business model.

2 Goals and methods of research, research sample

The aim of the research was to find out how start-ups perceive the form and degree of external support from larger and established companies, government/state administration and universities, start-up scene and investors. Start-ups like young, inexperienced and undeveloped enterprises are prone to expect, seek and use an assistance from outside. Research should provide a knowledge on how start-ups perceive and evaluate external assistance from particular groups of supporters, how the support has changed during the research, what it brought the start-ups and what they expected.

Sources of knowledge about surveyed start-ups are personal realization of research, managed interview, record of answers in questionnaire, additional interviews as needed, publicly available information from start-up websites, other websites and professional books and journals. Start-upers expressed themselves directly, specifically and openly, not inclined to skate or conceal anything. However, in the second and third stage of the research, they did not comment the support very much because there were no significant changes and the set of supporters was not changed. The support rate is scaled in extent: 1 - minimum, 2 - low, 3 - satisfactory, 4 - acceptable, 5 - excellent. Tables 1 to 5 show the start-up shares (%) on the research sample according to the support rate.

The research was conducted in three stages (October - December 2015, June - July 2016, January - March 2017). It captures start-ups approximately during one and a half year (October 2015 - March 2017). In the first, second and third stage of the survey, the sample contained 76, 72 and 53 start-ups.

3 Research results

3.1 Support of start-ups from larger and established enterprises

In the first stage of research, the start-ups felt minimal or low support as the indifference and unwillingness of large companies to co-operate, as problematic there had been perceived communication and formal approach. Some companies have shown an interest in purchase of products, although they have finally sought to imitate an idea. The start-ups tried to connect contacts with distribution partners. On the other hand, the start-ups also expressed their indifference, did not look for and did not expect support or help.

Satisfactory, acceptable and excellent support represented mainly consultancy and provision of business contacts particularly towards potential customers. Material assistance has been demonstrated, for example, in discount of rent, software and hardware. The support was reflected in the helpfulness of suppliers and potential customers, e. g. provision of a grant, commenting on the solution, providing feedback and substituting customer roles.

In the second stage of research, the start-ups have positively evaluated contact with potential customers who give feedback, and according to their comments, start-up adjusts its product, established companies offer financing and repurchase at the exit, partnership, distribution, business development, assistance of advisors, business contacts, although many of them were unproductive.

In the third stage of research, e. g. media houses have expressed an interest in a specific support of a start-up that offers mediation of tutoring, and KPMG and Eset have begun to support a start-up that develops forward-looking, specialized e-commerce. The overall assessment of support rates from larger enterprises and their comparison in the three stages of the research is shown in Table 1.

Table 1. Support of start-ups from bigger companies

Stage of research →	1.	2.	3.
Rate of support ↓	(%)	(%)	(%)
1-minimal	33,33	21,12	26,41
2-low	27,77	22,53	28,30
3-satifactory	20,83	25,32	20,75
4-acceptable	11,11	23,94	18,86
5-excelent	6,94	7,04	5,66
Average degree (1-5)	2,3	2,73	2,49

3.2 Support of start-ups from state administration and higher education institutions

In the first stage of research, the start-ups recorded a number of legislative constraints and barriers to doing business, extensive bureaucracy, the necessity of various permits, complicated taxes, accounting, levies, e. g. complicated registration of VAT payment due to non-acceptance of a foreign invoice, which has a different structure, as required by Slovak legislation. They met with a lack of interest, because the attitude to the start-ups is the same as for other companies, and communication with the authorities is complicated. Start-ups stated that support of business is weak.

The low support was reflected in the fact that many support tools are aimed at people who do not have any business experience, and too many supporting events take place only in Bratislava and their dispersion to the regions would be useful as well.

Satisfactory support was reflected in the action of SAV (Slovak academy of sciences) and the attitude of an university on which the start-up weekend took place. An acceptable evaluation was given to participation of start-ups at exhibitions with support of SBA, conferences with support of SBA and Startup Sharks, collaboration with SARIO, e. g. development of foreign relations, support of the Ministry of Economy, e. g. attending a conference abroad, or enabling a business trip abroad.

Excellent support is expressed, for example by start-up Profiveg, doing business in agriculture. It managed to get a contribution from the euro-funds to support domestic agriculture. The support covered all the costs of purchasing technologies, installing them and all inputs necessary for production. The amount of the contribution was 50 000 €.

There was also a neutral viewpoint that the start-up has got no, good or bad experiences, sayings that in addition to the start-up weekend, start-upers did not seek any assistance and did not ask for grants so far. Outstanding support was a paradoxical statement that the start-up did not seek any support and was trying to avoid support from the state administration and not use its services.

In the second stage of the research, the SBA Support Program, which reimburses travel expenses and fees for foreign conferences, was positively evaluated. Agroinstitut, e. g. after consulting with marketing experts, recommended the change of the start-up name Profiveg to MicroVeg. The Ministry of Foreign Affairs helps to establish business contacts abroad in cooperation with the relevant embassies.

In the third stage, there was an unspecified, but negative assessment of state aid. The minimum rating has been rendered to the non-transparency of the euro-funds, due to which the start-up has withdrawn from the request for this type of assistance. Support from SBA and SARIO has been positively evaluated. The summary of the extent of start-up support from the state administration is quoted in Table 2.

Table 2. Support of start-ups from government/state administration

Stage of research →	1.	2.	3.
Rate of support ↓	(%)	(%)	(%)
1-minimal	65,27	56,33	56,60
2-low	9,72	22,53	35,84
3-satifactory	11,11	9,85	3,77
4-acceptable	11,11	9,85	1,88
5-excelent	2,77	1,40	1,88
Average degree (1-5)	1,76	1,77	1,56

In the second and third stage, research attention was also paid to a support for start-ups from universities. In the second stage, the minimum support was that start-ups did not even perceive support from universities. One of the start-ups indicated negative viewpoint that a member of his team was a PhD student at a university where he had problems because of doing business in the start-up. This is surprising, because this university otherwise has resulted in positive attitude. The low support also resided in the poor response of the college, although the start-up initiatively sought to cooperate.

Satisfactory there is evaluated an assistance of a pedagogue from the medical faculty at development of a business idea (Lifeclick). Acceptable and excellent support was from the University of Žilina, UCM Trnava, Comenius University Bratislava, TUKE (startup is a member of StartUp Center TUKE), STU and its INQB. One start-up (Appendino) has a partnership with a university in Italy.

In the third stage of the research, quirky minimum support was recorded when STU expects to receive a payment for permission to teach a software that developed the start-up (Vectary). Even the recruitment of employees or the offer of the software tool were perceived as minimal support.

Table 3. Support of start-ups from universities

Stage of research →	2.	3.
Rate of support ↓	(%)	(%)
1-minimal	53,52	49,05
2-low	28,16	30,18
3-satifactory	9,85	15,09
4-acceptable	7,04	3,77
5-excelent	1,40	1,88
Average degree (1-5)	1,6	1,79

The cooperation with the FEI STU has been favourably evaluated. So-called blockchain clubs for students exist there. IT students, however, are required to be educated in entrepreneurial skills to be able to work in a start-up. Summarizing results about support from universities are shown in Table 3.

3.3 Support from the start-up scene

In the first stage of research, the start-ups rated negatively that most of the start-up events is arranged in capital of Bratislava, and there are not so many other opportunities elsewhere. However, some start-ups do not express an interest to cooperate with other start-ups and are not actively engaged in the start-up community, they are not looking for start-up events but will do so in the future. Start-up competitions are perceived more positive, they are considered a good opportunity to raise money, to make a presentation and advertising. Some start-ups are not interested in a start-up scene, e. g. incubators go on their own, have higher ambitions from the start and therefore do not look for investors and support at the home start-up scene, or overrun the start-ups they are neighbouring in one building, and hence they rather support other start-ups than are supported themselves.

The lower rate of support resides in acceptable prices for rental in the co-working area, the availability of useful contacts, consultations, regular presentation of the results in front of experts in the common work space with other start-ups.

Nevertheless, one start-up complained that although it is located in a foreign accelerator, even has a mentor from the USA who has arranged the necessary contacts, so in the accelerator there is great competition.

Satisfactory, acceptable and excellent support is reflected in providing mentoring, know-how, consultancy, contacts, experiences, creative space in co-working, a well-functioning start-up community, marketing, presentation on web portals, start-up events, competitions, workshops, promotion, success sharing and activities on social networks. There are positively perceived motivational lessons from various associations and institutions, e. g. SBA, KPMG. Start-upers appreciate the specific support from The Spot, Start-up Awards, Connect Co-working, Impact Hub, SBA, KPMG, Neulogy, Connect Co-working (venues, consulting), Flemio Accelerator, University of Žilina, Eastcubator, TUKE.

Meetings with people from start-up scene are always considered to be beneficial because they share experiences and get advice, it is a community with friendship relations, but some start-ups would welcome more help and support from colleges, especially mentoring.

In the second phase, one start-up indicated a low support that hardware start-ups did not have as much support and possibilities as software and application start-ups. Start-up, which considers the support as satisfactory, believes that the start-up scene focuses primarily on the initial stages of start-up development, but would appreciate support and advice at later stages.

Acceptable and excellent support was given to lessons, meetings, cognitive events, contacts and informal communication based on personal acquaintances. It was appreciated that the start-up scene is small, everybody knows all the community, everybody can debate and help in the community. Some expressions has been also noted that in the past, the start-up was using a consultancy and was part of the accelerator, but nowadays it has no support or is not needed, but in case of further expansion in the future it will consider it.

In the third stage of the research, the minimum support was that the start-up did not use any possibility, but it would be thinking in perspective about some support. Another start-up considers minimal support as it gets less and less support, but the start-up scene considers these issues to be marginal if start-ups are at a higher stage of development.

Acceptable support from the investor meant that the start-up moved from a co-working centre to an individual and separate space, this change reinforced the team spirit, meetings with other start-up players are done more through the friendly line. One start-up said that there is a lot of effort, a lot of help, but they are less purposeful and without a lot of benefit. Outstanding support was in the form of events and mentoring. The cumulative assessment is contained in Table 4.

Table 4. Support of start-ups from start-up scene

Stage of research →	1.	2.	3.
Rate of support ↓	(%)	(%)	(%)
1-minimal	15,27	11,26	15,09
2-low	9,72	14,08	20,75
3-satifactory	27,77	29,57	28,30
4-acceptable	34,72	38,02	26,41
5-excelent	1,38	7,04	9,43
Average degree (1-5)	3,18	3,15	2,94

3.4 Support from investors

In the first stage of the research, the minimum support was expressing in the fact that nobody addressed the start-up, an investor was not managed to gain, even though he/she was initially interested. Some start-ups did not look for support of an investor, but they plan to address an investor in the future.

Low support was given to the start-up, which deals with the topic in Slovakia as the only one, and therefore the founders were expecting to get a great support from all sides. Another start-up said it does not want a support from Slovak investors because they have more stringent contract terms than the foreign ones and, in addition to, relatively slow approval process.

Satisfactory, acceptable and excellent support was reflected in consultancy about business model and marketing, in getting contacts, financial assistance, cooperation with an angel investor, in assistance at the idea implementation and team building and e. g. in concrete assistance with recycling of wood waste and interior and exterior design.

The investor who provides finance is considered as aid and support, but his/her impact on business strategy and the effort to engage in start-up management is perceived with displeasure. The founder is concerned about conflicts and misunderstandings because he/she has a slightly different view of business and its start-up form.

Excellent help and serious consultancy is provided by Wayra, Neulogy, Flemio, Danubia Tel, Deutsche Telekom. Start-ups are welcoming and appreciating financial support, but in addition to there is important mentoring, which was weak at the beginning but is improving continually. More important than finance there are consultancy, experiences and networking.

In the second phase of the research, the minimum support is identified with the decision not to use the offer of investors and apply for a bank loan. The low support rate has indicated that investors and funding are being found heavily. An acceptable level of support consisted in consultancy. Excellent support rates are provided by Neulogy and Wayra, which maintain a neutral attitude, on the other hand, private persons often demand a return on the money they provide, e. g. share of property, profits, and so on.

In the third stage, minimal support once again meant that the start-ups do not have an investor or are currently not planning to use their support. Excellent support comes from Neulogy. The summarizing evaluation is in Table 5.

Table 5. Support of start-ups from investors

Stage of research →	1.	2.	3.
Rate of support ↓	(%)	(%)	(%)
1-minimal	25,00	15,49	18,86
2-low	9,72	18,30	15,09
3-satifactory	25,00	25,35	22,64
4-acceptable	22,22	22,53	28,30
5-excelent	18,05	18,30	15,09
Average degree (1-5)	2,98	3,25	3,05

The start-ups in the first stage of the research have indicated an aid from the start-up scene as the highest level of support and considered the assistance from the state administration as the lowest level of support. In the second and third stage of the research, the ranking changed, the highest level of support was represented by the investors, and the support from the state administration and the higher education institutions were the least appreciated. The average assessment of the main kinds of support in the particular stages of the research is shown in Table 6. However, no significant changes were made during the three research stages in the size of the investigated assistances. Some start-ups, however, do not search for support because they want to find their own way, do not want to be dependent or committed, and are often disgusted with formality, inefficiency, non-usefulness and waste of time.

Table 6. Average evaluation of kinds of support

Kind of support	**Stage of research** – average degree (1-5)			**Tendency**
	1.	2.	3.	
start-up scene	3,18	3,15	2,94	gentle decline
investors	2,98	3,25	3,05	gentle rise-decline
bigger established companies	2,30	2,73	2,49	gentle rise-decline
government/state administration	1,76	1,77	1,56	gentle decline
universities	-	1,60	1,90	gentle rise

4 Discussion

The extent and quality of start-up support from larger and established companies depends on mutual expectations. If cooperation is to be deepened and expanded, it must be mutually beneficial. Start-up are missing most of the resources necessary to complete the business model, but most of all, there is a lack of a distribution channel that needs to be built or another enterprise has to make it available. On the other hand, larger companies have a business model built up and functioning, doing their business for a long time even without cooperation with start-ups. Larger and older companies, however, lack new ideas and willingness to take a risk. Larger companies do not provide their assistance passively or unselfishly only. They try to interfere in the internal processes of a start-up, to change the business concept, or appropriate an entrepreneurial idea. Start-ups perceive such an action with mistrust and displeasure. The relationship between larger and older and very small, incomplete and starting enterprise is asymmetric. This asymmetry can initially be overcome by generosity, altruism, corporate responsibility of larger companies, but later start-ups must deserve the attention and support of larger companies with the originality and potential profitability of their business, or with the proof of actual results, e. g. functional prototype and first sales.

Support of start-ups from government and higher education institutions has the lowest effect among all external actors. This low effect is accompanied by mistrust or aversion to the state administration and its authorities that regulate the business environment. Start-ups are extremely sensitive to the extent and complexity of the administration they have to carry out to meet the requirements of government authorities. They are even willing to sacrifice any government support because of simplification of the administration or helpfulness of the authorities to meet the administrative requirements. A minority of start-ups expects leniency or special rules for their doing business, and most start-ups would be satisfied with the same rules for all types of business, but as simple and stable as possible. Nervousness from the state administration stems from the very limited start-up work capacity, which is almost exclusively devoted to the development of business, and therefore there is no capacity to fulfil other duties, and from insufficient cognition of the state administration and relevant skills to meet it. The state does not have a good reputation at start-ups, they rather appreciate that it does not lay obstacles than it helps them. Nonetheless, the SBA's recognition of support is worthwhile because it offers meaningful and effective activities. However, it is generally indicative for the state support of start-ups that the state provides it more for political than economic reasons. The negotiating asymmetry is considerable, and therefore the negotiating power of the start-ups is negligible. It could be increased by the start-ups association, but given the short life of the start-up, it would not be probably a strong interest in setting it up.

Start-ups expect a support from universities only marginally. This is related to the fact that universities are traditionally centres of education and partly scientific research, but they play little or no role in their surroundings as a cultural, educational and socialization institution. Universities have lost their monopoly on education and research, found themselves in the competition of foreign and domestic consulting firms, and are perceived too academically, although their potential and actual results can have very practical consequences. Technical faculties of universities are better perceived, because they provide their laboratory and testing capacities. Faculties teaching business economics and management educate mainly future employees, they deliver little or no entrepreneurship as a profession of its kind.

Support of start-up scene has the second best response. It is an informal environment of related souls that works on the basis of an unselfish exchange of knowledge and experiences that passes through the scene without more significant barriers. Collaboration is also encouraged by the existence of co-working spaces, start-up competitions and events that naturally involve start-ups and their founders. Collaboration is also supported by the common interests of start-upers conditioned by their age, similar challenges and tasks, lack of entrepreneurial competences, skills and uncertainty in a new life and existence situation. All of them are roughly on the same starting line without any major differences, so they are not yet seen as competitors. Mutual reliance gives them strength and self-confidence, almost symmetrical relationships foster mutually beneficial cooperation.

Support from investors is accepted most among the evaluated impacts. Investors with their resources are a vital condition for running the start-up. As they risk their private resources, they are motivated to help the start-ups with advice and mediation of business contacts, and at the same time they create supervision and pressure for responsible use and appreciation of the resources entrusted. Start-ups, however, should, in addition to external private sources, also input their own resources into business, especially savings to increase their personal responsibility for doing business. The relationship between start-upers and investors is also asymmetrical. Start-upers have an idea, but they do not have the experience and money, investors have money and experience usually too, but they do not have an attractive idea or do not want to develop and realize an idea. The quality idea and the quality founder and his/her team increase the negotiating power of the start-up towards investors.

5 Conclusion

The current level and offer of external support basically corresponds to the size and quality of the start-up scene. Administratively simple types of support have been proven, which supplement the lack of finance, knowledge, experience and business contacts or improve existing resources and processes. Start-ups as very small and incomplete enterprises are always dependent on some external support. However, start-ups have to deserve the scale and depth of this support, because the low barrier approach leads to a wastage of provided resources and the low efficiency of their use, the loss of responsibility for resource valorisation and demoralizing entrepreneurial spirit. High barriers also demoralize and undermine the entrepreneurial spirit, they do not distinguish between less and more promising business ideas, and may have even more negative effects than not providing any external support. While state support, including support from higher education institutions, is a matter of public policy and depends on political prudence and visionary of politicians, so support from companies, the start-up scene and investors is a matter of private interests and market forces. Public and private parties associate a common interest in the economic development of the society in which start-ups have not yet uttered the last word.

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MACROENVIRONMENTAL FACTORS AFFECTING HUMAN RESOURCE MANAGEMENT – CASE OF SLOVAK REPUBLIC

Natália LETKOVÁ

Abstract

Today's companies operate under the conditions of many factors of micro and macro environment and every mistake can cost them a market position. More than ever, their success depends on the human resource management (HRM) and the quality of their managerial decisions. Such factors as the shifts in the economy, globalization and technological development have created new demands for organizations and propelled the HRM field in some new directions. These challenges also create numerous opportunities for HRM. The primary objective of the paper is to identify factors of macro environment currently most affecting human resources management in enterprises operating in Slovak Republic. Paper provides integrated review of theoretical background with an attempt to offer modern sophisticated methods for dealing with the impact of these factors and, also empirical insight of the researched issue. The awareness of the importance of human capital, the necessity to apply modern technologies not only in the production of products and services, but also in all activities related to HRM, and last but not least, the quality of HRM are essential for companies to succeed in competitive struggle.

Key words

human resource management, macro factors, managerial decisions, personnel management

JEL Classification: O10, J20, M20

Introduction

„Take my machines but leave me my people." Tomáš Baťa

Globalization, rapid technological progress and highly competitive environment do not give companies much room for error making. But what Tomáš Baťa understood hundred years ago is still valid. People are the most valuable capital the company has. To succeed, companies must manage human capital more efficiently and more sophisticatedly then their competitors in terms of getting it to the highest possible performance, engagement, creativity and loyalty.

We believe that the main task facing managers today is not to choose between a man and a machine, but to understand the areas in which people are irreplaceable and create the ideal conditions for them to get their highest performance, and on the other hand understand the areas in which it is more efficient to replace human by a machine (in the current context - machines, robots, software, artificial intelligence). The desired state is the perfect synergy between these two factors. If we talk about irreplaceable human capital, we also talk about managers, the quality of their attitudes and decisions, the way they manage human resources and their ability to understand development trends are what the success of the company depends on. As companies operate in a dynamic, constantly changing environment where the only certainty is permanent change, managers need to constantly monitor the factors of environment and adapt their actions to its changes. For HR managers to make good decisions, it is necessary to know all the factors influencing the HRM. As the factors of micro environment have recently been described in the scientific works (e.g. Mura et al., 2017), the author has decided to monitor macroenvironmental factors that currently have the higher impact on the HRM.

Paper also offers suggestions for how to effectively deal with these factors. In order to verify the correctness of authors findings and complete the whole picture of the situation, the HR managers of two companies operating in Slovak Republic (SR) were asked to respond to the question of which macro factors currently most adversely affect the HRM in these companies and how the companies are dealing with these effects, which gave us an important empirical preview of the researched issue.

Goal and Methodology

The aim of the paper was to reveal and summarize the factors of macro environment which currently affect most the process of HRM. The work focuses mainly on the situation in SR, but we believe that, as a result of globalization, the findings may be valid also in other countries. Firstly, we used the method of integrative review, which is considered a form of research that reviews, critiques, and synthesizes representative literature on a topic in an integrated way such that new frameworks and perspectives on the topic are generated. To verify the correctness of authors findings and complete the whole picture of the situation we have also carried out diagnostic research.

It is descriptive research, following the partial characteristics of the problem under consideration, often used as a pre-research of larger research. The first information on the studied phenomenon is obtained, with a smaller number of respondents, aiming to monitor the intensity of the phenomenon. In the questionnaire we put partially structured questions where the last alternative was the free option and open questions allowing respondents to offer complex description of their situation. We consider this method of research to be appropriate for understanding the conditions in which HR managers make their decisions and to facilitate the formulation of objectives for further extensive research. We addressed the HR managers of two companies operating in SR to respond to our questionnaire focused on revealing macro factors which currently most adversely (negatively) affect the management of human resources in these companies and how the companies are dealing with these effects. The criteria for selecting the companies were as follows - a medium company with more than 100 employees and a large company with more than 500 employees operating in SR for at least ten years. Based on past research, we believe that larger companies with a larger number of employees suffer from the effects of macro environment more than small businesses (Letková et al., 2018), therefore, we decided not to conduct research in a small or micro company. We also took the assumption that the HR managers of companies long-time operating in the country will take into account the long-term context, so responses will provide more valid answers than with a company that only faces the environment for a short time.

1. Macroenvironmental factors affecting human resource management

According to Noe et al. (2016): "The challenges organizations face today can be grouped into four categories: the new economy challenge, the global challenge, the challenge of meeting stakeholders' needs and the high-performance work systems challenge." In the context of the objective of this paper, we note that the first and fourth challenge are related to the factors of technological environment, the second challenge is related to the influence of economic factors, the third challenge is out of our focus, as it concerns the microenvironment of the enterprise. The authors of the cited publication, in agreement with the author of this paper, describe three of the four factors of the macro environment to which this article is concerned. However, we believe that the significant factor the authors have forgotten is the demographic environment, which is currently another major challenge for HR managers.

1.1. Economic factors

Understanding how economic factors affect business is essential to making good managerial decisions. And since decision-making about personnel is one of the core management activities, from which the company's overall success depends to a large extent, it is necessary to understand the impact of economic factors on it. The most important economic factors influencing the overall success of a company include interest rates, exchange rates, inflation, taxes, the supply / demand ratio, but above all the state of the economy and the phase of the economic cycle in the country where company operates. There is a general opinion that companies face threats, especially in times of recession and crisis. The economic recession period is associated with a number of HRM-related phenomena, such as layoffs, wage payment suspensions or wage cuts and many other.

At present, however, the Slovak economy is in the phase of expansion, the labour market reaches the historical maximum, employment has risen to a record level, the number of employed climbed almost to 2.4 million in 2017. Estimates indicate that in 2017, 8.2% of economically active people were unemployed (Statistical Office), which is the lowest percentage since 1993. But behind these positive figures, there is a big problem hiding - the shortage of skilled labour force. Since our work is not focused on finding possible solutions at government level, but to derive recommendations for HR managers, a few solutions are now available - replacing the missing labour force with disadvantaged groups on the labour market, - employing workforce from abroad, - robotizing, - increasing the attractiveness of the employer, - the transformation of the inadequate labour force into satisfactory through its development and education.

We deal with the possible difficulties associated with the employment of disadvantaged labour force groups, the employment of labour from abroad and the substitution of HR through robotics in other parts of this work, so we will discuss the last two options – increasing the attractiveness of the employer and improving the quality of labour force. As an effective solution to increase the attractiveness of the employer we consider the implementation of personnel marketing methods.

Personnel marketing (PM) represents the use of marketing methods in HRM. In PM (Poláková, Häuser, 2003) a potential employee becomes a "client" and company management through marketing tools does everything to gain and maintain employees in the company. PM helps to identify the needs and desires of employees, both existing and potential, which can bring competitive advantage over other organizations. Aim of PM is the planning and implementation of activities that promote business attractiveness in the labour market. An important part of PM is the analysis and survey of factors in the labour market that influence the formation and existence of the workforce in the organization. The aim of such personnel research is to optimally implement own internal and external personnel policy and strategy. From this point of view, each organization must monitor the overall labour market situation, especially the demographic, economic, legislative, political and socio-cultural factors as well as the degree of openness of national economies to entry of investment and other capital (Vojtovič, Krajňáková, 2014).

PM originates in the 60s of the 20th century, therefore, it is clear that its application at present is in a different form and, in particular, uses different instruments. To communicate with target groups, today's successful businesses use online communication channels and cloud-based databases using sophisticated software (Letková et al., 2018). We consider career management and talent management further effective methods of dealing with labour shortages. Although at present only limited consensus exists as to the definition of talent and talent management and the appropriate methods to study these constructs, and research on talent management can be categorized as rather phenomenon-driven, then theory-driven (Gallardo-Gallardo et al., 2015), the academic literature on theme of talent management is noticeably expanding from year to year (Thunnissen et al., 2013).

Talent management is usually presented as a tool to improve the performance of employees (mainly job performance) with the ultimate goal of improving organizational performance, for example, in terms of productivity, quality and profitability. The talent management approaches mainly represent a classic top-to-bottom managerialist approach with little leeway for employee involvement or employee agency.

According to Stahl et al. (2007), companies must see their recruits as customers and apply sophisticated marketing models and tools for the recruitment of talents. At this point, we may argue that the authors mislead talent management with personnel marketing, but we rather say that by incorporating personnel marketing and talent management concepts into the HRM process and their mutual alignment to achieve a synergistic effect, the company can eliminate negative phenomena associated with deficiency of skilled labour force. Concept of career is important not only from the individual´s point of view but from the function of HRM as well. Company must retain reliable employees without interrupting a plan of succession and replacement. Succession and replacement plans request that the organization identifies and monitors key employees with high potential for the organization. These are employees who, according to the organization, have abilities as well as interest in having strategic positions. Succession and replacement plans demand two forms of efforts from the organization: - identification and development of potential employees, - record of formal replacement tables (Šajbidorová, et al., 2017).

1.2. Legislative factors

Important factors influencing the company's human resources also include legislative factors. Every company, including its HR management, must respect the country's legislation in its activities. In the case of SR, these are laws relating to employment, minimum wage, taxes, levies, and safety at work. Since SR has been part of the European Union since 2004, its regulations are also binding on it. As regards the nationally defined minimum wage, SR belongs to countries that have a statutory minimum wage, as well as another 20 EU countries. An important reason why living wage is not more widely applied is that there is neither a generally accepted definition of what a living wage is, nor is there a generally agreed methodology on how to measure a living wage (Anker, 2011).

As of 1 January 2018, the minimum wage in SR is EUR 480 per month for employees paid monthly or EUR 2.759 for each hour worked by the employee (Eurostat) and is seventh lowest in EU (eurostat). With their views on the effects of the minimum wage on HRM, we can divide authors into two groups - a minimum wage defenders highlighting its role in protecting the living standards of workers with lowest qualifications and those trying to prove that (higher) minimum wage forces employers to replace the category of low-paid workers by another labour force – modern technologies or a higher-skilled workforce, which increases the number of unemployed low-skilled workforce.

Our recommendation for this case is not to replace low-skilled labour force by others, but to create a skilled labour force by developing the capabilities of an existing unskilled labour force. Another legislative factor currently affecting companies with long-term labour shortages is the amendment to the Employment Services Act, according to which the employer in SR can employ third-country workers to a maximum of 30% of the total number of their employees. This amendment does not concern certain categories of employees, such as researchers or educators, but represents a serious problem for large manufacturing companies that address labour shortages in particular by employing labour force from countries such as Serbia or Ukraine. It is not easy to offer a quick and effective solution to this problem, but since statistics show that there is still an unused labour supply in SR, the solution could again be to increase the attractiveness of the employer, to identify (with the use of marketing research) the needs and expectations of this workforce and adapt job offers to their needs.

1.3. Demographic factors

The problem of demographic development and its connection with the labour market is currently the main theme of an increasing number of authors who confirm this to be a globally dangerous phenomenon. According to Škrovánková et al. (2017): "An increase in the number of post-productive population from the total population will cause a significant drop in the labour force accompanied by an increase in average age, resulting in a sharp increase in the economic burden on the population. Thus, an economically active resident will be increasingly economically inactive. A major problem will also be the increase in the number and share of older people in the economically active population." Labour markets have already changed since the golden age of industrial economies. We are at the beginning of the period of rapid aging of the workforce an of the population as a whole. Making employment systems and social protection systems mutually supportive is, thus, one of the main challenges for the policy-makers and politicians of our time (Sarfati, Bonoli, 2017).

In the case of SR, demographic changes are reflected mainly in the aging of the population, which puts HR managers in front of the question of employing the older age group, and increasing educational level of the population, which is reflected in a number of young graduates without sufficient experience but with high, especially financial expectations. Another problem also manifested in the conditions of the SR is the brain drain, the withdrawal of a highly qualified labour force, especially from the healthcare and IT field abroad. To expect that such major societal problems will be resolved by company managers would be obviously naive, but employers should be aware that it is also their responsibility to put a pressure on the government to stop a nonsensical anti-immigration policy which doesn´t allow them to solve the labour shortages by employing labour force from third countries. But there are other steps that HR managers can try to deal with unfavourable demographic trends. One solution is to start employing the older age group, focus on the benefits this category brings and eliminate its minuses through education, training, active management of generations in the company. The solution for companies to attract highly qualified professionals back from foreign is simple and difficult at the same time - it is necessary to identify where they are located, to reach out to them by suitably chosen communication channels and to attract them by a range of working conditions that must be more attractive than those they have abroad.

This requires not only the capability of the HR manager but, in particular, the top management of the company must realize and quantify the potential benefits of experts and, depending on the outcome of such an analysis, invest in them. In case of a good choice, the investment should be returned and bring company a competitive advantage. Similarly, as in the case of older people, even in the category of young employees with no practice, investment in the development of the necessary skills is the solution. However, it is very important for both HR manager and line managers to identify talented workers to maximize the chance that investments will be returned. Equally important is to realize that a good organizational culture and working climate is essential to keep the employees motivated, to strengthen their identification with the company values and thus to prevent turn-over.

1.4. Technological factors

Technological factors can have more effect on business operation and success globally than ever before. The technological environment of business has changed the way in which businesses function. Advancements in information technology have almost taken over every department of the organization. This also applies to the HRM field where we can currently see three main trends and potential problematic areas: a) increased demands on the labour force and its technical skills; b) pressure on the use of new technologies in human resource management; c) computerization and gradual replacement of labour force by modern technologies (Stone et al., 2015).

a) Increased demands on the labour force and its technical skills.

At a times of shortage of qualified labour force, employers are forced to employ a less attractive groups of labour force: older workers, long-term unemployed, or women after longer (or cumulative) maternity leave. What makes these groups unattractive to employers is, in addition to the potential loss of work habits, in particular the lack of knowledge of modern technologies. The latest study conducted in March 2018 in SR showed that the adaptation of the population to IT is starting to stagnate, while digital literacy is still very low for some groups of the population. The most important reasons for this stagnation are, in particular, a reluctance to learning and adaptation, as technology is increasingly complex for people (26%) and the inability to reach a computer or internet (25%). Every tenth respondent says to be not motivated for being satisfied with what he already knows and does not feel the pressure of the environment. Significant arguments, at least in some weaker social groups include lack of finances and absence of assistance from others (Velšic, M., 2018).

There are more parties that should participate in solving this problem. Firstly, individuals, who should permanently work on improving their own employability through self-education, attending training courses, etc. But recognizing own share of responsibility is problematic, particularly in the category of people with low education. Governments are another engaged party developing and fulfilling programs and strategies for the mitigation of negative labour market conditions. We can mention Europe 2020, a 10-year strategy for advancement of the economy of the EU aiming at "smart, sustainable, inclusive growth (Europe 2020). Since this paper focuses on HRM, we are more interested in tasks on the employers' side. We find it essential for companies to have implemented strategic plan for HR development, which requires choosing the right learning content and the right learning methods – training, experience, further education, mentoring, coaching (and also deciding which of these activities will company cover by its own resources and which will ensure through outsourcing). Some companies still hesitate to invest in HR development and consider it risky and ineffective. We disagree with such attitude. The stronger the labour force, the better educated the population, the more opportunity the companies will have to hire people who will meet their needs and requirements.

b) Pressure on the use of new technologies in HRM

In the emerging digital economy, the technology has transformed the way HR processes are currently managed, mainly in terms of how organizations collect, store, use and disseminate information about applicants and employees. But not every company has yet understood the wide reach of the digitalization megatrend. Consequently, SMEs turned out to be unwilling to invest in IT significantly and do not see immediate pressure for action (Stein, 2015). At present, we see these areas (goals) of HRM where technological innovations can be used to improve performance:

- attracting a talented workforce (passive, one-way technologies, e.g. web-based job ads, job boards, interactive techniques such as virtual job fairs, e-recruiting),
- selecting talented employees - term e-selection refers to various forms of technology to assess the degree to which applicants' knowledge, skills, and abilities fit with the job requirements, e.g., web-based job applications, tests, and interviews),
- increasing the knowledge, skills, and abilities of employees. A variety of technologies have been adopted by organizations in an attempt to more effectively deliver and manage the training process. These "e-learning" or "e-training" initiatives range from merely providing training materials online, to using a variety of technologies to deliver course content and support trainee communication (e.g., videoconferencing, virtual simulations),
- managing and enhancing employee performance, which is one of the most critical goals for HRM and includes assessing current performance, identifying high and low performers, and providing feedback to employees. There are two primary areas where technology has been used to support the performance management process: performance measurement, and performance feedback (Cardy, Miller, 2005).
- motivating and retaining talented employees. Organizations typically use technology to support three major areas of compensation - automation of payroll systems, design of compensation systems, and communication and administration of compensation and benefits (Stone et al., 2015).

c) Computerization

According to Piaza (2016): "In 2008, approximately half of the 7.55 million jobs that disappeared in Europe were mid-wage positions. A society without work (and thus an earned income) will continue to drive down the median income, as it has been for the past 16 years by approximately three percent." Is the situation that serious? Are these changes only negative or are there any positive aspects? Views may vary, but most would probably agree that the skill set needed to survive in the Fourth Industrial Revolution will be different from the past. Complex skills such as problem solving, creativity, and social skills are likely to be needed (Fetherstonhaugh, 2017). This trend will significantly impact many employees, particularly those individuals currently employed in low-skilled jobs (WEF, 2016).

We believe that in a situation of shortage of qualified employees, no one can blame employers for seeking ways to replace labour force by modern technologies. Another option for employers is to improve the quality of labour force by means of employing the individuals who do not fully meet their requirements and invest in them focusing on developing and/or improving desirable qualities and skills. It is also necessary to realize which main qualities distinguish people from robots and focus on these qualities. This is the task for: - individuals (who can increase their own employability), - employers (because in human resources can be their major competitive advantage) and - governments (responsible for adapting the education system to the needs of changing times).

2. Empirical research

In order to confirm the validity of the theoretical findings and to illustrate the current situation regarding the factors of macro-environment influencing HRM in SR, we conducted diagnostical research in May 2018. We have chosen one large manufacturing company operating in SR for 25 years, and one medium company operating in food industry for more than 20 years. Both belong to the largest employers in the region (Trenčín). In the questionnaire, we have put five questions to the HR managers of these companies (Table 1). Used method provided enough space for detailed answers. We consider this form of research and the results obtained to be very beneficial, because they provided an insight into the current problems of HR managers of medium and large companies which can also be used in further extensive research.

Table 1. Questionnaire - questions

	Questions	**Instructions**
1.	**Does your organization suffer from any of these HRM issues?** a) Lack of employees b) Lack of job seekers c) Low quality of job seekers d) High turn-over of employees e) Other	Please indicate which points relate to your organization and describe how these issues are reflected.
2.	**Which of these macro-environment factors have a (negative) impact on the HRM process in your organization?** a) Economic factors b) Demographic factors c) Technological factors d) Legislative factors	Please indicate which points relate to your organization and describe how these issues are reflected.
3.	**How do you deal with the negative impacts of the factors described in question 2?**	Describe how you address these impacts.
4.	**Does it represent a problem for your organization to employ older people (age 55+)?**	Describe how these problems arise and how you deal with them.
5.	**Does it represent a problem for your organization to employ young people (graduates)?**	Describe how these problems arise and how you deal with them.

Source: own research

Table 2. Questionnaire - answers

	Answers – medium company	**Answers – large company**
1.	b) Lack of job seekers c) Low quality of job seekers At present, we have problems with filling these positions: shop-assistant for short-time, truck drivers and operators of forklift trucks. It is reflected in a higher proportion of over-time work and overloading workers.	a) Lack of employees b) Lack of job seekers c) Low quality of job seekers d) High turn-over of employees e) Other - Inconsistency between the focus and output of education system and our needs. Education in SR does not produce graduates with appropriate knowledge, habits and qualifications. Appropriate graduates are few, a large part of the work force is leaving abroad. The available workforce is of a great interest from competitive employers, so it is extremely difficult to motivate them, which causes turnover of employees. Due to legislative quotas for

		non-EU employees, the situation can not be addressed satisfactorily even in this way.
2.	a) Economic factors d) Legislative factors The company must respond to the external environment with an emphasis on adherence to legislation. We need to rethink wage policy and look for room for wage growth, which also requires the maximum efficiency of employees and their flexibility wherever it is possible, they have to manage more professions. Alternatively, we are considering solving some activities by outsourcing	b) Demographic factors d) Legislative factors e) Other - e) Other -business environment Economic factors have a strong positive impact, so they put pressure on the increase in production. The business environment is enormously burdened by regulations, bureaucracy and state mismatch (education, ...)
3.	The company is forced to re-evaluate labour costs and look for efficiency limits deciding between modernization, process automation and labour costs. This factor is difficult to evaluate in terms of return on investment because it has a long-term aspect.	We strive to use all available HRM capabilities, including internship, collaboration with schools, job fairs, motivation programs, and so on.
4.	No, we do not recognize the disadvantages associated with employing older people as this generation already controls technology at the required level and we do not even record health issues. Absence associated with health is more likely occurring at parents with children, but these are all solvable problems that we count on.	We are glad to hire anyone who is suitable for the position.
5.	We are always pleased to be able to hire a graduate who stays in the job for a long time and returns the initial investment we have put into him/her. Finding such a person sometimes presents a longer-term problem, but we do not often experience it. Fluctuation in our company is below 10%. We pay particular attention to a stable core of key employees.	Young people often come with inappropriate qualifications, without the necessary knowledge and habits, and especially with unrealistic expectations. This often results in problems with working ethics and fluctuations.

Source: own research

Conclusion

Organizations work in an environment of constant changes, some appear quickly, others come slower, but it is clear that the only way organizations can succeed in a competitive struggle is to keep up with trends, eliminate their negative effects, and try to harness them in their favour. The increasing variability of the conditions under which businesses operate creates an increased need for flexibility and preparedness for change, and as it depends on flexibility and readiness for change of its employees, the emphasis is increasingly on their education and development. In the paper we have summarized the four most important macro-factors that currently influence the management of human resources. We have described their current impact on HRM in the conditions of the SR and offered possible solutions to problems caused by them. Since the impacts of factors are mutually intertwined and the most resonant problem is the shortage of qualified labour force, the methods for solving these impacts have similar foundations.

The awareness of the importance of human capital, the necessity to apply modern technologies not only in the production of products and services, but also in all activities related to HRM, and last but not least, the quality of HRM are essential for companies to succeed in competitive struggle. It is important for companies to understand that it is the HR manager who can through his / her skills, attitudes, experience, creativity and quality judgment and by using modern technologies and modern concepts such as personnel marketing, talent management, or career management change inadequate or non-existent labour force to quality and loyal employees.

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THE LABOUR FORCE MIGRATION IMPACT ON COUNTRIES WITH DIFFERENT ECONOMIC DEVELOPMENT LEVEL

Joana ŽUKAUSKIENĖ, Valentinas NAVICKAS

Abstract

The impact of labour force migration on the economies of the world has grown recently because of the gradual increase in the movement of people and the changes in the nature and direction of migration. The authors of the article are investigating the impact of labour force migration processes on the economies of the countries of different degrees of development taking into consideration controversial treatment of the concept of migration in the scientific literature. The studies carried out by the authors show that the impact of the labour force migration on different levels of economies depends on the country's level of development. The less developed the country's economy, the more damage is done by the migratory (emigration) processes. On the contrary, the more developed the country's economy, the more increasing positive effect is characteristic to the processes of migration (immigration). The increase in the population indicates a decrease in the unemployment rate and the lower is the unemployment rate, the higher is the gross domestic product.

Keywords

labour force, migration, economic development, economic development level

JEL Classification: F16, J21, J61

Introduction

The issue of migration is not a new phenomenon. Its significance has recently been growing because the movement of people is gradually increasing and the nature and direction of migration are changing. Labour force migration is currently one of the major socio-economic issues in the European Union. The situation in the labor market of each member state is significantly affected by labour force migration. The extent of one of its aspects (emigration) poses many threats: the brain drain, lack of labor force, changes in the demographic structure of the population etc. Therefore, *the main aim of the authors of this article is*– to investigate the impact of the labour force migration on the economies with different levels of development.

In scientific literature, the concept of migration is treated differently. It is described in the broad sense by some authors and in the narrow sense by others. According to R. Matiušaitytė (2003) labour force migration is a movement of labour force while changing the place of residence. People are moving from one country to another for work and higher income (N.Samchkuashvili, N. Darchiashvili, 2017).

In essence, labor force migration is not a negative phenomenon; however, the large scale of labour force migration poses many threats to the economy. The effects of labour force migration on the economy can be both positive and negative. Following A. Sipavičienė (2006) migration provides economic benefits as well: it reduces social tension in the labour market and society, solves economic problems of a family, reduces unemployment and, at the same time, increases the country's gross domestic product. Migrants contribute to the development of human capital by acquiring skills (Migration Policy, 2014). There is a widespread preconception that emigrants are not educated all over the world. However, the reality is different - most migrants acquire skills while working and thus can contribute to the economic growth (M. Palat, 2012). Negative consequences on the contrary – increase the unemployment rate and reduce the country's gross domestic product. Outgoing migrants earn more, gain more experience, but not always exploit their full potential. The decrease in the population is strongly influenced by labor migration. There is a huge loss of young people. In the future, this will respond to the demographic process. The vulnerability of migrant workers is manifested not only through the possibilities of getting a job, but also in labour relations. The employment of migrants is characterized by temporary nature and high insecurity, the workforce is being used to respond quickly to the changes in the market. Labor migrants are recruited under short-term contracts; their employment relationships are not safe. Labour emigrants are often accused of taking jobs to be filled by local workers; therefore, the negative public attitude towards them is getting stronger (K. Žibas, V. Pertušauskaitė, 2015). The most commonly emphasized problem is the threat of losing national identity (Valstybės žinios, 2006). When the people of the country leave, foreigners come to the country and the country is gradually losing its national identity.

Under current conditions, increasing international migration is a positive phenomenon increasing global economic prosperity. Migrating workers win due to the greater wages. However, in the countries of emigration economic and social problems of the present and future occur because the number of young qualified specialists in the labour market decreases (V. Pukelienė, R. Glinskienė, D. Beržinskienė, 2007). According to D. Česnavičius and S. Stanaitis (2015) due to migration countries experience a lot of internal difficulties losing their attractiveness to foreign investors and highly skilled workforce. In summary, we can say that labour migration is a global problem for all countries. It is less of a problem in economically stronger countries and it is a bigger problem in economically weaker ones.

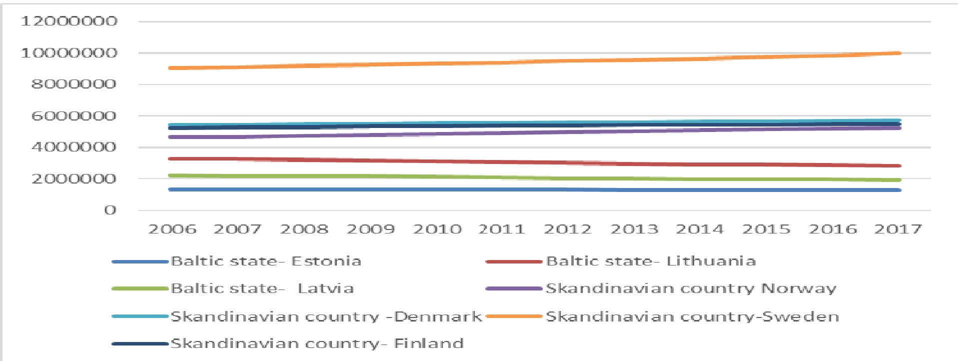
The research carried out by the authors of the article enabled to formulate *the aspect of scientific innovation* - the impact of labour force migration on different economies in different countries depends on the country's level of development. The less developed the country's economy, the more vulnerable it is to migratory (emigration) processes. On the contrary, the more developed the country's economy, the greater positive effect is made by the processes of migration (immigration).

The impact of labour force migration on Scandinavian and Baltic economies

The Scandinavian and Baltic countries were selected for the study and their macroeconomic statistics (unemployment rate, population, gross domestic product per capita) was analyzed in detail. Figure 1 shows the changes in population between 2006 and 2017. The population of the Baltic States has decreased, while the population in Scandinavian countries has increased. According to Eurostat data in the year 2017 the largest number of residents was registered in Sweden – about 10 mln., while the least number was in Estonia – about 1,3 mln. However, in all three Baltic countries, the population of Estonia fluctuated most significantly during the analyzed period. In 2016 the immigration in Estonia was higher than emigration, while in Latvia and Lithuania the population was declining throughout the whole analyzed period. Following A. Bacevičiūtė, L. Kojala, V. Milašius and V. Petkauskas (2011), in Estonia the extent of emigration is influenced less by economic factors than in Lithuania. Economic indicators in Estonia are worse than in Lithuania or Latvia, but the Estonians are still less likely to emigrate. Estonian economic indicators may be worse due to the size of the country itself and its low population. Bigger country has more population, natural resources, it is economically stronger and its economic indicators are higher. Sweden is the largest of the Scandinavian countries; Estonia is the smallest of the Baltic States in terms of land area. It is also the least populated. Scandinavian countries have high taxes for the state, but later they are refunded. Residents receive all social benefits, well-developed country infrastructure, well-organized education system, service and security, high wages. These are the reasons why people emigrate to Scandinavian countries.

The population is decreasing due to the emigration, low birth rate, high mortality rate, and increases due to immigration, high birth rate and low mortality. The society is aging because the birth rate is decreasing and life expectancy is increasing. International migration is a major factor in the general population change. In theory, economic growth should depend on the working population – the higher the working-age population, the lower the unemployment rate and the higher is gross domestic product. However, in real life it can be different. The economy can grow with the increase in domestic consumption as well.

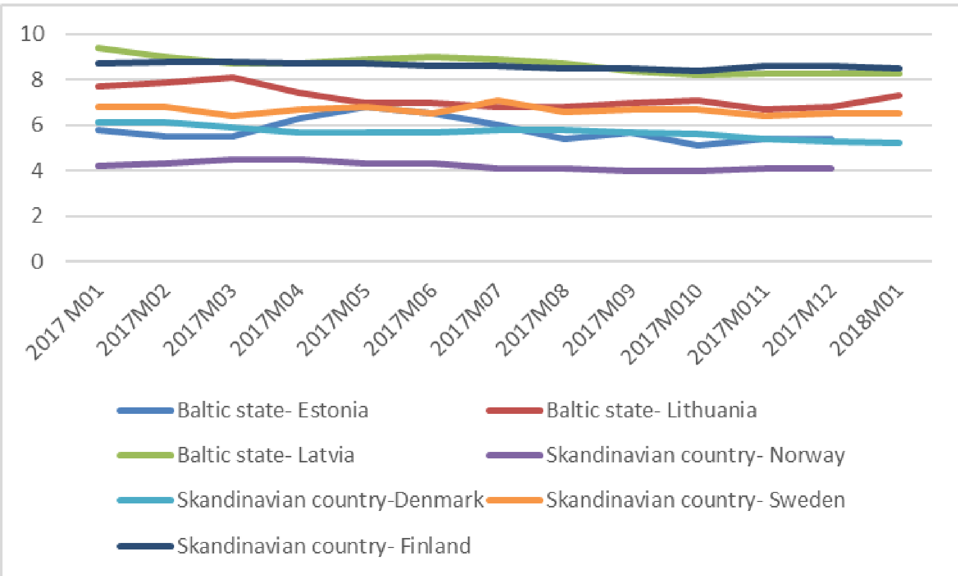
Fig. 1. Population 2006-2017



Source: Eurostat data

Part of the country's population willing and able to work in hired employment are unemployed. Statistical definition of unemployment is used to refer to individuals, who did not want to work, did not have a job or were looking for a job. The unemployment rate may be one of the main indicators of the country's economic situation. The lower is the gross domestic product, the higher is the unemployment rate. Gross domestic product diminishes when the working population decreases. The unemployment rate is important for all economies in the countries with different levels of development. Residents who have emigrated abroad and did not declare their departure increase the unemployment rate, while immigrants who have a permit to live and work in the country reduce the unemployment rate. According to D. Beržinskienė, R. Reizgevičienė, M. Reizgevičius (2010) and F. Garif (2013) migration influences the labor market in two ways: by transferring money emigrants promote consumption and economic growth. Money transfer can be a positive factor for economic development (J. Edward Taylor, 1999). Figure 2 shows that from January 2017 till November 2017 the unemployment rate was the highest in Latvia – 9,4 % and in Finland– 8,8 %. The lowest unemployment rate was in Norway is 4%. and in Estonia - 5.1%. Such indicators of unemployment rates could have been determined by emigration and immigration. Norway and Estonia had more immigrants than emigrants therefore, the unemployment rate has decreased. Latvia and Finland had more emigrants than immigrants and the unemployment rate of the countries has increased. The unemployment rate may rise due to economic fluctuations. Economic growth is associated with stable prices, efficiency growth, low unemployment rate and adequate distribution of income (G. Dudzevičiūtė, 2015). The impact of labour force migration on the labour market can be positive and negative. The positive impact of migration on the labour market is caused by a decrease in the unemployment rate, return to the Homeland with good work experience and the application of new technologies. The impact of migration on the labor market may also be negative: labour force shortage, the decline in the number of highly skilled workers and increase in unemployment rate.

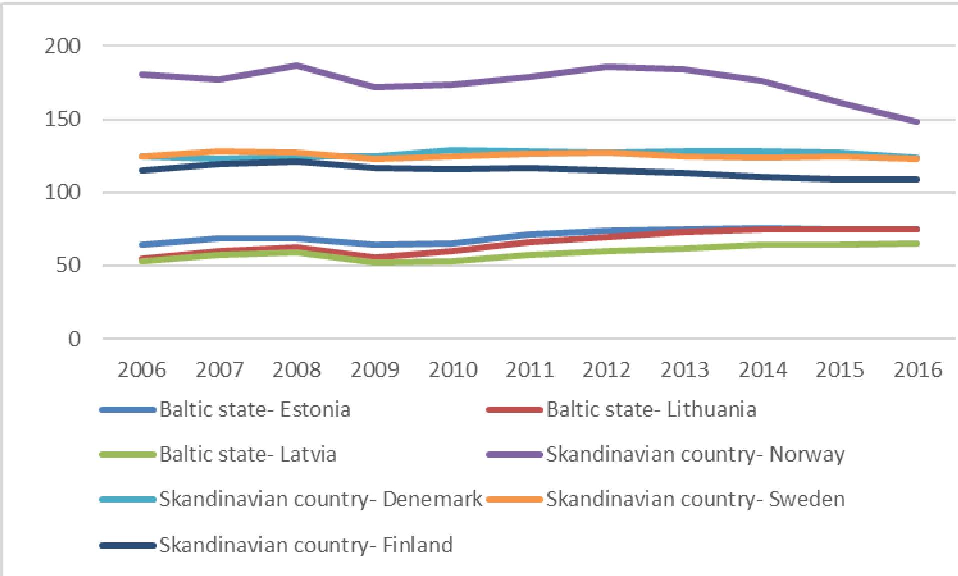
Fig. 2. Unemployment rate, % 01 2017 – 01 2018



Source: Eurostat data

Following A. Basevičiūtė, L. Kajola, V. Milašius and V. Petkauskas (2011) migrants are attracted from low average income countries to the countries where the average income is high. Particularly important are the increasing differences in gross domestic product per capita. Migration affects the economy through the created product and labour market. It is important to analyze the gross domestic product and its share per inhabitant of the country. Gross Domestic Product per capita is increased by private capital flows and investments (G. Kasanauskienė, L. Buzytė, 2011). Gross domestic product is increased by the following factors: investment, consumption, unemployment rate and production. Fig. 3 shows the changes in gross domestic product per capita. It was the highest in Norway in 2008 - 187%. The gross domestic product index in this country has increased due to increased investment, production, exports, and immigration. The lowest gross domestic product indicator was in 2009 in Latvia - 52%. Such a low gross domestic product per capita was determined by the economic crisis. The economic crisis has affected all countries. In 2016, the Scandinavian and Baltic gross domestic product per capita declined. This could have been affected by the reduced consumption, investment, increase in unemployment, economic fluctuations and emigration. In Scandinavian countries gross domestic product per capita is higher than in the Baltic States. Scandinavian countries are economically stronger than the Baltic countries, they have more population and natural resources, they are richer, therefore, the rates of immigration to these countries are higher. The unemployment rate is lower, the employment is higher and this leads to an increase in gross domestic product.

Fig. 3. Gross domestic product per capita 2006–2016



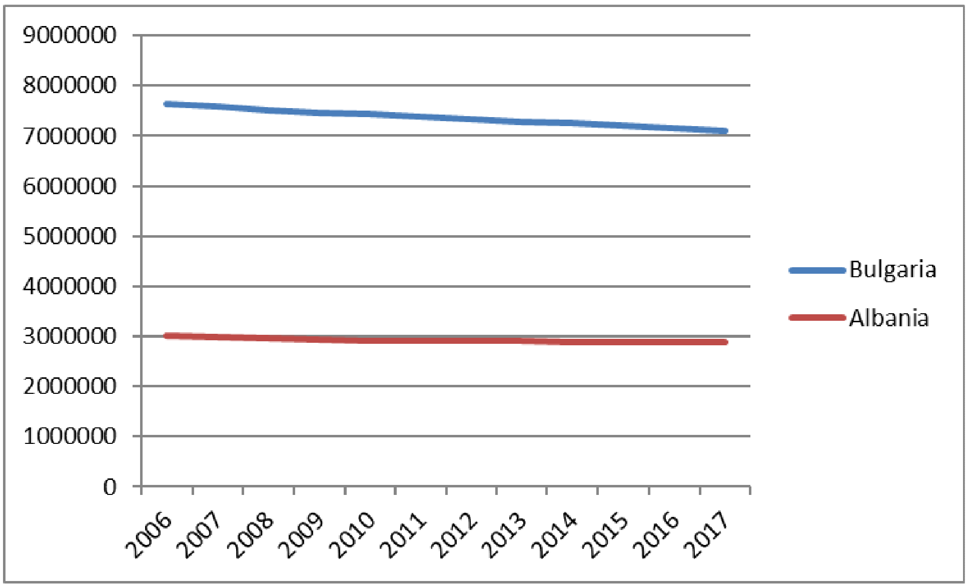
Source: Eurostat data

Migration has both a negative and a positive effect on the general domestic product. The positive impact of migration is the increase in consumption and purchasing power, returning cash flows. The negative impact of migration on the economy is the decrease in gross domestic product because of the increase in unemployment and decline in consumption, investment and production.

Labour force migration impact on weak economies

To study the impact of labour force migration on weak economies one of the weakest countries in the European Union - Bulgaria and Albania - a potential candidate for EU membership were selected. Bulgaria is a large country with a large area of land and a large population. Bulgaria currently has a population of 1 million. Meanwhile, Albania is a small country with 2.87 million. of the population. Fig.4 shows the changes in the population during the analyzed period. The statistical data by both countries show that the population was decreasing from 2006 to 2017. Albanian population changed insignificantly. This could have been affected by higher birth rates. The population of Bulgaria declined more significantly than that of Albania, which could have been affected by emigration, high mortality, low birth rates and an aging population. Bulgaria and Albania are poor countries. These countries are poor, economically weak, so they do not attract immigrants, they cannot earn money here. Increased wages are the main causes of emigration. A large population should have a positive impact on the economy- increase consumption, reduce unemployment and thus increase the total domestic product of the country. But this is not the case. It can be assumed that this is due to a weak economy, poor countries, low wages and low consumption.

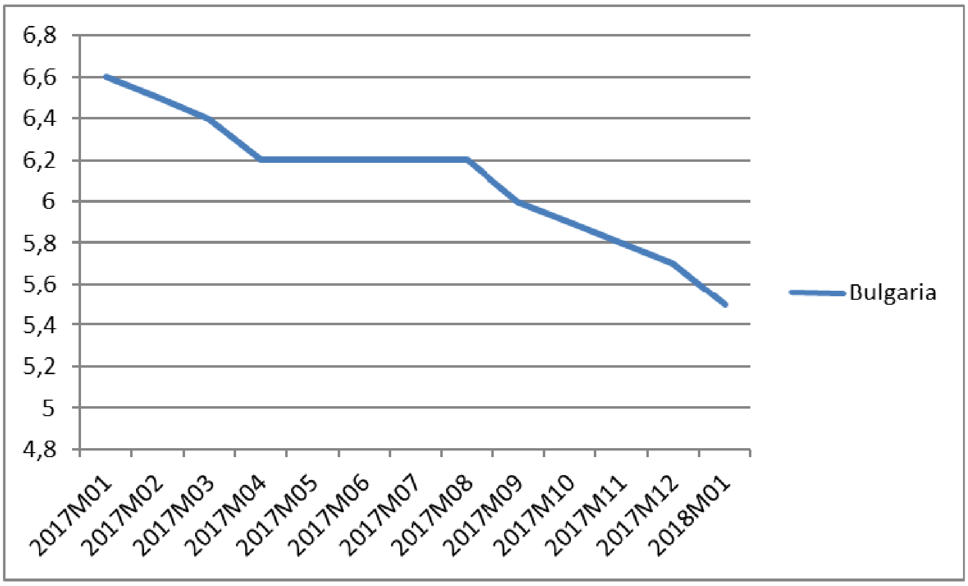
Fig. 4. Population 2006-2017



Source: Eurostat data

Due to the lack of the statistical data in Albania we will only analyze the unemployment rate in Bulgaria. As can be seen form Fig. 5 from January 2017 to January 2018 the unemployment rate decreased. In January 2017 the unemployment rate reached 6.6 percent and in January 2018 it was 5.5 percent. This could have been influenced by tourism. Emigrants who left to earn money to other countries can afford a vacation as well. Bulgaria is famous for its beautiful countryside. It is visited by millions of tourists. A lot of jobs are created for locals; therefore, the unemployment rate is decreasing. Due to low salaries Bulgaria does not attract immigrants. Immigrants have a positive impact on the labour market when there is the shortage of labour force (A. Janušauskas, E. Nedzinskas, A.Uleckas, P. Vepšta, 2009). Immigrants reduce unemployment and increase the total domestic product. In case of Bulgaria, labour force migration has a negative impact on the labor market. Emigrants do not choose Bulgaria as a country in which they can earn money. Therefore, the unemployment rate does not increase the country's gross domestic product.

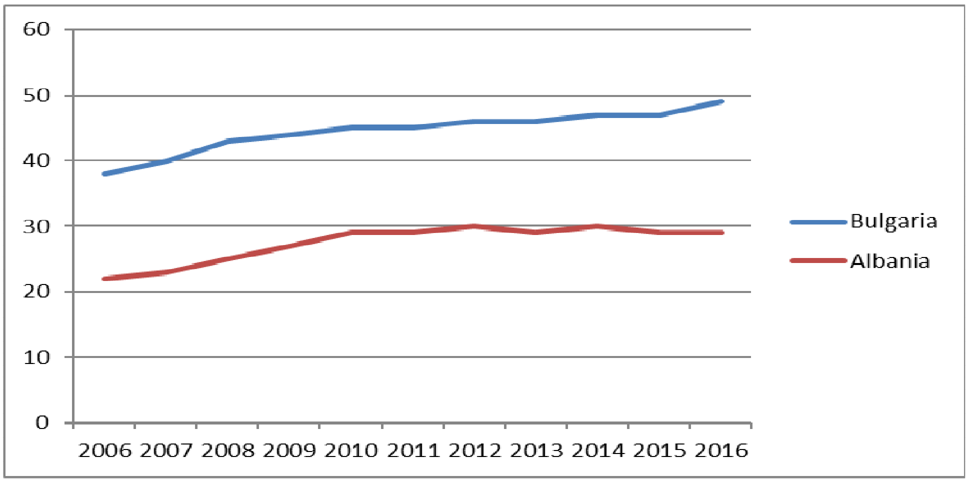
Fig. 5. Unemployment rate in%, 01 2017 – 01 2018



Source: Eurostat data

Migration affects the economies of weak countries through the creation of a single gross domestic product. Gross domestic product is increased by unemployment, production, exports and consumption. Fig. 6 shows the changes in the gross domestic product in Albania and Bulgaria. We can see that the gross domestic product of both countries fluctuated but was increasing. Bulgaria's gross domestic product per capita is higher than that of Albania. Bulgaria's gross domestic product reached 49% in 2016, while Albania's 29 %. Bulgaria's gross domestic product per capita may be higher due to the income from tourism, increased consumption, larger country size, larger population and lower unemployment rate. Meanwhile in Albania it is so small because of the country's small size, smaller population, the country's poverty and its unattractiveness to investors.

Fig. 6. Gross domestic product per capita 2006–2016



Source: Eurostat data

Migration has a negative impact on weak economies. The negative impact of migration on the economy is such that the gross domestic product is decreasing, as unemployment is rising, consumption decreases, production is growing, emigration is increasing.

Conclusion

The consequences of labour migration for the economy can be positive and negative. Migration also provides economic benefits: in the labor market and in society it reduces social tension, helps to solve family economic problems, reduces unemployment while increasing the gross domestic product. Negative consequences – on the contrary, it increases the unemployment rate and reduces gross domestic product. The consequences of labour force migration are the same in all countries. Only the causes of labor migration are different.

Population, unemployment rate and gross domestic product are interrelated indicators showing how labour force migration affects the economy. The increase in the population indicates a decrease in the unemployment rate and the lower is the unemployment rate, the higher is the gross domestic product. And on the contrary – the lower the population, the higher the unemployment rate, the lower is the gross domestic product.

The study, based on the statistics of Norway, Sweden, Denmark, Finland, Estonia, Lithuania, Latvia, Bulgaria and Albania revealed that the impact of labor force migration on different levels of economies depends on the country's level of development. The less developed the country's economy, the more damage is done by migratory (emigration) processes. On the contrary, the more developed the country's economy, the greater positive effect is made by migratory (immigration) processes.

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OLDER PEOPLE IN THE LABOR MARKET AND THEIR EMPLOYMENT IN SELECTED COUNTRIES OF THE EUROPEAN UNION

Júlia KOSTROVÁ, Eva GRMANOVÁ

Abstract

The interest of the general public and especially in the interest of scientists is it to monitor the ongoing changes in the demographic structure of the population. The demographic structure of the population is associated with aging populations. Aging is the issue that concerns the current labor market situation in every country in the world. The social trend of population aging suggests that currently the most numerous component of the population is the citizens of the 55+ age group. This article deals with the employment of older people on the labor market in selected countries of the European Union. We consider, in the context of demographic developments, it is necessary to address the issue of employment of an older generation that could pass on its long-term work experience to younger generations. The contribution mainly points to a comparison of the current employment of the 55+ population for full and part-time in selected EU countries. To compare this indicator, we have collected data from the European Statistical Office.

Key words

Part-time employment, Full-time employment, Labor market, Older people. European Union

JEL Classification: J01, J11, J21

Introduction

It is said that in the last twenty-five years in the demographic development of the population there is the fastest change in the structure of the population. Worldwide, the proportion of older people is growing rapidly in the total population. The aging of the population has a direct link to the labor market. Enterprises and organizations in all countries of the world are struggling with the employment of older people, as disadvantaged jobseekers in the labor market. This article highlights the comparison of employment of the older population in selected countries of the European Union.

The social trend of population aging suggests that currently the most numerous component of the population is the citizens of the 55+ age group. If this problem arises with the decline in birth rates or migration, there is a question of who will work if the component leaves the labor market. With its dominance and necessity, the aging component of the labor market population, as we have already mentioned, is considered unsure and most at risk of unemployment, even though the older population has stability, long-term work experience, or willingness to work for lower wage rates. (Krajňáková, Vojtovič, 2017, p. 325)

At regional level, aging can have a different impact on the labor market. (Gregory, Patuelli, 2015, p. 1192) It means that countries with a very comparable character may have different developments. An example is the grouping of the Visegrad Four. Population development in the Visegrad Four has a comparable character. When we compare developments in the long-term since 1960, countries in this group can be divided into two groups. The first group consists of the Czech Republic and Hungary, where the aging of the population started earlier, and the second group is the Slovak Republic and Poland, more conservative countries, where the aging of the population started later. (Káčerová, Ondáčková, 2015, p. 51) There are also some differences in part-time employment in the countries of the Visegrad Four. (Grmanová, 2017, p. 69) In the Czech Republic, Slovak Republic and Hungary the proportion of post-productive population employed part-time from the total number of post-productive population increased from 2009-2016, but in the Poland, the share of post-productive population employed part-time out of the total number of post-productive population decreased in the same time.

Employing older people is in the interest of society as a whole. It is part of an active employment policy on the labor market. Nowadays, with the onset of the fourth industrial revolution, which is characterized by the continuous growth of technological novelties used in manufacturing processes, employing the older population is more demanding, as technological innovations are becoming more complex and require constant education, which poses a particular risk to older workers.

Currently, about 2/3 of people aged between 50 to 64 years participate in paid work in developed countries. Although cross-national variation is large, mobilizing this untapped pool of older workers is expected to produce multiple and complementary benefits. A greater number of older adults in employment can increase both consumption and labor supply, thus benefiting the economy and increasing the tax base. Greater participation of older workers decreases reliance on state-funded pensions and may improve financial preparedness for retirement. On a social level, the increased participation of older workers, their skills and values can contribute in a meaningful and productive way. (Welsh, et al., 2016, p. 2)

Part-time employment becomes an effective tool for improving employment. In total, over three million in Canada are employed part time, well over 26 million persons in the United States and about 19% of the workforce in the European Union with steady increases observed in several countries. (Haines, Doray-Demers, Martin, 2018, p. 128)

Goal and Methodology

The aim of the article is to contribute to a better understanding of the employment divisions of full-time and part-time population in the 55+ age group in selected European Union countries. As the analyzed period, we chose years 2010 and 2016, because at the time of writing this article, the Statistical Office of the European Union (Eurostat) did not have data available for 2017. The primary point was to determine which Member States of the European Union we would compare in this contribution. We were based on the selection of the Polish author Skibiński (2017, p. 358), who in his article selected the countries according to the geographic aspect: Western Europe - Germany, France, United Kingdom; Central Europe - Poland, Czech Republic, Hungary; Southern Europe - Italy, Spain, Greece and Scandinavia - Denmark, Sweden. We have included the Slovak Republic in selected countries of Central Europe.

A very important step to achieve this aim was to collect data about age of population in selected EU countries from Eurostat. Subsequently, we processed these data and calculated the Economic dependency ratio and the Old age dependency ratio. (Jurčová, 2005, p. 54)

$$Economic\ dependency\ ratio = \frac{Pre\text{-}productive\ age\ group + Post\text{-}productive\ age\ group}{Productive\ age\ group} * 100 \quad (1)$$

$$Old\ age\ dependency\ ratio = \frac{Post\text{-}productive\ age\ group}{Productive\ age\ group} * 100 \quad (2)$$

Finding and processing data on full-time and part-time employment of older people in selected countries was another important milestone to achieve the goal. We calculated percentages from the absolute numbers and then we added the results to the graphs.

In this paper, we will also address the question whether selected EU countries show convergence or divergence in the proportion of part-time employed older people from total employed older people in age group 55+. We will use the statistical method of beta-convergence.

Beta-convergence is one of the methods for measuring convergence, respectively region divergences. It is based on the assumption that the observed data in the regions are converging in the given time horizon, we are talking about convergence. If, in a given time horizon, the data in the regions are dissipating, then we are talking about divergence. In our case, the regions are the individual countries of the European Union.

For the calculation of Beta-convergence we must calculate the employment share of the population over 55 for part-time, out of the total number of employed over 55 years. Then, we must calculate the logarithm of the initial values and we must calculate the average growth coefficients also. From the calculated average growth coefficients we must calculate the logarithm of the average growth coefficients. (Minářik, Borůvková, Vystrčil, 2013, p. 89) The formula for the average growth coefficients is as follows:

$$\bar{k} = \sqrt[n]{\frac{y_n}{y_0}} \quad (3)$$

When: n – in our case is 6, because we compared the time period of six years (2010-2016)

y_n – in our case, the share of employment of the population over 55 year for part-time employment, out of the total number of employed person over 55 years in 2016

y_0 – in our case, the share of employment of the population over 55 year for part-time employment, out of the total number of employed person over 55 years in 2010

Then, by the least squares method, the equation of a regression function with a dependent and independent variable is determined. The dependent variable is the logarithm of the average growth coefficients. An independent variable is the logarithm of the initial values. If the regression function is declining, we are talking about convergence. If the linear regression function is rising, we are talking about divergence.

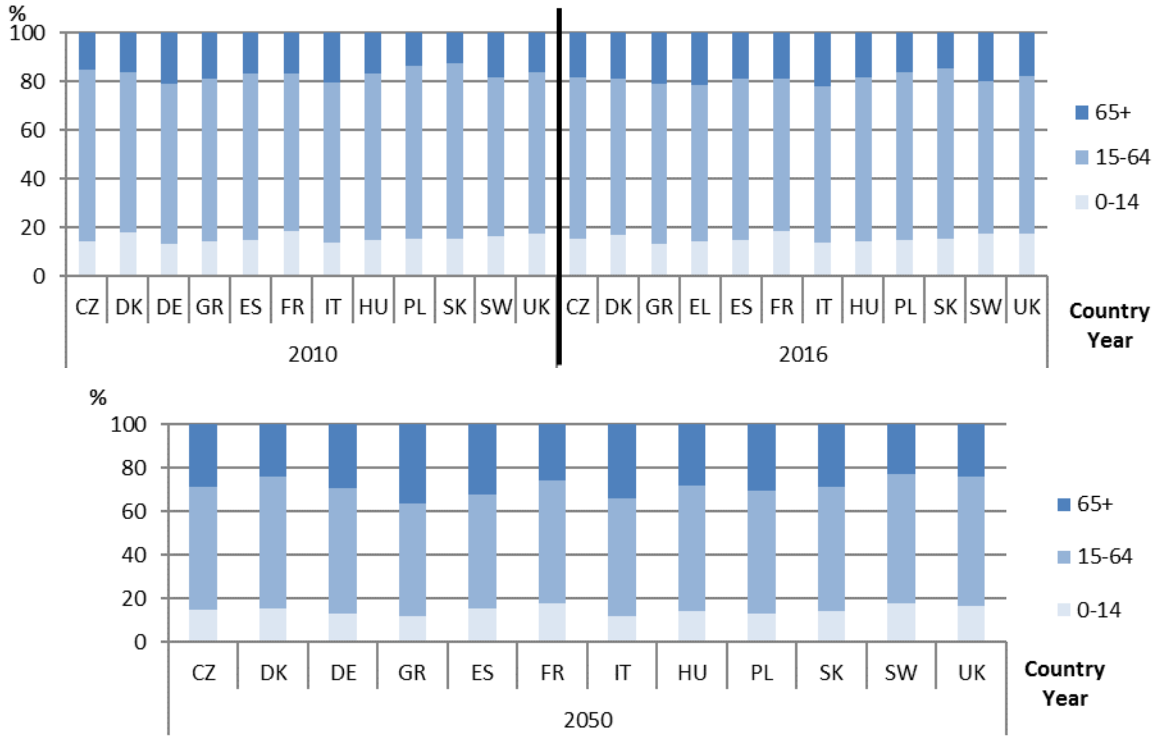
An important step is to calculate the value of the coefficient of determination in percent. The coefficient of determination explains how many percent of total variability is explained by the model. If the value of the determination coefficient is close to 100, it is considered significant, if approach 0 is considered insignificant. (Mináŕik, Borůvková, Vystrčil, 2013, p. 91)

If the convergence results are insignificant, a correlation diagram is used. The correlation diagram divided by two lines monitored regions into four quadrants. The first line, horizontal, goes through to the arithmetic average of the logarithms of the average growth coefficients. The second line, vertical, goes through to the arithmetic average of the logarithms of the initial values. In the first quadrant are regions with above-average of initial value and an above-average growth coefficient. In the second quadrant are regions with below-average of initial value and an above-average growth coefficient. The third quadrant includes regions with below-average of initial value and a below-average growth coefficient. The last, fourth, quadrant includes regions with above-average of initial value and a below-average growth coefficient.

1. Demographic aging of the population

Demographic changes have a significant impact on almost all areas of life, whether social or economic. (Harper, 2016, p. 183; Schmidt, Vosen, 2013, p. 357; Skibińsky, Sipa, Gorzeń-Mitka, 2016, p. 413) Therefore, it is also necessary to address the demographic structure of the population that is a closely related to the labor market.

Graph 1. Demographic structure of population by age group in 2010 and 2016 and prognosis for year 2050



Source: own work of authors based on Eurostat data (2018-03-26)

For the calculation of the established ratios in the labor methodology, we first worked out the age structure of the population according to productivity, with the prediction for year 2050 (Graph 1).

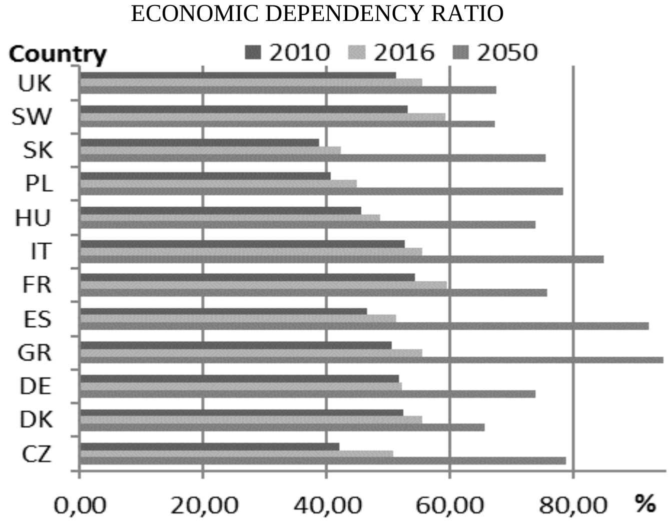
The growth of the post-productive population has also been reflected over a six-year period, from 2010 to 2016, in each of the selected countries of the European Union. By comparing the selected years, we came to the conclusion that the post-productive component of the population in the Czech Republic was the fastest growing - by 3.0 percentage points (p.p.), in real numbers by 9 888 693 inhabitants. The post-productive component of the population in Greece grew the least - by 0.4 p.p.

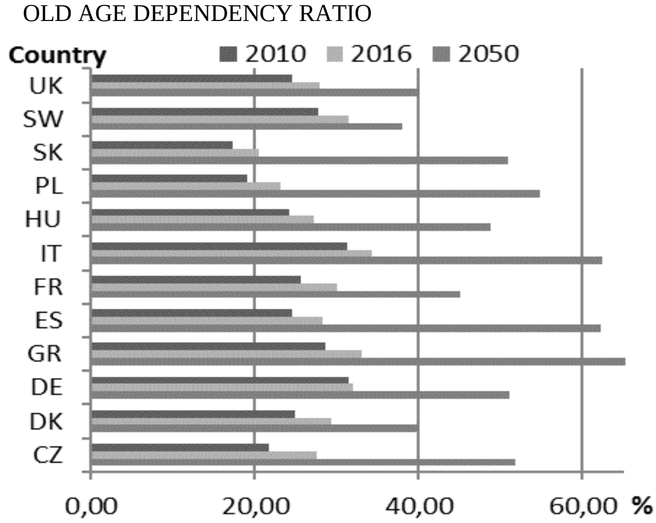
The calculated forecast for year 2050 predicts, that the trend of a steady increase in the post-productive component and the decreasing of the productive part of the population will be the most important for the labor market. Although, as we have already mentioned, in the years 2010 and 2016 from the selected countries, the post-productive population in Greece grew most slowly, in 2050 Greece should have the largest percentage of the post-productive population of our chosen countries. Population aged 65+ should account for 36.5% of the total population in Greece. The smallest change in the 2050 forecast compared to the real 2016 figures should be in Sweden - by 2.9 p.p. In real terms it is an increase of 65+ yearly by 931 379 inhabitants.

Productive population in all selected countries in 2050 compared to 2016 should be declining. The biggest drop should be in Spain - by 14.2 p.p.

From the obtained data, we calculated the Economic dependency ratio and the Old age dependency ratio in the selected countries, which are shown in Graph 2. The value of the Economic dependency ratio points to the ratio of the economic burden of the economically active population. In all selected countries, Economic dependency ratio has risen, which means that the burden of the productive population is still rising. France had the highest values in the monitored years (the average for the years under review was 56.85 %), by contrast, Slovakia had the lowest Economic dependency ratio (the average for the monitored years was 40.58 %).

Graph 2. Economic dependency ratio and Old age dependency ratio





Source: own calculation of authors based on Eurostat data (2018-03-26)

In 2050, the Economic dependency ratio should be much higher than its real value in 2016. This suggests that the productive population will become more and more economically burdened in many countries. In nine of the twelve selected countries, the Economic dependency ratio should be above 70.0%. Even in Spain and Greece, they should reach values above 90%, which represents a very high economic burden on the productive population.

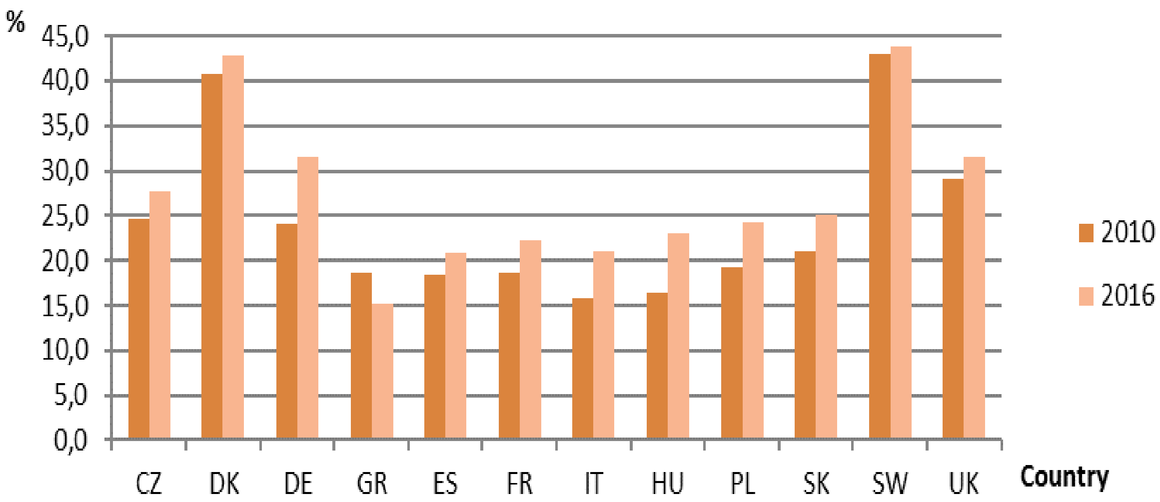
The second calculated index, Old age dependency ratio, also had a rising trend, which means that in all selected countries the productive population is increasingly burdened by the post-productive component of the population. The largest increase in 2016 compared to 2010 was in the Czech Republic - by 5.91 p.p., on the contrary, the smallest increase was in Denmark - by 0.67 p.p. By 2050, compared to 2016, the Old age dependency ratio should increase most in Greece– by 37,95 p.p. and at least in Sweden - by 6.49 p.p.

2. Employment of older people on the labor market in selected EU countries

Of the total population in the age category 55+ we calculated the percentage composition of the employed population (Graph 2) within each selected state. In all selected countries, the share of people employed out of the total population aged 55+ in 2016 was higher than in 2010. The exception is Greece, where the share fell by 3.3 p.p., which in real numbers represents a decrease of 79.1 thousand inhabitants at the age of 55+. The highest increase in 2016 compared to 2010 was in Germany - by 7.6 p.p., in real terms by 2 707.9 thousand inhabitants. The countries with the smallest share in 2010 were Italy (where the share of the total population in the 55+ age group was 15.9 %) and Hungary (16.5 %). In 2016, they were Greece (15.3 %) and Spain (20.8 %).

Chart 5 clearly shows that Scandinavia - Denmark (average of years 2010 and 2016 - 41.7%) and Sweden (average of years 2010 and 2016 - 43.2%) have a much higher share of employed in the two monitored years of the observed age category compared to other countries surveyed. As we have already mentioned, the smallest share is in the Southern Europe countries- in Italy, Spain and Greece.

Graph 3 Proportion of employed person from total population in age group 55+



Source: own calculation of authors based on Eurostat data (2018-03-26)

In the 28 countries of European union, the share of employed in the 55+ age group out of the total population in 2010 was 22.3 %. Above this limit, 5 countries have a share of employment – Czech Republic, Denmark, Germany, Sweden and United Kingdom. In 2016, the share of employed persons from the total population in the 55+ age group in the EU28 was 26.0 %. Above the value of the EU countries 28 are the same countries as in 2010.

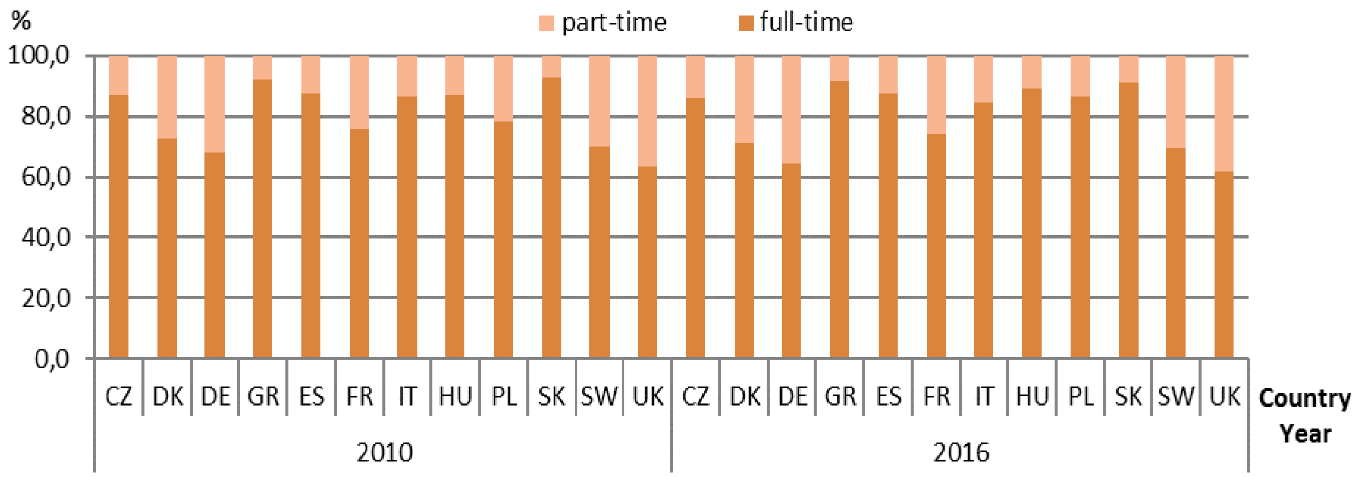
The percentage of how many employees work full-time and how many employees work part-time out of the number of employed person in the age group 55 + in 2010 and 2016 are presented in Graph 4. The highest percentage of full-time employees in 2010 was in Slovakia. (92.9 %), in 2016 it was in Greece (91.5 %). Logically, the employment of part-time it was exactly the opposite.

Part-time employment of people has a different percent representation in each of the countries surveyed. The highest representation in both years is in the Scandinavian countries and in countries of Western Europe. Central Europe and Southern Europe are moving at a much lower level.

Countries by the difference in part-time employment in 2016 compared to 2010 can be divided into two groups. In the first group, the share of part-time employees in 2016 decreased compared to 2010 – in Spain (decrease by -0.1 p.p.), in Hungary (decrease by -2.0 p.p.) and the largest decrease was in Poland – by -8,1 p.p. The second group consists of other countries where the share of part-time employed in 2016 compared to 2010 increased. The highest increase was in Germany, by 3.7 p.p.

At European Union level, the share of part-time employment is rising. The share of employees increased from 26.1 % in 2010 to 26.6 % in 2016, therefore by 0.5 percentage points, in real terms by 2 579.2 thousand part-time employees.

Graph 4. Proportion of employed person working full-time and part-time from employed population in age group 55+

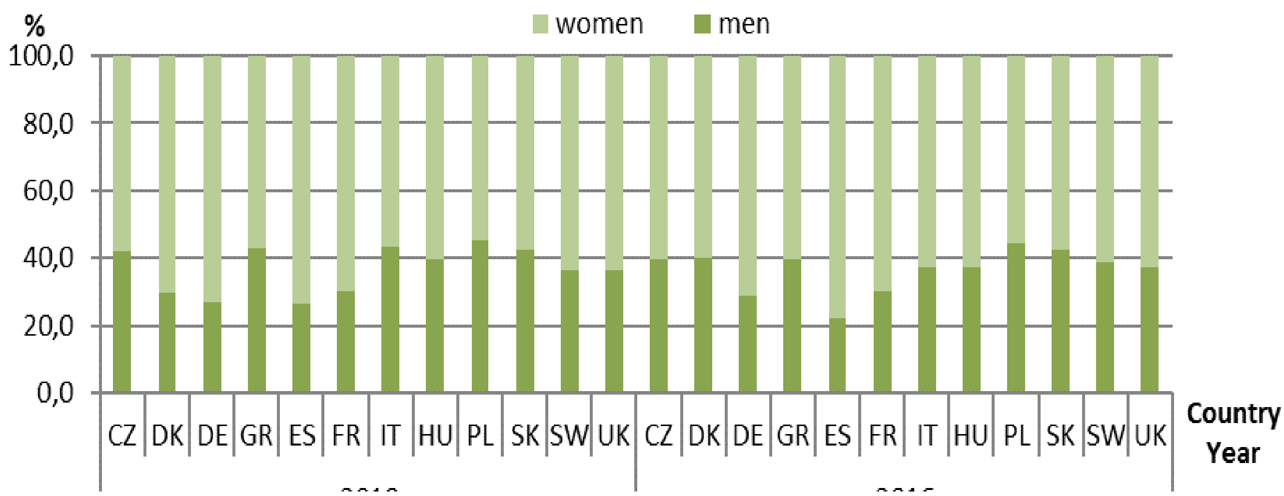


Source: own calculation of authors based on Eurostat data (2018-03-26)

With the constant trend of population aging, it is necessary to think about how to use this group of people and keep them on the labor market for at least shorter working hours. In Chart 5 we present the current situation of how many men and how many women are employed in the 55+ age group for part-time work.

In selected EU countries, the proportion of women employed in part-time is higher than that of men. The difference between the share of female employment and the share of male employment in part-time was the highest in 2010 in Spain (47.6 p.p.), while the smallest in Poland (9.7 p.p.). In 2016 it was the same - the biggest difference was in Spain and the smallest in Poland.

Graph 5. Proportion of employed men and women working part-time from population working part-time in age group 55+



Source: own calculation of authors based on Eurostat data (2018-03-26)

Differences in female employment and men's share of part-time varied in each country. The largest change in 2016 compared to 2010 was in Denmark. While in 2010 the difference between female and male employment in Denmark was 40.3 p.p., in 2016 it was 19.4 p.p. The largest balance between male and female part-time employment is in Poland. In 2010, the difference between female employment and male employment in part-time in Poland was 9.7 p.p.

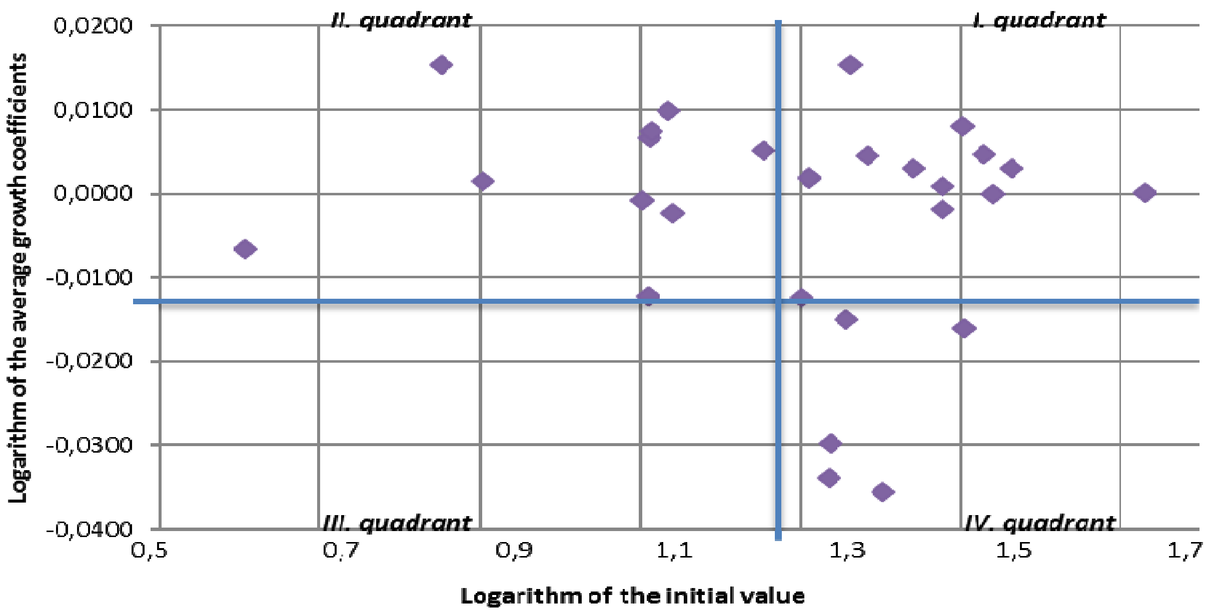
In the last part of our article, we are focusing on finding out whether there is a convergence or divergence in the employment of population aged 55

+ out of the total number of employed people in the same age group in the European Union.

The average growth coefficient of all EU countries was 0.9943. The linear regression function in our case has the form: y = 0.0054 - 0.0063x. It follows that the linear regression function is declining. If the linear regression function is decreasing, convergence occurs.

The coefficient of determination is 1.35%, which means that only 1.35% of the total variability is explained by the model. Because the coefficient of determination value is closer to 0, convergence is considered insignificant. In the case of insignificance, a correlation diagram is used. Correlation diagram divide the countries of European Union to four quadrants (Graph 6).

Graph 6 Beta-convergence and correlation diagram



I. quadrant: Malta, Luxembourg, France, Denmark,Ireland, Sweden, Germany, Belgium, Austria, United Kingdom, Netherlands, Finland, Estonia

II. quadrant: Bulgaria, Slovakia, Greece, Hungary, Spain, Lithuania, Czech Republic, Latvia, Italy, Cyprus

IV. quadrant: Romania, Portugal, Croatia, Poland, Slovenia

Source: own calculation of authors based on Eurostat data

The analyzed countries which we selected in our article are divided in different quadrants. Countries of Western Europe - Germany, France and United Kingdom are all located in the first quadrant. They belong to countries of the European Union that reduce the evidence of the convergence process. Countries of Central Europe - Poland, Czech Republic, Hungary and Slovakia are located in two different quadrants. Czech Republic, Hungary and Slovakia are in the second quadrant. Poland is in the fourth quadrant, where are the countries of European Union with above-average of initial value and a below-average growth coefficient. The countries of Southern Europe - Italy, Spain and Greece are all located in the second quadrant. They have a below-average of initial value and an above-average growth coefficient. The Scandinavian countries - Denmark, Sweden are in the first quadrant, in countries that tend to delay to other countries.

Conclusion

The aim of the article was to contribute to a better understanding of employment disparities in full-time and part-time employment of the population aged 55+ in selected European Union countries in 2010-2016.

The first step was to compare the demographic structure of the population by age in the selected countries of the European Union. The proportion of the post-productive population has increased in each of the selected countries of the European Union. By comparing the selected years, we came to the conclusion that the post-productive component of the population in the Czech Republic was the fastest, the slowest in Greece. Calculated forecast for 2050 indicates a trend of continuous increase in post-productive part of population and decrease in the productive part of the population in each selected country.

By collecting and comparing data about part-time and full-time employment, we have achieved our established primary goal. Countries according to the difference in part-time employment in 2016 compared to 2010 can be divided into two groups. In the first group, the share of part-time workers in 2016 decreased compared to 2010. This group included Spain, Hungary and Poland. The second group consisted of countries where the proportion of part-time employed older worker out of total employed older worker (55+) in 2016 compared to 2010 increased. This group included Germany, France, England, Czech Republic, Slovakia, Italy, Greece, Denmark and Sweden.

Using the statistical method Beta-convergence, we investigated whether in the countries of the European Union occurs convergence or divergence in the employment of population in the age group 55 + out of the total employed population in the same age group. From the correlation diagram, we came to the conclusion that the selected countries in our article are located in three different quadrants. In the first quadrant there are countries that tend to leave the rest of the countries. These include our selected countries from Western Europe and the Scandinavian countries. In the second quadrant there are countries that tend to move to the first quadrant. These include six of our twelve selected countries - Slovakia, Greece, Hungary, Spain, Czech Republic and Italy. The fourth quadrant includes countries that tend to move to the third quadrant, including countries that tend to delay to other countries. From our selected countries, only Poland belongs to this group.

The information found may serve as relevant information for further scientific research. An important issue that needs to be further considered is how to keep older workers on the labor market. Currently, employing part-time with a variety of benefits for older workers, can contribute to improving the situation on the labor market.

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HUMAN RESOURCES IN PUBLIC ADMINISTRATION

Martina KLIEROVÁ

Abstract

Public administration is a main pillar of society, its organization and governance. Its functionality is based on internal and external system elements. One of these elements is human resources, respectively bureaucrats. This official apparatus is not only the driving force of public administration but also liaison officers in these processes. Its role is to assist the state and its clients (citizens) in fulfilling their tasks, duties and rights. On the basis of these facts, the aim idea of this article is to draw attention to the current and desired quality status of this area. This objective will be met by analysis, synthesis, comparison and questionnaire analysis. The result of these activities will be recommendations that should be beneficial to society, the official apparatus and the state itself. The importance of the public administration is considerable. Its activities and interventions are important to the running of society and the State. Its driving force are not only processes, but also systems, employees, bureaucrats, officials, bureaucracy. This is the mirror of the relationship with its clients, who are primarily citizens.

Key words

Bureaucracy, Human Resources, Public Administration

JEL Classification: H83, O15, D73

Introduction

Although the technical and technological area is becoming increasingly important, the value of human resources is in many cases incalculable. This fact is well understood by all three components of the mixed economy, i.e. the private, non-governmental and public sectors.

In the current realities of the Slovak public administration area there is considerable quantitative and qualitative shift in the area of the source base. This effort is an ESO (Effective Solid Open Government) reform. Its aim is to achieve the real contours of public administration of the 21st century. This requires the optimization of the size structure of the public administration, to adapt the environment to the current conditions and to create a model of qualitative characteristics of the official apparatus.

The aim of this article is to highlight the issue of the human resource base in the public administration environment. At the same time, this article provides scope for possible adaptations of this area and discussion. For this purpose, we used several scientific research methods (e.g. Analysis, synthesis, comparison, questionnaire, etc.).

Goal and Methodology

The article is based on the currently solved issue, which is the status of bureaucrat. Our goal is to highlight the official image and the relationship of clients to this environment. For this reason, we decided to base the theoretical apparatus on real-world findings that we have acquired directly and by mediation. At the same time, through questionnaire and questionnaire survey, we received valuable answers related to potential future components of this environment. For this reason, we have addressed college students. Priority was given to the students of the Department of Study 3.3.5 Public Administration and Regional Development. The questionnaire contained 15 items. They gave us a picture of their expectations, goals, assessments and perceptions of public administration. We have evaluated and processed all of these acts in the form of recommendations based on the analysis, synthesis, comparison and the mentioned investigation. We have set up recommendations so that they will be applicable and helpful in a short time to solve problems in human resources.

1. Human resources in the public administration environment

Human resources in the public administration environment represent the official apparatus, which is bureaucracy. By the bureaucracy we mean a special category of people professionally engaged in conducting government-led management activities. Its existence is derived from the existence of the state. It follows that the mission of the official apparatus is the execution and implementation of the administration of the State. At the same time, we can talk about the specific kind of power the bureaucracy has and which is typical of the public environment.

Human resources in public administration mean a lot. In the sense of Králiková and Králik (2016, p. 3) "every institution in society must inevitably have adequate staffing, or a fundamental substratum, meeting at least basic qualitative and quantitative parameters". In other words, human resources in a public administration environment are a real reflection of the quality of work performance and the relationship of the state to its clients. That is why bureaucracy should be dealt with as a matter of priority. The reason is also the fact that building a positive client relationship with the institutions, its employees and the State is very demanding.

The idea of public administration reform is also supported by the Good Administration (CM / Rec (2007) of the Committee of Ministers of the Council of Europe's Member States on Good Governance), which the European Union considers as an alpha and omega procedure in the public sphere. It is by applying its principles that the client / citizen becomes to attention. The Recommendation summarizes 12 requirements to ensure the proper functioning of public administration in the context of a modern democratic state based on respect for the fundamental rights and freedoms of its citizens. An example of this is the principle of impartiality, transparency or participation. Just by adhering the principle of participation, public authorities have to provide individuals with a participation on governance.

Similarly, Hajšová (2014, p. 10), appeals to the fact that the official "makes a decisive contribution to the satisfaction of the citizens".

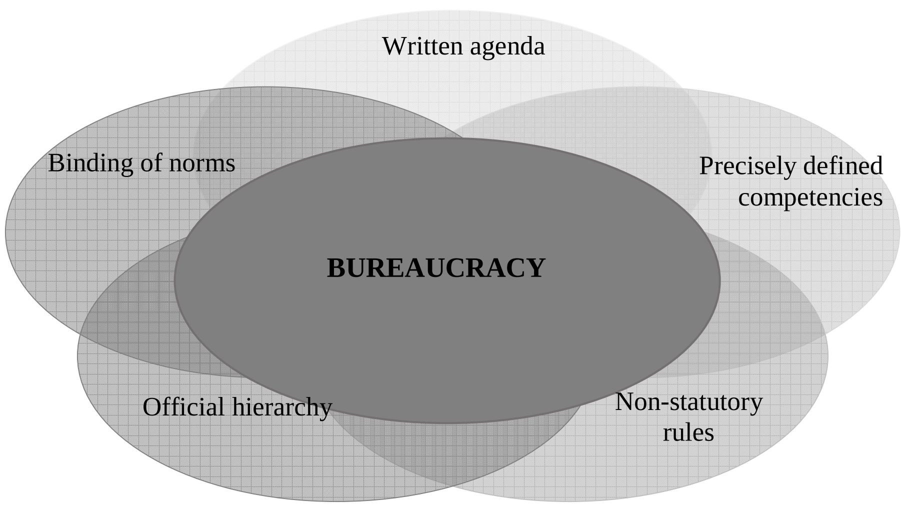
Based on the above, we can talk about the relationship between bureaucracy / bureaucrats - and client / citizen is the key to the success of the 21st Century. That is why, in our conditions, there are fundamental changes in this area. One of them is the setting of qualitative and personality characteristics of the official apparatus. As these officials are the intermediaries of sophisticated services and liaison officers in a state-client relationship, they are required to properly fulfil and perform their functions.

1.1 Bureaucracy as a professionalizing mean of public administration

The term "bureaucracy" was introduced into the social sciences in 1745 by Vincent de Gournay. It was a mark of the mischievous behavior of the officials in France at the time. Since then, this term has been used in all social sciences. Generally, this is a way of organizing a public administration that performs collective activities through a system of impersonal rules.

The bureaucracy in the sense of the Oxford Dictionary of Business and Management represents "a hierarchical administrative system aimed at dealing with a great deal of work routinely, largely adhering to a set of strict and impersonal rules." However, Keller (2005) in his work points out that bureaucratization in itself includes dysfunctional impacts. They were set up in the organization in order to increase its effectiveness, but it provokes a situation that damages this activity (Fig.1).

Fig. 1. Characteristics of bureaucracy

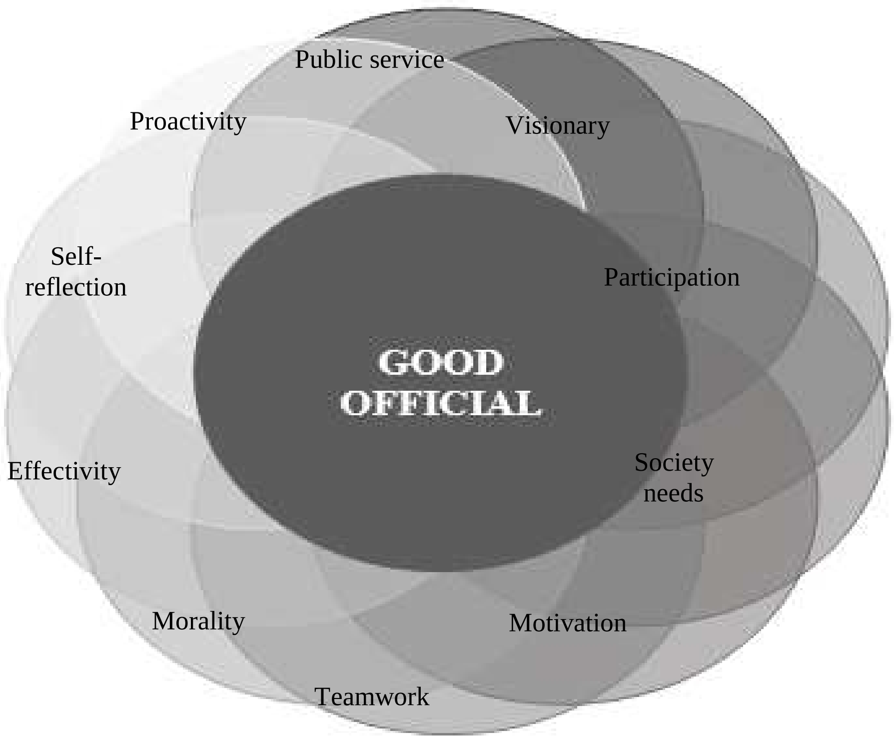


Source: personal processing

Similarly, Bolfíková (2008) also expresses this issue. She is openly saying: "Expecting that bureaucracy itself will look for a way to make its functioning more efficient and to increase its effectiveness or to mitigate the negative consequences of its existence and functioning is an illusion." Although there is no universal recipe to solve this problem, it is necessary to adjust this environment and make changes.

A strict acceptance of the needs of the public administration has become a past. The current trend speaks first of all to meet the needs of its clients, an open relationship with citizens. This implies that they should be able to understand their clients, find ways to solve the problems, and provide services better and better than they did in the past. Similarity is also in our environment. Over the years, the bureaucracy has changed. Its environment is oriented to the needs of the client, which is most supported by ESO reform. At the same time, we also highlight the Good Officer initiative. This initiative is carried out by a group of officials who depend on the quality and ethical functioning of public administration. Their aim is to contribute to the improvement of the state culture, to set new solutions within the system and to change the perception of the public official (Figure 2). The reason is just awareness of the fact that public service is a service to a citizen. Accordingly, as stated by Križanová and Kútik (2017), "for the support of the central state administration is the significant professional preparedness of its employees".

Fig. 2. Ten Goods of Official



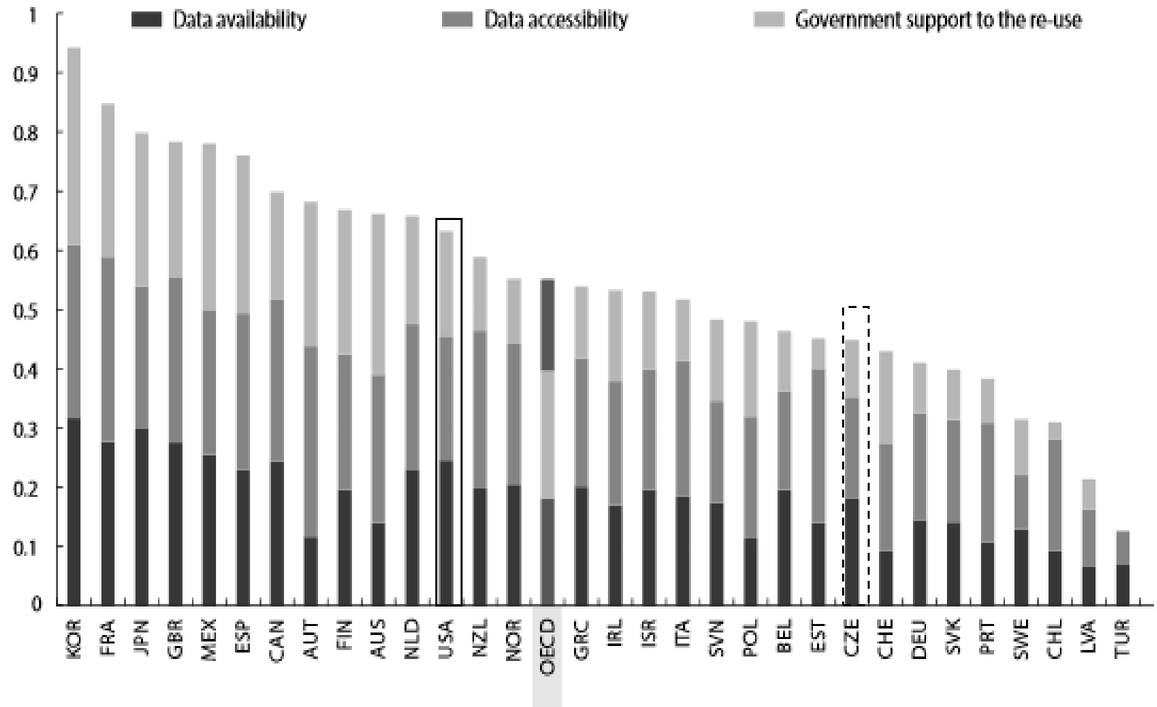
Source: personal processing by vww.dobryuradnik.sk

1.2 Current bureaucracy state report

Bureaucracy is a phenomenon that affects every State or citizen. Based on the latest OECD report of 2017 (Government at a Glance 2017), we can talk about low confidence in this apparatus. Strengthening the integrity of government institutions as well as elected officials, establishing an ongoing dialogue with citizens through open and participative policy, making processes, and enhancing governments capacity to choose the most appropriate policies among various options – all are key to re-connect governments with their citizenry and foster more inclusive and sustainable growth.

Countries are increasingly institutionalizing the open government principles of transparency, accountability and participation. About half of the OECD countries (17 of 35 countries) have adopted a national strategy on open government (Graph 1).

Graph 1. Open-Useful-Reusable Governmnet Data Index 2017



Source: OECD (2017)

In connection with the above, we also need to ensure a professional and politically impartial service ensuring a high level of competence, integrity and continuity. This also changes and adjusts the environment. This applies in particular to the personal guarantee, a qualitative and quantitative aspect of human resources.

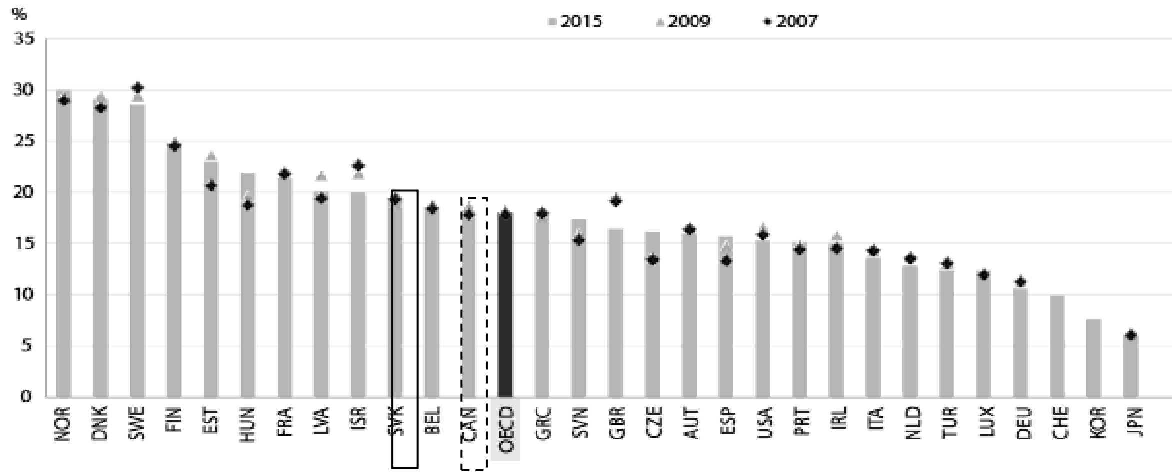
We can talk also about similar surveys our environment. However, we are paying attention to the inquiry conducted by the Good Official. In cooperation with 102 officials of Slovak public administration, they managed to reveal the weak but also strong points of our system very nicely. Among the weaknesses, it is primarily the enormous paper agenda, the inefficiency of the system, low proactivity, rigid working methods, and formalism. At the same time, the respondents were not afraid to point out the persistent corrupt behavior of colleagues in dealing with the agenda or the selection process.

This is corroborated by the OECD (2017) results, which repeat about the poor and inconsistent human resources management system (recruitment, selection, training, evaluation and performance of human resources) and a high rate of employee turnover (especially with government structures change).

On the other hand, they perceive positive communication within the department, the possibility of self-realization and education. At the same time, they are motivated by higher performance to send the agenda on which they work and, in particular, positive feedback from clients.

These are just some of the reasons that relate to interest in work in public administration (Graph 2). On the other hand, it is also a sense of stability, certainty, benefit, or the need to gain the power that results from that position and function.

Graph 2. Employment in general government as a percentage of total employment



Source: OECD (2017)

2. Potential bureaucracies of the public administration environment

Each of us is aware that it is not easy to ensure the functioning State and society. It is a quantum of acts, processes, laws, elements, services, or systems that vary in size, structure, quality, and needs. Therefore, it is important that the capital and human resources base are sufficiently created in this process.

Table 1 University education - public administration

Educational Institution	Study Department	1st Stage	2nd Stage	3th Stage
Public universities				
University of Economics in Bratislava Faculty of National Economy	Public administration and regional development	20	45	8
Technical University of Kosice Faculty of Economics	Public administration and regional development	377	150	15
	Public policy and public administration	72	21	-
Alexander Dubcek University in Trencin Faculty of Social and Economic Relations	Public administration and regional development	79	-	-
Matej Bel University in Banská Bystrica Faculty of Economics	Public Economy and Services	47	56	8
University of Cyril and Method in Trnava Faculty of Social Sciences	Public policy and public administration	490	376	21
Private universities				
Danubius College Faculty of Public Policy and Public Administration	Public policy and public administration	71	76	-
College of Economics and Management of Public Administration in Bratislava Institute of Public Administration	Public policy and public administration	285	291	-
∑		1 441	1 015	52

Source: personal processing by CVTI SR (2017)

For this reason, in the environment of universities in the Slovak Republic (Table 1), an area for providing and guaranteeing study fields related to public administration was raised (3.1.7 Public policy and public administration, 3.3.5 Public administration and regional development, 3.03.23 Public Economy and Services). Higher education institutions provide high quality knowledge from the theoretical and practical environment, thus building the foundation for public administration in real time and environment.

For this reason, we have been addressing the public administration students how they perceive these issues. In our questionnaire survey, 168 students of both the Bachelor's and the Engineering degree of the study were involved. (Table 2).

Table 2. Respondents involved in the questionnaire survey

	1st Stage		2nd Stage		∑	
	No.	**%**	**No.**	**%**	**No.**	**%**
Men	34	62,963	20	37,037	54	32,143
Women	73	64,035	41	35,965	114	67,857

Source: personal processing

Our findings show that 23% of respondents chose a study department without realizing what public administration actually represents. Another finding was that 31% of the respondents had the intention of studying something other. However, as public administration began, 39% of them would work in public administration institutions. This concerns both the self-governing and the state public administration.

Pleasant information is that, as one of the most important reasons (Table 3), they stated the application (18.57%) and the fulfillment of their mission (18,23). Subsequently - benefits (working time - 17.38%), work with people (17.04) and environment of employment (location - 10.39%).

As others, they stated the need to get the status of employed (1 respondent) and the option to study in addition to employment (2 respondents).

Table 3. Reasons for employment in the public sector

	Men		Women		∑	
	No.	**%**	**No.**	**%**	**No.**	**%**
Employment	3	10,00	27	90,00	30	5,10
Status official	5	29,41	12	70,59	17	2,90
Self-employed	35	32,71	72	67,29	107	18,23
Mission	31	28,44	78	71,56	109	18,57
Availability - Location	14	22,95	47	77,05	61	10,39
Working time	19	18,63	83	81,37	102	17,38
Contact with clients	25	25,00	75	75,00	100	17,04
Precise tasks	13	22,41	45	77,69	58	9,88
other	2	66,66	1	33,33	3	0,51

Source: personal processing

As a negatives of work in public administration zhey highlighted, in particular, the fear of inadequate training (absence of practice during the study, lack of professional software), pressure from superiors and clients, or fears of a newly-built system of public apparatus and related tasks.

As part of the search, the selection and recruitment process (Table 4) raised doubts as to the objectivity of the selection procedure. 33 respondents believe that it is not real to be part of this environment without corruption and ties to the official apparatus. At the same time, up to 89% would receive an impartial multiple-choice recruitment system. This should consist of an anonymous pre-selection of suitable candidates and an anonymous direct selection procedure.

Interestingly, there are also insights into the perspective of women and men, especially when there are significant differences in terms of education and personality assumptions. Women assume that education has the greatest weight in deciding whether or not to accept a person in the office (80%). Men, on the other hand, bet on personality assumptions (65%).

Table 4. Methods of obtaining a job in the public sphere

	Men		Women		∑	
	No.	%	No.	%	No.	%
Education	19	19,79	77	80,21	96	57,14
Personality	26	65,00	14	35,00	40	23,81
Prerequisites	8	53,33	7	46,66	15	8,93
Familiarization	5	50,00	5	50,00	10	5,95
Clientelism	5	71,43	2	28,57	7	4,17
Political membership	0	0,00	0	0,00	0	0,00

Source: personal processing

In the context of their own contribution, all respondents replied that they had no problem with further learning. Likewise, all respondents said that PC work is a natural part of their lives. We are also very positive about the outcome of language readiness. More than 58% of respondents said that communication in a foreign language (other than the Czech language) is at a very good level. They have no problem in the written or spoken word. Nevertheless, they would like to receive courses and exchanges abroad (49%). At the same time, neither does not prevent the transition into a private environment, whether as employees or employers.

Similarly, almost everyone believes that the public administration system is in the right direction. They do not expect major fluctuations in the environment. They are open to new challenges, they would like to present their own ideas and believe that the way of electronizing the environment and contacting clients is the best solution for a person and a citizen of the 21st century. On the other hand, they are aware of the traditional contact with clients, especially for the older generation.

Therefore, based on the information we had received, we appeal mainly to the field of objectivity in the selection of future public administration employees. We recommend modifying the current system and applying anonymity to it. At the same time, we appeal to future bureaucrats to honor their mission and to build an open public administration that is open to the young and older generation. While adhering to ethical and moral principles, the unfavorable view of this element of the state's society should be eliminated. Similarly, we appeal to personal growth and development, which have value not only to the individual but also to the institution and society as such.

Another important activity should be the linking of theory and practice. Establishment of mutual cooperation within the public administration institution and universities raising future staff of this environment. Regular practice throughout studies will help educate exactly the employees they need. At the same time, students acquire habits and co-habits, which can then be used in real environment.

These challenges are not only about the official apparatus, but also about the State and the citizens. It is important that they are also helpful. They drew attention to the threats, shortcomings and possibilities of their correction. The openness and opportunities of today's society can be learned and taken from a variety of countries or past. As an example, we mention Estonia and the Scandinavian countries. Thanks to effort, change of mind, belief in a better future, and hand-to-work attachment, they have touched their systems at the top of the rankings of multiple ratings.

Conclusion

The importance of the public administration is considerable. Its activities and interventions are important to the running of society and the State. Its driving force are not only processes, but also systems, employees, bureaucrats, officials, bureaucracy. This is the mirror of the relationship with its clients, who are primarily citizens. He is very sensitive to the attitude and character of the official. At the same time, it recognizes the need for activities in relation to agendas against the State. Therefore, it requires adequate access and knowledge to be mediated by the bureaucrat. We are currently seeing a shift in this direction. Citizen / client becomes the center of attention. It is enabled in a simplified way to communicate with public administration institutions. In many cases, nurses do not need to visit these institutions personaly, although a number of agendas require personal participation in these activities. For this reason, these posts should be occupied with an educated, prudent and morally mature employee whose outputs will be means of building a good name for bureaucracy.

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THE ROLE OF INTEGRATED MARKETING COMMUNICATIONS IN ENERGY EFFICIENT TECHNOLOGIES INTRODUCTION AND DEVELOPMENT

Natalia NOGAIDELI, Tamar KOBLIANIDZE

Abstract

Marketing is one of the most important components in the management process when the state / company / manufacturer is trying to offer innovative products to customers and is implementing the new, innovative product on the market. In this study we have researched the role of integrated marketing communications in one of the most important challenges of 21th century - promotion of energy efficient technologies. The use of integrated marketing communications in promotion of energy efficient technologies can be considered as "Innovations Marketing", because devices like them are innovative products, therefore they need to be demonstrated to end users in a new, innovative way. The importance of marketing in relation to innovation has laid the foundation for a new concept - "Innovations Marketing", which means creating market-oriented innovations. The study provides the results of two interrelated research, which aimed at: Establishment the level of public awareness about benefits of energy efficient technologies in Georgia; End users attitude to integrated marketing communications in Georgia.

Key words

Energy efficiency, integrated marketing communications, Innovations marketing, Energy efficient technologies, Energy saving, Marketing

JEL Classification: M13, L26, L25

Introduction

"It Is Not the Strongest of the Species that Survives, But the Most Adaptable"
Charles Darwin

Energy efficiency is a global issue that is becoming more and more actual day by day. This is caused by energy shortages, rising prices on energy resources, energy dependency and ecological problems. In the epoch of today's global economic, technological and social changes, any business is on the verge of "survival" and technological innovations are only hope in new economies. Using less energy to accomplish the same amount of work. Getting the most work per unit of energy is often described as a measure of energy intensity. Common metrics for buildings and neighborhoods include energy use per square foot and use per capita. Energy has emerged as a critical economic issue and top priority for policymakers. Unsustainable energy supply and demand have serious implications for everything from household budgets to international relations. Buildings are on the front line of this issue because of their high consumption of energy. Studies have repeatedly shown that efficient buildings and appropriate land use offer opportunities to save money while reducing greenhouse gas emissions.

It is interesting to define the importance of integrated marketing communications in developing and implementing such a crucial process, such is energy saving. This process can be freely considered as an innovative issue - the basis for the implementation of any innovation is marketing research, which defines the customer's needs. Therefore, marketing is one of the most important components in the management process when the state (company, manufacturer) is trying to introduce innovate products to customers and implement them on the market. Marketing is an essential ingredient for the success of energy efficiency finance. But too often, finance and efficiency experts focus on technical and financial issues and underestimate the importance of marketing. Using best practices in marketing is necessary to drive demand to the high levels state goals require.

In Georgia, an interest to energy efficient technologies is slowly growing up – more and more customers are buying eco-lamps, eco building materials, domestic appliances with inverter engine, heating/cooling eco systems, etc.

Customers are trying to understand why they should pay more today, why they should buy a central heating system working on solar energy and save up to 70% of consumed energy when they can pay twice less and warm up the building with a gas-powered device. In this case the role of integrated marketing communications is very important - to create an interest among potential customers, to create demand, to implement and sell energy efficient equipment to customers, while competition is growing day by day. However, it should be emphasized, that the main point for energy saving is to change the behavior of each individual – they should have the desire to save energy, to take care of the environment, to reduce costs and to understand why the change is so vital. Society will save energy and buy energy efficient devices only after they fully understand the importance of the problem and will be motivated to become "energy savers".

As Martin Gitlin, Senior Advisor at Harcourt Brown & Carey Energy & Finance says: "There's not been a lot of uptake on existing programs. The biggest obstacle is… what to do to convince people to buy energy efficiency."

Theoretical background

Marketing is one of the most important components in the management process when the state / company / manufacturer is trying to offer innovative products to customers and is implementing the new, innovative product on the market.

The integrated marketing communications are the most important contributors to achieving this goal. In the modern world, where technology is developing so fast, the role of integrated marketing communication is significantly increased. In developed countries, businesses spend more time and money using marketing communications to increase revenue and maintain the company image and reputation. The use of integrated marketing communications in terms of energy efficiency and promotion of energy saving technologies can be seen as "innovation marketing" because, energy saving devices, in fact, are innovative products, so they need to be presented and offered to customers in a new way. The main purpose of innovation marketing is to open up new markets and ultimately lead to an increase in the business' sales. Innovation marketing also aims at newly positioning the business' products as well as addressing the customers' needs. As the dynamics of business keep changing on a daily basis, so are the marketing strategies. Innovation marketing essentially comes from two important business terms which are innovation and marketing. In order to understand innovation marketing it is essential to understand the meaning of the two words:

- Innovation – This is the process of coming up with new ideas that will be able to bring positive impact to the business such as new products or services.
- Marketing – this is the process where the producers communicate to the consumers about their products and services. Marketing is essential for informing the customers and prospective customers about the product, its features and why they should buy it.

A combination of both terms yields innovation marketing which is simply the implementation of a new marketing method which has not been used earlier and normally involves a big change in the product design, pricing, promotion and even packaging. The main purpose of innovation marketing is to open up new markets and ultimately lead to an increase in the business' sales. Innovation marketing also aims at newly positioning the business' products as well as addressing the customers' needs. As the dynamics of business keep changing on a daily basis, so are the marketing strategies. One of the main features that distinguishes innovation marketing is the fact that it signifies the company's or business departure from the old marketing strategies. Thus, innovation marketing should be able to highlight the progress in business by using new marketing methods that have not been used before.

To be clear about innovations marketing and innovative marketing, here are some good examples of "innovative marketing": IKEA has always had close ties with innovation. Founded in 1943 as a mail-order sales business, the company has grown into a global multinational spanning 46 countries, built on the unique USP, and the momentous commerciality, of ready-to-assemble furniture. IKEA's products are renowned for the level of detail that is put into their design – enabling their furniture to be easily assembled, often without tools – and equally it's in the detail of IKEA's marketing where the company is most innovative. The brand has put customer-experience at the heart of their marketing strategy, not just at individual needs and touch points, but across the whole buying cycle. The app is a great resource for customers in the consideration stage of the buying cycle. Those who visit an IKEA store can look forward to a number of innovations designed to make create excellent shopping experiences. Parents of young families can benefit from babysitting for 60 minutes completely free of charge. Customers can also enjoy the in-store restaurants and bistros, for a taste of Swedish cuisine, and with breakfast available for as little as $1, and family-friendly offers such as buy-one-get-one-free frozen yogurt, it's little wonder that IKEA's family memberships increased from 4.3 million to 6.9 million in 2014/2015. Perhaps most impressively of all, IKEA also make efforts to cater for customers' post-purchase needs, even though it may have no direct revenue return for the brand. In previous years, for example, they introduced a platform that helped customer sell their second-hand furniture, even going as far as helping users take photos and opening up the brand's Facebook page to act as an online marketplace. These are just a few examples. It's the collaborative impact of all of IKEA's efforts that makes their marketing so innovative. Initiatives have been staunchly focused on improving the complete buying experiences of their customers, without falling into established paradigms or typical processes. While many brands appreciate that customer experience is key to successful strategy, IKEA has managed to execute on a level of detail where numerous others fall short. In 2013, for example, they launched the Catalogue app, which not only gave users access to the company's inventory, but via augmented reality, actually allowed them to view how items would look in their home spaces. Good example of innovative marketing has company L'Oréal – This is a French cosmetics company with a strong foothold in the cosmetics industry all over the world. One way in which cosmetic companies market their products is by having exhibitions where people get to sample makeup as well as other cosmetics for free. In order to reach a wider customer base in this digital world, L'Oréal developed an App called the L'Oréal makeup genius. This app allowed users to do a digital makeover and by doing so they were able to sample the best makeups that suited their skin tones. The application was a huge success, being downloaded more than seven millions times.

Goal and Methodology

To find out how important the role of integrated marketing communications in Georgian reality is, what type of communication has the most effective result and if Georgian citizens have information about energy efficiency, energy saving technology by random selection I made a complex survey, the results of which clearly showed that the role of integrated marketing communications is very important in Business, in project implementation and raising awareness of public on energy savings and energy efficient equipment.

Research N1:

The purpose of the research is to identify the level of public awareness about benefits of energy saving and energy efficient technologies in Georgia;

Research object - 150 interviewed, 21-55 years old, employed people;

Research Method - 100 Direct Interviews, 50 Social Surveys;

Place of research - Georgia, Tbilisi.

Research N2:

The goal of the research - the user's attitude towards integrated marketing communications in Georgia;

Research object - 140 interviewed, 21-50 years old, employed people;

Research Method - 70 Direct Interviews, 70 Social Surveys;

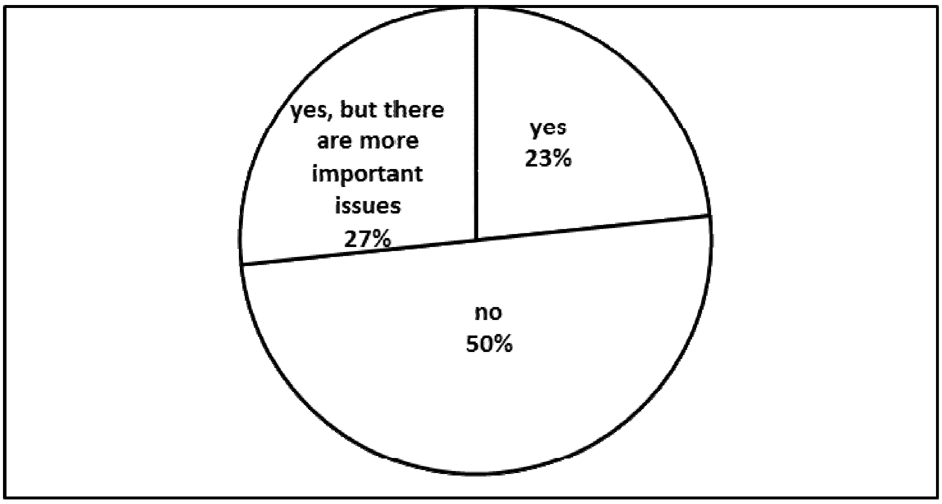
Place of study - Georgia, Tbilisi.

Findings

Research N1, which was aimed to define the level of public education about energy efficiency and energy efficient technologies in Georgia showed that the state's maximum involvement in energy efficiency issues is essential;

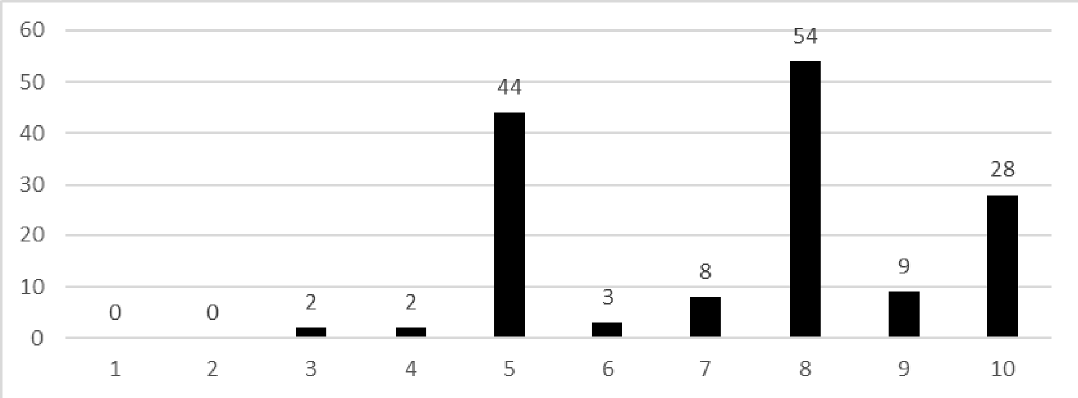
• The first question, which was about whether the energy efficiency is the main task for Georgia, 50% of respondents have responded negatively, only 23% perceive the actuality of the problem of energy deficiency as the main priority and 27% thinks that energy efficiency is important, but other "painful" issues are priorities for Georgia; (see the diagram N1)

Diagram N1 - Do you think energy efficiency is the main task for Georgia?



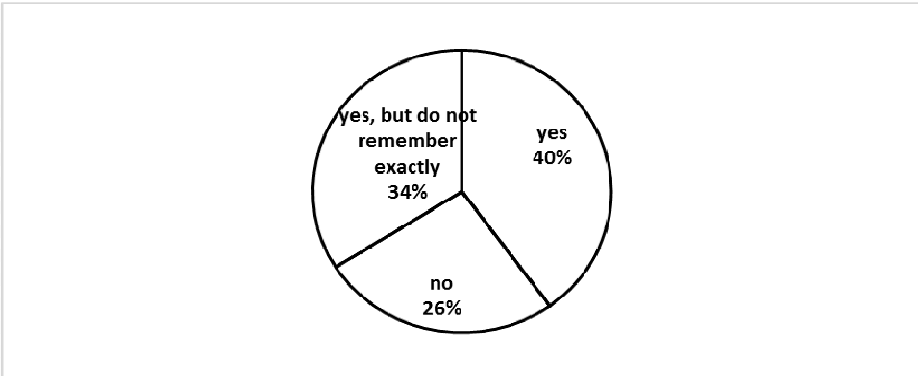
• I received a relatively good picture about energy efficiency management on a 10-point scale - the majority of respondents estimated this issue by 8 points and 1 and 2 points were not be answered by any of the respondents; (see the diagram N2)

Diagram N2 - From 1 to 10 scale, (10 - the most important), how important is the management of energy efficiency in Georgia?



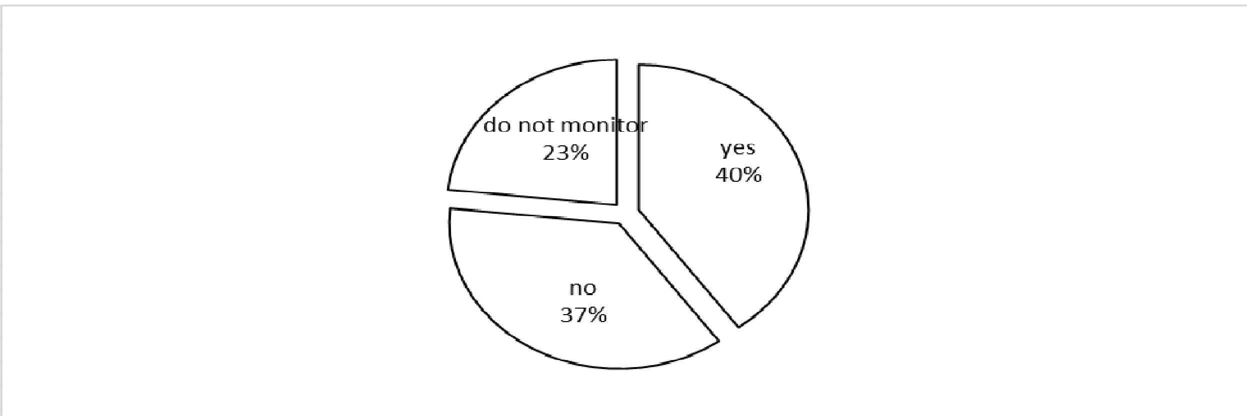
• On question if they have heard about the state programs, which support energy efficiency in Georgia, 40% of respondents did, 26% did not hear about such programs and 34% had some idea about state support, but do not specifically remember which programs at all. (see the diagram N3)

Diagram N3 - Have you heard about energy efficiency oriented state programs in Georgia?



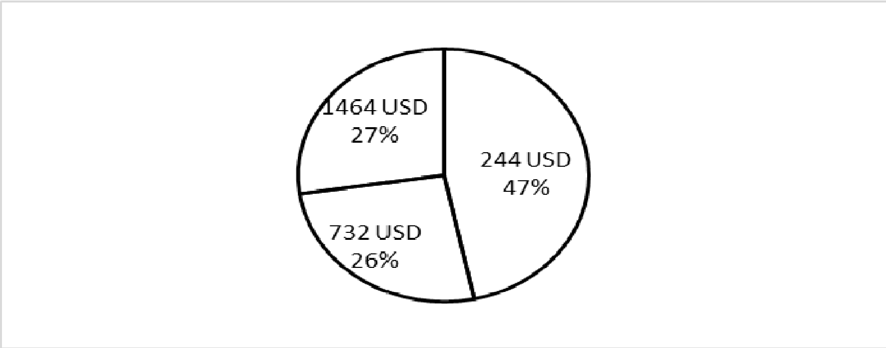
• I have got some interesting results, while asking them whether they were saving or not energy and what kind of energy saving activities do they make every day. 37% of respondents gave negative feedback, 23% saves but do not monitor on which activity and 40% saves energy by purchasing eco lamps, turning lights off - when they do not have the need for this; (see the diagram N4)

Diagram N4 - Do you save energy or not, and if Yes, in what way?



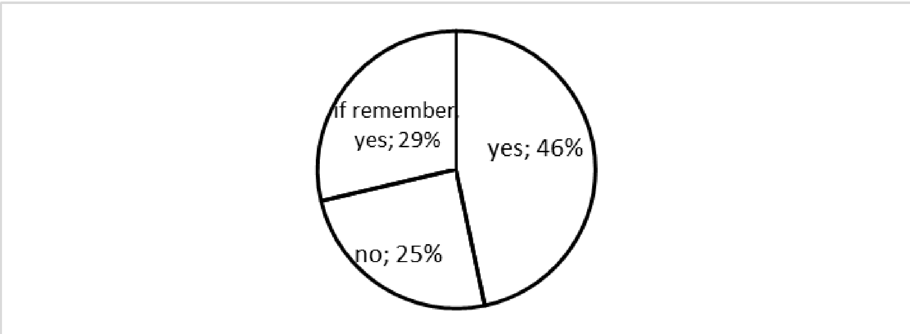
• In the questionnaire was one such interesting question - "Every night and every weekend, during one year if we turn off 10 computers, what do you think, how much will we save?" - 50% of respondents could not answer the correct answer, only 26% "guessed". The correct answer was 1830 GEL (about 732 USD); (see the diagram N5)

Diagram N5 - Every night and weekend during one year, if you turn off 10 computers, how much do you think we can save?



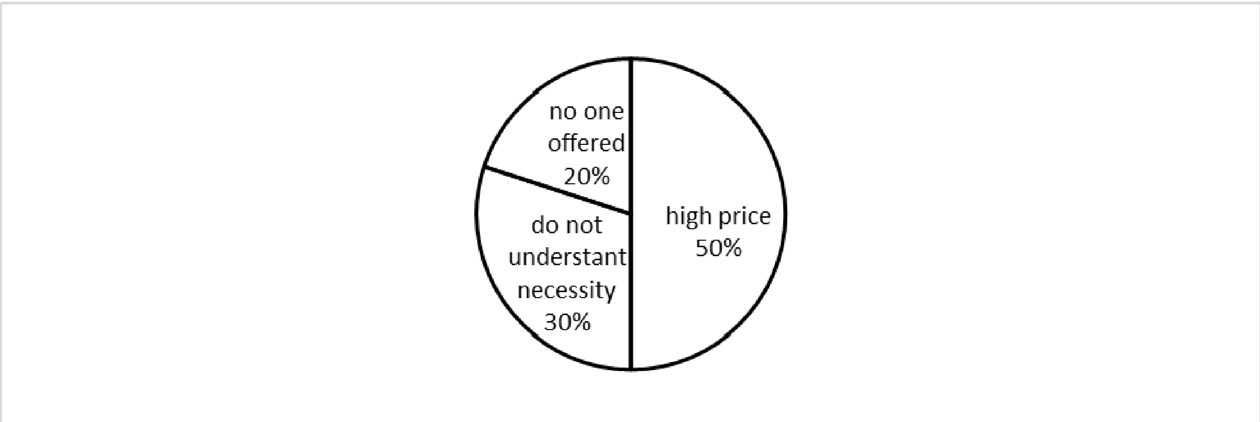
• 46% of the interviewed turn off from el. sources the equipment on which they are responsible for (Computer, printer, copier, electric warmer, heating-cooling equipment, etc.), 29% do only when remember it and 25% do not. (see the diagram N6)

Diagram N6 - At the end of the day, do you turn off from el. sourse equipment you are responsible for? (Computer, printer, copier, electric warmer, heating-cooling equipment, etc.)



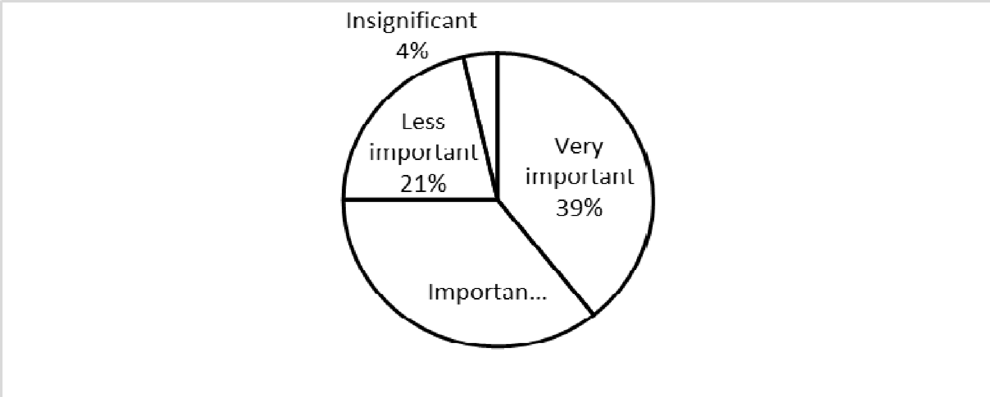
• The last question was about delaying factors for buying energy efficient equipment; 50% thinks that reason is high price, 30% do not understand the necessity of buying energy efficient equipment and 20% answered, that they were never enhanced to buy energy efficient equipment. (see the diagram N7)

Diagram N7 - What are the delaying factors for buying e-equipment?



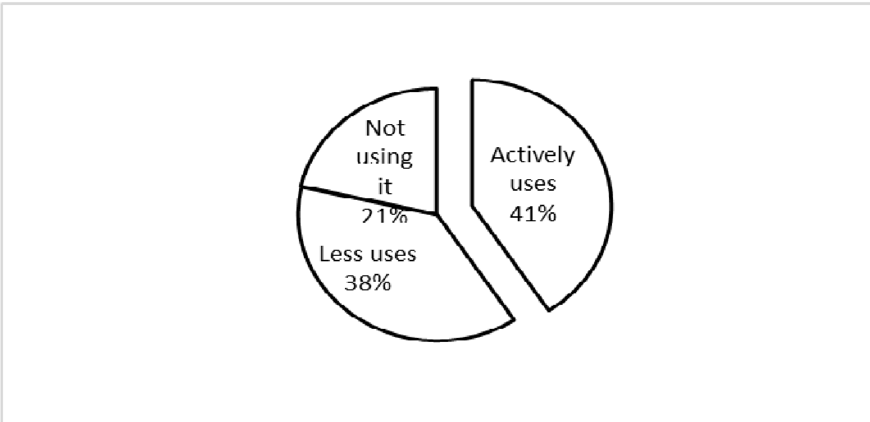
As a result of research N2, which aimed to identify the user's dependence on integrated marketing communications in Georgia, we defined that 50% of respondents estimate integrated marketing communications as a very important tool for establishing the new market (see the diagram N2.1.);

Diagram N2.1 - How important is the use of integrated marketing communication?



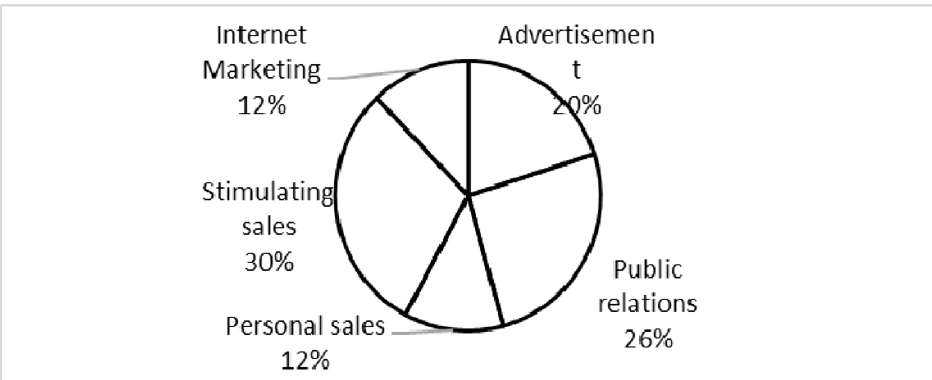
41% think that Georgian companies actively and successfully use Integrated marketing communications for business development (see the diagram N2.2.);

Diagram N2.2 - How Does Georgian Business Use Integrated Marketing Communications?



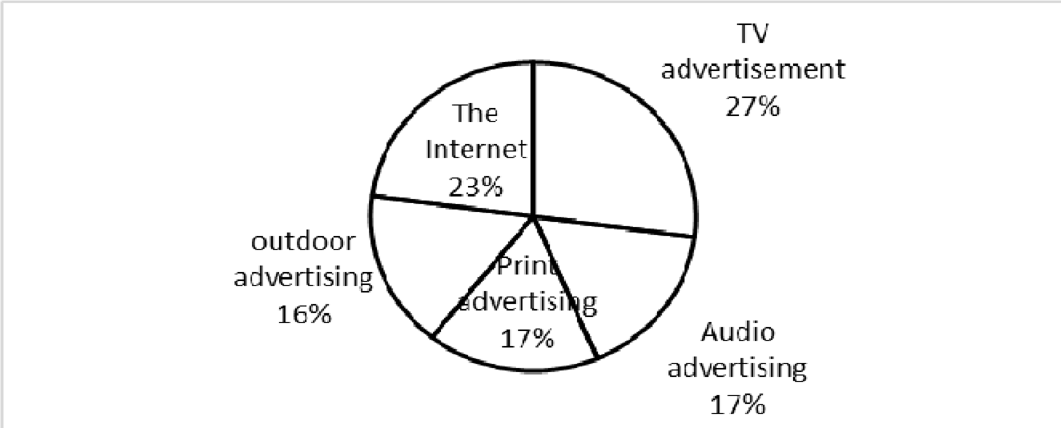
30% of respondents believe that sale stimulating is the most effective way of marketing communications (see the diagram N2.3.), and 27% of respondents are admitting only TV;

Diagram N2.3 - Which means of marketing communication is the most efficient to deliver to the auditor main message?



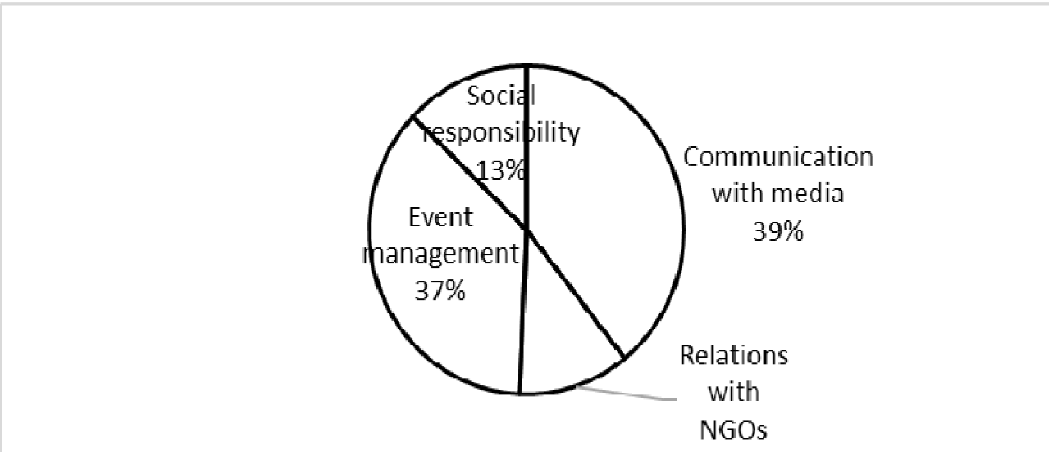
Advertisement as the best way for mass awareness (see the diagram N2.4.);

Diagram N2.4 - Which form of advertising is most effective?



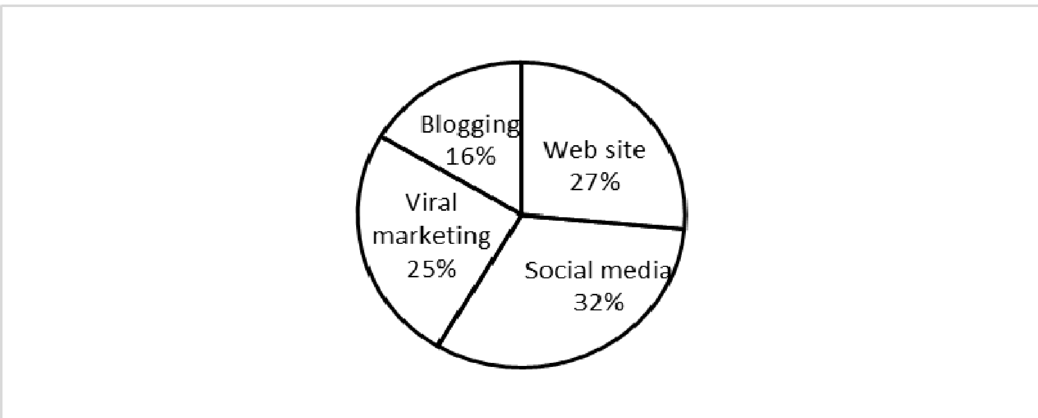
As for the public relations, 37% of respondents think that the best way to introduce or implement product is event management and 39% thinks (see the diagram N2.5.), like it is - communication with the media;

Diagram N2.5- Which form of public relations is most effective?



The role of the Internet in the development of modern integrated marketing communications is very high. On the question of which internet marketing form is the most effective, the results are as follows: Social Media - 32%, viral marketing - 25%, web site - 27%, and blogging - 16%. (see the diagram N2.6.)

Diagram N2.6- Which form of internet marketing is most effective for business activity?



Based on the results of the survey we can conclude that consumers in Georgia slowly perceive the importance of integrated marketing communications and they admire that integrated marketing communications has an important role in business development in Georgia.

Conclusion

Based on the results of the survey, we can make a conclusion, that in Georgia, an interest to energy efficient technologies is slowly growing up – more and more customers are buying eco-lamps, eco building materials, domestic appliances with inverter engine, heating/cooling eco systems, etc. Fortunately, energy-saving habits are on the rise. Georgian companies are trying to build up public awareness about the use of renewable energy and about importance of energy saving technologies. Various supporting projects and events help them to make renewables popular among the people, but it is necessary to have more informed society about energy issues.

The role of the state is enormous in the developing of energy efficient technologies and energy savings behaviors. . A very useful and necessary project was "Energy Credit" - a dedicated program of the European Bank for Reconstruction and Development (EBRD) aimed at supporting sustainable energy projects development in Georgia, Armenia and Azerbaijan. Through “Energy credit”, the EBRD provided USD 125 million to local financial institutions in the Caucasus region, for on-lending to both local businesses and individuals implementing energy efficiency measures and renewable energy projects. With these funds, the program aimed to enhance the awareness for energy efficiency and to transfer skills to local financial institutions in sustainable energy lending. Buyer of energy saving equipment was able to return 10% of the amount paid.

Besides these projects, it’s important to mention Energy Efficiency Centre (EEC), which was established in 1998 by European Union within the framework of the EU Taci Project "Creation of an Energy Efficiency Centre and Development Natural Energy Study in Georgia". The main objectives of EEC are:

- Support to renewable energy and energy efficiency utilization for sustainable development and as a result improve national energy security level and minimize negative environmental impact.
- Increase awareness of the civil society and the country’s decision makers on the environmentally friendly and economically sound ways of energy production and consumption as well as on the potential for renewable energy and energy efficiency.

In April 2005, the “The Energy Efficiency and Cleaner Production Centre EECP”, which was established at 2003, within the framework of the Georgian - Norwegian Capacity Building Program on Energy Efficiency and Cleaner Production, was integrated into Energy Efficiency Centre Georgia. Since 2014 EEC is a supporter of Covenant of Mayors (Covenant Supporter).

It is necessary to popularize energy efficient systems and energy saving behavior in the society, not only for expenses optimization, but also for ecological issues of Georgia and the whole world.

Based on the results of the survey, we can conclude, that Georgians understand and estimate the importance of integrated marketing communications in business development, the necessity for Georgian society to be more informed about energy efficient devices, the need of maximum involvement of the state and giving detailed answers why should they save the energy - which would be impossible without an integrated marketing communications.

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DEVELOPING PROFESSIONAL COMPETENCIES OF STUDENTS IN A PLURILINGUAL CONTEXT

Anna M. DEVÍS-ARBONA, Silvia-Maria CHIREAC

Abstract

This paper provides a picture of the importance of the skills that every student should develop in a plurilingual context, of the satisfactions and challenges of being competent in the labor market in the era of globalization. By presenting an overview of the professional competencies for students, these theoretical approaches give an insight into how to succeed to be a good professional, how to use and develop subject knowledge and how to take charge of the continuing development as a student. Nowadays, apart from knowledge, experience, and competencies, it is important that students bring with them the interpersonal skills paired with decision-making and problem-solving skills. The cooperation between students, the different stages of development of a group of students organizing in intercultural teams, driven by one common target have distinct advantages that are necessary for developing a high-performance of professional competencies. In our society, we have to develop a deep understanding and awareness of the professional competences for students of all countries and cultures and knowledge in developing the ability to adapt to the new labor market.

Key words

labor market, higher education, competencies, pluricultural context, professional

JEL Classification: M53, Z13, I25

1. Introduction

Higher education is involved in the development of both particular competencies and overall competence. Therefore, the key elements to achieve a development of effective teaching and learning of our students are the quality of skills'students in Spain context after graduation, being potentially transferable from academic degree studies to workplaces, to advanced studies, across career sequences and to life in general. The main problem is to create in school environment a climate of learning understanding as the ability to use information after significant periods of disuse and the ability to use information to solve problems that arise in a context different (if only slightly) from the context in which the information was originally learned (Bjork, 1994, p. 187). All the competencies exist only if learning and teaching are interconnected. The students must be engage in a real context of learning in order to be able to transfer the information acquired and apply it to construct new understandings and to solve problems.

2. Teaching style and learning

On one hand, the teachers should use different teaching styles that students achieve the learning outcomes of the class session. Therefore, Nicholls (2002, p. 10) takes into consideration the following dimensions of teaching styles :

- characteristics of student body;
- size of student group;
- learning outcomes;
- nature of knowledge to be taught;
- professional knowledge;
- extent of lecturer's pedagogic knowledge;
- environment in which teaching is to take place;
- personal preferences.

Barnes (1987) highlights three categories: closed teaching, framed teaching and negotiated teaching.

- *Closed teaching*: In this approach the lecturer is considered to be didactic and formal in his or her teaching, there will be little involvement by the students, and generally material and information is given rather than discussed or shared.
- *Framed teaching*: In this approach the lecturer is considered to provide a structure for the teaching session within which the students are able to contribute their own ideas, views and interpretations to the information being given.
- *Negotiated teaching*: In this approach the lecturer is considered to provide a teaching session where the direction of the session has to a considerable

extent been dependant on the students' ideas and contributions.

On the other hand, the learning must be meaningful. We remember the two distinctions of Ausubel's interpretation of learning, which identifies – reception *vs.* discovery learning and meaningful *vs.* rote learning. Meaningful learning has important implications for teaching for understanding. Teaching for understanding emphasises the type of change required in cognitive structure by the student during the teaching/learning process.

Bruner (1966) constructed a theory of instruction that put information processing by the learner at the heart of the theory. He suggested four basic elements that assist learning:

1. Learning involves a search for patterns, regularities and predictability.

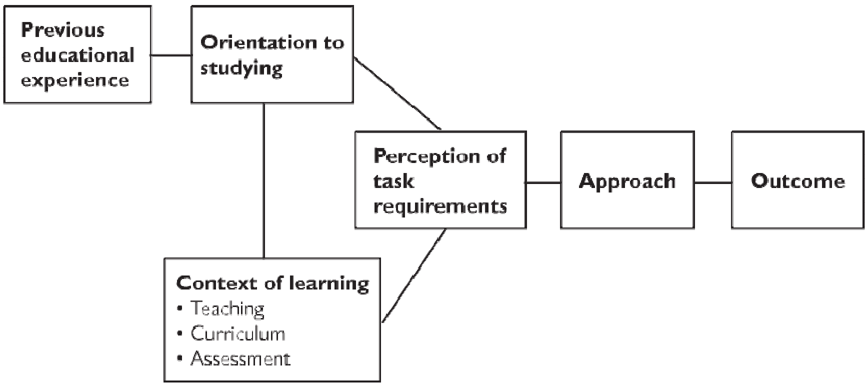
2. Instruction serves to assist students in the formation and discovery of such patterns.

3. The above (2) is necessary if students' activities are transformed into symbolic rational thinking.

4. Action is the starting point for the formation of abstract symbolic thinking.

Bruner's theory gives us useful information of what learning involves, of the process of producing effective and independent learners, a process which vary from student to student. For Bruner, learning involves the discovery of rules with the aim of enhancing and expanding the student's knowledge. The quality of the learning process is determined by the relation and interactions between teacher and student. The teaching procees leds to understanding when students are involved in learning activities. Biggs (1999, p. 13) suggests that 'what people construct from a learning encounter depends on their motives and intentions, on what they know already and how they use their prior knowledge. Meaning is therefore personal'. This approach of learning of interacting with the world has a constructivist perspective. It is not a way of imparting or transmitting knowledge, but a way of facilitating students to build up structures of new knowledge relative to their pre-existing knowledge. The new knowledge depends on the information transmitted by the teachers and on how the students make sense of a particular learning assignment or activity. In order to achieve this aim, the learners must be intrinsically motivated and extrinsically motivated to learn. The motivation has clear implications for teaching sessions. The two types of motivation respond to learning that can influence student achievement. It is about how students experience and organise the subject matter or learning task; it is about 'what' and 'how' they learn, rather than how much they remember (Ramsden, 1992) (see Figures, 1, 2).

Fig. 1. Approaches to learning



Source : Ramsden, 1992

Fig. 2. Student learning in context

Study orientation	Approach	Style	Stereotypic personality	Processes	Probable outcomes
Meaning orientation	Deep active	Versatile	Integrated and balanced personality	Uses evidence critically, argues logically and interprets imaginatively	Describing, justifying and criticising what was learned. High grades with understanding

Meaning orientation	Deep passive	Comprehension learning	Impulsive introvert with a theoretical orientation	Intuitive imaginative, thriving on personal interpretation and integrative overview but neglecting evidence	Mentioning overall argument, laced with illustration and anecdote. (Fairly high grades in arts)
Reproducing orientation	Surface active	Operation learning	Converger with strong economic And vocational interests	Attention to detail, cautious and limited interpretation, syllabus bound and anxiously aware of assessment demands	Accurately describing fact and components of arguments, but not related to any clear overview
Non-academic orientation	Surface passive	Improvidence combined with globe-trotting	Social extrovert with few academic interests or vocational aspirations	Little attention to detail, over readiness to generalise, superficial treatment and casual interpretation	Mentioning often irrelevant facts within a disordered haphazard overview. (Low grades)
Strategic orientation	Deep or surface approach as necessary	Strategic	Stability and confidence combined with competitive aggressiveness	Detail or meaning as perceived to be required by lecturer	High grades, with or without understanding

Source : Ramsden, 1992

3. Strategies and learning styles

Students have particular strategies for learning and different learning styles which emphasise preference for a certain mode of learning. Wolf and Kolb (1984) describe four categories of learning style.

1. Convergent learning. This style is characterized by practical application of ideas, where the dominant learning ability is considered to be active experimentation and abstract conceptualisation.
2. Divergent learning allows the imaginative ability to be developed. The dominant learning ability is considered to be concrete experience and reflective observation.
3. Assimilative learning focuses on the creation of theoretical models and making sense of disparate observations. The dominant learning ability is considered to be abstract conceptualisation and reflective observation.
4. Accommodative learning allows students to carry out plans and tasks that involve them in new experiences. The dominant learning style is considered to be a concrete experience and active participation.

Keefe and Ferrell (1990, p. 16) suggest that a learning style is:

> A complexus of related characteristics in which the whole is greater than its parts. Learning style is a gestalt combining internal and external operations derived from the individual’s neurobiology, personality and development, and reflected in learner behaviour.

Each teaching and learning class needs to be planned in such a way that maximises all potential learning styles. We have to bear in mind that not all students in the class group may adopt the style the teachers wish to put forward. Therefore, the teachers must plan teaching sessions according to student group and involve the learners in the mechanisms of the learning process.

The students develop different learning strategies and demonstrate the ability to select an appropriate learning style from a range, according to the demands of the situation and their own learning (Robotham, 1999, p. 6).

In the workplace the students must know how to express their ideas with others or how to listen carefully to their needs. If they cannot learn to work well with others, their professional success will be in jeopardy. Thus, it is important to realize that the real world is an active learning environment. Doyle (2008, p. 89) suggests that 'being able to offer one's views in clear and concise ways and listen carefully and attentively when working with others are among the most important and valued skills of any professional'. One of the most important aspects of working with others is learn how to give constructive criticism and meaningful feedback to one another. However, many students lack this skill. Doyle (2008, p. 87) presents the benefits of working with others :

- Improves students intellectually
- Stimulates interest in learning
- Increases confidence in intellectual and social abilities
- Improves understanding of group dynamics
- Helps students learn to express feelings
- Can help build assertiveness skills
- Enhances awareness of diverse views and ideas
- Exposes students to different ways of thinking
- Validation of already held ideas and beliefs

Teachers must help students to acquire this essencial skill in order to be effective as a member of a group in working together to reach a goal. Therefore, if teachers will support students in this process, they will be able to take risks and learn from their mistakes.

4. Professional competences for students in the labor market

The higher education institutions have an important role in preparing students for the labour market and also be able to carry on their education throughout their lives, for their personal development and to help them to adapt to changing professional circumstances. Nowdays, after graduation, students need to insert in the labor market and be able to practice their profession. We are asking if there are some conflict between curricular validity, job requirements and the dynamics of changing labor markets in a globalized world.

- What does the relationship between competencies and educational credentials look like?

- Which competencies are decisive for educational and labor market success? To what extent do labor market outcomes depend on acquired competencies, credentials, social origins, social and cultural capital and personality traits?

Van der Velden (2013, pp. 212-213) had identified five relevant areas of competence for graduates: professional expertise; functional flexibility; innovation and knowledge management; mobilization of human resources; and international experience.

Items per area of competence

Professional expertise

Mastery of one's own field or discipline

Analytical thinking

Ability to assert authority

Functional flexibility

Knowledge of other fields or disciplines

Ability to acquire new knowledge rapidly

Ability to negotiate effectively

Innovation and knowledge management

Ability to use computers and the Internet

Ability to generate new ideas and solutions

Willingness to question one's own and others' ideas

Alertness to new opportunities

Mobilization of human resources

Ability to perform well under pressure

Ability to use time efficiently

Ability to work productively with others

Ability to mobilize the capacities of others

Ability to make one's meaning clear to others

Ability to coordinate activities

International orientation

Graduates are expected to have strong competencies in all areas of generic skills. However, it seems that the competency of *international orientation* is very important in the world in which graduates are working. In a plurilingual context such Valencia (Spain), students must have a good command of two languages Valencian and Spanish and other languages, but also understand and empathize with other cultures and reflect on the limitations of one's own culture.

5. Conclusions

In this paper we gave a description and overview of the role and implications of the students and teachers with respect to teaching, learning, strategies and learning styles. We examined also the role of professional competences for students in the labor market. Higher education concentrates on teaching and learning. The main premise is that professional development of every student is closely allied to the learning cycle.

Students, especially students in a pluricultural context have their own identities, learning styles and approaches to learning. Planning and preparing teaching and learning environments that complement such diversity are a constant challenge to the teacher in higher education. The graduate students should be able to develop generic competencies and acquire different types of knowledge in order to ensure their social inclusion in the labor market.

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BELIEFS, ASSUMPTIONS AND KNOWLEGDE OF SPANISH UNIVERSITY STUDENTS ABOUT SLOVAK LANGUAGE AND CULTURE

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Abstract

Nowadays, no one denies the importance of language learning for the training of the individual and for the progress of societies. In Europe, the idea of multilingual European citizenship has been consolidated in recent decades in relation to the perspective of exchange and mobility within the European Union. However, in many cases linguistic learning can be complicated by several factors that are basically extralinguistic. At times, prejudices and linguistic stereotypes persist, mainly because of the ignorance of European linguistic and cultural reality and the possibilities of the own language learning for people's lives and for the development of territories. Research and reflection about beliefs, ideas and representations about languages, their importance and their treatment in the classroom, at all levels of education, is presented as a relevant research field in the current European context: in this line, we present a research on the ideas beliefs and expectations about languages and their learning in the European framework of the students of the Faculty of Teaching of the University of Valencia. The responses of the group of the students to these questions reaffirm us in the idea and invite to a reflection in depth on the treatment of any kind of diversity, and specifically on the linguistic attitudes and their presence in the programs of language teaching.

Key words

Linguistic attitudes, Slovak language and culture, classroom research, university students

JEL Classification: M53, Z13, I25

1. The importance of languages attitudes in language learning

It is a commonly accepted fact that a language is something more than a neutral code or system that serves to communicate: languages are not only objective and socially neutral instruments that convey meanings, but are closely related to the identities of human groups, and as a consequence the evaluation of languages and attitudes that these cause will be in many cases conditioned by this identity element: "If there is a relationship between language and identity, this should manifest itself in attitudes of individuals towards these languages and their users" (Apple & Muysken, 1996, p. 30).

There is no doubt about the importance of these attitudes, beliefs and expectations about languages for their learning. Also, beliefs about bilingualism or multilingualism will decisively influence the learning results: for a subject who considers "normal" to speak an only language, the meaning of language learning will be very different from the meaning that this same process will have on students who have grown up in multilingual contexts or who have in some way experienced in practice the advantages of knowledge and the use of different languages. Different theories, such as the affective filter, teach us that, ultimately, we learn what we want to learn. In our teaching practice we have been able to see how negative linguistic attitudes hindered the acquisition even of linguistic competence. Thus, from the basic idea, to which we referred above, that we learn what we wish to learn, it is quite understandable that linguistic learning is different when the target language is perceived as superfluous, unnecessary and forced by the teaching program. If we add to this linguistic conflict, social conflict between human groups, perception of threat of the own language, perception of imposition of another or other languages or a recent story perceived in a negative way and associated with a specific language or languages, the result can be even worse. Such as Ballester & Mas stand out (2003, p. 15):

> In cases of linguistic conflict, it is undeniable that the negativity load of those concepts regarding the reduced language will affect not only the social acceptance in the use in all areas, but also the learning itself, as it is accepted commonly from Lambert's conclusions about the determining role of attitudes in school achievement.

Solé, in addressing the issue of attitudes and motivation, points out that beliefs produce linguistic attitudes, and insists on a series of interdependent and complementary factors that influence linguistic learning and that can be summarized in motivation, perception and use. The differences in this aspect between the learning of the L1 by a child and the linguistic learning in adults are evident (Solé, 2001, p. 165-166):

> There are three factors that influence the learning of a language: motivation (reasons, desires or interests for the use of a language), perception (ability and process of capturing the functioning of the language that is learnt) and the exercise of the linguistic use. The three factors are complementary and interdependent and are related to each other as three communicating vessels. (…) the child parts from the use, while the adult parts from the motivation or the prior interest in the language, for reasons that can be very different: cultural, professional, educative, political, family, religious, environmental, personal, etc. (…). If it is an adult with insufficient level of internalization of motivation to learn a language, there will not be sufficient impulse to acquire the perception, and the insufficient perception will make the effective use impossible so that, a use vacuum will occur. This inability will cause that the initial lack of motivation goes back.

In other words, the teaching-learning of languages has to do, in many cases, with extralinguistic factors, and sometimes with constructions on certain social groups and their respective languages that are created in the students' minds, and that are closely related to stereotypes and linguistic prejudices. There is no doubt that this complicates learning, and much more in situations of contact/conflict of languages. As Ferreira & Kajala points out, the current trend in research on beliefs is not focused on what students and teachers believe about the process of learning languages , but is focused on how beliefs "develop, fluctuate and interact with actions, emotions, identities or possibilities and how they are built within the contexts of learning and teaching of languages micro and macropolitical" (2011, pp. 281-289).

2. The Common European Framework of Reference and the multilingual reality

The multilingual reality of Europe has raised the need for politicians and educators to strengthen the profile of a multilingual European citizen. Indeed, one of the challenges to achieve an effective union in the continent is the linguistic issue. In this sense the CEFR of languages (2001) is an international standard for measuring the level of both oral and written comprehension and expression in a language. As it is well known, a series of levels are established for all the languages from which the comparison or homologation of the issued titles by certified entities is favoured.

In this way, various indications of the Council of Europe were followed in relation to the heritage of the different languages and cultures of Europe, which is a very valuable common resource that must be protected and developed. Likewise, and because of the above, it is very important to carry out an educational effort so that this diversity stops being an obstacle to communication and becomes a source of mutual enrichment and understanding. Only through better knowledge of modern European languages will be possible to facilitate communication among Europeans and encourage mobility in Europe, mutual understanding and collaboration, and overcome prejudice and discrimination.

It is a multilingual approach, which tries to go beyond multilingualism understood as the knowledge of many languages or the coexistence of different languages in a determined society. *Multilingualism* can be fostered by diversifying the languages offered in a school or educational system, ensuring that students learn more than one foreign language, or reducing the dominant position of English in international communication; However, the *multilingual approach* emphasizes the fact that as the linguistic experience of an individual expands in the cultural environments of a language, from the familiar language to that of the society in general, and then to the languages of other peoples (whatever the way of learning them), the individual does not keep these languages and cultures in strictly separate mental departments, but it develops a communicative competence to which all knowledge and linguistic experience contribute and in which languages interact with each other. This plurilingual profile is intended for all the European citizenship and seeks to promote through various educational and cultural measures.

3. Information and approach of the study

In general, the profile of the sample is formed by students of the Faculty of Teaching, who have Valencian as L1 and who are in the third year of the Degree. The sample has been taken taking as context the *subject Development of communicative skills in multilingual contexts.*

Valencian has been official language since 1983 in the Valencian Community; it is the official language of the University of Valencia and it is compulsory that the students of Teaching, in finishing the Degree demonstrate a linguistic competence of C1 level in this language, since it is a requisite to be able to compete for the public examinations to teachers (in compulsory levels of non-university education). And according to data from the Ramon Llull Institute, if we consider all the territories of linguistic area where the language is spoken (with their different names) they number more than 13 million speakers.

In previous studies on beliefs, representations and attitudes about the teaching and learning of languages in Slovak students (Pardo-Coy & Oltra-Albiach, 2013), through the completion of a questionnaire, conclusions were obtained in which students expressed their opinion about the importance of teaching foreign languages for their training and future work. In addition, they did not perceive any type of threat or hostility towards their own language (this question was related to the existing prejudice that relates the “important” languages to the majority languages or, also, to the language-state relationship).

In this paper, we try to see what kind of reality we face, if it is the same and to what extent. That is why we included questions about what knowledge they have about Slovakia and its language; if, for example, Valencian students consider English as the most important language for any type of communication and if the languages considered the most relevant are the most important; and what impact this could have for the different regional or minority languages that exist and are legally recognized within the EU. Based on a series of questions, we wanted to know what the view of the respondents about linguistic diversity is in the European context and their motivation and interests when learning languages.

4. Valuation of the results

The study has been carried out through a survey, previously mentioned, focused on the issue of linguistic attitudes in University students. We have a total of 97 samples collected in two University classrooms of the Faculty of Teaching, as we have indicated. The survey presented a total of 15 questions divided into 3 blocks: A. Objective data; B. Knowledge and beliefs about Slovakia and Slovak; C. Knowledge and perception of the European linguistic reality.

Within one of the blocks we can find questions with a different type of answer (multichoice, open answer or yes/no). Next, we will comment on the most appropriate or relevant results obtained in relation to the objective of this study.

4.1 Objective data

As objective data, we highlight the sex of the participants, the age, the origin (number of inhabitants of the populations of origin), and whether they had studied other native and foreign languages both inside and outside the school or high school.

It should be note that the study population is mainly female (73%), with an average age of 21 and comes from populations (82%) that comprise between 5000 and 50000 inhabitants. In this block we also asked if students had studied any other languages, either native or foreign in school or high school. The answer was affirmative in a 100% and the same result was obtained regarding the question of which language was: English.

Also, we have found interesting the result on whether they have studied a native or foreign language outside the school or high school. The answer is not unanimous, although most have done so. The one that does coincide is the fact that English continues being the language of majority study, followed by French and Italian.

4.2 Knowledge and beliefs about Slovakia and Slovak

In this block we introduce different questions related to Slovakia and its population (geographical position of the country in the European physical map, characteristics of the Slovak character, if they could point out some historical events related to the country, with what they would associate it, what is the majority religion; if they know a Slovak person and why). There were also questions about the language (Slovak linguistic family; if they know any morphological or syntactic characteristic; how many speakers use it, if they think knowledge of Slovak would be important and why).

Practically equal, between 80% and 90% of the answers obtained in these questions show an almost total ignorance of Slovakia, its language and its reality. With the aim of grouping answers, so as not to be repetitive of these, we can summarize that they do not know how to place Slovakia on the European map, since, mainly, they place it more to the east of Europe than its real position is. Even some answers still speak of Czechoslovakia. They do not know which linguistic family Slovak belongs to and when, once the questionnaire is completed and we talk to them, they recognize that as a Slavic language they only know Russian. That is why they are not able to answer the question about the type of alphabet that is used, whether Latin or Cyrillic. They think that the most important religion is the orthodox one, we suppose because of all the interferences already indicated with the Russian culture. Nor can they say how many speakers Slovak has. They calculate that more than Valencian, mainly, because of the stereotyped association that relates language and state. As

Slovakia is a Member State of EU, its language must be majority respect others. Our students do not know many Slovaks and the few that do is because of the Erasmus programs (either because they have gone to Slovakia, because they have coincided with Slovak students in other countries or have met here in Valencia).

4.3 Knowledge and perception of the linguistic reality in Europe

We start from the question of whether students consider teaching other languages important apart from the L1 and the answer has been affirmative 100%. In addition, it is intended to find out if students know what the CEFR is, if they know how many languages are spoken in Europe, how many of these are official in the EU and finally, how many languages a European citizen should know.

It is hopeful to see how more than 80% of the students have answered that they know what the Common European Framework of Reference of Languages is, although only the 50% of them do not know exactly how many languages are spoken in Europe. Still, we consider that if we take into account the result of the subsequent questions, we can remain optimistic. Above all, we would like to highlight that 80% of students consider that a European citizen should know, at least, three languages.

5. Conclusions

Once analysed and commented the answers given by the students to different questions of the questionnaire, we can draw some general conclusions. We have found many points in common with previous researches, for example, the consideration of English as the most important language for any type of international communication or the fact of considering that a European citizen would have to know, at least, three languages. But we would like to point out that it is clearly visible how Valencian students have little knowledge (and possibly little interest) about Slovakia and its socio-cultural and linguistic reality.

This result reinforces our hypothesis of how the idea that relates language and State is very present in the mind or in the definition of a language as majority o minority. It is well known that languages tend to have the name of the place where they come from, so if there is a country called Slovakia and language known as Slovak, this language is recognized and accepted regardless of the number of people who speak it. Nobody questions if Slovak can be, despite the recognition, a minority language at European area.

We believe that is related to the fact that, although we believe that we must learn or know other languages, we always think in those that may be more useful from the labour point of view. It is not a personal learning, it is a clearly a multilingualism used as a tool. In fact, the few students who proved to have some knowledge or any reference on the Slovak reality, were because of the contact which cause the Erasmus program. We think it is positive and reinforces the idea on the fact of having different lines of contact to establish and strengthen relations among people and cultures not as far or as different as it may seem at first. The solution to the lack of knowledge among cultures is very close.

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