

CARE OF EMPLOYEES – THEORY VERSUS PRACTICE

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Abstract: A lot of effort is made by the students who submit their diploma theses every year. In spite of the fact that the results of their research bring quite interesting conclusions and proposals what might improve the area of human resources management it seems that the only situation where they present the results is the final exam. I have been consulting diploma theses for more than seven years, particularly in the area of employees' remuneration, assessment and also diploma theses dealing with the ways by which companies care of their staff, provide different company and social benefits. The aim of the paper is to gather, to classify and summarize most of the proposals and consequently present them as an opportunity which may support development human resources management theory.

Keywords: human resources management, system of employees' remuneration, system of employees' care, employees' assessment, employees' satisfaction

JEL Classification: J3, J32

1. INTRODUCTION (PURPOSE OF ARTICLE)

Nowadays care of employees presents one of the most important criteria due to which companies' success and competitiveness is considered. Since companies which do their business either in the area of goods production or services providing are aware of this fact they pay reasonable attention to it and try hard to develop and build corresponding conditions supporting its development.

From the point of view of classification of individual forms of employees' care in this paper the most frequently applied division of the forms of care also used in the analysed diploma theses is used. In general forms of employees' care are divided into three types – obligatory, contractual and voluntary one. Consequently we select and concentrate on the analysis of employees' satisfaction with the voluntary care and proposals of the authors of diploma theses which resulted from the analysis and which might become the topic of experts' discussion and impulse for other companies as well. The reason why we focus only on one above mentioned form of employees' care is the fact that this particular form of care and its delivery enables companies to differ from their competitors, become more attractive for current employees, it helps to decline employees' fluctuation, it strengthens their loyalty but also because it enables companies to become more attractive for the applicants and candidates and build good name and reputation in the local community. Not less important is the fact that employees' benefits support building harmonic labour relations in organizations and companies.

2. SCIENTIFIC AIM, METHODOLOGY/METHODS

Based on the analysis of diploma theses which dealt with the topics of employees' care and employees' remuneration and based on questionnaires survey results aimed at level of employees' satisfaction with the provided forms of voluntary care the aim of this paper is to summarize the results of analysis and present also the summary of proposals which diploma theses brought and which concern the above mentioned topic.

The results presented in this paper follow the analysis of employees' satisfaction with the forms of provided voluntary care. To submit the paper particular parts of 16 diploma theses of the students of the Faculty of Economics of Matej Bel University at the Institute of Managerial System in Poprad were analysed. We decided to mention all the authors of the analysed diploma theses at one place since the size of the paper does not allow give each individual name immediately after some facts from diploma theses are provided. So to sum it up the authors of processed diploma theses are: M. Husťáková (2012), M. Matejbus (2012), V. Bartkovská (2013), D. Lesňáková (2013), V. Lisoňová (2013), M. Mrvová (2013), O. Rusnáková (2013), M. Šebestová (2013), M. Vyrostecková (2013), S. Ganzarčíková (2014), I. Lachká (2014), M. Droppová (2015), L. Karpecká (2015), J. Lešundák (2015), P. Slovíková (2015), M. Vrana (2015).

As already mentioned the topic of diploma theses was not only care of employees but also employees' remuneration because actual complex understanding of remuneration which includes various non-financial and non-material forms creates conditions under which this form becomes a lucrative part of the total care of employees. Due to the fact that we analysed also diploma theses aimed at employees' remuneration we got quantitative higher sample of companies and respondents of diploma theses surveys. To sum it up the situation in 16 companies, both production and service companies which differ also due to the number of employees – medium and small as well as big companies, was analysed and the number of surveys' respondents was 1129.

3. FINDINGS

Before we come to the diploma theses results' analysis we think it is important to characterize briefly the subject of analysis i.e. employees' benefits.

Employees' benefits are items of remuneration provided in addition to various forms of financial remuneration (Armstrong, 2002), they are not directly related to employees' performance (Armstrong, 2002; Koubek, 2007; Sojka, 2007), they provide tax advantageous way of

remuneration (Armstrong, 2002), are claimed due to company affiliation, are differentiated due to the position of working place in company organizational hierarchy or length of employment period in a company.

If companies want to utilize all the scale and potential of employees' benefits they have to ensure their directness, transparency and sufficient employees' awareness. Motivational impact of employees' benefits might decline or even disappear in case when it concerns benefits to utilization of which employees are forced or obliged or have to co-finance them (Koubek, 2007).

There are different classifications of voluntary care forms or employees' benefits but in general they include almost the same indicators. Koubek (2007) as well as Bláha et al. (2005) divide employees' benefits to benefits of social character (pensions provided by companies, life insurance paid by companies, loans and guarantees for loans, contributions for day-care centres and nursery schools), benefits related to work/job (meals, more advantageous sale of company products to its employees, education financed by companies, company car parks, providing working clothes, payment of travelling expenses, etc.), benefits resulting from working position in a company (company cars for managers, using company cars for private purposes, right to special clothing and financing other expenses concerning company presentation), benefits that improve free time utilization (cultural and sport activities, organizing trips, recreations for company employees and their family members financed by companies).

Sojka (2007) divides employees' benefits to five groups: benefits based and resulting from laws, standard, specific benefits related to work character, non-standard benefits and status benefits. Antalová (2011) includes there: pension systems, personal securities, financial support or assistance and personal needs.

To analyse diploma theses aimed at voluntary care of employees and employees' benefits the following process was taken: at first we analysed and summarised responses to questions concerning the types of benefits, next we were interested in level of employees' satisfaction with the benefits, then we bring proposals of survey respondents and finally proposals of diploma theses authors.

As mentioned above the scale of offered benefits is varied also due to the fact that it includes the summary of benefits from production companies which differ according to their size as well as due to their products line and service companies providing services in several service sector (postal services, tourism, catering services, communication services, etc.).

The following benefits of social character are mentioned in the analysed diploma theses: contribution to the third pillar of retirement saving or participation in supplementary retirement insurance, extra – additional holiday or time off in the range of several (precisely specified number of days) exceeding the ambit of this legislation or paid off time exceeding the frame stated in the Labour Code – death of parents, husband/wife, one's own wedding, financial contributions on various work and life occasions, share of sales, opportunity to utilise overtimes in a form of days off, partial compensation in case of sickness absence, financial support in case of unfavourable family life events. Survey

respondents are quite satisfied with the chance to utilize mentioned benefits, suggestions concern possibilities to increase the amount of employers' contributions. They lack for an option to use so called social loans.

As far as catering, the situation in analysed companies is as follows: all the companies subsidize lunches, in some case we can speak about over-standard contributions. In one company respondents expressed high level of satisfaction in the area of catering services since their employer provides them 10 luncheon vouchers for free to ensure meals during their absence at work. There are also companies which ensure so called gastro-vouchers. Employees also have a chance to get lunches or warm meals in companies' canteens. One company within the frame of drinking rules apart from availability of tap water offers also coffee, tea and mineral water. The most frequently repeated requirement on the part of employees is the requirement to get gastro-vouchers even in the companies which have their own canteen. The question is why it is so, what advantages gastro-vouchers bring to employees and why employers are not willing to meet this requirement.

In the area of education the survey brought the following information: companies provide education contributions, support higher qualification of their employees, e.g. contribution to support external one-year studies of workers, provide contribution for key employees to get master degree, some companies developed a plan of employees education – it supports qualification of studies and secondary schools and universities, companies provide and finance internal and external trainings, language courses and courses of sign language, educational programmes following companies' needs, pay for regular courses concerning scope of employment of work done. According to the survey respondents views it is a highly required and wanted benefit and they even would welcome and appreciate more opportunities supporting their career development, also the request to concerning foreign internships occurred.

Based on survey results most companies offer more advantageous sale of their products to company employees. This form of benefits take the following versions: discounted accommodation in objects owned by companies, year-long admission to fitness centres, 50% discount for family members accommodation in a company pension, 10% discount of provided products – meals and events organized in a company (restaurants), discounts of selected company products and services, discounts of holiday trips. In one case employees were not satisfied with the benefit since they must pay a certain amount before they are entitled to the benefit.

In connection with working clothes we can state that some companies provide it - especially production companies for their workers and also service companies in the area of tourism, one company provides even seasonal clothes, but an unpleasant surprise was the fact that companies whose employees are often in a direct contact with the clients and which used to provide special clothes do not do it anymore (travel agencies, postal services).

Definitively the highest level of dissatisfaction and a 100% request concerns the contribution, support or financing the transport, travelling to work or repayment of

travelling expenses. As it was found out most companies do not offer this benefit but travelling expenses present a high amount of money which employees have to spend to get to work and back home. Apart from transport contribution respondents also ask for free of charge transport to get to work. The only declaration of surveyed companies' willingness to cope with the requirement is offering accommodation for employees working the afternoon shift, what in fact does not decrease their travelling expenses but eliminates risks related to late night travelling.

Related to the health care the following requirements appeared: to finance health examination when employees join the company, to ensure preventive health examinations for employees working in risky positions, contribution for health care for employees' children, full or partial financing of vaccination. There are also requests concerning maintaining or improving health condition in a form of admission tickets to wellness and fitness centres, relaxation holidays and massages, etc.

Higher level of satisfaction almost in all cases was expressed with both quantity and quality of different cultural, sport and social companies activities in forms of company balls, Christmas parties, teambuilding activities, meetings of all employees, where their satisfaction is discussed, competitions and corresponding financial rewards for winning, meetings of all Slovak employees working in a particular company, meetings of employees with company top management in a form of roadshows.

In conclusion concerning the survey results we provide several specific benefits which exist in some companies: possibility to work from home, existence of employees' phone line, where employees may ask questions also from the area of employees' care and they are responded within 24 hours, there are also employees' surveys aimed at their satisfaction, their results are analysed and feedback is given.

4. DISCUSSIONS

In the next part of the paper we state a summary of proposals delivered by the authors of analysed diploma theses. All of them are aimed at improving the situation and may become a topic of discussion of human resources management experts:

- a) In the area of benefits of social character: to provide employees financial cheques in a nominal value 25€ as recognition of their performance, to offer financial rewards on the occasion of work and life jubilees, to add loyalty rewards on a list of financial benefits, holiday contributions, in case it exists – to lower employees initial duty to get the benefit, to provide social assistance and social loans, to establish a foundation or collection to support colleagues who need help, contribution to life insurance, complementary life insurance, instead of requested 13th salary – provide year-end gift coupons to buy company's products.
- b) In the area of catering: to build catering establishments near to company operations, provide gastro-vouchers due to employees' requirements.
- c) In connection with travelling expenses: to provide financial contribution to compensate the expenses due to the number of driven kilometres - established allowance due to the zones, e.g. 10 to 20 km – 0.50 €, more than 20km – 1 €, to ensure possibility of free

transport to work – to select a bus company – to adapt its time table, to refund travelling expenses – around 50 € per one employee per month.

- d) Education: apart from refunding trainings and courses aimed at laws restatement provide also foreign language courses since a lot of companies owners and partners come from abroad, enlarge the offer concerning education – especially courses of English, computer courses, ensure education in the area of personal qualification development and education in the area of services for business partners, prefer internal company education within flexible working hours, not external one in free time.
- e) Benefits related to a working position: to increase number of employees entitled to use company cars and mobile phones, to participate in selection of mobile services operator.
- f) Health care: weekend stays in spa centres provided and financed once a year for employees doing risky work, a proposal to ensure higher standard health examinations for employees performing physically heavy work, introduce and utilise services of a company psychologist, provide vitamin packets.
- g) Cultural, sport and social company activities: higher quantity of cultural, social and sport activities organized by companies is required and proposed, (companies establishment anniversaries, sport days, open door days), ensuring season-tickets to cultural and sport events.
- h) Introduction of cafeteria system: specific amount of money should be provided to each employee who is allowed to spend it due to his needs and wants, each employee might have his own credit or a determined financial sum. Companies should create and use special software and assign a virtual account to each employee.
- i) Miscellaneous: requirements sufficiently and in proper way inform all employees about offered and provided benefits, due to employees' needs and wants regularly renew and modify the list of benefits, a proposal to reconsider the set of employees' benefits or to work out a directive containing precisely defined employees' benefits and system of their utilization.

5. CONCLUSION

To conclude the paper we think its aim was achieved. As stated at the beginning it brings the summary of the results of analyses of diploma theses concerning the topic of employees' care, particularly forms of voluntary care. As well as the results of the analysis describing the actual situation in the companies also the suggestions of diploma theses authors aimed at its improvement might become helpful for human resources management theory and practice. The results verify and confirm that companies try hard and more-less successfully implement various forms of voluntary care and in their selection they rely on human resources management theory. On the other hand the proposals of the diploma theses authors can be seen as the source of discussion of human resources management experts and help improve practical application of theoretical knowledge concerning the discussed topic and bring fresh ideas to be accepted.

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