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THE EVALUATION OF CORPORATE SOCIAL RESPONSIBILITY AS COMPETITIVENESS FACTOR

Valentinas NAVICKAS, Rima KONTAUTIENE

Abstract

Authors examine the issues in the evaluation of corporate social responsibility (CSR) as a factor of competitiveness. An analysis of definitions of corporate social responsibility revealed that a construct of CSR is not enough understandable and it is not obvious how incorporate into business strategy and performance. Competitiveness at micro level is a multifaceted concept and involves a combination of assets, processes and performance. Various methods of evaluation of links between CSR and competitiveness differ in terms of scope and application aim. The main evaluation issues that arise at the methodological level are: the absence of definite, clear, and solid concepts of corporate social responsibility and competitiveness at micro level, and a variety of competitiveness evaluation methods for their scope and purpose, and a diversity of the interpretation of links between corporate social responsibility and competitiveness.

Key words

Corporate social responsibility, competitiveness, evaluation, methodological issues.

JEL Classification: E32, O11, M14

Introduction

An evaluation can be defined as a systematic process by which a value, weight, significance or other settings of estimated object in employing definite criteria and methodology of evaluation are established. It is necessary to emphasize that an evaluation of CSR as a factor of competitiveness falls into the scope of the aforesaid definition, but also has its singularity. There is often difficult to define (to highlight) the criteria of CSR as a factor of competitiveness evaluation. A concept of corporate social responsibility (CSR) same as a concept of competitiveness is multifaceted. And also an ability to compete, as an expression of an attractive for consumer price - quality of goods [services] ratio, high standards of quality and innovation, a wide range of production and other micro-factors, is very relative.

The problem of the study. A formation of flexible, systematic and detailed methodology of the evaluation of the links between corporate social responsibility and enterprises' competitiveness is an object of a variety of scientific and applied research (Mandl, Dorr 2007; Weber 2008; Massimo et al. 2009; Vilanova, Lozano, Arenas 2009; Martinuzzi, Gisch-Boie, Wiman 2010; Krajnovic, Volic, Predovan 2011; Jeppesen, Kothuis, Ngoc Tran 2012; Wenbiao 2012; Asaul, Faltinskij 2013; and others). It should be noted that there is too little emphasis on analysis of issues in the evaluation CSR as a factor of competitiveness of enterprises in the scientific works.

The novelty of the study. Authors of the study analyzed the issues in the evaluation of CSR as a factor of competitiveness and created a classification of evaluation' methodological issues, that allows prosecute a more efficient sampling of evaluation' methods.

The object of the study: methodological issues in the evaluation of CSR as factor of competitiveness.

The aim of the study: to analyze the methodological issues in the evaluation of CSR as a factor of enterprise competitiveness in purpose to create a classification of issues.

The objectives of the study are:

1. To explore a multipartite scope of corporate social responsibility;
2. To examine a multifaceted concept of competitiveness;
3. To create a classification of issues of CSR as factor of competitiveness evaluation.

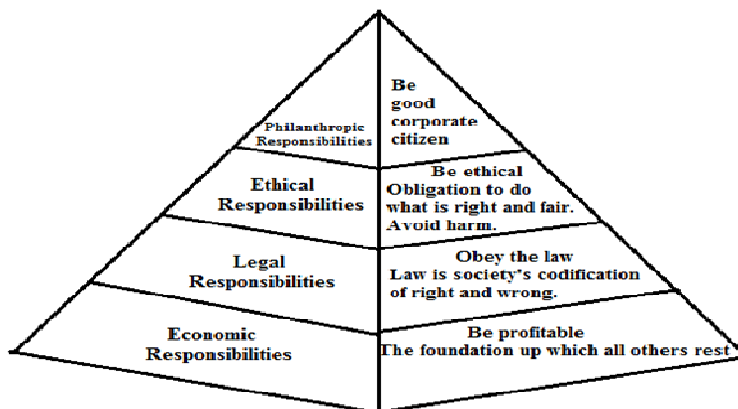
A multipartite scope of corporate social responsibility

According to European Commission's definition (2011) corporate social responsibility [CSR] is "the responsibility of enterprises for their impacts on society....To fully meet their corporate social responsibility, enterprises should have in place a process to integrate social, environmental, ethical, human rights and consumer concerns into their business operations and core strategy in close

collaboration with their stakeholders”. CSR by ISO 26000 (International Organization for Standardization 2010) “is responsibility of an organization for the impacts of its decisions and activities [include products, services and processes] on society and the environment, through transparent and ethical behavior”. In conformity with OECD (2011), “corporate responsibility involves the search for an effective “fit” between businesses and the societies in which they operate”. Also enterprises are encouraged

by adopting a long-term, strategic approach to CSR to explore the opportunities for developing innovative products, services and business models that contribute to societal wellbeing, lead to higher quality and more productive jobs, and to increase productivity and business profitability. Corporate social responsibility is focused on the role of business in the society. While it is quite clear that businesses seek a profit from providing goods and services in response to society’s demands.

Figure 1: Carroll’s CSR Pyramid

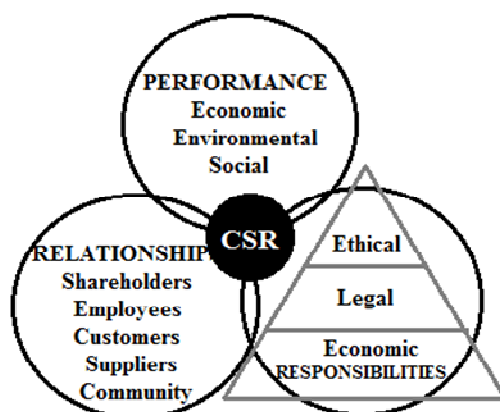


Source: Carroll (1991)

Carroll, as leading researcher in the CSR field, has attempted to coordinate the enterprise’s economic orientation with its social orientation, or the shareholder and stakeholder demands. Carroll created “a four part conceptualization of CSR (to include) the idea that the corporation has not only economic and legal obligations, but ethical and discretionary (philanthropic) responsibilities as well” (Carroll 1979) (Figure 1). All these aspects: environment, social, economic, the stakeholders, and the voluntariness, according Dahlsrud (2008), are referred to in most definitions of CSR. This consistency makes the lack of a universally accepted definition less problematic.

Incorporated in all these definitions of CSR is also the hypothesis that the work with responsibility should create value for the enterprise adapting to it and the enterprise’s needs to focus on the economic dimension. CSR therefore implies the willingness of enterprises to incorporate social, environmental, economic considerations in their performance. It also implies that they are accountable for their impact on the society and environment which means legal, ethical and economic responsibilities in the relationship with stakeholders and in their performance that leads to sustainable development (Figure 2).

Figure 2: CSR scope



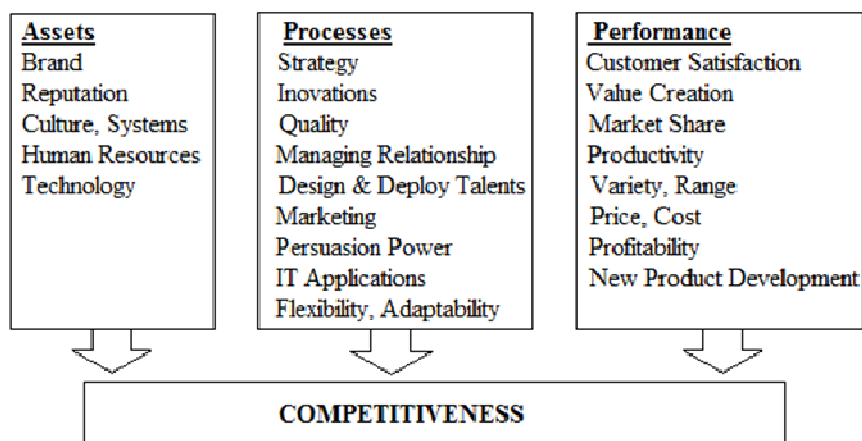
CSR is therefore not an absolute question of right or wrong, rather it is a relative question of what constitutes good business practice in the eye of the emerging societal demands that shapes tomorrows expectations (Werther, Chandler 2005). In summary of what corporate social responsibility is and how it is defined points out that the definitions of CSR are not enough to understand, how CSR is constructed and how to incorporate this into business strategy and performance. According to International Organization for Standardization (2010), the enterprise need to recognize what its social responsibility is within its sphere of influence and identifying and involving their stakeholders, and to integrate the chosen direction and subjects throughout the entire organization. There are tasks that involve more short term commitment, for example to look over the energy consumption, becoming more energy and cost efficient, as necessity for majority of enterprises. CSR for enterprises is the pursuance and at same time control over their economic, social and environmental commitment. For enterprises that have this under control it's a production of innovative products and services that ensure profitability and competitiveness of business and that faces the challenges of the future holds.

A multifaceted concept of competitiveness

The question of competitiveness increase is becoming more and more topical between scientists. In modern environment fast processes of internationalization and globalization encourage researchers and practitioners from around the world to focus on the concept of "competitiveness" and on the ways and means of competitiveness increase and on the analysis of solutions. Competitiveness remains a

concept that can be understood in different ways and levels despite widespread acceptance of its importance. The concept of competitiveness is distinguished at different levels – micro- (firm), meso- (regional/industry) and macro- (country) (Porter 1998; Maskvytiene 2002; Randomaskaite, Banyte 2003; Ambastha, Momaya, 2004; Depperu, Cerrato 2005; Beniusiene, Svirskiene 2008; Staskeviciute, Tamosiuniene 2010). Smith (2003) stated that "at level of an individual business enterprise, competitiveness is primarily a matter of being able to produce goods that are either cheaper or better than those of other firms". Similarly, according to Navickas and Kontautiene (2013), „companies' competitiveness refers to their ability to produce high quality goods and services in an efficient and innovative way and by that to outpace their competitors. Companies can gain competitiveness through offering their products and services at lower prices than competitors, or through offering products and services at comparable cost but in unique quality creating a greater buyer value". To provide customers a higher value and satisfaction with respect to the competitors, enterprises must be operationally efficient, cost effective, and quality conscious (Ambastha, Momaya 2004). Enterprises competing on an open market are under pressure to adjust price of their products and to meet the needs and expectations of customers (Rojaka 2009). The position of the enterprise in the market as well as its potential in the competitive struggle is traditionally described as competitiveness (Mickeviciene, Zitkus 2011). To keep up with the pace of the market, the enterprise must try to function as efficient as possible. Failing to do so, the enterprise will not be able to hold its position nor make sufficient profits and eventually cease to exist (Schuller, Lidbom 2009).

Figure 3: Factors of firm level competitiveness



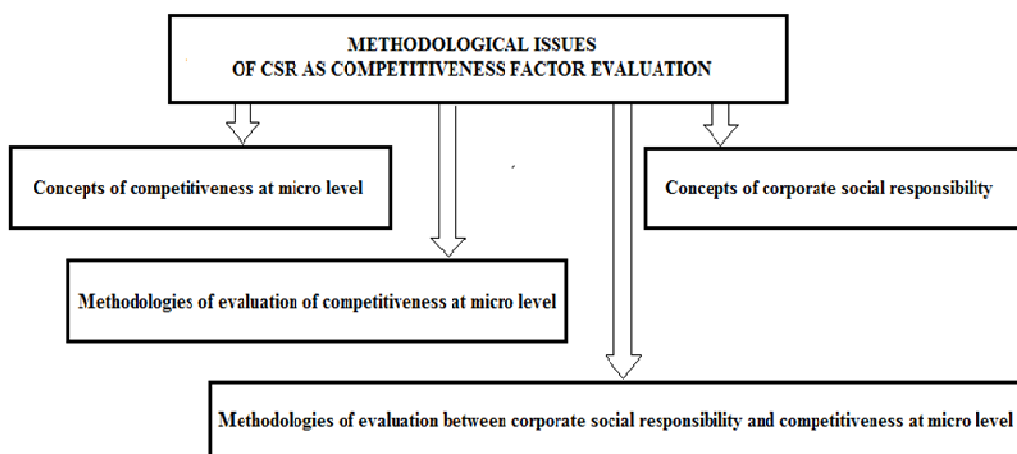
Source: Ambastha, Momaya (2004)

Competitiveness at firm level involves a combination of assets, processes and performance (Ambastha, Momaya 2004) (Figure 3). Porter (1998) noted that “firms, not individual nations, compete in international markets”, so it is important to understand how enterprises create and maintain a competitive advantage. On the other hand, the assessment of the activity of particular enterprise is not possible disassociated from the meso- and macro- context (Navickas, Malakauskaite 2010). There is disagreement in the scientific society, how it should be best to classify the factors of enterprises’ competitiveness and which of them are underlying (Diskiene, Marcinskas 2001); sources of competitive advantage are interpreted differently and their priority is highlighted unequally (Beniusiene, Svirskiene, 2008). Aforesaid problems are proper to competitiveness in common sense and thus much to dimensions of enterprises’ competitiveness. As well there are confronted with methodological problems and limitations of evaluation of enterprises’ competitiveness in the scientific society (Bruneckiene, Cincikaite 2009; Bruneckiene 2010; Navickas, Malakauskaite 2010). The competitiveness of enterprises still remains one of the most important subjects of economic and business scientific research currently, although there is the lack of an undivided scientific viewpoint in the fields of factors, strategies, sources of competitive advantage and competitiveness evaluation.

Classification of CSR as competitiveness factor evaluation’ methodological issues

A formation of flexible, systematic and detailed methodology of the evaluation of the links between corporate social responsibility and enterprises’ competitiveness is an object a variety of scientific and applied research (Mandl, Dorr 2007; Weber 2008; Massimo et al. 2009; Vilanova, Lozano, Arenas 2009; Martinuzzi, Gisch-Boie, Wiman 2010; Krajnovic, Volic, Predovan 2011; Jeppesen, Kothuis, Ngoc Tran 2012; Wenbiao 2012; Asaul, Faltinskij 2013; and others). On the basis of applied research (Mandl, Dorr 2007; Massimo et al. 2009; Martinuzzi, Gisch-Boie, Wiman 2010; Krajnovic, Volic, Predovan 2011; Jeppesen, Kothuis, Ngoc Tran 2012), it can be argued that methodologies of the evaluation of the links between CSR and competitiveness of enterprises differ in their scope and purpose. The link between CSR and competitiveness of enterprises is most commonly evaluated in the enterprises of individual sizes or sectors. The evaluation is individually treated in the countries of different development. This is due to the different approach of the concepts of CSR and of competitiveness at micro level, and to different priorities related to factors of CSR and competitiveness, and to various indicators and criteria of the evaluation. There are a variety of methodological issues in the evaluation corporate social responsibility as a factor of competitiveness that are presented in Figure 4.

Figure 4: Methodological issues of CSR as a factor of competitiveness evaluation



Methodological issues in the evaluation of corporate social responsibility as a competitiveness factor are:

- The issues conditioned by concepts of enterprise competitiveness. An analysis of the economic

literature suggests that there isn't a unified concept of enterprise competitiveness still. Enterprises' competitiveness is determined by the resources, processes, activities, external (region, country) and internal environment. There is no consensus on the classification of the factors and

strategies of enterprises' competitiveness and on the priority of the sources of competitive advantage. A variety of factors affecting the competitiveness of enterprises and differently treated importance of economic and social factors structure differently perceived concepts.

- The issues conditioned by methodologies of the evaluation of the competitiveness at micro level. A wide range of concepts, on which basis there is perceived competitiveness of the enterprises, accordingly form a variety of evaluation' methodologies. On the basis of the analysis, it can be argued that the methodologies for the evaluation of the competitiveness at micro level differ in their scope and purpose, even when an object of the evaluation is the same - the enterprise. This means that, due to the different methodologies for the evaluation of the same object, it is possible to get completely different or even conflicting estimates of the competitiveness. It should be noted that, in the absence of a unified concept of competitiveness at micro level, there is the problem of the creation of objective system of competitiveness at micro level criteria.
- The issues determined by concepts of corporate social responsibility. An analysis of CSR concepts suggests that has not yet formulated a unified concept of corporate social responsibility. Corporate social responsibility is understood as environment, social, economic commitments of business, but in conformity with definitions of CSR there is difficult to understand the construct of CSR and how to incorporate this into business strategy and performance.
- The issues determined by methodologies of the relationship between corporate social responsibility and competitiveness at micro level evaluation. On the basis of carried out analysis of research of the links between corporate social responsibility and competitiveness of enterprises, it can be argued that, depending on the size of the enterprises, on the nature of the activity and legal form, on the industry, region, or country in which the enterprise operates, differently perceived evaluation of CSR and competitiveness at micro level. The kind of work that the enterprise does is highly subjective and connected to among other things the type of business their active in. A diversity of the interpretation of links between corporate social responsibility and competitiveness respectively conditions a variety of evaluation' methodologies.

The main methodological issues, arising in the evaluation of corporate social responsibility as a

factor of competitiveness process, are a shortage of united, definite concepts of corporate social responsibility and competitiveness, and the issues determined of methodologies for the evaluation.

Conclusions

According to definitions of corporate social responsibility, CSR is focused on the responsibility of business to the society. Enterprises also seek a profit from providing goods and services in response to society's demands, so they should coordinate its economic orientation with social orientation, or the shareholder and other stakeholder demands, and to do it in legal and ethical way. The scope of CSR is wide. There is not quite understandable how CSR is constructed and how to incorporate it into business strategy and performance from definitions of CSR. The process and purpose of CSR incorporation related with enterprise' sphere of influence and the type of business it active in.

The competitiveness at micro level is regarded as a complicated economic category with singularities and a broad spectrum of indicators that are used in the process of the competitiveness' evaluation. There is a large number of factors, which influence the competitiveness of enterprises, has determined the certain issues in the evaluation' process. There is disagreement in the scientific society, concerning the classification of the factors of enterprises' competitiveness and the priority of the sources of competitive advantage. In terms of competitiveness, it is important to take into account the fact that basically competing individual enterprises, but even in the evaluation of a particular enterprise' performance, it is impossible to disassociate from the meso- and macro- context.

The accuracy and the value of evaluation' results and also the complexity and cost of the evaluation' process directly depend on the methodology's of CSR as competitiveness factor evaluation completeness and elaboration. The methodological issues of CSR as competitiveness factor evaluation are conditioned by concepts of corporate social responsibility and enterprises' competitiveness, necessitated by methodologies of the evaluation of the competitiveness at micro level, and determined by methodologies of the relationship between corporate social responsibility and competitiveness at micro level evaluation.

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SOCIO-ECONOMIC ASPECTS OF PROMOTING INTERNATIONAL TOURISM IN GEORGIA

Maka PIRANASHVILI, Nodar GRDZELISHVILI

Abstract

International tourism in Georgia has a high opportunity of promotion in the sphere of brisk economic growth, increase of population employment level, economic thrive, regional assimilation, development of infrastructure and private sector. Social-economic benefits gained as a result of promotion of international tourism are revealed in the following: Tourism provides employment of local population as in tourism sphere directly as well as in different sectors of managing and regulating recourses; It is a stimulator of local production – hotels, restaurants, transport systems, samples of works of art, etc. Represents one of the sources of bringing foreign currency into the country; Makes local economy various, rural areas in particular where farming and agricultural activity are not regular or in most cases insufficient; Stimulates increase of the demand on agricultural production as a result of attracting capital; Improves infrastructures of local transportation and communications; Stimulates exploitation of the lands that are less useful for farming; encourages natural plant coverage of big areas of lands; Fosters understanding of different peoples and establishment of international contacts; Recreational sites for the implementation by locals and tourists are created with its help and other. There exist different methods that can be used in tourism to enforce economic benefit and they should be regarded in the process of planning in order to eliminate or minimize potential problems. One of the most important methods is strengthening the links between different branches of tourism and economy leading to the decrease of import contribution and increase of the commodity of local production; besides, local employment (indirect and generated) grows as well along with common revenues in tourism.

Key words

Georgia; International tourism; tourism product; tourism development; tourism statistics.

JEL Classification: O18, R 10, R11

Introduction

In many countries tourism is a significant part of economics, which in case of proper planning should provide an economic development of the country. The inner character of tourism envisages that a tourist necessarily has to leave free money in host country or region. Tourism is based on the exploitation of local tourism resources, but at the same time the country or the region should get income.

For the development of a modern economy the development of separate fields is not so much characteristic, as far as the functioning of various interbranch complexes. Tourism should be considered to be as a large independent interbranch economic complex of the national economy, as its sphere while integrating various branches is located not in a usual vertical space, but also includes a horizontal space, which contains enterprises and organizations of various branches.

The above mentioned can be demonstrated as follows: tourists play the role of buyers, or everyone tries to meet their needs related to their recreation within their capabilities. A tourist pays the needs

related to traveling by the remuneration for provided work and in this way a tourism industry is funded.

The executors of tourism activities perform the formation of tourism offers. They purchase venture resources (personnel, capital, land), perform their combination during the production of the tourist product and offer it the consumer (tourists), receive the appropriate amounts from the sale of products.

1. Factors having impacts on the development of international tourism

The development of tourism (the construction of roads, hotels, resorts and accomplishment of new recreational areas) requires large capital investments and is financed from different sources (government structures, private and international organizations, etc.).

The increase of the volume of tourism industry is also reflected on other spheres of the economy, where the new workplaces are created, trade turnover is expanding and, correspondingly the profit increases. A part of received incomes comes to state budget as the revenues. The sums accumulated in such a way

may be used for the financing of further development of tourism infrastructure.

Tourism should be considered as an economic category which expresses the unity of interdependent

branches of national economy and enterprises, having one functional aim – to satisfy the ever-increasing requirements of the population for rest and traveling by means of the usage of existing tourist resources.

Scheme 1: Number of tourism arrivals into selected countries

TOP five - Country	2014 - Incoming	2015 - Incoming	Percent Change
Azerbaijan	82 937	92 844	11.95%
Turkey	96 434	84 368	-12.51%
Armenia	69 052	67 351	-2.46%
Russia	43 075	40 150	-6.79%
Ukraine	8 212	7 350	-10.50%
Other	19 789	17 404	-12.05%
<i>Total</i>	<i>319 499</i>	<i>309 467</i>	<i>-3.14%</i>

By:

In Georgia a tourist market should be considered as an economic category which expresses the unity of socio-economic processes and relations between producers and consumers of travel services in the sphere of marketing researches, production, exchange and distribution. Proceeding from this, the need to identify the problems of analysis of modern tendencies development of Georgian and world travel markets and their functioning objectively arose.

For successful planning, development and management of tourism it is necessary to have a clear understanding of socio-economic, ecological and cultural aspects. In many countries around the world the main grounds of tourism development appears to be its economic profit, but proceeding from the conception of sustainable development, the social, ecological and cultural aspects also have a great importance. In order to achieve balanced development, the unity of expenditures, profit, ecological, social and cultural character in the complex should be taken into account.

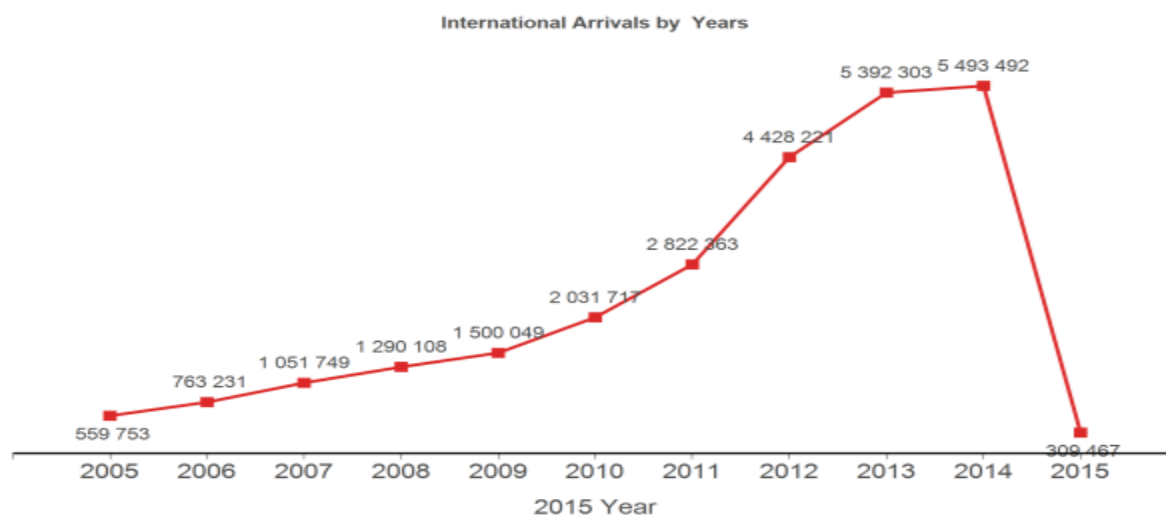
For the determination of the types of tourism activities a standard, international classifier may be used, which allows to measure an economic significance of tourism in the national sector. In such a case the following may be considered as a standard economic measurements:

1. The revenues and share in general national and domestic product. This index indicates a relative

importance of tourism in the economics as a whole.

2. Foreign currency coming from International tourism. This index includes a general income in foreign currency (a total amount of foreign tourists expenditures), as well as net income in foreign currency (foreign currency which remains in the country with the subtraction of spending part). This expenditure itself appears to be a foreign currency which is spent on the import of goods, services, hotels equipping, etc.
3. Local working places which are created by tourism according to various types of employment:
 - direct employment – people who work in tourism companies (hotels, tourist operative companies, tourism agency, etc.);
 - indirect employment – working places, which are created in provider sectors (agriculture, creation of folk handicraft samples, etc.);
 - generated employment – new working places created as a result of tourism activities;
 - employment on the construction sites – working places which are created in the process of construction of tourist facilities and infrastructure. The employment of such a kind appears to be an occasional phenomenon, but it may also be long-lasting in the regions which have a good tourism potential and where tourism develops without hindrance.

Graph 1: International arrivals by years



Source: Information Center, Information-Analytical Department, Ministry of Internal Affairs
 Developed By *Caresoft*

4. The incomes to state revenues - they include revenues from hotels and tourism companies, airports and other transport means, as well as from the custom taxes on imported goods in tourism sector, revenue taxes from tourism companies, etc.
5. The effect of multiplication shows the impact of direct expenditures from tourism on the economy of country as a whole. By means of this index it is measured how the leakage of tourist expenditures from the economy takes place and how it generates various types of economic activities.
6. One more impact of tourism is that it promotes the development of transport which is used by the population of the country. Besides, it can play a role of catalizer in the development of different spheres of economics.

Tourism has a high possibility of the rapid growth of the economy, it enhances the population's employment level, promotes the equalization of regional economic development, as well as the development of infrastructure and private sector.

Socio-economic benefit obtained as a result of tourism development is expressed in the following:

- tourism provides the employment of local population in different spheres of tourism, as well as the maintenance and management of resources;
- tourism appears to be a stimulator of local profitable production – hotels, restaurants, transport systems, folk handicraft samples, etc.;
- it is one of the important sources of foreign currency bringing in the country;

- it brings diversity in local economy, especially in agriculture where agricultural activities is irregular and insufficient;
- it stimulates the increase of requirements on agricultural production as a result of capital attraction;
- it improves infrastructure of local transport and communication;
- it stimulates a productive use of those lands which are less useable for agriculture thus contributing to cover the vast tracts of land with natural vegetation;
- it promotes the understanding between the different peoples and the establishment of international contacts;
- thanks to tourism the recreational facilities are set up which may be used both by local population and foreign tourists, etc.

There are different methods which may be used in tourism for enhancing the economic profits. These methods should be taken into account in the planning process for the elimination or mitigation of potential problems. One of the important methods is considered to be the strengthening of relations between tourism and different fields of economy. As a result of this, a contribution of import reduces and a volume of the goods of local production increases. Along with it, a local employment (indirect and generated), as well as total incomes from tourism increase.

With the positive results of tourism development, the negative effects of the economic impact of this field should not be forgotten. Sometimes the developing countries look at tourism excessively optimistically. They perform an active investment

policy, which is focused on the development of tourism and has a prioritized character. In special cases such an approach may lead us to the rejection of more important needs of the country. For example, the monetary sources which are put in tourism, could be used for education, health and other social needs

Sometimes an inflation rate increases as a result of tourism development. The tourists place their money in the economy of visited country and as the incomes increase, it may become a reason for inflationary pressure. The prices on goods of primary consumption are increased (grocery products, clothing, accommodation and transport). As a rule, the prices on the lands especially increase in tourism regions. The price which the foreigners pay without problems during their vacations in tourism country may be unreachable for local population. They (who have relatively low incomes) will be simply “driven out” from the countries with developed tourism industry.

The positive economic impact of tourism may be decreased in country if a specific share of imported goods and service is high in tourism sphere and if foreigners own and manage the majority of tourist facilities. Accordingly, the profit will be in their hands and cause discontent in the population of the tourist region. But it should be noted that some types of tourism practically cannot be developed without foreign investments. Especially, it can happen at the initial stage of development when a local capital and management potential are limited.

In those countries where a local production is not well developed, it is impossible to reduce a share of import in tourism, although employment provision and gain incomes often justify the foreign investments.

Thus, in case of effective management the tourism may play a significant role in the process of economic growth. However, the development of the sphere is due to the political will and creation of supportive environment by the State, which, first of all, needs the elaboration of complex state program. Without this the development of tourism, as one of the priority sector of economy, is impossible.

2. Sustainable economic development of international tourism

The strategy of sustainable economic development is focused on the following:

1. Orientation on the development of increasing foreign tourists bringing
2. Increase of foreign tourists expenditures

3. Ranking of economic effectiveness of tourism types
4. Development of tourist infrastructure with accelerated paces of those regions which have a high level of effectiveness in terms of incomes gained from tourism
5. Development of local tourism and ensuring of its close relations with International tourism.

In Georgia tourism policy should be based on the concept of sustainable development. At the given stage a main goal of Georgian tourist policy should be the creation of new working places and provision of a maximum growth of the sphere by means of generating incomes in foreign currency. In this regard the government should support the private sector and move a main focus on the support of private entrepreneurs.

The government which, of course, expects the private sector to pay revenues, should recognize its responsibility for the improvement of tourism infrastructure. Such an interresponsibility evokes an atmosphere of trust and will stimulate a dynamic development of private sector. In the coming decade Georgian tourist policy should be directed to the maintenance of liberalization and support the investments. It is unlikely that the Georgian local capital satisfies the needs of long-term growth of the sector. Therefore, the attraction of foreign investments will be very important. The supporting tax and credit policy should become the subject of foreign investors' interest.

Because of economic, social, cultural significance and generally, because of high rates of the development, tourism is considered to be an economic discovery of the XX century. The development of tourism should be regarded from the point of view of overall state of economy in the country. In particular, when in conditions of 1% growth of overall real consumption the relative prices do not change, the number of tourists is unchangeable, in conditions of 2.5% growth the number of tourists increases by 4%, in 5% growth – by 10%. When overall real consumption growth is less than 1%, the number of tourists reduces.

The primary task which tourism is facing today in Georgia, is the creation and promotion of image of Georgia as a tourist country. To achieve this goal it is necessary to actively participate in international tourism exhibitions and markets and promotion of Georgian tourism product. Ultimately, it should ensure to increase an interest to the country, as well as the increase of foreign tourists flow to Georgia and to stimulate the demand.

The second and not less important problem is the fact that almost none of the basic conditions have not

been created in Georgia for the development of effective tourism. There is a large number of these conditions. Unfortunately there is no systematic approach to tourism in Georgia.

Conclusion

By the data of the first two months of the year 2015 Georgia was visited by 309 467 people which is 3.2 % less compared to the analogical data of the previous year (319499 visitors). Georgia is often visited by Azerbaijani (92 844 visitors), Turkish (84 368 visitors), Armenians (67 361 visitors), Russians (40150 visitors), Ukrainians (7350 visitors). The number legs behind compared to the previous year on 12,05 %. It was reflected in the revenues from tourism and the decline is rather significant as the decrease in currency income from international tourism was stated to be one of the reasons, along with others of course, to cause inflation in Georgia. We should also emphasize that recently tourism share in gross domestic product fluctuates from 6 to 7% which means that Georgia among touristy countries takes a certain position and becomes related to the revenues coming from international tourism. By the data of the year 2013 the number of income exceeded \$1.7 bn.

Conclusion

International tourism appears to be a complex and varied phenomenon often called a "phenomenon of XX century". At present quickly upcoming International tourism has become one of the important and high-profitable sector of world economy. It has taken a global character and has an essential influence

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on the national economy of many countries in the world.

An incoming tourism which appears to be one of the tendencies of international tourism is especially accentuated in Georgia.

Due to its natural, geographical, recreation possibilities and historical-cultural heritage Georgia has a great potential of tourism and health-resort business. There are 12.000 historical and cultural monuments, 103 health resorts, 182 resort places, 2400 mineral water springs and 8 National parks in Georgia. In the view of the significance of the resources potential necessary for the development of tourism Georgia appears to be a distinguished country and there was a keen interest to it from time immemorial. The existence of the myth about the Argonauts is evidence of it.

International tourism appears to be the future of Georgia. There are all conditions for becoming tourism industry a priority field of the economics of the country.

In our opinion the tourism planning should be carried out considering the following conditions:

- clarify the policy and direction of tourism – what are its goals and how to achieve them
- the optimization and balancing of economic, social and cultural conditions
- a close relationship between tourism and other spheres of economy
- tourism should be developed in such a way that natural and cultural resources of the country should be useful both at the given stage and for the future.

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INNOVATIVE HUMAN RESOURCE MANAGEMENT AS PRODUCT OF ACTIVITY OF MODERN UNIVERSITY

Bela GODERDZISHVILI, Tamari BERIDZE, Natalia TCHANTURIA

Abstrakt

In modern universities, being one of important catalysts of innovative processes in society, it is necessary to adapt in due time for the global changes happening in the world community to answer the international criteria of quality of education. More and more actual is a role of the higher school in ensuring steady formation and effective use of scientific and innovative capacity of the country. For modern higher education institution timely formation of the personnel resources conforming to requirements of innovative character of modern economy is. The problem consists not only in the level of professional education and to volume to investment enclosed in education, but also in change of personal shape of these shots motivated, first of all, to innovative development, an initiative, self-training. The used complex system of motivation, gives opportunity freely and effectively to introduce innovations in educational process, including methodical work of the teacher that radically changed not only organizational administrative activity of higher education institution, but also educational process, its organization, relationship with the trained.

Key words: *University, management, development*

JEL Classification: O15, O31, O43

Introduction

Modern universities are one of important catalysts of innovative processes in society which needs necessary to adapt in time the global changes happening in the world community to answer the international criteria of quality of education. The role of the higher school in ensuring steady formation and effective use scientific raises and innovative capacity of our country.

Accession of Georgia to Bologna Process and integration into uniform world educational community causes the necessity of essential change in the organization of educational process and activity of the teacher. There is a transformation of a role of education in modern society. Information society sets new tasks for an education system: mastering ways of continuous acquisition of new knowledge and ability to study independently; development of skills of work with any information, with diverse, contradictory data, formation of skills of independent (creative) type of thinking.

Level of modern society is characterized not only economic display - but also conditions of development of the person, opportunities of his self-realization. The university needs to pass to innovative human resource management, to create conditions of professional and personal growth of the research and educational personnel, by means of a package of measures, directed on effective selection and placement of personnel, formation of comprehensive

system of professional development for all categories of the personnel, ensuring social security of teachers and development of the positive social environment in higher education institution, improvement of system of material stimulation of activity of employees.

Teaching and new technologies

For modern higher education institution timely needs formation of the personnel resources conforming to requirements of innovative character of modern economy. Wide use of modern information and computer technologies is reaction to social and economic globalization and at the same time – a factor of strengthening of universal integration tendencies. The key direction of the strategic development plan of university is training, capable to answer calls of the modern world, and formation of competences of "innovative person". The research and educational personnel has to meet the requirements of that audience in which they bring knowledge. The faculty acts as the subject of quality of education, as from teachers the level of training of the experts released by higher education institution depends, finally.

The modern student is the participant of network community of innovative youth, perfectly knowing the information technologies suitable for communication, works, training in any place, at any time, in any format. Trained better perceive information in relatives to them hi-tech paradigms (the Internet, audio and video of the schedule, the

hypertext, Wicky, system of an exchange of short messages, etc.). Prefers to operate the time, not to remember a large number of information, and to own with - temporary systems of fast search and the analysis of network information on the subjects interesting it.

The teacher has own technologies, but also understand the concept, will turn from information source in the conductor of the global world of knowledge. In the conditions of dynamic changes of knowledge quickly become outdated, in what train students at the first year becomes outdated already to a third year, almost continuous professional development of the research and educational personnel that is possible only to have necessary created self-training the organization with use of electronic training.

Today it is absolutely obvious that training of the research and educational personnel and continuous professional development taking into account the strategic direction organization and world tendencies is a priority task of higher education institution. Management of continuity – rather new approach in educational strategy staff management. It doesn't consider candidates on defined positions. The main objective - to create a bench of the substitute players possessing high potential for performance of important roles for the company. Planning of continuity is the purposeful work connected with providing the company with the necessary personnel in future prospect. Management of continuity is a part of the general education program which to seek to attract the best candidates from labor market, to grow and hold the best employees in the company and to use target development of employees for continuous of business efficiency growth.

Today the comprehensive program on development of the personnel of university, on the basis of competence-based approach, and it, certainly, a problem of the management of higher education institution is necessary. The social orientation of development of the personnel allows employees continuously and constantly to increase the professional level.

Teachers who in addition to classroom occupations actively use tools of electronic environments and social networks, note obvious following advantages of such form of interaction with the pupil, including:

- possibility of training in information environments "close" to the pupil;
- overcoming of a territorial and organizational barrier;
- continued support of the pupil, interaction with the teacher;

- possibility of collective work, development of interprofile works;
- ample opportunities for open discussions on a subject;
- ample opportunities for exchange of information and the best practician;
- training during life continuity;
- development of the principle "training as lifestyle".

Innovation methods within the education process

For the most effective achievement of the objectives of internal training many foreign higher education institutions, by experience of the large companies, create own corporate universities. Need of creation of long-term system of development of the personnel, and also growth and development of the organization that causes the necessity of effective management of changes is the reason of creation of corporate universities.

The system of training of employees includes the following basic elements:

- improvement of professional, administrative, information, communicative and language competences by means of internal and external courses;
- exchange of experience by means of the organization of training, business trips, participation in conferences, seminars, round tables;
- the organization of adaptation courses for new employees;
- use of trainings for diagnostics and to development of leadership skills and motivations of employees,
- to increase of feeling of a personal responsibility and readiness for achievement of good results.

For teachers it also, creation of new training courses, development of the new equipment or acquisition of new knowledge of a subject.

Work at organizational and administrative seminars is constructed in such a way that includes various formats of carrying out:

- lecture occupations and master classes, with attraction of experience of leading experts and the organizations in professional areas and electronic training
- the seminar occupations in small groups directed on formation of information and communication competences of the sphere the highest vocational education.

The scope of lectures, seminars and master classes is defined by strategic tasks and the priority directions

of higher education institution at a certain stage training in the following directions is, so, provided:

- quality of training of specialists;
- regional development;
- investment into own development;
- formation of a control system of knowledge.

Today, thanks to a high level of development of computer and communication technologies, process of training of the personnel can be organized on the job. It is promoted by technologies e-Learning which were widely adopted in educational process.

The concept of modernization of educational system of Georgia, makes great demands of quality of work of teachers.

Higher education institutions need to develop system of an objective and fullest assessment of activity of the teacher which is unconditional has to include development and formation of competences adequate to modern educational tools and technologies.

Integration of the Georgian higher education institutions into the European educational space promote expansion of communications with the leading foreign universities and the research organizations, participation in projects of the international organizations.

Joint projects, certainly, have essential impact on quality of educational programs. An example of effective cooperation with the European educational organizations it is possible to call joint projects for which successful realization, scientific and pedagogical workers and the staff of university need knowledge of a foreign language. In the conditions of a staff deficit of higher education institution, meeting the specified requirements which are the most acceptable their training within corporate university. As the main results of such project it is possible be allocated the following achievements:

- knowledge, abilities, skills of teaching activity in a foreign language;
- development of educational and methodical materials for students in a foreign language;
- participation in the international actions with reports (associations, the summits, programs of

partners with foreign higher education institutions);

- participation in the international scientific projects.

Conclusion

The used complex system of motivation, gives opportunity freely and effectively to introduce innovations in educational process, including methodical work of the teacher that radically changed not only organizational administrative activity of higher education institution, but also educational process, its organization, relationship with the trained.

The modern, qualified, well trained teacher is one of the central figures of development, modernization of the country. Despite system approach to management processes and developments by the personnel for the last decade, we face a number of questions, to resolve which to higher education institution independently rather difficult: an important obstacle for introduction of innovations, is the psychological barrier of teachers to innovative changes that is generally shown in the personnel of advanced age.

The global tasks standing today before an education system of Georgia, it is possible to realize only by means of change of approach to educational system, both from the state, and from the academic public, regarding changes of requirements, criteria of an assessment, programs of training, indicators of efficiency of activity and the stimulating indicators to the most important shots in education – pedagogical science.

Universities pass from a stereotype "education for the rest of life", to a new paradigm "education during all life" today: ensuring innovative character of basic education; modernization of institutes of an education system as instruments of social development; creation of modern system of continuous education, preparation and retraining of professional shots; formation of mechanisms of an assessment of quality and a demand of educational services with participation of consumers.

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EMPLOYEE REMUNERATION STRATEGIES*Karol KRAJČO, Boris JANSKÝ***Abstract**

Suitably motivated employees ensure long-term and stable business performance. Therefore, the task of managers to create conditions that contribute to the proper motivation of employees. Among the most effective tool of motivation is effectively set the remuneration policy. The actual salary increases cannot be considered an effective strategy, it must be synchronized with the strategic plan of the company for the creation of an appropriate work culture. Suitable linking both forms of remuneration is a prerequisite for an appropriate strategy of employee remuneration. Article deals with area of creation employee compensation strategies. Efficient and correct strategy is a prerequisite to the successful fulfillment of business objectives. In this article we describe the basic theoretical and practical knowledge in the field employee compensation. The methods of employee motivation through various bonus systems currently.

Key words

Remuneration, wages, bonus reward systems, employee motivation

JEL Classification: M20, M54, K31

Introduction

The current situation of strong competition in the labor market also requires by firms suitable motivate their employees. Suitably motivated employees ensure long-term and stable business performance. Therefore, the task of managers to create conditions that contribute to the the correct motivation of employees. Among the most effective tool of motivation is effectively set the remuneration policy. The actual salary increases can not be considered an effective strategy, it must be synchronized with the strategic plan of the company for the creation of an appropriate work culture. Thus defined strategy is essential for attracting and retaining quality, experienced and talented workforce at all staff levels in the company. According Koubek (2007) belongs to the area of remuneration of the oldest and most important activities within the human resources management. Therefore, the remuneration requires the creation of adequate, equitable and especially motivating system. The concept of pay in the wider sense is the total remuneration, which consists of internal and external rewards. Extrinsic reward is a reward in the form of salaries and other employee benefits as well as non-cash compensation in the form of promotion, recognition and so on. Internal rewards related to the sense of the employees as the satisfaction of accomplishment, success, usefulness, self-realization. Suitable linking both forms of remuneration is a prerequisite for an appropriate strategy of employee remuneration.

1. Forms of remuneration

The term remuneration can have many different meanings. Detailed it in his book Koubek defines "remuneration in a modern human resources management not only wages or salary, eventually other forms of financial reward offered by workers' organizations as compensation for work performed. Modern concept of remuneration is much wider. It includes promotion, formal recognition (praise) and also employee benefits (generally in kind) provided by workers' organizations irrespective of his work performance, just by virtue of employment "(Koubek, 2007, s.283). Valuation results of work of the employee for a certain period of time it is for the salaries. Salary should take into account in addition to the traditional valuation work output employee and what the employee work performance and brings added. When selecting the wages we have the possibility to decide on what approach to take. We have to choose between the system of remuneration for time worked, or the performance or other merits. When choosing strategies, it is essential to choose the reward system so that what most suitable for the interests and needs of the company and its introduction and development has been the active participation of all employees. Besides the classical form of pay wages, companies have the opportunity to provide various forms of employee benefits. In this case, it is necessary to distinguish the benefits and compensation. Compensation is deservedly claimed reimbursement of specific service employees. Benefits are financial or non-financial services that the

company provides to employees due to improvement of quality of life and thus seeks to ensure the motivation, loyalty, quality and quantity of staff performance. As claimed by Krajňáková (2014, p. 42), in terms of creating knowledge economy, human capital is the most valuable and most important economic resources of the company, an important source of competitive advantage for an organization just any kind of activity. The price of labor is determined by supply and demand in the labor market. Demand for factors of production is derived from the demand for products and services, that are by using them producing (Ivanova, 2009). As part of the corporate strategy is therefore necessary except the correct determination of remuneration, do not forget to invest in their employees in the form of education. According to Grenčíková, Vojtovič and Gullerovej (2013), the formation of human capital begins with a system of vocational training. The importance of education can be even more pronounced with the steadily growing trend of lifelong learning. According to Masarova (2011) is educational potential of the population an important condition for building a knowledge-based economy in developed countries to increase the educational level of the population as an important element in sustainable development and growth.

In view of remuneration policy in the company, it is necessary that the level of remuneration in the company ensured employee satisfaction compared with the average wages in competing firms, respectively. compared to the average income in the sector in the country. Fulfill an important function here line managers on which transferred responsibility for remuneration. Their action is then required principled decision. Therefore, in this area it is essential to increase their education in the ability to decide on compensation, assess and manage work performance. In the highly competitive environment in the labor market for labor in the form of high caliber staff it is sometimes necessary for the the firm revised its internal rules to the detriment of market reality. At current trends, an important role in the labor market has market globalization, which affects the different business areas, that focus on the role of clusters and regional specialization sector employment, wages and competition. (Havierníková, 2012)

1.1 The form of wages

The term wage, Masárová (2014) means remunerate to the owner of human capital for the work. Administrative least demanding, economically modest and simple form of wage is in the form of time-wage. The main disadvantage of the time wage is

that it has a limited incentive effect and thus does not increase labor productivity and employee performance. Its application is in the job positions of managers and administrative staff, which can not be measured on the basis of performance.

Piece-wage is applied in an area where it is possible to measure the results of work on the basis of the actual production units produced. We apply it in cases where it is necessary to meet certain performance indicators. It foresees a precise performance standards in the company and creation of registry of the real performance of individual employees. The introduction of such a system requires higher system costs as in cases of wage. On the other hand, an employee with the familiar labor standards and this causes his interest in greater diligence.

Most motivating form of a salary is proportionate (commission) salary. The largest application is in the area of commercial activities and services. Reward in this case determines the volume quantity sold, respectively. services provided. It is essential to determine the proportion of pay for benefits. Risk for this measurement salary is suggestibility performance through factors that can affect worker (weather, competition, consumer preferences, etc.).

Among secondary forms of motivation we include wage premium. This system ensures increasing quality of production and labor productivity growth. Based on the specifics of work are fixed individually indicators for a given workload. If all the tasks are complete, we can pointer has been accomplished.

Remuneration shall be paid to employees for conducting extraordinary, one-off tasks which require work performance beyond job responsibilities and not part of the premium indicators.

Complements to basic salary may be claimable and non-claimable. Claimable bonuses are determined by the Labour Code and is, for example. surcharge for night work, for work in difficult and unhealthy conditions at heights. Non-claimable complements are for example: work in the afternoon shift, weekends and holidays, management supplement .

1.2 The bonus system

In recent years come to the fore in the foreground also cash bonuses relating to the performance of an individual, organization or teamwork. They are a means how employees can obtain additional financial rewards to their basic salary. Primarily, this system is designed for managers, as their working position has the greatest impact on the overall results of the company. Nevertheless, with bonuses that are linked to the performance of an organization, it can be

applied to all employees, which will strengthen their identification with the company. Armstrong (2009) describes the main features, advantages and

disadvantages bonus system. Base types are listed in Table 1.

Table 1: Features, advantages and disadvantages of selected bonus system

Kind of system	Main features
Systems based on company performance	Bonuses are related to the performance the enterprise. Performance is measured by key performance indicators, for example. profit contribution, shareholder value, etc.
	Advantages
	<ul style="list-style-type: none"> - Enable workers to participate in the success of the organization and thereby increase their commitment to the organization. - They can be targeted at a particular group of factors that affect organizational performance.
	Disadvantages
Individual plans of bonuses	Bonuses are linked to the individual performance.
	Advantages
	<ul style="list-style-type: none"> - Offers direct compensation linked to individual performance. - If the monetary amount is high enough, it can act directly on the motivation and commitment of the individual.
	Disadvantages
	<ul style="list-style-type: none"> - Some people are more likely to prefer to increase the basic salary, rather than relying on the possibility of unexpected bonuses.

Source: Armstrong (2009). *Odměňování pracovníků*, s.309

1.3 Employee Benefits

Employee benefits can be provided to all company employees and it is for individual employees do decide whether these benefits are used or not. Cafeteria system is a system that is based on setting limits for pumping of benefits. An official within the stipulated limit shall select the benefits that best fit their needs. In the Slovak Republic the most frequently provided employee benefits are: meal vouchers, mobile phone, company car for private purposes, food for work, contributions to cultural events, contributions to sports activities, supplementary pension insurance, accident insurance, vacation Moreover, the compensation incapacity for work, reimbursement of educational activities, reimbursement above standard health care.

2 Factors influencing the remuneration

Creating a compensation is influenced by several factors which can be divided into two basic types. On the one hand, there are factors that arise within the company - internal factors. On the other hand, are also

factors stemming from outside the company - external factors. Among the internal factors we include:

Corporate culture consisting of shared values, attitudes and norms. Corporate culture has an impact on behavior of employees and their work performance. In case of improper corporate culture formed barriers hindering achieve the strategic objectives of the remuneration. Employees are not sufficiently motivated and committed company, and refuse to change.

Technics and technologies significantly affect the system of remuneration, especially in the case of the introduction of new technical equipment or technology. Introduction of new technologies requires new skills and new working methods, requiring changes in the remuneration.

Company strategy together with the remuneration policy ensure the efficient execution of business objectives. Their connection is desirable and necessary to enterprises.

The external factors include:

Trends in the population development strongly influence the area of remuneration. Just adverse developments birth rate and lengthening human life in

the future will constitute a serious problem that will be addressed in the remuneration policy.

The legislation directly affects remuneration in the company. The legislative power of the state by setting limits affects the freedom of decision of companies to remuneration. Basic starting points on remuneration in Slovakia are enshrined in the legislation in force, even in the highest legal standards - the Constitution (Art. 36, letter a), "employees are entitled to fair and satisfactory working conditions. The law shall ensure in particular the right to remuneration for work done, sufficient to ensure them a decent standard of living." Other legal standards that directly affect the remuneration of employees in the Labour Code and the Minimum Wage Act.

3 Strategy of employee remuneration

In forming strategies remuneration, the employer has the opportunity to use various forms of remuneration, and that's his decision, what the salary structure he will choose. On average, the employer will focus on financial forms of remuneration that have the highest incentive character for employees. The proposed strategy must be fair, reasonable and motivating. In this case, it is acceptable for employees who identify with it. According Koubek (2011, p. 158-159) has recommended against creating reward strategies to answer the following questions:

- What needs of the company with its strategy of remuneration we want?
- Which internal factors affecting remuneration in the company?
- What other financial and non-financial remuneration we offer?

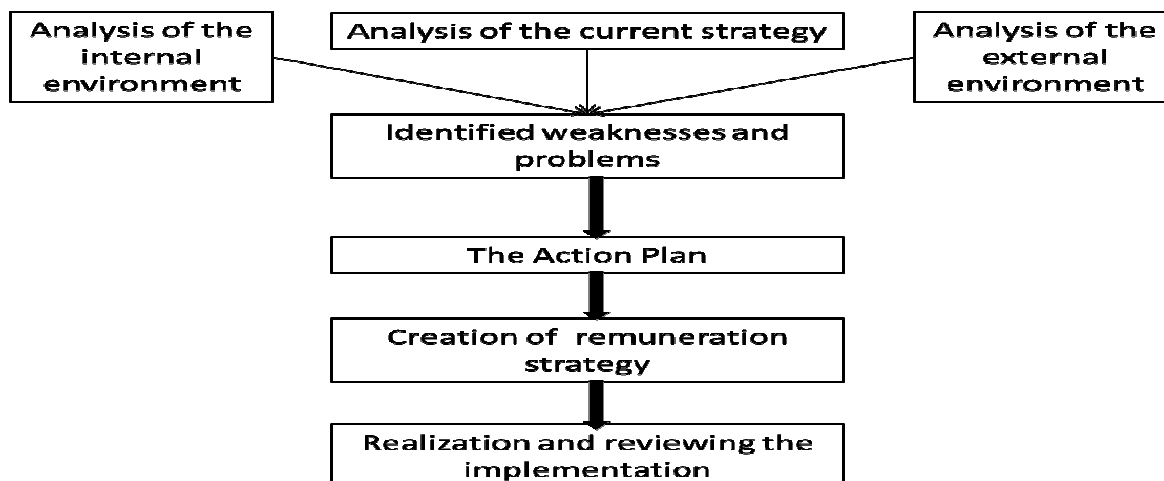
- What is the significance of workers have different remuneration options (A range of rewards, the type of remuneration)?

- What level of wages or salaries meet existing workers and contributes to their stability?

When creating a of the strategy is needed to ensure its stability. Differentiation of remuneration must be based only on differences in requirements for personnel and working conditions. Wage levels may not be significantly different from salaries in competitive companies. The same work with the same requirement should be equally remunerated, thus ensuring non-discriminatory status of employees. The strategy must be clear and each employee would be familiar with it. It is therefore necessary doržiavať principles of simplicity, as difficult and complicated strategy can act as a barrier of communication between employer and employee. Which would have a negative impact upon its introduction and implementation.

According to Armstrong (2009) in the creation of remuneration strategy is necessary to subject the analyze original of remuneration strategy, or remuneration system unless strategy has been previously created. Based on the findings, it is necessary to identify problem areas in terms of the analysis of the internal as well as external environment company. When analyzing the external environment is essential to focus on the area of legislation, labor market (unemployment, qualification structure, average salary) and not least the competitive environment. The process of creating compensation strategies can be drawn in a simplified scheme as Figure n. 1.

Figure 1 Creation of remuneration strategy



Source: Armstrong (2009). Odměňování pracovníků

Based on the findings of the analysis of the original of remuneration strategy, analysis of external and internal environment possible approach to creating an action plan. The Action Plan define the sequence of processes that will result in the determination and the establishment of a new of remuneration strategy. The action plan will identify those responsible and their respective roles as well as clearly defined deadlines. The action plan represents a sequential workflow towards fulfillment of the common goal. Among the most fundamental objectives shall include setting standards for remuneration in line with current corporate strategy. Such standards are established on the basis of prepared business plans and objectives. It is also necessary to establish whether pay will only consist of a fixed component, or will be made up also of variable pay. In this decision, it is necessary to take account of developments in the labor market and wage structure at the competition. In the event, that the employer decides to apply the variable component of wages it is necessary to clearly define its terms. During the remuneration of strategy is necessary constant communication between employer and employee. Already in the analysis of the internal environment it is suitable by means of a questionnaire survey to get as much information about the views and attitudes of its own employees on remuneration in the company. Such knowledge, if they are in accordance with the objectives of the company to implement the new strategy.

It should be noted, that the implementation of the new strategy is a complicated process and the company management itself is a challenge in increasing employee motivation, that are crucial component of any business. Within the implementation of of remuneration strategy need to to acquaint employees with the new conditions. The simplest form is the development of internal regulation (directive), which shall notify all employees about the new remuneration strategy.

3.1 Assessment of employee performance

Strategy of employee remuneration aims to motivate employees, thereby increasing their performance. In the case of performance appraisal it is necessary to identify appropriate criteria, which vary according to job position as well as the activities of the organization. Other criteria require production companies, other service companies.

Kachaňáková (2007, s.132) divides most commonly used criteria for:

1. *Results of work, or measurable criteria.* These criteria are the amount of manufactured products,

product quality, sell products and services, the number of served customers, customer satisfaction, number of complaints, accidents at work.

2. *The professional competences and properties.* There we include: technical knowledge, skills, language skills, physical fitness, ability to lead others, ability to coordinate activities, a sense of personal responsibility, resistance to physical load and stress, aspirations and objectives, interest focus, creativity, adaptability, entrepreneurship, independence, balance, self-discipline, ambition, temperament, honesty, temperament, honesty, loyalty.
3. *Working behavior* is: professional activities, compliance with established working procedures, compliance with operating procedures, compliance with labor regime, compliance with regulations, reporting problems, economy, handling the device, serving rationalization proposals, conducting of the necessary documents.
4. *Social behavior* includes: a willingness to cooperate, dealing with people, relationships with colleagues, behavior towards superiors, behavior towards subordinates, social behavior, relationship with customers.

In the process of employee evaluation is necessary, that the facts were communicated to the employees and discussed. During constructive discussions can be ensured for imaginative pioneering methods and measures to improve performance in the future. To objective evaluation is possible in addition to the classic assessment of the immediate superior, we can also use the assessment of others. Such methods include the assessment of higher level supervisor, the HR staff assessment. In the case of evaluation of employee personality characteristics, it is recommended to assessment by an independent external evaluator, for example. psychologist. In the case of evaluation of sales personnel is advisable to opt for evaluation of the customer by of a questionnaire. Recently, it promotes self-assessment. The major objective of the exercise are team evaluation, which eliminates the one-sidedness and subjectivity of evaluation. The team is usually made up of direct supervisor, co-workers, psychologists, any other persons.

Conclusion

Staff remuneration is a sensitive component of every company. In the event of changes in the remuneration system in use for these changes by the employees perceived with suspicion. If the company

decides to change the remuneration system and the creation of a new strategy of employee remuneration, it is the consequence of the needs for changes that necessitated the current situation on the basis of the previous strategy, respectively. remuneration system. Each correct manager is aware, that the use of bad system of remuneration has a negative impact on the stability and performance of the company, as a whole and for the actual performance and motivation of employees. Currently, we often meet unfair and non-transparent remuneration. In spite of possibilities of companies to motivate employees to higher performance through remuneration, so in most manufacturing enterprises shall continue to apply time salary with entitlement rewards. The fixed and variable components applied mainly for staff in sales, where the method of remuneration in the form of basic salary occurs only minimally, mainly if the employee does not affect the volume of sales ("reception order"). Cash bonus to the basic salary based on defined roles is most often applied. A different method is commission to the basic salary, staff member receives a share of the value of sales. For the retailer we use a method only commissions

without basic salary. This method is currently used at least because the firm was unable gain new workers on the labor market. For all these methods, the company has offered employees other additional employee benefits. The basic rule of any strategy of employee remuneration is to be clear, unambiguous and transparent. It must be in line with the strategic plan of the company. An integral part of the implementation of the strategy of remuneration is assessment of its impact on performance of the company and employees. In the event of deficiencies, it is necessary to overcome these shortcomings as soon as possible, while still must pay the transparency of such activities and of course the communication of all parties concerned.

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SUCCESSFUL WORK TEAMS

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Abstract

People obtain success either alone or with help of other people. Success can be accomplished alone, but working in a team has a lot of advantages. People in every workplace talk about building the team, working as a team, but not all of them understand how to create the experience of team work or how to develop an effective team. Belonging to a team, in the broadest sense, is a result of feeling part of something larger than you are. Everyone has a lot to do to understand mission and objectives of the organization. Being able to work well with others is an important ability in being effective leader. Remember, a work group begins to become a team when employees see their jobs not merely as what they are supposed to do individually but as contributions to the group's overall success. Leaders are only as successful as their teams and the great ones know that with the right team dynamics, decisions and diverse personalities, everyone wins in the end.

Key words

team; management; motivation; improvement.

JEL Classification: O15, O31, M12

Introduction

How to create effective teams is a challenge in every organisation. Work teams are incredibly important in today's businesses. Organisations are increasingly bringing together teams of employees from different parts of the organisation to apply a broad range of relevant skills towards complicated tasks. Over time, these teams can suffer from an over-reliance on shared knowledge and fail to share and discuss points of difference. Bringing together different professions poses significant challenges including friction and breakdown in communication. The typical approach to this dilemma has been to charge leaders with minimising negative dynamics and boasting positive aspects of team interaction. Team building can be considered both as an art as a science, and it takes great leadership to build successful work team. Every leader needs unique skills and talents to manage his responsibilities. Problem is not about how to create working group but how to build long-lasting team.

Results

During the 1980s Ford was able to reduce its automobile design cycle by implementing Team Taurus. Through the early involvement of employees from planning, designing, engineering, and manufacturing, the company was able to eliminate some of the bottlenecks that had delayed the design process. The involvement of suppliers and assembly

workers helped to decrease the number of parts involved and lower costs. Reducing the time from design to manufacture helped Ford to be more responsive to market changes and increase its market share in the 1980s and '90s.

Teams are not appropriate for all organizations or in all types of businesses. Behavioral scientists are still working to determine exactly when teams will be most effective, what motivates team members, what types of business can best benefit from the implementation of teams, and so on. The study of the philosophy and psychology of teamwork is still in its infancy. While effective teams can produce extraordinary results, studies have found that an estimated 50 percent of self-directed work teams culminate in failure.

The introduction of effective and stable new technologies has greatly affected teams and teamwork. Collaborative software and other multimedia options are providing businesses with tools to conduct teamwork regardless of location or time. New issues of accountability, team structure, and team selection are arising for management to deal with and coordinate within the businesses overall goals and objectives.

But as more and more businesses introduce the team concept, the wrinkles in the process are being ironed out and team popularity is growing. An increasing number of organizations are using teams to improve productivity and quality, and to solve a range of managerial problems.

Improved quality of work life and a reduction in absenteeism and turnover all contribute to a positive

impact on the bottom line. Involving employees in teams helps the organization remain open to change and new ideas. As long as teams are seen as a means of improving the organization's ability to meet competitive challenges, teams will be part of the business world.

Good teams can be highly productive, but teams aren't always successful. In a survey of manufacturing organizations, about 80 percent of respondents said they used some kind of teams, but only 14 percent of those companies rated their teaming efforts as highly effective. Just over half of the respondents said their efforts were only "somewhat effective," and 15 percent considered their efforts not effective at all. Teams are a central aspect of organizational life, and the ability to manage them is a vital component of manager and organization success.

Why aren't organizations just collections of individuals going their own way and doing their own thing? Clearly, teamwork provides benefits or companies wouldn't continue to use this structural mechanism. Organizations are by their very nature made up of various individuals and groups that have to work together and coordinate their activities to accomplish objectives. Much work in organizations is interdependent, which means that individuals and departments rely on other individuals and departments for information or resources to accomplish their work. When tasks are highly interdependent, a team can be the best approach to ensuring the level of coordination, information sharing, and exchange of materials necessary for successful task accomplishment.

A team is a unit of two or more people who interact and coordinate their work to accomplish a specific goal. At Cirque du Soleil, the CEO, chief operating officer, chief financial officer, and vice president of creation function as a top management team to develop, coordinate, and oversee acrobatic troupes that travel to approximately 100 cities on four continents a year. Google assembles teams of three or four employees to assess new ideas and recommend whether they should be implemented. And at the Ralston Foods plant in Sparks, Nevada, teams of production workers handle all team hiring, scheduling, quality, budgeting, and disciplinary issues.

The definition of a team has three components. First, two or more people are required. Second, people in a team have regular interaction. People who do not interact, such as when standing in line at a lunch counter or riding in an elevator, do not compose a team. Third, people in a team share a performance goal, whether to design a new handheld computing device, build an engine, or complete a class project.

Although a team is a group of people, the two terms are not interchangeable. An employer, a teacher, or a coach can put together a group of people and never build

a team. The team concept implies a sense of shared mission and collective responsibility.

Some people love the idea of teamwork, others hate it, and many people have both positive and negative emotions about working as part of a team.

When people become part of a team, their success depends on the team's success; therefore, they are dependent on how well other people perform, not just on their own individual initiative and actions. Most people are comfortable with the idea of making sacrifices to achieve their own individual success, yet teamwork demands that they make sacrifices for group success. The idea is that each person should put the team first, even if at times it hurts the individual. Many employees, particularly in individualistic cultures such as the United States, have a hard time appreciating and accepting that concept. Some cultures, such as Japan, have had greater success with teams because traditional Japanese culture values the group over the individual.

Teams are sometimes made up of people who have different work ethics. The term free rider refers to a team member who attains benefits from team membership but does not actively participate in and contribute to the team's work. You might have experienced this frustration in a student project team, where one member put little effort into the group project but benefitted from the hard work of others when grades were handed out. Free riding is sometimes called social loafing because some members do not exert equal effort.

Some companies have had great success with teams, but there are also numerous examples of how teams in organizations fail spectacularly. A great deal of research and team experience over the past few decades has produced significant insights into what causes teams to succeed or fail. The evidence shows that how teams are managed plays the most critical role in determining how well they function.

Work team effectiveness is based on three outcomes—productive output, personal satisfaction, and the capacity to adapt and learn. Satisfaction pertains to the team's ability to meet the personal needs of its members and hence maintain their membership and commitment. Productive output pertains to the quality and quantity of task outputs as defined by team goals. Capacity to adapt and learn refers to the ability of teams to bring greater knowledge and skills to job tasks and enhance the potential of the organization to respond to new threats or opportunities in the environment.

Good team leaders understand and manage stages of team development, cohesiveness, norms, and conflict to build an effective team. These processes are influenced by team and organizational characteristics and by the ability of members and leaders to direct these processes in a positive manner.

Team leaders play an important role in shaping team effectiveness. In addition to managing internal processes, there are three specific ways in which leaders contribute to team success:

Rally people around a compelling purpose. It is the leader's responsibility to articulate a clear, compelling purpose and direction, one of the key elements of effective teams. This ensures that everyone is moving in the same direction rather than floundering around wondering why the team was created and where it's supposed to be going.

Good team leaders embrace the concept of teamwork in deeds as well as words. This means sharing power, information, and responsibility. It means letting team members who do the work have a say in how to do it. It requires that the leader have faith that team members will make good decisions, even if those decisions might not be the ones the leader would make.

Often, people appointed to lead teams find that they don't know nearly as much as their teammates know. Good team leaders aren't afraid to admit their ignorance and ask for help. This serves as a fallibility model that lets people know that lack of knowledge, problems, concerns, and mistakes can be discussed openly without fear of appearing incompetent. Although it's hard for many managers to believe, admitting ignorance and being willing to learn from others can earn the respect of team members faster than almost any other behavior.

Discussion

Team building is an ongoing process that helps a work group to unite. The team members not only share expectations for accomplishing group tasks, they also trust and support each other and respect one another's individual differences. Your role as a team builder is to lead your team toward cohesiveness and productivity. A team takes on a life of its own and you have to regularly nurture and maintain it, just as you do for individual employees. With good team-building skills, you can unite employees around a common goal and generate greater productivity. Without them, you restrict yourself and your staff by the effort each of them can make individually.

Lots of people may be involved in the work, but the actual membership of the team is unclear. Norms of conduct are kept deliberately fuzzy. In the words of one manager, "The team will work out the details." If anything, the opposite is true: Groups with appropriate structures tend to develop healthy internal processes, whereas groups with insufficient or inappropriate structures tend to be plagued with process problems. Because managers and members of troubled groups often perceive, wrongly, that their performance problems are due mainly to interpersonal difficulties,

they may turn to process-focused coaching as a remedy. But process consultation is unlikely to be helpful in such cases, precisely because the difficulties are structurally rooted. It is a near impossibility for members to learn how to interact well within a flawed or underspecified team structure. Our research suggests that an enabling structure for a work team has three components. First is a well-designed team task, one that engages and sustains member motivation. Such tasks are whole and meaningful pieces of work that stretch members' skills, that provide ample autonomy for doing what needs to be done to accomplish the work, and that generate direct and trustworthy feedback about results. Second is a well-composed group. Such groups are as small as possible, have clear boundaries, include members with adequate task and interpersonal skills, and have a good mix of members—people who are neither so similar to one another that they are like peas in a pod nor so different that they are unable to work together. Third is clear and explicit specification of the basic norms of conduct for team behavior, the handful of "must do" and "must never do" behaviors that allow members to pursue their objectives without having to continuously discuss what kinds of behaviors are and are not acceptable. Although groups invariably develop their own norms over time, it is important to establish at the outset that members are expected to continuously monitor their environment and to revise their performance strategy as needed when their work situation changes.

Managers in the workplace have a unique role to play with multiple and continuously evolving responsibilities. They must instill a high-performance mindset while creating a culture whose foundation promotes teamwork and competitiveness for the betterment of a healthier whole. Additionally, managers must touch the business and stay active. More than ever managers must have just as strong of a pulse on the business (internally and externally) as those who are managing it on the front lines. Most importantly, managers must quickly earn trust from their colleagues to inspire team unity and collaboration that is centered on the fundamental principles of loyalty, communication and transparency.

In the face of these transitions, managers must rethink their approach to organizing, directing, and motivating employees. Today's best managers give up their command and-control mind-set to focus on coaching and providing guidance, creating organizations that are fast, flexible, innovative, and relationship-oriented. Instead of "management-by-keeping-tabs," managers employ an empowering leadership style. When people are working at scattered locations, managers can't continually monitor

behavior. In addition, they are sometimes coordinating the work of people who aren't under their direct control, such as those in partner organizations. They have to set clear expectations, guide people toward goal accomplishment through vision, values, and regular communication, and develop a level of trust in employees' commitment to getting the job done.

A successful team manager starts by understanding that throwing a group of workers together is not enough to build a team. Team members must be instructed and motivated to share common goals, learn to communicate openly with each other, and carry out strategies in ways that fit individual member's strengths and weaknesses.

Working in teams brings benefits to both team members and organization they work in. Team leader knows that getting commitment is not always easy. Successful team building shows you how to motivate team members, and so reap the benefits. You will learn how to build team commitment, deal with conflict situations, use creativity in problem solving and decision-making, as well as evaluate and reward team players.

You need to hold yourself accountable for your actions to ensure high-level performance and results, you must spend a lot of time to become intimate with your team and encourage camaraderie.

All great leaders know what to do in each complex situation. They are experts at activating the talent that surrounds them. Team leaders help one team member to interact with another and his performance serves to facilitate the progress of the team as a whole unit.

Fully knowing your team means that you have invested the time to understand their needs and what is required to motivate them to excel beyond what is expected from them.

For effective staff management it is important to provide them with a clear definition and understanding of their role, function, and responsibilities in the workplace. This will provide them with a good understanding of the job and tasks they are to perform as an individual and within the team they are a part of. It also provides information on where they fit within the organization and who they report to, helping to avoid disputes and misunderstandings over authority.

When defining roles and responsibilities in the workplace, you may need to create a list of all of your staff and a list of all of the tasks and roles within your business. You can then assign the roles to each staff member or group of staff. It is important to remain flexible and be prepared to modify your plan in consultation with your employees.

Keeping employees motivated and engaged is the key to every organization's success. Unfortunately, there is no exact science to motivating employees as different

people are motivated by different things. One day you may leave a hard-working and motivated employee in the office and the following day to find someone who is despondent and less than enthusiastic about their work. This could be down to a number of factors, such as personal issues, interactions with colleagues, personal or work-related worries, concerns or feeling undervalued.

There are many factors affecting motivation that managers cannot control. However, a good manager always will do their best to keep their team motivated and engaged – it is better for morale and for productivity.

Your employees keep your business going, so it is important that you keep them happy and productive if you want your business to grow. The key to having a good relationship with your employees is rather obvious: your employees are not your slaves, and they are not drones, they are people who deserve your respect. Praise them when their work is excellent. Comment on their work when it needs improvement. Above all, acknowledge their existence and their hard work, and treat them with courtesy. People love recognition, but are most appreciative of respect.

When going beyond individual recognition, it is important to celebrate your teams' success. Did you exceed your quarterly sales goals? Do not wait until the end of the year to celebrate everything, treat each success as its own special accomplishment. Celebration is a short-lived activity so do not ignore it. Take the time to live in the moment and remember what allowed you to cross the finish line.

Conclusion

Teams do not become effective overnight. Team building is a process that requires due attention and care. To build, lead, or participate in a team requires an understanding of the stages of team development. Articulating the team's vision is fundamental to developing a high performing team. It is the vision that motivate and directs a teams to reach a goal. Building the trust factor among employees is crucial in this kind of work environment. It helps to create a healthy team atmosphere where every individual can rely on any of their teammates.

In addition, the ability to organize the team's composition, structure, hierarchy and functioning is an essential trait to develop a successful team. The group needs to be able to identify issues, access what is working and what is not, and be truthful enough to state when mistakes were made. Working on a successful team can be an exciting and unforgettable experience. When team is working well, each member knows that he is part of something bigger.

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THE HUMAN CAPITAL AS AN OBJECT OF THE HUMAN RESOURCES MANAGEMENT

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Abstract

The object of management of human resources is the human capital. The system of higher education plays a key role in formation of the human capital. In Russia the institutional reforms of the system of higher education have the contradictory results. As a result of the reforms the regional universities had faced with a large number of problems without their solving modernization of the Russian economy will be complicated. As for the Russian economy, the search for the effective methods of management of industrial resources is especially actual, because the orientation to economic modernization is complicated not only by the internal, national problems, but also by the modern global political processes. Revealing and solving all complex of the problems connected to development of education, in particular economic education, will allow to raise efficiency of training of the human resources necessary for modernization of the Russian economy

Key words

economic growth, institutional reforms in Russia, investments into the human capital, regional universities.

JEL Classification: M54, D83, J24

1. Introduction

The most important goal of development of any country is achievement of steady rates of economic growth. Increasing trends of globalization, macroeconomic instability, post industrialization and reindustrialization complicate achievement of the set goal. In these conditions it is very necessary to find the effective methods of management of industrial resources and, first of all, human resources.

As for the Russian economy, the search for the effective methods of management of industrial resources is especially actual, because the orientation to economic modernization is complicated not only by the internal, national problems, but also by the modern global political processes.

Complication of an external environment has led today to the necessity of the import substitution in a number of branches of the Russian economy that means the necessity of reorientation of resources and their adaptations to the solving the new problems. First of all it applies to human resources, from their quantity, structure and quality, the success of economic transformations depends.

The choice of the methods of management of industrial resources, and in particular human resources, is defined by specificity of object. In our opinion, such object is the human capital.

2. Object of management of human resources

At all authoritativeness of the theory of the human capital the understanding of this category and today remains rather debatable. In the Russian economic literature the human capital is defined as set of abilities of a person more often.

Without going into details of the discussion, we shall formulate our concept of the human capital that is constructed on neoclassical methodology of the analysis of the material capital. According to this methodology, the capital is the stock of resources generated by an investment flow, and bringing a flow of feedback as a percentage. Hence, the human capital is the stock of the acquired abilities generated by the investments into their development and bringing feedback as guarantees of employment, increase of incomes, career growth, and increase in lifetime, expansion of social communications, social mobility, etc. But not all abilities of the person can be considered as the human capital, but only those that have been acquired as a result of investments into their formation. Innate abilities that are not the result of investments, in our opinion, should be related to natural resources.

The formulated concept of the human capital means, that one of the major spheres of formation of the human capital is education. Investments into education create a special kind of the human capital -

the capital of education. Thus education should be considered as the public good because it causes positive externalities.

Really, the education acquired by the individual, brings feedback not only for him (her), but also for a firm where he (she) works, and also at a national level because it provides economic growth. Therefore in the capital of education, the individual (the missed earnings), a firm (corporate investments), the state (expenditures from the state budget) make investments.

Expenditures from the state budget on needs of education, in our opinion, shouldn't be considered as costs, but as investments into the major factor of industry - the human capital. The given question is principle because it defines the logic of the attitude to budget expenses. If it is said about expenses, obviously, they need to be reduced. If expenditure on education is concerned as investments it is necessary to find the ways of increase of feedback from them.

3. Institutional transformations in the Russian economy

Realities of market economy have demanded of creation institutional mechanisms of adaptation of the Russian economy to new conditions. In this connection among the Russian economists the question was actively discussed: « Cultivation or transplantation? ».

"Transplantation" is understood as loan of the advanced institute, "cultivation" of institutes assumes adaptation of available analogues of "old" system to the changing conditions caused by the new purposes. In a case when the institute of a new society has no analogues in "old" system then "cultivation" means embedding the borrowed institute and creation of conditions for its further functioning in historically developed sociocultural and institutional to the environment of the country – recipient.

Though many authoritative Russian economists supported "cultivation", there was "transplantation" of foreign institutes in Russia. But the authors of reforms ignored that fact, that society and economy are systems. Changing the separate elements of a system inevitably changed its other components. Practice of reforming has shown, that not all borrowed institutes show the high efficiency in conditions of the country - recipient, and some of them as, for example, privatization, did not become legitimate in opinion of the population. In result in a number of branches a new system of institutes has not developed, and an old one has destroyed.

All told above concerns to the system of higher education undergoing institutional reforms during last one and a half tens of years

4. The necessity of reforms of the Russian education

The Russian education system included the following elements: an average comprehensive school, technical training colleges, technical schools, higher educational institutions. The average comprehensive school carried out the general initial training, providing horizontal mobility of its graduates. Technical training colleges have been intended for training of workers for various industries and other spheres, training had highly specialized character. Technical schools trained experts of an intermediate level, foremen etc. Higher educational institutions provided a national economy with experts of a highest level for all fields of activity, in particular, for scientific sphere. Thus, each element of an education system carried out special function and provided a national economy with professionals of different structures and levels.

Market reforms have touched also the Russian education system, because in conditions of modern global tendencies the improvement of quality of education becomes the key factor of growth of long-term competitiveness of the country, a basis of innovative development of economy and a society.

During reforms in sphere of education "transplantation" of the institutes borrowed abroad was being carried out. Therefore, today in this system the rests of the old institutional education systems and the borrowed institutes combine intricately, which badly get on with each other. As a result of reforms the system of technical training colleges which trained workers has been destroyed, technical schools also have serious difficulties. At the same time the government declares about the deficiency of workers - machine operators and suggests universities to train them. Universities have for this purpose neither experience, nor material, personnel resources.

The higher school also has serious difficulties and in particular- regional universities.

5. Some problems of the regional higher school

Let's remind, that the territory occupied by Russia is rather extensive, its multinational and multi confessional population is still great. The regional system of higher education has developed to the beginning of 1990th, has been formed according to various geographical and demographic factors.

Creation of such system has demanded material, financial expenses and enormous efforts for personal training.

Today a system of higher education has faced a lot of problems. So, the tendency to reduction of number of regional higher schools was designated. The Ministry of Education of the Russian Federation explains it that it necessary to optimize, but in fact, to minimize expenses for higher education

.Among the other problems there are: bureaucratization, increase in norm of an academic

hours, a low level of wages of workers of the higher schools, especially beginners, etc.

One of the most disturbing tendencies is ageing of teaching staff. According to State Statistic Committee 10 years ago middle age in scientific sphere was equal to 48,5 (the candidate of sciences - 52,7, doctors - 60,6). Today this tendency develops. For example, it is possible to conclude about the age structure of the teacher staff by results of the analysis of a situation in our higher school (tab. 1):

Table 1: Age structure of the teacher staff (PTS) The Izhevsk state technical university

Scientific degree	Share of age group to aggregate number PTS, in %						
	Till 29 years	30-35	36-39	40-49	50-59	60-69	70 and more
Without a degree	7,68	6,49	2,9	5,63	6,83	4,09	0,85
The doctor of sciences	-	-	0,18	2,04	2,9	5,46	4,09
The candidate of sciences	4,6	9,73	4,95	8,02	11,09	9,39	4,78

The share of the teachers having a scientific degree, makes up 67,23 %, and without a scientific degree - 32,77 %. Thus the share of advanced ages (50 years and more senior) in an aggregate number teachers with degrees is equal 56,09 %, the share of middle ages (36-59 years) makes up 22,52 %, and a share of the youngest (till 35 years) - 21,32 %.

If to consider the structure of an aggregate number of the teacher staff according to the age, the share of advanced ages (50 years and more) is equal to 49,48 %, the share of middle ages (36-50 years) makes up 23,72 %, and a share of the youngest (till 35 years) - 26,79 %.

Replacement of retiring teachers is a serious problem for higher school department. Poor replenishment of faculties by young teachers is explained, first of all, by a low payment of teaching structure as a whole, and, first of all, at young age when the scientific degree has not awarded yet. For example, the rate of an assistant with higher education makes up hardly more than 7 thousand roubles (about 100 euros). Wage rate of a candidate of sciences and a senior lecturer with scientific degree makes up hardly more than 19 thousand roubles (less than 300 euros).

Graduates of economic faculties already at the first stages of the professional career outside university earn in 3-5 times more, than a beginning teacher. To tell the truth, it occurs at good coincidence of circumstances.

The problem of attraction of the young staff and "rejuvenation" of the faculty could, probably be

solved, for example, by granting to young teachers of housing grants, higher school grants, individual extra charges and so forth. However, giving the authorities excessive freedom, in our opinion, of university administration in distribution of financial assets and insufficiency of transparency concerning their use, leads to, that the higher schools do not have enough means to solve such problems.

6. Regional universities and an average comprehensive school

Functioning of universities is influenced by the processes taking place in the system of the average general education. So, Uniform Graduation Examination (UGE) is a result of training in comprehensive schools today. Introduction of UGE on the whole has negatively affected the position of regional high school in educational system of Russia.

According to the plan of reformers of the Russian education, one of purposes of UGE is the greater mobility of graduates of high schools, expansion of their educational opportunities and alternatives. Really, graduates of schools, even of the most remote regions of the country successfully taken UGE, get an opportunity to enter any, including the most prestigious higher schools of the country. To tell the truth, it was possible and before the introduction of UGE, in any case such opportunity was declared. Enrollment by results of UGE reduces the economic, moral and psychological costs connected to entering a higher school, territorially removed from a place of

residence of an entrant. Simultaneous submission of results of UGE to some higher schools and several faculties reduces risk not to enter a higher school. Hence, introduction of UGE, really, creates additional opportunities for entrants in the market of educational services, providing their greater mobility.

But for regional higher education the increased mobility of entrants has, more likely, negative consequences. Unfortunately, students poorly trained in high school more often entered the regional universities since entrants with better training, and, accordingly, with the best results of UGE, leave for capital higher schools.

Now the internal migration also is growing, there is "outflow" of brains from regions in the large centers of the country. State Statistic Committee informs, that « according to the current account after the All-Russia population census (for 2003-2009) almost 15million people participated in in-Russian migrations or each tenth inhabitant of Russia ... in the Central district there were 86 % of the population redistributed between districts »[1]. And today « the Central federal district keeps absolute leadership in the number of relocating»[2]. The significant share of internal migrants makes up young people, purpose of their migration is getting of higher education.

Such "educational" migration could be welcomed only if, having got education, young experts came back in their regions. In overwhelming majority of cases it does not occur. Thus, "brain drain" becomes the quite real threat for economy of regions, strengthening already available non-uniformity of economic, social and cultural development.

7. How the choice of capital higher school is defined?

Why do entrants and their parents choose capital higher schools? There are some reasons for it. And distinctions in the quality of education are not the most important at all. Moreover, the thesis about the existence of such distinctions is thought by the authors of the article not so indisputable. It is enough to tell that the majority of the teachers of the department that we represent, have got in due time base economic education in higher schools of Moscow and Saint Petersburg and (or) have protected dissertations in dissertational councils of capital higher schools.

One of the main reasons of outflow of entrants so disturbing us from regions to capitals is a patent defect of budgetary places in regional higher schools at more than good (and sometimes and obviously superfluous) amount of them in capital higher schools. In regional higher schools the quantity of budgetary places in some directions is steadily reduced.

However, reduction of budgetary financing concerns not all directions and structures, more often it is directed to educational programs where, in opinion of the top management in the sphere of education, "overproduction" of experts of a corresponding structure takes place. And, in our case, it is said about the budgetary places in a direction of "Economics". So, during the last three academic years there were not budgetary places in this direction in ISTU is.

What consequences will regional higher school, and, in particular, the faculty conducting educational activity in the given direction have? Not paying attention to financial aspects of a problem, we shall analyze a situation from the point of view of quality of the entrants "having entered" the faculty.

In 2011 in the directions of "Economics" (fields: « Finance and credit », « Book keeping, analysis and audit », "World Economic") 4 budgetary places were given, which were occupied by a preferential category of entrants (the orphan, invalids) with low parameters of UGE. Clever entrants could not enter the budget places. The mean score of UGE that year was equal to 70 points (from 100 possible). Absence of budgetary places within three next years have led to sharp falling of a mean score of UGE. So, in 2012 the mean score has made up 56,6, in 2013 - 56,8 and in 2014 - 55,7 points.

Dependence of the size of mean score of UGE on the presence of budgetary places is distinctly traced and in other directions of the educational programs carried out by the faculty «Management and marketing ». For example, in a direction "Business - computer science" in 2011 there were 5 budgetary places, the number of the sent applications was equaled to 213, and the mean score enlisted was equal to 71,3 points. In each of three next years at absence of budgetary places the amount of the sent applications in a direction was reduced in three times, and the mean score of UGE was equal to 54,9 points, 59,6 and 57,3 points accordingly. At the same time in those directions where the places financed by the state, were kept, the mean score acting of UGE remains steadily high and makes up (a direction "Management") over 75 points.

Let's look at a problem on the other hand. Imagine ourselves on a place of the entrant finished school in a countryside, got high points in UGE and showing obvious propensity (and, probably, and talent) to studying economic sciences. Can he or she apply for a budgetary place in a direction interesting him (her)? Certainly. But if in a higher school of the nearest city there are no corresponding budgetary places, and the entrant for some reasons does not want (attachment to parents, features of character and so forth) or cannot (a financial position of parents, a state

of health, etc.) leave for the city removed from a house, where can he or she realize the educational requirements and rights?

Absence of budgetary places for regional higher schools generates questions of other character. If all working citizens of Russia pay taxes that form fund for financing education why the distribution of these means does have so strong regional disproportions?

Authors of reforms cannot notice non-uniformity in distribution of budgetary places in directions of students training. Responding to claims of regional higher schools, they declare that the number of already trained humanists especially lawyers and economists are redundantly.

The thesis about redundancy of educated economists causes doubts, for is not the market in conditions of market economy takes out a verdict about redundancy or rarities of this or that created blessing? And the facts tell that all, maybe, not very professional at the first stage, our graduates, within the first year of graduation from the university work in their specialty, so they are required by the market.

The Russian economy is not only a set, but also a system of regional economies; each of them has the features. This specificity should be taken into account at forming system of regional higher education. For example, for such regions as the Udmurt Republic

where a basis of the economy is the industry it is especially important to train engineering specialists. But it does not reduce the value of economic education, as the sphere of scientific and technical knowledge exists inside the economy as its integral part and the means of increasing its efficiency.

Conclusion

The major factor of economic growth in modern conditions is the human capital; therefore the research of methods of management of the human capital is rather actually. The human capital possesses positive externalities, and, it means, that it is the public good. In Russia, reforming institutional environments of sphere of education has collided with a set of problems which particularly have been generated by noncritical borrowing, alien to the Russian environment institutions. As a result of reforms interaction between average educational schools, regional and capital higher schools of Russia are complicated.

Revealing and solving all complex of the problems connected to development of education, in particular economic education, will allow to raise efficiency of training of the human resources necessary for modernization of the Russian economy.

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KNOWLEDGE MANAGEMENT IN AZERBAIJAN COMPANIES: EVALUATING IN FUNCTIONAL LEVEL

Natik QURBANOV, Vuqar QURBANOV

Abstract

Research problem has been identified as how to improve KM practices in the companies of Azerbaijan. The main aim of this paper is to analyse Knowledge Management practices of Azerbaijan companies. KM departments accomplish several functions to reach goals identified by the company. In this paper job analyses, recruitment, training and development, performance appraisal and compensation administration are chosen among of these functions. This analysis has been carried out with the questionnaire method. The developed questionnaire was intended for KM managers of the companies (114 companies). Research reveals that almost 70% of national companies have completed job analyses. Recruitment and selection practices in national companies in Azerbaijan testify that companies preferably use internal sources in employee's recruitment while in selection of employees companies widely apply job interview methods. There are lots of problems with analyzing training needs, training and evaluation practices. There were few evidences or low level percentage in applying of modern assessment methods of employee performances. Applied compensation system has not been critically examined yet. All evidences of the research in the framework of above mentioned human resource management functions collected in this paper develop general description which make possible using efficient methods.

Keywords

knowledge management, recruitment, training and development, performance appraisal, compensation.

JEL Classification: I 25, O32, D 83

Introduction

Knowledge Management practices in each country are different, because KM practices that affect each country's economic, social, political and cultural factors are different (Brewster, 1993). In the field of KM once alleged to be universally agreed approaches and practices has become a controversial issue today. Studies of human resource management models are applied to a variety of different features of the affected countries show that they, too, differed. This, reveals that however, is in need of investigation human knowledge management at the country level. This needs to be highlighted by many authors, but research is not adequate.

As known, every administrative practice, is affected by cultural and economic conditions which is involved and the same time themselves affect them. Gained independence in 18 October 1991 and living transition period of socialist system, to the capitalist system in the Azerbaijan, as in many business applications KM practices are new. Transformation of economies to adapt the market conditions and the process requires a certain period of time. Forms and practices of organizations doing business change and every organization have to adapt new conditions in

which micro, macro (national) and international conditions should be evaluated. In the context of KM practices, formulating his personnel departments in needs of planning system will be hard to change to the needs of market economy. In order to overcome this problem at the national level to due diligence and then some arrangements should be made for there to be a smooth transition.

In this context, how to improve KM practices in the companies of Azerbaijan has been identified as research problem. The aim of this study is to determine the overall appearance of Azerbaijan on the basis of the functions of KM practices and to investigate the factors that influence the development of this condition.

Theoretical Background

The logic of investigating KM practices in national level, taking us to comparative researches in KM. Comparative researches in KM are trying to understand and explain differences in KM practices in different countries (Brewster, 2007).

Comparative studies of KM started to show improvement in later 1975 years. Murray et al. (1975)

with the article "A Framework for Analysis Comparative Personnel Management" laid the comparative KM's foundation. Aiming to provide a framework for analyse Personnel Management applications research systematically analyse the cultural differences impact in formulating policies and practices of KM and why only the "best American practice" indicate that different cultures have been reevaluated or complete abandonment of.

The idea there is not a universal model of KM with the Piepers (1990) "Human Resource Management: International Comparison" work become more strengthened and the importance comparative KM studies became more evident. In this research collecting KM models of developed industrial countries and non-developed countries, the author emphasizes having major differences between these models.

Begin (1992) developed system perspective for analysing comparative KM. With this system author try to give framework explaining differences in comparative KM. In the following years Boxall (1995) "The Building of the Theory of Comparative Human Resource Management's work has provided a major contribution to the literature on comparative HRM. Boxall study emphasizes the international KM and comparative HRM activities should be separated from each other and comparative KM, explain implementation of KM functions in the different national borders.

Brewster (1993; 1995) also in Grandfield studies, as well as comparative studies of European and international HRM author has provided a major contribution to the literature. With this study named Developing European Model of HRM Brewster state that organizational autonomy is not same in Europa and American firms.

When we are analysing the literature of comparative KM we can see different opinions of authors. The common emphasis by all authors, however, KM practices are different in various countries.

Different businesses in different countries with different economic conditions, educational level, and dexterity of labour, different legal, social and political context, operate (Harris et al., 2003). Moreover, over the years studies show that international companies alongside with the global approach gives importance to each country-specific local approach. If we compare the management of human resources with a dress, no one company cannot be said for the ready form. Each company has a different body structure and accordingly a need for a specific operation (Seljuk, 2005).

Method of Research

Information on KM practices was collected by scale which prepared taking into account the organizational factors of Brewster model and used in International Granet surveys. Companies operating in Azerbaijan's capital Baku are the scope of the study. These enterprises surveys were applied e-mail and face-to-face interview methods. 293 questionnaires sent via e-mail to firms which in list of Baku International Society of the Turkish Industrialists and Businessmen (TUSIAB) and the Azerbaijan-Turkey Businessmen Association (ATIB) and the KM department managers are asked to answer this questionnaire. From 293 of companies HRM managers 75 participated in the study by answering the questionnaire by e-mail method. Accepting this number and capacity of representing not enough KM managers of businesses requesting an appointment. Although it had a greater number of affirmative answers to the appointment of KM manager only 41 KM managers participated in the study by answering the questionnaire. The total numbers of enterprises in this study, 116 questionnaires have been. This data is collected from businesses, mean and standard deviation values were calculated with SPSS 17.0 software, and regression and factor analysis were subjected to.

Results of Research

Results related HRM department and practices

Results show that vast majority of businesses changed the names of the personnel departments to KM. The vast majority of businesses have 1-4 workers in HR departments. KM functions are discussed in the study, implemented more than 60 % of the enterprises in Azerbaijan. But compared enterprises with established by foreign capital, domestic capital is lower than the percentage established by the application of business functions. At the same time we made the comparison between small-scale enterprises, large-scale enterprises more than large-scale enterprises is seen that the rate of implementation of KM functions.

Results related job analysis implementation

Being one of the most important functions of KM job analysis should form the basis for other KM functions. Because the results of analysis are used in almost all KM functions fulfilling job. According to the survey the majority of enterprises in Azerbaijan (70%) are a periodic job analysis. The applications of business analysis firms, on average, are given in Tab.1

Table 1: Applications related to job analysis

Expressions	Mean	Standard Deviation
a. In your business all the sections have right (ideal) number of workers	3.21	1.5
b. Every workers duties, powers and responsibilities are defined clearly	2.13	1.3

One of the most important issues about job analysis job descriptions needs to reach applications. The objectives asking questions as ``in your business all the sections have right (ideal) number of workers`` and ``every workers duties, powers and responsibilities are defined clearly`` was to determine the using of job descriptions in firms. As can be seen in Table 1, in all parts of the entity must be KM managers surveyed enterprises (ideally) the average number of employees to participate in the statement is executed with the low-level arithmetic average of 3.21 emerged. Standard deviation values are too high; this trend shows that there is homogeneity. These results in all sections must be KM managers in enterprises in Azerbaijan (ideally) close to the average number of employees is the result of the expression is executed.

Everyone in your business the duties, powers and responsibilities are defined in specific and very low level of expression has emerged as the average of the 2.13.

Results related to stuffing and selection practices

Stuffing and selection is a function of finding required number of the employees, when needed with the talent and skills and how to include related activities will be provided and commissioned. First question was about sources using in selecting proses. The results about selecting sources of lower-tier workers, mid-level workers and managers are in Table 3.

Table 3: The sources of superiority to fill positions vacated by enterprises in Azerbaijan

To fill the following vacant positions in your organization what resources you are giving superiority/priority.	Inside sources (%)	Outside sources (%)
Managers	80.2	19.8
Mid-level worker	73.3	26.7
Lower-tier worker	61.2	38.8

As can be seen Table 3 in Azerbaijan in all levels of workers businesses give superiority/priority to inside sources. Then the firms were asked about

which sources they prefer in outside sources only. Results are in Table 4.

Table 4: Outside sources using by firms in stuffing in Azerbaijan firms

Sources	Managers (%)	Mid-level worker (%)	Lower-tier worker (%)
A. Newspaper advertisement	20.6	46.6	32.8
B. Internet advertisement	5.2	31.0	63.8
C. University graduates	33.6	42.3	24.1
D. Social networks (friends, relatives advises)	71.6	16.3	12.1

Results show that newspaper advertisements mostly used in mid-level workers stuffing. Internet advertisements commonly used in mid-level and lower-tier workers stuffing. Mostly firms benefit from university graduates on stuffing of mid-level employees. This result showing need of trained

employees in Azerbaijan. From the results we can see that social networks are very important in choosing managers. These result ones again showing the importance of job analyses. Job analyses give to one manager all details about work. And these details can be used in stuffing process. At the same time social

networks is not important in stuffing of lower-tier workers.

After studying stuffing practices, selection practices were evaluated. Results show that selection of employees largely conduct by exams. At same time interviews used mostly. Another main result in table was selecting mostly conducted by general directors. Only little part of workers selected by commissions. Of course accepting or rejection of employees by general manger is normal, but if general directors mingle to the selecting proses it is worst to think about these proses.

Results related training and development practices

For the evaluating training and development practices of Azerbaijan firms first off all firms were asked about training needs determine applications. Much of firms answer that they implement training in the needs of workers. But when cheking which workers you send to trainings this year we can see that mostly managers were sent to the holiday regions. In last sessions firms were asked about method of determine training needs. Results show that performance appraisal scores are important in determining training needs. This result can be good reason for motivation of employees. But the important

percentage of manager’s opinion in determining training needs can be problem in determining objective needs. Consulting with the professional specialists and taking account requests of workers can help firms in determine wright needs.

After evaluating applications about training planning, evaluation was conducted in the field of implementation of trainings. Firms were asked about which training methods they are use and how often they use these methods. Results show that firms mostly use trainings in the form of classroom training and on-job training. Computer based trainings are not popular. In our age internet technologies entering almost all areas of our life that’s why organizations meet their training needs with method of e-learning. Giving chance to workers reaching information in everywhere this model, saving on training costs play important role in organization and employees efficiency. After evaluation about training planning and implementation, last part of training applications training evaluation was conducted. Results show that evaluation process is doing for formal results.

After selecting the factors which effect training and development practices, with the factor and reliability analyse (Table 5) this factors reliability was tested. 72.229% of total explained variance was quite a satisfactory result.

Table 5: Factor and reliability analyse

Total explained variance: %72,229	Training planning activities	Implementation of trainings	Evaluation of training
Reliability	,8523	,7708	,8865
S1	,8523		
S2	,736		
S5	,902		
S6	,822		
S10	,877		
S11	,851		
S12	,885		
S3		,607	
S4		,656	
S7		,748	
S8		,650	
S9		,705	
S13			,877
S14			,851
S15			,885

Expansion Method: Principal Component Analysis, Rotation Method; Varimax with Kaiser Normalization, Rotation was 8 iteration.

Research questions were divided to factors as training planning activities, implementation of trainings and evaluation of training and reached a high

level of factor loadings. Factor and reliability analysis prove the reliability of the scale used in research about training and development. To determine the effect of factors to the training and development practices as dependent variable regression analyse was performed. Results are shown in Table 6.

Table 6: Regression analysis table

Factors	B	T	P
Training Planning	,180	0,956	,346
Training Implementation	,330*	2,215	,041*
Training Evaluation	,535*	2,372	,023*
R ²	,329		
F	3.435		
Sig.	.000		
Dependent variable: Training and development practices			

* P <0.05 level was significantly (2-way)

In the regression equation training and development practices was as the dependent variable and the independent variables was training planning, implementing and evaluating of training. Description of the model established in the table rate (F) 0.05 level was significant and satisfactory level. The significance of the model (R²) was as a 0.329 level.

With the results of regression analyses it was clear that training and development practices efficiency depend on training implementation and evaluation process. We can say that firms which want to implement effective training and development practices have to choose right methods of training.

Results related performance appraisal practices

Performance appraisal one of the critical functions of KM. Implementing this function correctly, can give good results but wrong implementing give negative results such as employee morale problems, limitations, motivation and others. For the purpose of getting information about performance appraisal practices of firm's first question was if the firms had performance appraisal system which evaluates workers performances periodically. After that it was asked if the firms planning their workers performance. Results show

that mostly firms had performance appraisal systems. But implementation of this system is not right. Because results are not used in punishment and rewarding systems. Conversion of the sum of the individual performances and organizational performance is the most important goals of performance appraisal system. Performance appraisal is not routine system evaluating workers performances periodically. Performance appraisal system began with the planning of performance, will continue with its monitoring, performance is evaluated at a later stage and with the reward/punishment process its ends (Grote, 2002: 2).

After this it was asked why firms need performance appraisal system. Results show that firms mostly need performance appraisal systems for the resolving knowledge and skill deficiencies of the workers. This result shown that performance evaluating system only used to determine performances of workers but this is not give information about planning performance. The relation of organizational performance-individual performance is not taking into account.

Another important subject about performance appraisal is selecting right method of performance evaluation. The percentage of used methods by firms in performance appraisals are as in Table 7.

Table 7: Performance appraisal methods are used in businesses in Azerbaijan

	Often (%)	Usually (%)	Sometimes (%)	Never (%)
Performance appraisal forms	47.0	35.7	11.3	6.1
Benchmarking method	27.8	54.8	6.1	11.3
Critical incidents method (observation)	10.3	29.3	58.6	1.7
Performance feedback from managers	43.8	40.6	12.2	3.4
360 degree performance appraisal	11.9	14.7	39.4	33.9
Team-based performance appraisal	10.3	11.3	58.6	19.8

As shown in Table Azerbaijan firms prefer use classic methods than 360 degree and team-based methods. One of the main points of performance

appraisal practice is using his results correctly. The situation about using performance appraisal systems outputs in Azerbaijan firms are shown in Table 8

Table 8: Using performance appraisal systems outputs in Azerbaijan firms

In which fields you are using performance appraisal outputs?	Mean	St. Dev.
Performance appraisal outputs take important role in determining of compensation management	2.50	1.07
Performance appraisal outputs take important role in career management	2.48	1.07

Significantly lower mean values of the results of performance evaluation reveals not used effectively.

Results related compensation management practices

To retain skilled workforce or attract qualified workers to the vacant positions in organization compensation management play important role. Other benefits of good compensation systems are: improvement personnel performance, reducing staff turnover rate, increase commitment to work and others. Being motivation source and the source of welfare for the employee's salaries the source of an expense for employers. Taking into account these facts every organization has to establish effectively compensating systems and use this system to the needs of organization. At this point in the study it was tried to evaluate the effectiveness of the compensation systems in Azerbaijan enterprises. For the evaluating 5-point Likert scale questions prepared in accordance with the compensation management and businesses to assess the extent of their participation in the following questions were asked. Questions are as bellow:

- Wages are paid according to the work rather than the person in your business
- Wages tool for attraction skilled labour to organization

- Wages the most important source of motivation for workers
- Wage system is the basis for employees to demonstrate efficient high performance
- Wages in your organization are paid according to the results of work evaluation
- Worker with high performance get more wages in your organization
- Together with the main salaries additional fees are paid from time to time in our business

The objective of asking these questions was determining the effectiveness of the compensation system. In order to achieve this goal, factor analysis was conducted to see if that these questions generate a meaningful unity among themselves.

As a result of the factor analysis (Varimax method) all the questions, 68.71% of the variance explaining and .68's were grouped under a single factor with factor loading on. To that end the arithmetic average of all of the questions on the assessment made by a single dimension.

This dimension if the arithmetic average would indicate the presence of a high degree of sign about effective compensation management receivable in the event of a "wage management activity" is called. Information about this dimension is the average data in Table 9.

Table 9: Effectiveness level of compensation level in Azerbaijan enterprises

	Answers given by HR managers	
	Mean	St. Dev.
Effective compensation management level	3.10	.84

As can be seen in Table 9, the arithmetic mean value of the sum of Azerbaijan enterprises 3.10 has emerged as a moderate level. These results suggest moderate level of compensation management. The standard deviation value is also very high (.84) show

that the distribution of a homogeneous trend.

Conclusion

Many researches indicate that KM practices are American-based. Today, for the researchers and practitioners still the source of the developments is United States. As a result, many of the Anglo-Saxon based models developed during development of HRM discipline. Although the initial phase of the development of the discipline of HRM it was inevitable, but at the current stage of Anglo-Saxon models examined. Now, the Anglo-Saxon models need to assess the compliance of the different national contexts.

In this study, as results of research, HR functions practices statuses of the application are presented in Azerbaijan defining integration to the market economy his main purpose. This research can be first step to investigate and development of KM practices.

Results and suggestions about KM functions implementation in Azerbaijan companies are as below:

1. Research reveals that almost 70 % of national companies have completed job analyses. However, comprehensive and overall analysis of job requirements indicate that this percentage is much more than it was claimed. This show that job analyses dont conducted effectively and results of this application is not in needed level. For the good applications companies have to prepare job descriptions and job recruitments for all positions.
2. Questionnaire results, related to recruitment and selection practices in national companies in Azerbaijan testify that companies preferably use internal sources in employee's recruitment while in selection of employees companies widely apply job interview methods.
3. Questionnaire results give evidences that there are lots of problems with analyzing training needs, training implementation and evaluation practices. Important percentage of manager's opinion in determining training needs can be problem in determining objective needs. Consulting with the professional specialists and taking account requests of workers can help firms in determine wright needs. Firms mostly train their workers Results show that firms mostly use trainings in the form of classroom training and on-job training. Results show that evaluation process is doing for formal results.
4. There were few evidences or low level percentage in applying of modern assessment methods of employee performances. Besides, relationship between individual performance and organizational base performance has not been taken into account.
5. Applied compensation system has not been critically examined yet. On the contrary effectiveness of the compensation system has appeared to be at the middle level.

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MANAGEMENT OF QUALITY IN HIGHER EDUCATION IN GEORGIA

Vasil KIKUTADZE, Ketevan MAISURADZE

Abstract

The country's socio-economic development largely depends on education, including reaching the high competitive standards in quality of higher education. Higher education reform in Georgia started in 2004 but it is not still completed/ finished. At present, higher education institutions are required by legislation to implement quality assurance as/both internal and external evaluation procedures, which is certified by the state the standards of Authorization and accreditation of higher education institutions in conformity. It is clear that, under the free market competition in provision of high quality higher education is first and foremost the interests of higher education institutions. Institutions of higher education in accordance with have their particular structure of a quality management at the central level as well as the school (faculty) level. Quality management procedures at the level of higher education institutions are regulated by the relevant normative acts as well as Quality assurance of internal normative documents. Despite the significant steps taken ensuring high quality of higher education in the last decade in Georgia, the real tie/link between the academic and employment institutions is still problematic. In many cases, it is controversial issue state funding for higher education to attach the same institutions accreditation program, existing of less effective systems to motivate the teaching staff, low quality of Educational programs for the internationalization etc.

Key words

Higher education Institution; Quality assurance; Accreditation; Authorization; Educational Program; Management Organizational Structure.

JEL Classification: O38, I28, I25

Introduction

Research actuality: Higher education quality is one of the most important challenges for country's development. Reaching high quality standards in higher education means existence of high quality human recourse, which in turn is the decisive factor in the country's development process. The new system of quality management in higher education originates since 2004 in Georgia while the country adopted the law "Georgian Law on higher education" and the following year at Bergen summit officially joining the Bologna process and appears Higher Education regulation new paradigms in the country. In Georgia on the system level education quality management processes according to the law of the land are managed LEPL "National Education Development Centre", while the institutional level by higher education institutions the quality assurance. On the System level in the country for higher educational institutions act models of authorization and accreditation for successful performance of authorization requirement allows educational institutions to obtain HEI (Higher Education Institutions) status. In the case of performance of the accreditation requirements they are able receive students granted funding by the state on accredited

educational programs and give a diploma, which is recognized by the state. On the institutional level is mainly spread Quality Management linear-functional organizational structure. Under which Higher education institutions have a quality assurance, both central and faculty (school) level Local services.

Research methodology: The survey is conducted by a theoretical nature. It is based on secondary source of information, in particular on the country's statistics data, on the field regulation legal-normative documents and in this approach on the data of the various studies. Processing of the information collected during the survey was used the analysis, synthesis, induction and deduction methods.

Research Results and Discussion. before the Georgia's second time declaration of independence of the country (1991) functioned only state-based higher education institutions. However, since 1991 the country had a private higher education institution in the implementation of their activities. In addition for higher education institutions were necessary conditions to have the right to obtain educational activity (namely License). License was a prerequisite for the issuance of educational documents, State licensing is checked in accordance with standards established by the institution's compliance, including a program standards (National Center for Educational

Quality Enhancement, 11) Since 2004, the country started active higher education system. The following year the country officially joined the Bologna process in Bergen summit and in the country appears the new paradigms of regulation of the higher education system.

Higher education system in Georgia

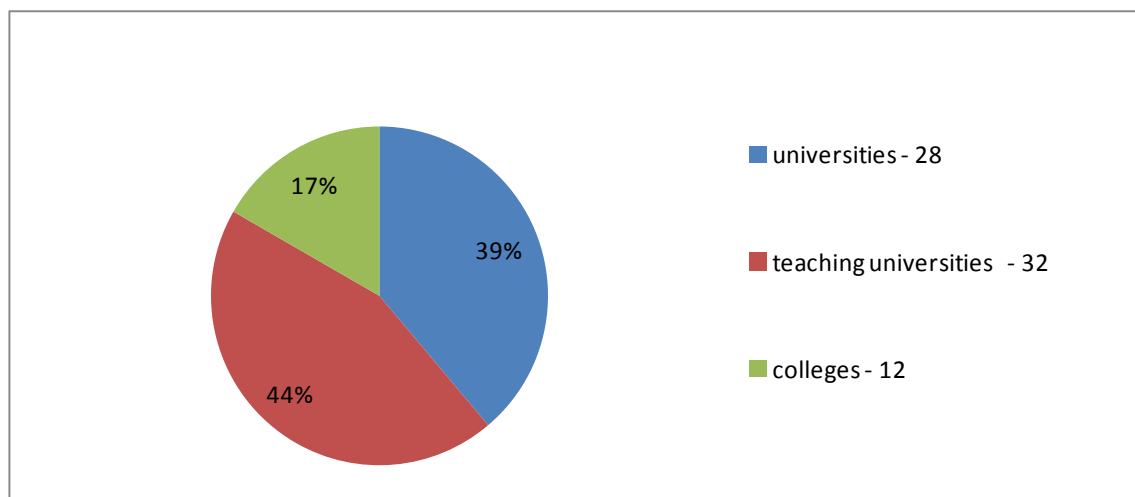
In Georgia State Policy in the filed of higher education identifies Parliament of Georgia, while its immediate execution implements the ministry of education and science. In 2004 the country adopted the Law "Georgia Low on Higher Education This law regulates the implementation conditions for educational and research activities of higher education institutions, the principles and rules of higher education management and financing, defines the status of all higher education institutions and the rules

for their establishment, operation, reorganization, liquidation, licensing and accreditation (law of Georgia on higher education; Article 1, Tbilisi 2004, 1). Higher Education system of Georgia consists of three cycles: (Ministry of education and science of Georgia 10)

- First cycle – Bachelor’s Degree (240 credits);
- Second cycle – Master’s Degree (120 credits);
- Third cycle – Doctor’s Degree (180 credits)

The following are the higher education institutions in Georgia: college, teaching university and university. Currently there are 72 authorized Higher education institutions in Georgia which include 28 universities; 32 teaching universities and 12 colleges. (Ministry of Education and Science of Georgia, 10) (See. Figure 1)

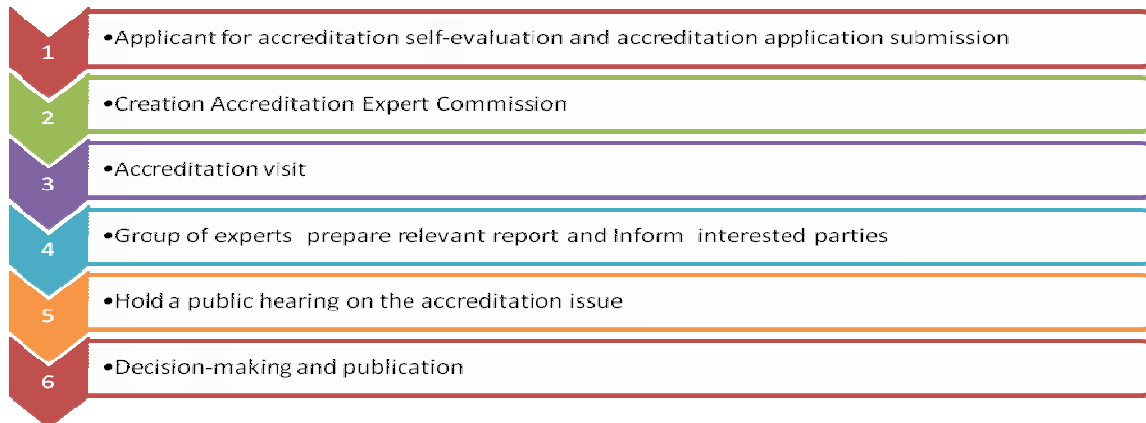
Figure 1: Authorized Higher education institutions in Georgia - 2014 Year



At the same legislation of the country decided to create a quality assurance services, particularly set of the LEPL - National Center for Educational Quality Enhancement, Which operates as a constant updating of the concept of Quality education, as well as the standards and the development of mechanisms for the development and provision. Therefore, it is clear that the government has taken on the quality of education, including higher education and the development of Quality of control of its sort of, which mechanisms were defined in the accreditation and

authorization procedures. "The accreditation shall aim at the establishment of regular self-evaluation of educational institutions for the improvement of educational quality and promotion of the development of quality assurance mechanisms through the establishment of the compatibility of an educational program of an educational institution" Accreditation process includes the following steps (National Center for Educational Quality Enhancement, 11) (see. Figure 2)

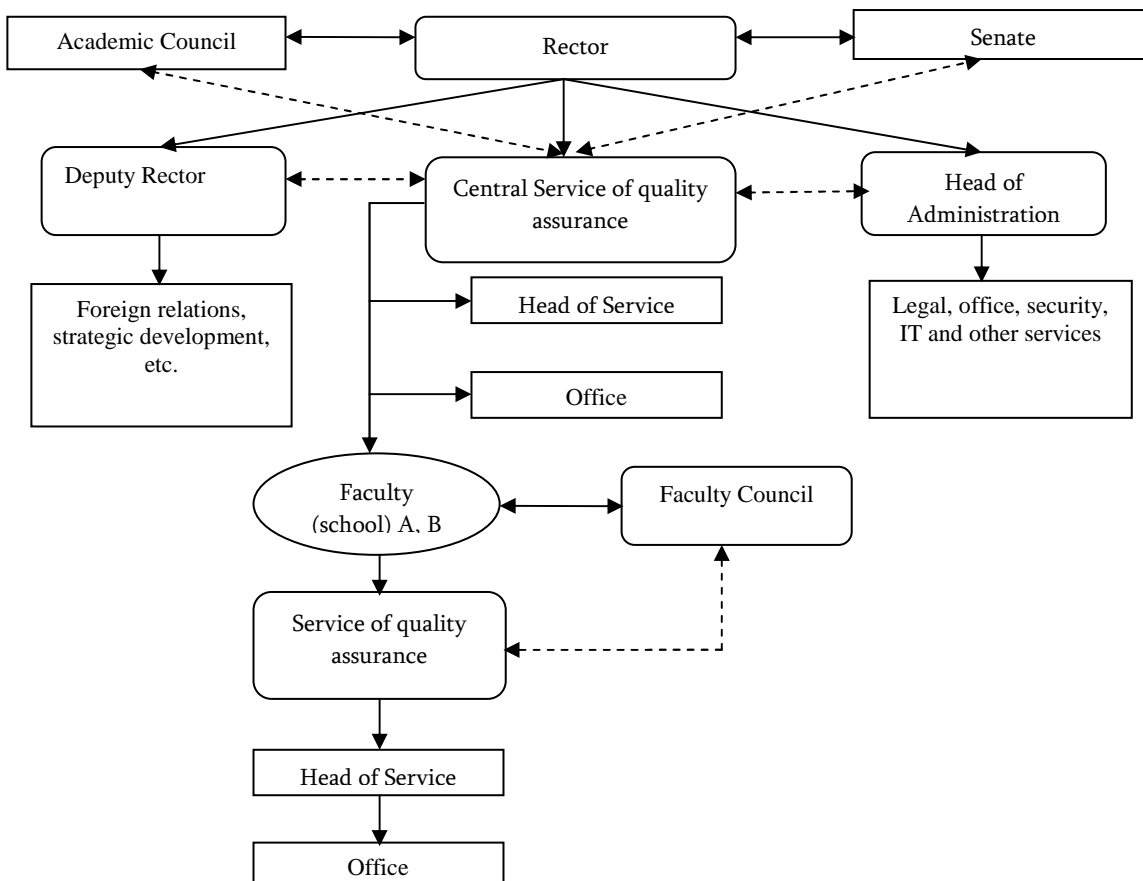
Figure 2: Accreditation Process in Georgia



At the same time according to the requirements of the Law on Higher Education in order to ensure quality on institutional level in both public and private Higher education institutions begin creation of Quality Assurance Service, Who took on the institutional level quality assurance mechanisms, as the development as well as their implementation. By legislation Higher education institutions are obliged have developed internal and external evaluation of quality assurance procedures. Which are to support the higher educational institutions improve the quality of education. Currently in Georgia as a state, and private higher education institutions in management

organizational structure in the form of the management body has a Quality assurance services. According to the plan that these services operate according to the, Quality Assurance Regulations ", which in most cases are accepted and approved by the governing bodies of higher education institutions, in particular, by the Academic Council and the Council of Representatives. In Higher education institutions, quality assurance is usually included in the institution's management bodies and is represented by the central office of Quality assurance and on level of individual faculties (schools) in the form of Quality assurance services. (see. Figure 3)

Figure 3: Higher Education Institutions Quality Management Organizational Structure.



Primarily, in the higher education institutions are distributed/spread quality management linear-functional organizational structure. On the level of quality assurance and management processes are managed by the Central Service of quality assurance, which in turn is pursuing strictly regulated functions and determines the overall management objectives. On the institutional level decisions about quality management policy are taken by HEI management the highest authorities. The Central Office of Quality assurance is involved as in working out of the quality assurance of university policies as well as in determination of quality assurance mechanisms or procedures and assessment of teaching and research rules. In Georgia quality assurance central office of higher education institutions is represented as one of the educational institution's management body. It includes the head of service/director or service unit. In some cases, hence the magnitude of higher education Institutions functions only quality assurance central services. Accordingly Quality assurance functions on the faculty (school) level are performed by one of the staffs of the same faculty (mentioned practice above mainly we meet in the Private Higher Education Institutions) which negatively affects the quality assurance processes for the effective implementation. Whereas, faculty (School) quality assurance department should provide (on the faculty level) as the achievement of high quality education as well as teaching, introduction of new modern methods of evaluation, coordination process of creation of Separate educational academic programs, And according to the standards established by the State to prepare requested self-assessment for the accreditation process . Therefore, it is obvious implementation such content and scope of works by one person will be connected to the great challenges. In addition It is also evident that management of quality internal processes in turn creates the preconditions for successfully finishing of expected accreditation.

The type of organizational structure of quality assurance management depends on to what kind of management organizational structure if the higher education institution uses. Therefore, in higher education institutions Quality assurance Service may be controlled by rector, as well as his deputy, chancellor or chief of staff. But on the faculty level mentioned service indirectly is under control of faculty (School) Dean, as well as the quality assurance of the Central Service. Despite the fact that Georgia's quality assurance system is prone to perfection, has not yet formed a unified attitude towards it. In some cases it is the object of criticism from higher education institutions. In particular on the basis of accreditation the right funding of higher education institutions make above mentioned process under

pressure and in many cases causes its excess formalization. For example, in Georgia, 2011-2013 years 1267 educational program were granted accreditation, while only 40 were denied accreditation (I. Darchia, 3), which points to the unnecessary formalization of the process.

Conclusion

Accordingly, we believe that higher education institutions to obtain funding right it would be appropriate to get not only through the program accreditation but the results of authorization. According to the Law of authorization is the procedure of establishing the compliance of higher education institution educational program with accreditation standards, what aims at establishing regular self-evaluation of higher education Institutions and promotion of the development of quality assurance mechanisms, what is related to the entitlement to state funding, also the implementation of certain educational program under this Law. Authorization of Higher education institutions is performed according to the three basic standards (On the Approval of the Educational Institutions Authorization Charter and of Authorization Fees; Order N 99/N Of the Minister of Education and Science of Georgia 1 October 2010 Tbilisi, 2) which in turn can be covered individual program accreditation standards, however, in case of their dissociation and In determining the right to obtain funding as accreditation, as well as the effects of the authorization will create the conditions for fair competition and therefore will contribute to increasing the quality of higher education. It is interesting fact that in 2005 119 higher education institution were granted authorization, in 2003 – 43 and in 2013 -64. It gives kind of an idea about External Quality Assurance system. (The International Institute for Education Policy, Planning and Management; Strategic Development of Higher Education and Science in Georgia; Tbilisi 2013 pg. 20, 4). Especially problematic issue was exstance of internal and external evaluation mechanisms of the quality in the higher education institution of Georgia. As a result of research conducted in the country that out of the interviewed 7 higher education institutions (university) only two notes that they have a quality assessment external system and basically it is used for an anonymous examination of academic programs. (Quality Improvement in Georgia- Achievements and

Problems; Research Report - Tbilisi State University 2010, 5) as for the quality assessment of the internal system it can be found in almost all higher education institutions and was spelled out in the within the applicable quality assurance acts of the

Higher Education Institutions. Also should be considered Quality assurance foreign experience, which allows existence of quality assurance external evaluation independent agencies. In particular, State grants the right to independent non-governmental organizations accreditation for educational programs of educational institutions. In addition, It is desirable to be involved profiled foreign organizations in this process, which will provide the international

accreditation programs. It is noteworthy that mentioned practices should be implemented gradually, since both the Higher education system and Higher education institutions will also have to be prepared for involvement in similar processes. Namely, this involvement should contribute to enhancing the quality of higher education in the country and should not lead to delay in the operation of the system.

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UNIVERSITY STUDENTS AND VIRTUAL LEARNING ENVIRONMENTS: MOTIVATION, EFFECTIVENESS AND SATISFACTION

Francesca Romero FORTEZA, Miquel Àngel OLTRA ALBIACH, Rosa Pardo COY

Abstract

Higher Education is based increasingly on use of Virtual Learning Environments (VLE), regardless of the degree or type of matter being taught. In this research we explain a comparative study that we conducted in three Spanish universities. First we critically analyze the different virtual learning environments, in terms of its potential effectiveness for university education. Secondly, we asked the students about the degree of satisfaction with the use of these learning platforms, from the idea that students motivation is essential for learning in any academic level. The findings, as we will explain, reveal interesting facts to consider for the future. Higher Education is based increasingly on use of Virtual Learning Environments (VLE), regardless of the degree or type of matter being taught. In this research we explain a comparative study that we conducted in three Spanish universities. First we critically analyze the different virtual learning environments, in terms of its potential effectiveness for university education. Secondly, we asked the students about the degree of satisfaction with the use of these learning platforms, from the idea that students motivation is essential for learning in any academic level. The findings, as we will explain, reveal interesting facts to consider for the future.

Key words

virtual learning environments, ICT, motivation, higher education

JEL Classification: I21, I23, Z00

1. Information and Communication Technologies in higher education

Universities in Spain, state or private, support their work in the use of the Information and Communication Technologies (ICT). Administrative management, communication among the different agents involved in the educational process and teaching are implemented, increasingly, through ICT. This way of working entails advantages as the ubiquity of communication, the continuous access to information and the provision of resources regardless of the place and the time. Likewise, the respect for the environment increases by reducing paper consumption considerably. However, all this creates a dependency, almost absolute, of computer technology. In addition, this means a significant financial investment.

On the other hand, there is no doubt that Internet and the world Wide Web, as means of communication and expression, favour the exchanges among people, companies and institutions thanks to various systems that manage the transmission of texts and files of all kinds, and allow communication through the voice and image in real time, regardless of the place in which people are physically. But it should be recalled, moreover, that communication underlies any process and mode of training. If there is no communication, there is no transmission, exchange or interaction (Casamayor, 2008:177). We believe that currently,

language training of students has to contemplate the efficient handling of computer-mediated communication tools and take advantage of them, since they contribute to get a communicative training, meaningful, pragmatic, collaborative, constructive and motivating (Oltra, Pardo & Paulo, 2007). That is why believe that the use of these tools is absolutely suitable for teaching at the University level.

2. Virtual Learning Environments for teaching

As we have just exposed, University teaching conveys through some kind of computer platform known usually as Virtual Classrooms, Learning Platforms or Virtual Learning Environments, these last usually denominated with the acronym VLE. In any case, they are the framework in which the online formative actions are developed. They have many advantages in terms of ease of providing and managing learning materials. They can be used exclusively for teaching, or even a work and communication platform (Romero & Carrió, 2014).

The most noteworthy feature of the VLE are related to aspects such as presentation and organization of the elements on the screen, video conference and wiki editor (is some cases), the possibility of facilitating the teacher's work, offering more possibilities of action (especially with a numerous group of students), being an effective

element of communication in real time, allowing more complex interactions (teacher-student, student-student, teamwork, etc.) allowing track work, diversifying the activities to perform, saving time and work for the teacher, offering the possibility to be used anywhere, contributing to the reduction of bureaucracy, respecting the privacy of teachers and students, introducing participants to the knowledge of technologies and good accessibility for people with functional diversity: “Virtual Classroom makes possible the use of new technologies in educational processes, it is a flexible, great accessibility and easy to use platform, which allows to create online activities and evaluations, and also offers several resources to support lessons” (Villar & González, 2005:7-9).

To carry out our research we have analysed the VLE in three universities. Firstly, the Polytechnic University of Valencia (UPV), one of the two universities financed with public funds from the city of Valencia. Here, students prepare degrees of engineering, architecture and fine arts, mainly. Its virtual learning environment is called Poliforma-T. The following is the University of Valencia (UV), another public university in the same city. In this University students can study nearly all existing disciplines, from philology, medicine, mathematics, psychology, engineering and teaching among others. In the case of the University of Valencia, the VLE is called Virtual Classroom. On the other hand, the third object of study in our research is a private entity, The Catholic University of Valencia (UCV). This university also offers very diverse qualifications as physical education, law or teaching. The VLE of this institution is based on the Moodle platform, resource for free and open use named Virtual Campus.

We propose to categorise four types of functionalities offered by the VLE: (1) Tools for communication (synchronous and asynchronous) between faculty and students; (2) Tools for the storage, dissemination of materials and information (publication of documents, storage of students' works, etc.); (3) Resources for interactive learning, and (4) Tools for the teacher's management. It will be illustrated with concrete examples through the analysis of the VLE of the three most important universities in Valencia City, which we have referred to:

1. Tools for communication (synchronous and asynchronous). All the resources that enable the exchange of information between students and the teacher or the students themselves are framed within this functionality. The tools that can be found are the following: internal mail of the subject, that allows to send internal and direct emails to individual students or groups

(asynchronous student-teacher communication); the agenda in which events and important dates for the subject will be published: the bulletin board; the application of tutoring with teachers; the possibility of developing discussions (in written format) on various topics in an interactive and dynamic way (asynchronous communication student-teacher, chat room, video conferencing (using Adobe Connect technology) and wiki (a text editor in which all members of a classroom can participate). We believe that this last resource is a very enriching tool from the didactic point of view because it can serve, for example, as a class diary where students can show the revised topics in a session and also can be completed by other members. It is a novelty to find this tool in the in the private space of a subject, since the collaborative text editors tend to be delinked from the teaching task. In this way, students have access to the necessary information of the subject in a timely way and on demand, with the resulting accountability of the apprentice learning process. Thus, we have a type of formal or institutional communication, but also a more open and interactive communication between teachers and students, and among students themselves.

- In the case of the UV, among the tools for communication –both asynchronous and synchronous –we emphasize chat, email, forums and the Web logger (also known as Log Book or Blog); this application would have a similar function to the wiki in the case of the UPV, enabling you to create personal or group contents in a collaborative way.
- In what refers to the UCV, the communication tools that can be found are: internal mail –group or individual- through which the teacher can communicate with students; the agenda to communicate events or special dates; the application of tutoring with the teaching (internal messaging and email) and videoconference (that offers the possibility to record lessons).
2. Tools for the storage, spreading of materials and information. This second category includes resources that put at the students' disposal, in a dynamic way, working documents as, for example, notes, diagrams, presentations, videos or media objects; in the same way, there are resources for the storage of students' works. In this section, students can, individually, placing their works, as well as documents that they want to share with the tutor, with the possibility of knowing what date and time the work is given to the teacher. Each student can edit the contents of their folders with complete freedom.

For UV, the tools for the storage, spreading of materials and information remain the same schemas as in the UPV; noteworthy is the option of establishing work schedules (with the possibility to export information to other personal schedules).

Finally, with regards to the UCV, the tools in this section are similar to those outlined previously by the state universities. Students have access to the materials of different subjects to work with them and may also publish works that have been required by teachers since, otherwise, students cannot add any document on their own.

3. Resources for interactive learning. This functionality of the VLE gathers all the tools that allow you to create different kinds of interactive activities. It is important to clarify that we are talking about interactivity according to Labour (2001:32) who defines it as a function of a system that responds in different ways to the students' actions. Thus, we find the option to create multiple response, or the task section: this tool enables a high degree of interaction tutor-student, since the tutor may plan open and available works during the selected time period, so that the students complete the tasks and publish the results of their works during this period. The date and time that the task is completed are recorded, and the tutor can also correct and evaluate the completed tasks through the application itself. The students access to the documents modified by the tutor, clearly showing what has been corrected. In this way, students become aware of the strengths and weaknesses of their works.

In the Virtual Classroom of the UV, the teacher has the ability to create activities, in this case with three types of questions (short answer, multiple choice or open question), and there are also different ways of interacting through the Tasks section.

As advanced application tool, Virtual Classroom offers the possibility to make presentations with the Photo Album option, or with Wimpy Point (the alternative to the Microsoft PowerPoint application for collaborative work on the web); also, it offers teachers the ability to create applications from the code of html document that have previously developed using one of the programs of creation web (Dreamweaver, Microsoft FrontPage, etc.). In the case of the UCV, benefits of the Virtual Campus in this section coincide, roughly, with those listed above.

4. Tools for the management of the teacher. There are several options in the Poliforma-T for qualifying students, access to lists, records,

teachers have the option to create sections and even customize the Virtual Learning Environment. Among the options for teaching management that presents the Virtual Classroom of the UV we can find students cards, assignments and assessments and, finally, self-assessments or questionnaires. In what refers to the UCV, also at this point, the Virtual Campus benefits are similar to the VLE ones at state universities mentioned previously.

As it can be seen from the above, the VLE of the three studied universities present a great variety of options and tools, with some different nuances depending on the case, that facilitate widely the development of teaching. Thus, we can follow didactic and diversified approaches depending on the group, and adaptable according to the student's profile. There are also a great advantage, we can bring together everything we need to track a subject, both for the teacher and the students. Besides, it is attractive and comfortable because of the facility for the use of resources and for being the "environment" where this generation unfolds without difficulty, since almost all are native, also called the e-generation or the Google generation, among other denominations. Meanwhile, teachers have the challenge of taking advantage of all the utilities provided by technology.

3. Investigation

To complete our analysis, we have done an empirical and quantitative study to find out the degree of satisfaction that our students feel, the implementation of language teaching exclusively through virtual environments, in the field of higher education. We are interested to know if the current generation feel comfortable and motivated by a teaching methodology of this tone, as expected.

The research has been carried out, on the one hand, in a course of Catalan Language in the degrees of Aerospace, Electronic, Electrical, Mechanical and Industrial Engineering of the Polytechnic University of Valencia, and on the other hand, in the degrees of Teaching of the University of Valencia and the Catholic University of Valencia.

We designed a questionnaire answered correctly by 489 students, of whom 62.7% were women and 37.3% men. The average age was 20.

The survey contained 5 items and the response was articulated in a scale of Likert-Type, where (1) meant totally in disagreement, (2) rather in disagreement, (3) medium, (4) rather in agreement, (5) fully in agreement.

Here we can see the detailed results, and then we will extract what emerges from them.

Table 1: Survey on satisfaction with the use of the VLE for learning a language

1. The VLE of the University allows me to work the subject in full					
	1	2	3	4	5
UCV	5,7%	10,5%	5,1%	8,3%	70,4%
UPV	--	1,8%	3,2%	11,9%	83,1%
UV	5,1%	8,8%	7,2%	23,7%	55,2%
2. I prefer working the subject by combining materials in paper and the use of the VLE					
	1	2	3	4	5
UCV	20,1%	1,2%	9,7%	10,2%	58,8%
UPV	3%	0,7%	8,4%	27,2%	60,7%
UV	24,9%	10,1%	8,1%	19,8%	37,1%
3. I prefer working the subject in paper exclusively					
	1	2	3	4	5
UCV	63%	8,6%	5,9%	3,3%	19,2%
UPV	78,3%	16,6%	0,3%	3,1%	1,4%
UV	40,4%	20,1%	4,5%	9,9%	25,1%
4. The VLE of the University is convenient and practical					
	1	2	3	4	5
UCV	1,5%	4,4%	20%	24,2%	49,9%
UPV	0,9%	1,9%	13,1%	28,5%	55,6%
UV	5,5%	10,1%	21,2%	33,2%	30%
5. Grade 1 to 5 your degree of satisfaction with regard to the use of VLE					
	1	2	3	4	5
UCV	7,6%	2,5%	8,1%	13,5%	61,3%
UPV	--	0,3%	3,4%	8,1%	88,2
UV	3,9%	6,2%	7,4%	32,7%	49,8%

According to the data obtained in the survey, we consider that there is some surprising information, along with other more predictable data. For example, it was hoped that students of UPV express greater satisfaction towards the use of virtual environments, since these students have a technological profile, This University has numerous classrooms with office equipment and tries to prepare students for the acquisition of professional skills and the constant use of sophisticated computer programs. These students are very accustomed to the use of the computer in their daily work. It is shown by the high scores they give to the questions related to the degree of satisfaction in the work with the VLE. Likewise, they corroborate it when they ignore the work of the subject by the use of a book of text.

Furthermore, students of Teaching do not show much enthusiasm to the use of computer for learning. We believe that it may be due to their professional profile. Competences acquired by future teachers are not so linked to the use of computer in their daily tasks, the classrooms of primary school, in the Spanish State do not have appropriate office equipment in the majority of cases. Also, the students

express a performance for the use of traditional manuals for the study of the language. It was not foreseeable that this data obtained such a high score in the survey.

Conclusion

The present research has served to establish a classification of the different applications and tools that can be found in a Virtual Learning Environment. There are numerous resources available to the educational community but we have no established classifications accepted by the scientific community. We believe that having categorizations facilitates the choice and use of VLE. Likewise, we have seen how educational institutions at University level devote efforts and resources to incorporate technological advances in search of effective procedures for its management and teaching. However, universities have the challenge of adapting the VLE, with all its capabilities, to mobile technology, since students have, almost entirely, very powerful mobile devices. So, students could access and advance in everything

related to the follow-up of the subjects. The objective is to be where they are, using the same platforms and resources. Similarly, teachers have the challenge of getting students to see Information Technologies as learning tools, not only for leisure and social relationships. We believe that to implement the teaching and learning of languages through Virtual

Learning Environments, it is necessary to know, on the one hand, the mean of learning, with its possibilities and its real use, with its strengths and weaknesses and, on the other hand, carry out a thorough analytical work and evaluation, taking into account criteria based on the pedagogy and didactics (Seiz & Romero, 2014).

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THE GAP BETWEEN EDUCATION AND EMPLOYMENT IN SOUTH CAUCASUS COUNTRIES

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Abstract

The modern society needs a substantively conceptual knowledge and, accordingly, a new model of education. In the XXI century one great dignity of people-oriented education has already emphasized. Globalisation, social, economical, political, technological and environmental changes are major challenges for various sectors of world economy and demand the wide-ranging competencies and skills from employees in enterprises. The universities play an important role in the training of young professionals, since they equip their students with abilities and skills industry demands and thus ensure a high standard of employability. One of the major problems in modern South Caucasus Countries is decrease in the quality of a human resource. Permanent population decline is superimposed a sharp decline in employment and, as a result, reduction the motivation for learning. Success of a choice and training (study) of students in higher educational institutions of South Caucasus Countries is influenced by many factors. It is an accentuation on the possibility to receive a continuous education throughout the life (LLL).

Key words

education; employment; unemployment; Caucasus countries.

JEL Classification: I20, I28, J60,

Introduction

Unemployment will continue to rise in the coming years, as the global economy has entered a new period combining slower growth, widening inequalities and turbulence, warns a new ILO report. By 2019, more than 212 million people will be out of work, up from the current 201 million, according to the World Employment and Social Outlook – Trends 2015 (WESO)

(<http://www.ilo.org/global/research/global-reports/weso/2015/lang--en/index.htm>). ILO Director-General Guy Ryder said: “More than 61 million jobs have been lost since the start of the global crisis in 2008 and our projections show that unemployment will continue to rise until the end of the decade. This means the jobs crisis is far from over so there is no place for complacency”.

Unemployment is an important economic and political problem in many countries. Macroeconomic crises and increased globalization have put more workers at risk of job loss. In Eastern Europe, in an effort to transform themselves into market economies, former socialist countries have faced the enormous task of efficiently real locating workers and jobs across sectors and firms, which has led to the emergence of unemployment and poverty for a large percentage of the working population. Moreover, since the 1970s, Europe has witnessed a reduction in economic growth and an increase in unemployment,

with a worrying rise in the share of long-term unemployed.

As investment in education is increasing, a focus on the results of education is also gaining importance, including its economic implications (for example, education’s effect on the rate of employment). At the same time the social impact, including overall wellness and order in communities, is equally important.

Processes of globalization in all spheres of human activity extend, changing its role and influence on preparation of specialists of all spheres: it demands depth, interactions of its various components at more complex didactic level. In this connection, it is necessary to continue work on perfection of the list of directions of preparation of experts and specialists of professional higher education, having approached it to similar lists of the developed countries with the purpose of creation of favorable conditions for integration of the South Caucasus Countries education system in international; to define a legal status of the bachelor and the master students; to finish development of the complete set of methodical support of the state educational standards of professional higher education. For this purpose it is necessary to change qualifying requirements promptly enough. “It is important to introduce new means of training and a hardware of educational institutions as a whole, to strengthen a theoretical part of training and to raise its cognitive value not only in an educational institution, but also on a workplace” (Mayo, 2008).

1. Unemployment rate in south caucasus countries

The employment situation has improved in the United States and Japan, but remains difficult in a number of advanced economies, particularly in Europe. The steep decline in oil and gas prices, if sustained, may improve the employment outlook some what in many advanced economies and several Asian countries according to some forecasts. By contrast, it will hit labour markets hard in major oil and gas producing countries. The world faces a "disastrous lack of jobs" if developed and developing countries do not take exigent and radical measures to reduce unemployment.

According to some reports, the number of unemployed people worldwide has today reached some 200 million people. Some compare the scale of these figures with the period of the Great Depression. The report indicated that developing and developed countries lost 20 million jobs since the beginning of the global financial crisis in 2008. This might not be the limit, as another 20 million jobs have been lost later.

Lack of employment or income-earning opportunities is consistently highlighted as the number one concern in Georgia, as repeatedly demonstrated by independently run public opinion polls over the past years. In the latest poll of June 2012 conducted by the National Democracy Institute, 60% of respondents indicated employment as the most important issue in Georgia and 70% of them stated that they are unemployed. Results coincide with findings of the public opinion poll conducted by G-PAC in Georgia in 2011, where 70% of respondents consider jobs as the most important policy issue (<http://www.eppm.org.ge/2012/09/impact-of-hicgh-education-on-work-force.html>).

Unemployment is currently in the core of policy operational agenda and political discourse. The issue is covered by pre-election programs of all main political parties and is reflected as a main theme in the action plan of the government of Georgia

We can see Unemployment rate in South Caucasus countries and Turkey According to Index Mundi, that is home of the Internet's most complete country profiles (see Table 1).

Table 1 : Unemployment rate in South Caucasus countries and Turkey (%)

Country	1998	1999	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2013
Azerbaijan	-	20	16	16	1.1	1.2	1.1	1.2	0.8	6	0.9	1	5.5
Armenia	20	-	20	30	31.6	-	7.4	7.1	-	-	-	5.9	-
Georgia	14.5	14.9	17	-	12.6	-	13.6	-	-	16.4	16.3	-	14.6
Turkey	7.3	5.6	10.8	10.8	10.5	9.3	10.2	10.2	10.7	14.1	12.4	9.8	-

Source: <http://www.indexmundi.com/>

As we can see on table 1 and 2, the situation is not good in Georgia. We think there are two main reasons for this: 1) The use of inconsistent and wrong statistical methodology and 2) the open Georgian economy, including a higher rate of economic

independence (which is different from Georgia's neighbor countries) – an aspect that is not utilized properly as Georgian labor lacks necessary skills and competencies.

Table 2: Employment and Unemployment in Georgia

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Active population (labour force), thousand persons	2023.9	2021.8	1965.3	1917.8	1991.8	1944.9	1959.3	2029.1	2003.9
Employed, thousand persons	1744.6	1747.3	1704.3	1601.9	1656.1	1628.1	1664.2	1724.0	1712.1
Unemployed, thousand persons	279.3	274.5	261.0	315.8	335.6	316.9	295.1	305.1	291.8
Unemployment rate, percentage	13.8	13.6	13.3	16.5	16.9	16.3	15.1	15.0	14.6

Source: www.geostat.ge – National Statistics Office of Georgia

Azerbaijan's labor market, according to official data, was not affected by the global financial crisis and its negative trends. The State Statistics Committee indicates an increase in employment in Azerbaijan and a creation of new jobs across the country. Under the State Program on social and economic development for 2009-2013, 190,412 new jobs, including 139,697 permanent jobs, opened in Azerbaijan from January 2009 to July 1, 2011(<http://news.az/articles/society/82974>).

During the first half of 2011, Azerbaijan created 43,790 new jobs, including 32,461 permanent jobs. Of these, 13.4 percent fell to the share of new enterprises and organizations, 12.4 percent to existing businesses and organizations, 0.2 percent to enterprises which restored activity, and 74 percent of jobs were created by individuals. Some 73.4 percent of the newly formed jobs are accounted for by the country's regions.

As expected, the greater responsibility and major burden of implementing measures to reduce unemployment fell to the private sector. According to statistics, 96.3 percent of new jobs opened in Azerbaijan in the non-state sector, and permanent jobs are concentrated in the non-oil sector, of which 5.3 percent were opened in construction, 5.8 percent in trade and repair, 2.6 percent in the processing industry, and 1.7 percent in agriculture and other sectors.

In 2013 the official unemployment rate was 5.5 percent in Azerbaijan. The rate was lower than the global rate of unemployment, which the ILO predicted to be.

2. Youth unemployment rate in south Caucasus countries

The economic and social costs of unemployment, long-term unemployment, discouragement and widespread low-quality jobs for young people continue to rise and undermine economies' growth potential. Neither among European countries where this problem is particularly severe, some young people are currently neither employed nor in education or training.

In developing regions where 90 per cent of global youth lives, stable, quality employment is especially lacking. Young people remain particularly stricken by the crisis. Currently, some 73.8 million young people are unemployed globally and the slowdown in economic activity is likely to push another half million into unemployment. The youth unemployment rate – which had already increased to 12.6 per cent in 2012 – is expected to increase to 12.9 per cent by 2017. The crisis has dramatically diminished the labour market prospects for young people, as many experience long-term unemployment right from the start of their labour market entry, a situation that was never observed during earlier cyclical downturns.

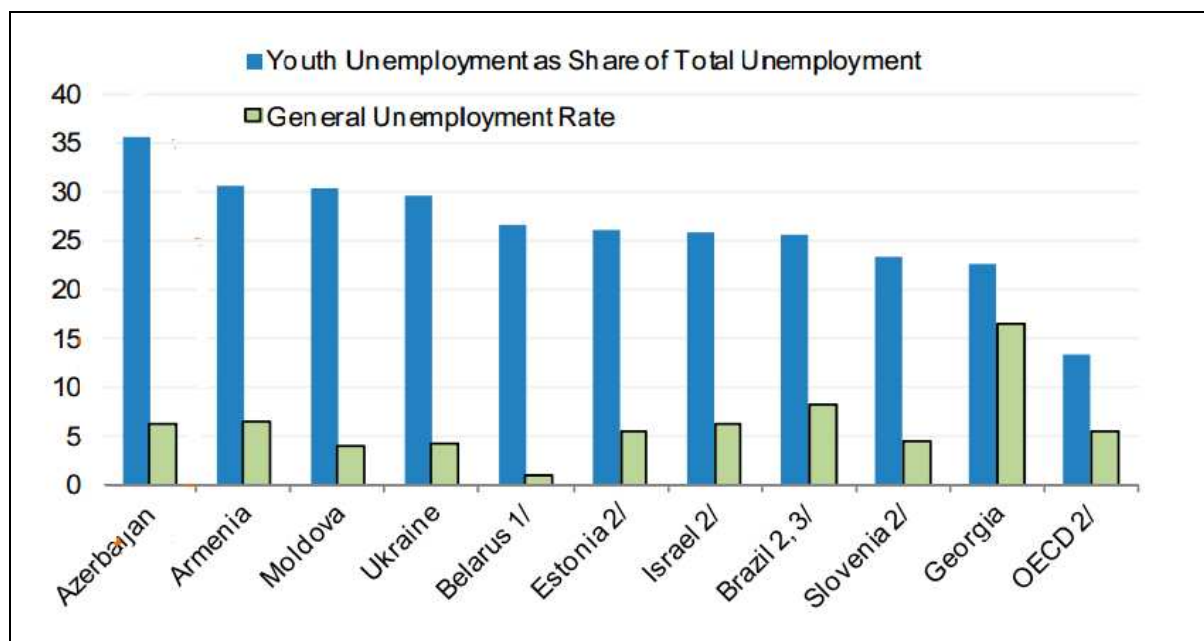
Table 3: Unemployment rate (south caucasus countries and turkey), youth ages 15-24 (%)

Country	2007	2008	2009
Azerbaijan		14.4	
Armenia	57.6		
Georgia		35.5	
Turkey			25.3

Source: <http://www.indexmundi.com/>

The trends are reflected in Georgia, as well as in Armenia and Turkey. After the 2008 financial crisis unemployment is rising sharply. Youngsters in South Caucasus countries are considered as one of the most

unprotected social groups on the labor market but in spite of the actuality of the topic, the less attention is paid to it in scientific researches, in media and in debates.

Graph 1: Youth Unemployment and General Unemployment


Source: OECD; ILO Laborsta Database

Youth forms a large and increasing share of the population, including the unemployed. About a third of the unemployed belong to the 16–24 year old age group, and two-thirds of the unemployed hold upper secondary education degrees. A cross-country comparison suggests that youth are a disproportionate share of the unemployed population in Azerbaijan as well as in Armenia. The levels of inequality in the access to tertiary education and skill mismatches in the labor market are substantial, as indicated in recent World Bank and OECD assessments.

3. Literacy & Education rate in south Caucasus countries

The result of one's education and its economic implications depend on the level of development of the country, the labor supply, the supply and quality of intellectual capital, and their peculiarities. For example, in developed countries where there is a large supply of highly educated workers, there exists a lesser return on investment from education (as shown in financial indicators) relative to other countries.

Table 4: Literacy (South Caucasus countries and Turkey) %

Country	1989	1995	1999	2000	2001	2003	2004	2010
Azerbaijan	97		98.8			98.8		99.8
Armenia	99		-		99.4	98.6		99.6
Georgia	99		99				100	99.7
Turkey		82.3		85		86.5	87.4	

Source: <http://www.indexmundi.com/>

Consequently, economic progress does not automatically mean an emergence of new and decent jobs. To ensure that economic growth benefits all people, and that good, decent working conditions are developed, macroeconomic policies of any country must focus on serious measures in the labor market.

For the decision of these problems it is necessary to overcome lack of highly skilled teachers, scientists and experts for vocational training experts in which countries tests significant deficiency, as well as consequences of demographic changes. Development of qualifying requirements has precisely

allocated necessary parts between vocational training and formation of the scheme of workplaces. From the point of view of the internal maintenance of the given actions from the governments of the developed countries the understanding grows, that investments into human resources, formation and a science will grow.

Despite the fact that most of the high educational institutions in Georgia at present train specialists, the number of schools with professions oriented on the training of the professional staff of the average and low levels, is few in our country, while the demand for them is greatest and much exceeds that for the specialists with the higher education.

Innovative educational technologies are the most important tools needed to compete with other social

institutions. The content and delivery methods and techniques of modern social-economic situations are crucial in helping young people get a positive approach to education. Innovations are a key factor leading to integration between education and science. It is the main instrument to improve the quality of education.

We think that there is a very different situation in the majority of post-Soviet countries, particularly in the South Caucasus countries, where countries have *Signal Effect Theory*. This theory attempts to prove that the most important factor in the educational process is the diploma one receives and not the new skills or competencies one obtains. Table 5 illustrates the statistical indicators of the dynamics of education in Georgia.

Table 5: Statistical indicators of the dynamics of education in Georgia

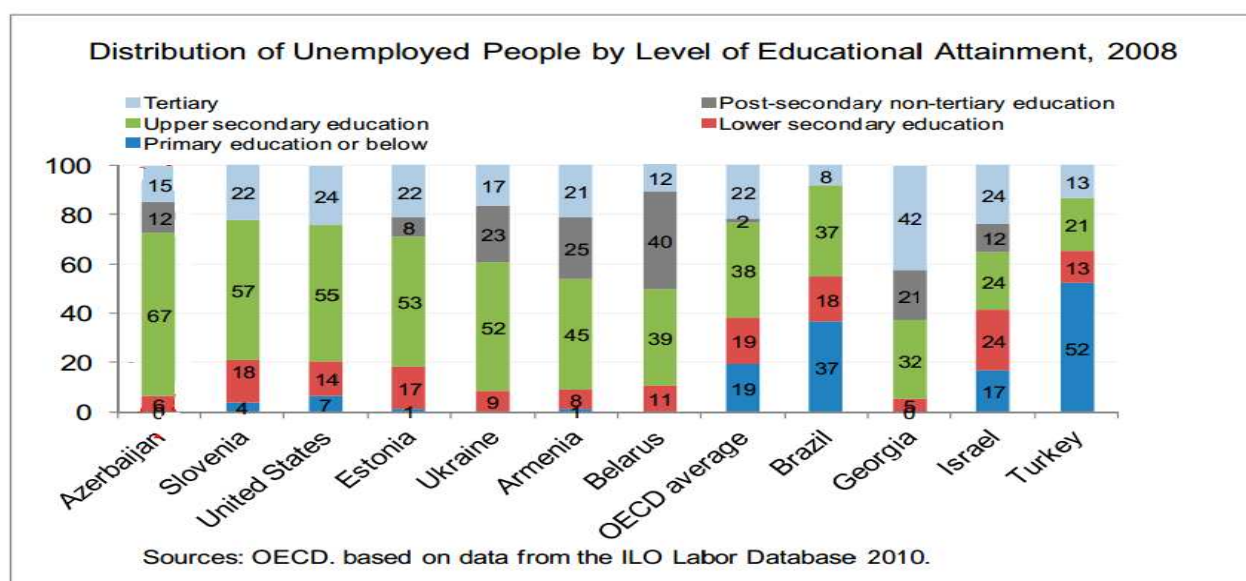
Indicators of educations in numbers	2008	2009	2011	2012	2013	2014
Enrolment in general education schools, thousands	643.3	624.5	568.5	559.4	553.0	554.0
Enrolment in higher education institutions, thousands	93.6	102.7	95.1	109.5	117.7	124.2
Number of persons working for doctoral degree, persons	1588	2986	4266	3040	3213	3410

Source: www.geostat.ge – National Statistics Office of Georgia

The picture below shows the results of research performed in 2010. Despite the fact that the results are slightly old, we still believe that these results have not changed much and we can make conclusions based on them.

Among unemployed people the number of people with higher education is 42% in Georgia, 21% in Armenia, 15% in Azerbaijan, and 13% in Turkey. In our opinion these statistics are connected to *Signal Effect Theory* and some what connected to structural unemployment.

Graph 2: Distribution of Unemployed people by level of education attainment



It is interesting to compare educational level of unemployed people in different countries. In Turkey 52% of unemployed people have only an elementary education (or lower). We feel that there is a totally different situation in the south Caucasus countries. In Azerbaijan, 67% of unemployed people have secondary education. It is 45% in Armenia and 32% in Georgia. These statistics partially explain why Azerbaijanian and Turkish people seek to get higher education in Georgia.

Starting from September 2012 the International Institute for Education Policy, Planning and Management is implementing project and tried to identify the impact of high education on work force formation and development in the country.

The overall purpose of the project was to broaden existed knowledge on impact of higher education on employment trends in Georgia in the context of recent reform of HE sector and to formulate policy options for improving the linkage between HE and employment market.

Education in general and higher education in particular is considered as very important factor in shaping human capital. Numerous studies are therefore devoted worldwide to calculate a return to education in different contexts. In other words, scientists and policy makers around the world are interested to understand how public and private investment in higher education contributes to the process of creation of qualified workforce and overall welfare of society. The issue is not at all investigated in South Caucasus countries.

Conclusion

Employees must possess a broad range of skills and competencies. Socio-cultural, linguistic and cognitive skills are essential in addition to specialist knowledge. Globalisation, social, economical, political, technological and environmental changes

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demand a high level of flexibility and readiness for life-long learning from employees in various sectors of economy.

Europe's education and training systems need to adapt both to the demands of the knowledge society and to the need for an improved level and quality of employment. They will have to offer learning and training opportunities tailored to target groups at different stages of their lives: young people, unemployed adults and those in employment who are at risk of seeing their skills overtaken by rapid change. This new approach should have three main components: the development of local learning centers, the promotion of new basic skills, in particular in the information technologies, and increased transparency of qualifications.

The result of one's education and its economic implications depend on the level of development of the country. Concept of life-long learning plays a big role, as it is a concept of constant development of basic skills.

The connection between education and employment is different in south Caucasus countries and Turkey. We think that there is a very different situation in the majority of post-Soviet countries, particularly in the South Caucasus countries, where countries have *Signal Effect Theory*. In general, according to the findings, there is a high level of education in Georgia. Therefore, the number of people with higher education among the unemployed is quite high.

Among unemployed people the number of people with higher education is higher in Georgia (42%) than in Armenia (21%), in Azerbaijan (15%) and in Turkey (13%). In our opinion these statistics are connected to *Signal Effect Theory* and some what connected to structural unemployment. These statistics partially explain why Azerbaijanian and Turkish people seek to get higher education in Georgia.

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WORK-LIFE BALANCE AS REDISCOVERED MODERN TREND IN HR MANAGEMENT

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Abstract

The paper addresses the issue of work-life balance (WLB) as a modern trend in Human Resources Management, while the term was coined in 1986 and the concept itself exists from mid-1800s, if not considering Seneca's thoughts. This means that people are anxious about how to handle the concept and how to use its benefits. Both employers and employees are not fully aware of advantages of WLB, while disadvantages are discussed frequently. Stress, family arguments, life unhappiness, playing roles without engagement, these are just few of many consequences of excessive work load. Governments not only do not interfere much into regulation of working hours, they do not apply WLB for their own employees. Especially the "sandwich" generation is suffering from increasing stress and compunction, when caring of their own families and children, but at the same time their upbringing does not allow them to leave old dependent parents in homes for the elderly, and the society pushes its members into being perfect parents, perfect descendants, perfect workers. This article thus attempts to provide an overview of recent discussions on WLB (and part-time work as the most visible part of WLB), its changes in arguments and changes in perceptions of WLB by both employers and employees in the last months.

Key words

Work-life balance, part-time work, human resources management, trends in management

JEL Classification: J 24, I 31, J 22

Introduction

The aim of this article is to think of the recent debates on working hours and life satisfaction in context, and perhaps to provide new connections of well-known facts. Definitely the article does not endeavor to provide an in-depth view and any new research of work-life balance; the article even does not attempt to describe the phenomenon in strictly academic terms. The article wants to reflect current events and incidents and discussions that appear either in the media or in the society.

It is noticeable that most of the research on work-life balance, gender issues at work, part-time work etc. was published in the year 2006 (see eg. the webpage of The research institute for labour and social affairs, www.vupsv.cz) and then there is a gap until now and there was little research published during these last years, usually one thematically related publication per year. Not many other academic publications based on large scale research have been issued recently, but nowadays the public debates and media take place and inform about the issues connected to employment or to the negative aspects of employment respectively. Perhaps the crisis is over and people are not motivated by having at least any job any longer but are beginning to be motivated by other aspects of work such as job content, job

satisfaction and perhaps by the possibility of work-life balance.

1. Work-life balance

The term work-life balance is used mostly for part-time working mothers of children under the age of 15. The term "family-friendly policy" was introduced to eliminate the gender perception, but again was limited to organizations that needed to facilitate the return of mothers with children to work. However, this is a misunderstanding. Work-family balance is something slightly different. It should not be limited to mothers with children. It should be extended to fathers, too. And it should be extended to grandparents, to people taking care of any family member no matter how old he is. And it should be extended to anyone who perceives his or her family as a value that cannot be outweighed by anything else. Some of previous publications suggested that even "work-life balance" is not a correct term and tried to explain their point of view and invented many other words for, actually, the same. The arguments against work-life balance are summed up by Lingard and Francis (2009, pp. 124-126), we can for example notice two thoughts: Halpern and Murphy (2005) suggest that work-life balance creates a mental image of a seesaw or a weighing scale and thus is a zero sum game, and so Greenhouse and Powell (2006) came up

with the term “Work-family enrichment” that attempts to show the win-win strategy, that participation in paid work can enhance the satisfaction in the worker’s family life and vice versa.

However, this is exactly the same debate as above. Work-life balance’s original meaning is an optimal balance between private life and work life and by nature is individual and subjective. Two different people perceive it differently. One may seek self-actualization in his or her job and hence spends more time at work; other wants to have enough time for his or her hobbies and hence leaves the workplace as soon as he or she can.

One of the greatest problems of work-life balance is that is perceived as a gender issue, that only women tend to consider their job as too time-consuming and that only women can and do complain about being overworked and that “two shifts” a day, one shift at work and second shift at home, are simply a phenomenon of last decades and women were not trained for centuries to stand such a fast pace for a lifetime. On one hand, this is true; on the other hand, this is far more complicated. Some gender studies focus on women in managerial positions and emphasize their lack of private life, for example Gazdagová and Fischlová (2006).

“The other hand” is also represented by now popular idea of equality in genders, that nothing like gender difference exist and both men and women can succeed in career if they work hard and strive. However, this idea does not fully reflect the reality of our current society, where women are still influenced by the society in choosing their type of education (high school vs university, technical vs humanities) and the necessity to show more qualities than men in order to be perceived as equal to men, in order to succeed in masculine environment, such as assertiveness, rapacity, willingness to risk, swiftness of authoritative decision-making etc. Gazdagová and Fischlová (2006, p. 13, 16) relate the education to continuous stereotyping in traditionally masculine industries that have never been feminized such as the construction industry (and electro-technical branches as well). If we connect these two findings, we can see that this is a phoenix issue and women in masculine environment would have to meet the masculine expectations in the near future and would have to be tough and that only a minority of women would go to study technical university and consequently less women would work in masculine industries and therefore the whole circle begins again.

A research by Haberlová and Kyzlinková (2009, p. 8-19) has revealed that the utilization of alternative work schedules is connected to the preparedness of employers to offer such options and possibilities, thus that the rare alternative work scheme in the Czech

Republic is caused by lack of employers’ willingness. The research has also shown the “verbal” appraisal of family-friendly policies, but no real action, in fact, suspension and confusion. And moreover, this qualitative research has found this ambiguity even within large multinational companies that show significantly higher concern for work-life balance and family-friendly policy in quantitative studies. Well, this is worth noticing. The only companies that showed active support of their employees with family obligations were the “feminized” ones, i. e. companies with prevailing feminine workforce. The authors suggest that perhaps the government and laws could help in the beginning to launch support for work-life balance.

1.1 Specific environment of construction industry

The research of Gazdagová and Fischlová (2006, p. 10) mentions also the specifics of construction industry and its demands on worker’s physical condition and preferences of women to avoid noisy and dusty work environment. The influence of weather or exposure to weather conditions, respectively, such as cold, rain, wind, etc. is more important to women than to men. Women also prefer jobs with less physical exertion if this can be anticipated, employers intuitively prefer men for straining positions, even if this is not on daily basis but rather occasional and a woman could ask for help. Though from New Zealand, a study by Morrison (2012, p.22) suggests that construction industry is a very complicated environment to implement work-life balance and estimates that costs for the employer can be higher than in other industries, the tailored solution can, besides reduced working hours and flexible work options, include also social events, fitness and health concerns, and of course reduced work pressure, limited weekend work, wellness and personal development.

1.2 The sandwich generation

The “sandwich generation” is characterized by being the middle generation that has both dependent children and dependent parents to take care of and support financially. Some women would like to take care of their families themselves without the help of institutional care, but home care is not a paid job, so they have to keep working and pay for daycare, because daycare is either free for pre-school children or affordable for the elderly as is supported by the government. Therefore these women are forced to go to work and pay for services they can and would like to do themselves. Others prefer to keep their career

and leave kids and parents with the institutions because the care is provided by professionals and because their career allows them to make more money and be better off. These women are also scared that if they would give up their career for certain period of time that is not known in advance they would remain unemployed after their parents do not need their help any longer, because they would be too old for the labor market (Cechl, Hejkrlik, 2014, p. 71)

1.3 Career development

In the last years, both men and women have far more opportunities to build their careers than before the year 1989. Today it is easier to study, to gain experience and learn languages abroad, the access to technological equipment that make life easier such as computers, microwave ovens, etc. is wider, men are expected to help with the household more than ever in the history, the family also has more options and can even outsource services such as babysitting or housecleaning. On the other hand, women are more expected to build their career than before, and these opportunities and expectations make them think they have to build their career. But their time is limited. Sometimes career means no private life. As Gazdagová and Fischlová (2006, p. 26) suggest, this makes women frustrated; seemingly they have everything they can long for, such as good job, good salary etc., but they are single, alone, lonely, because career is everything they have. On the other hand, some women perceive maternity leave as a good excuse to escape the “rat race” and at certain age, usually around 35, simply become pregnant no matter what their marital (or even partner) status is and leave the job (Dudová, Křížková, Fischlová, 2006, p. 51).

1.4 A thought on what might have happened

Recent news show the fatal consequences a burnout syndrome can have – the co-pilot of Lufthansa flight that crashed in France is said to suffer from depression and burnout syndrome. Burnout syndrome is typically the result of being overworked in caring and helping professions where making a mistake always means a great trouble for someone else.

2. Part-time work

Let us illustrate recent debates on shortening the working hours per week that were published in Czech journal “Týden” (‘Week’; 2014, vol. 37, p. 29) in an article that put in contrast two mainstream opinions,

one represented by the unions and the second by economists: Mr. Ungerman, an economist of the trade unions, states that every fifty years the working week is shortened by approximately eight hours or one day respectively and there was no fatal consequence either 150 or 100 or 50 years ago, simply because the productivity of labor increases and the economy can make it. Moreover, he states that shortening of working hours can lead to reduction in unemployment rate and to increase in work-life balance satisfaction due to enough time for both work and family and self-development (e.g. through more time to devote to further education). A young single economist of a bank, Mr. Michl, opposes by saying that by shortening the work week we would discourage US companies from investing their money here, and that all these debates are odd because unemployment is caused by unsound labor market, by discouraging investors, and by unwillingness of people to work. One technical worker with a good salary will be able to create five jobs in the future – such a worker will buy services. And Mr. Michl adds that only our laziness leads people to consider the shortening of working week. Though this is a slightly different debate, rather macroeconomic, perfectly illustrates the status quo: can we really measure the life happiness? Do we have any other options than to buy services? Are we lazy or do we just want more from life? Is really everything about money and economic growth? Is GDP really the best indicator of quality of life?

Part-time work is currently utilized mainly by women after maternity leave because it gives them better option for work-life balance and better time management possibilities. Part-time work offered to women after maternity leave (or parental leave, respectively) can enhance their retention rate and reduces turnover rate in the whole company (Lingard and Francis, 2009, p. 194).

Some workers are ambiguous about working full time or part time. They weigh pros and cons – some of the well-known disadvantages are less money, lower security of job, missing career and development plans, missing other benefits from job such as extra sick days, extra days off, lunch tickets or car for private purposes, and, of course, the great possibility to work overtime finally and expectations to be flexible (Hinterseer, 2013, p. 3).

Part-time workers are mainly women, who are aware of and understand the disadvantages of being a part-timer. However, sometimes they have only three possibilities: to work full time and be exhausted, not to work at all and give up their future career and have no money, or to work part-time and put their career aside for limited period of time and have opened doors for future career and still manage both the household and the work. As the society is also

somehow traditional in most countries, it is more acceptable for women to ask for part-time after having a child than for men, and also to switch to full-time after the children are more grown up. So, this seems to be a gender issue, too – the woman has an “excuse” that is tolerated by the society, while a man does not. A man willing to work part-time can be perceived as a less working, less willing to work, less loyal, less perspective. The society’s judgment on proper behavior is what makes women choose either to work full time or not to work at all and consequently the women derive their self-esteem from their proper role imposed by the society, but Bollé (1997, p. 578) cautions that no one should be forced to such a choice and vice versa people who want to work full time should not be persuaded to work part time, because both unemployment and underemployment have its economic and social fallouts.

Women accepting part-time jobs are also aware of the acceptable maximum wages they can ask for, so they usually do not attempt to ask for more. However, this lack of self-confidence and preference of smaller but stable and certain income leads to even greater income gap between men and women, as reported in the study by Gazdagová and Fischlová (2006, p. 24). They also mention other preferred material benefits such as the car, expensive laptops and cell phones as required by men and thus provided to men rather than to women, because women are less competitive in status symbols and perceive them more as tools for work. Dudová, Křížková and Fischlová (2006, p. 24-27) noticed that these benefits can somehow serve as a substitute for high income – the man’s role is to economically support his family, but this is for most men virtually impossible, so their wives have to work, too, and they would never be able to buy such expensive things themselves to they require them from employers. Especially male managers are under great pressure, the nature of their work automatically assumes their full devotion to work, but this means a full service at home from their partner, who should suppress her own career.

Companies that are ready to offer part-time jobs usually operate in public sector and employ in average more women than men, employ in average people with higher education and of older age, this means in particular that these are educational institutions, social welfare institutions and nonprofit organizations (Haberlová, Kyzlinková, 2009, p. 23).

To add, not many countries in the European Union signed the International Labor Organization convention no. 175 on Part-Time Work. In this context, it is presumable that among the few signatories there are countries such as the Netherlands, Italy, Finland or Sweden.

We have to stress here that not everyone is willing to work part-time or to use other forms of WLB. Usually these people are satisfied with their status quo and have no intention to change anything. Anyone should be forced neither to reduce the working hours nor to extend the required working hours if he himself does not want to. Women, who consider their career as more self-actualizing than housework, should never be forced to stay at home when they can buy all the services necessary. Vice versa, men who decide to stay on parental leave should not be discriminated against after they return to work, especially if their motivation was different from financial if their wife earns more money than them (Gazdagová, Fischlová, 2006, p. 28).

2.1 *Flexitime*

Flexible working schedule, called flexitime, means any deviation from standard working schedule, for example daily schedule from 9:00 am to 5:30 pm including 30 minutes lunch break, but flexitime still assumes 40 hours per week. Most usual flexitime is with “core hours” when the worker has to be present at the workplace, for example between 9:00 am and 3:00 pm and can arrive between 6:00 am and is free to leave any time after 3:00 pm either when is finished with 8-hour shift or when completes 40 hours per week. Flexitime also includes “compressed week” work schedule, which means that 40 hours are completed in 4 days. According to Baltes (1999, as cited in Lingard and Francis, 2009, p. 194), any kind of flexitime increases employee job satisfaction, productivity of labor, and decreases absenteeism, however, this statement is valid for blue-collar workers rather than managers, because they already enjoy certain degree of autonomy and thus launching of flexitime does not mean much to them.

As part-time work is not common in the Czech Republic because of limited income, flexible working schedule is discussed more, nonetheless this does not mean that flexitime is more common, on the contrary. Surprisingly, most companies are likely to offer rather the part-time work than flexitime; the less qualifications are needed from the employee, the less probability of flexitime (Haberlová, Kyzlinková, 2009, p. 34, 57). Though flexitime was introduced to support the family-friendly concept in order to help women with children, currently flexitime is utilized mainly by men in the Czech Rep.

Home office is also perceived as a benefit for work-life balance because the worker can usually arrange the schedule according to his or her needs, and moreover, the time spent by commuting is saved and can be used for other useful activities. Home

office is also used when traditional office work is insufficient because in times of high workload and intensity of work traditional office worker is far less productive than remote worker, at least according to the research by Lingard and Francis (2009, p. 193). And again, surprisingly the public administration organizations are the most resistant to offer home-office (Haberlová, Kyzlinková, 2009, p. 37). Home-office is more common for highly skilled professionals who work in such sectors as banking, insurance, education or IT and are expected to report a result.

However, both of these flexible working schedules including home office are hardly applicable in construction industry for all workers. Architects, designers, engineers, planners, economists and similar professions can well work under these schemes mainly because of the more independent nature of their work, but other professions that work on-site such as bricklayers, crane drivers, site managers, simply all the professions that have to cooperate, cannot choose when to arrive to work, and understandably, tile layer cannot work from home, but on the other hand, he is very much independent on other workers (not to mention the supply of tiles and other material and, of course, the ready time and place within the construction site), so such a professional can be applicable to flexible work schedule. 60 % of companies that operate in construction industry does not offer any type of flexible working schedule to any group of employees in the Czech Republic (Haberlová, Kyzlinková, 2009, p. 33).

3. Undeclared labor

Readers might doubt what does undeclared labor have in common with work-life balance and part-time work? In fact, undeclared labor involves worker's life a lot both in the sphere of job security, stress, finance, and life happiness. By definition, undeclared labor is, according to International Labor Organization: "*any paid activities that are lawful as regards their nature but not declared to the public authorities, taking into account the differences in the regulatory system between Member States*". Undeclared labor means no employment contract, no fulfillment of tax obligations, of social and health insurance obligations etc. In short, for the purpose of this article undeclared labor is anything that takes place outside the legal labor market. The extent of undeclared labor in construction industry is enormous, however, most studies struggle with relevant data and reliable estimates cannot be done even with help of data from the Aliens Police. At least an estimate of Kux and Kroupa (2006, p. 7) counts with roughly one half of

total workforce of construction industry work either illegally or at least occasionally without having a contract signed, altogether for both foreign and domestic workers. If some typical kind of undeclared labor occurs, usually does not affect the worker's well-being or life satisfaction at all –typical undeclared labor is self-employed persons who do not report the work in accounting or employees of a company who perform some extra work directly for the customer paid in cash. However, and this addresses especially foreign workers, if the person has no contract at all, or works for a dubious agency, or works for minimum wage and extra money receives in cash, this may cause a real problem in the future as the person is either not entitled to any social security benefits including old-age pension, or even in the worker's psychological condition in the time being. Illegal workers work under far worse circumstances, with poor safety measures, they work long hours, and they are not allowed to complain otherwise they lose the job. The insecurity of job and future is what influences work-life balance the most. In case of illegal foreign workers, they have no private life at all.

Discussions and conclusions

This article attempted to show that there is some research on work-life balance or on part-time jobs, though many of them are conducted in the framework of gender studies as this is a popular topic in the society. The media also inform from time to time about part-time workers or rather about negative consequences of workload and connected insufficient controls and insufficient support from the government and also economic point of view. The negative side of the research is that it is only a research and does not serve as a tool for change. A research article is just words and so are the attitudes of employers –officially especially large companies have developed a human resources management strategy that reflects the need for work-life balance, the need for family-friendly policies, but finally, the real support is gone.

The need for work-life balance is likely to grow in importance since there are growing numbers of people who have to take care both of their children and their aging parents at the same time. The issue of single mothers who escaped the rat race for career by having a child and leaving the labor market for a while will show its importance only in the near future.

The main thing that has to be discussed (and solved) is the economic versus the humanistic viewpoint, i. e. whether we will continue measuring welfare in economic terms or in terms of subtle, hardly measured emotions such as quality of life and life happiness.

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TOWARDS SELECTED INTERPERSONAL SKILLS IN MANAGEMENT

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Abstract

The aim of study is to show the importance of interpersonal skills in manager's management. It draws attention to specific features of managerial work as emotional intelligence, communication, ability to listen, solve conflicts and make decisions. In this paper we focus and describe the selected interpersonal skills that are an essential part of effective cooperation at all levels of governance. Expectations and quality that are put to work in managerial positions have a growing character. A manager is expected to dispose of personal and professional qualities that will lead employees to objectives and benefits. Implementation and application of interpersonal skills and competences requires a proactive approach by individuals and corporations. To promote and develop them is possible through training activities as required by individual businesses. Through the training of selected skills it will contribute to their development which ultimately affects the working atmosphere and relationships at workplace.

Key words

Interpersonal skills, leadership, managerial communication, emotional intelligence.

JEL Classification: M51, M53, M54

Introduction

Knowledge and competence to work in a management profession is an important part of the managerial work. Given the fact that changes occur at work and in people management it results in increasing demands and professionalisation in interpersonal skills development. Grenčíková (2015) draws attention to changing environment where businesses operate, demands are changed on the management quality in almost every area in which they operate. Human factor and quality of its operation is one of the most important factors affecting the success or failure of company in a competitive environment. In this regard Živčicová (2013) states that in the field of managerial competencies there is observed increased pressure on development of communication competence, empathy and coping with conflict situations. Interpersonal skills form a set of multiple factors, of which the knowledge and direct application supports effective work with human capital.

1 The role and importance of interpersonal skills

The ability to be able to apply the use of interpersonal skills in practice is the basic premise of cooperation with people. Through them most frequently manager can get closer to his/her coworkers. Provided effective work with interpersonal skills manager communicates, focused on people, learns, motivates, delegates, informs, persuades,

organizes, decides, and achieves particular aims of institution. Kurhajcová (2007) expressed her conviction that managers who have well-developed interpersonal skills are able to lead very good communication with his colleagues. They are able to motivate, lead and awaken the enthusiasm to work in people toward achieving the organization's objectives. The role of manager, in principle, does not change and its essence remains. Conditions and environment change where manager is no longer only labor, but especially human resource with his/her personality and professional qualities.

Distinctive feature of managerial work is achieving results, responsibility and the collaboration and cooperation of workers is the means to achieve these objectives. The role of directive and dominant senior is substituted by the role of leader who, through his/her personal and professional prerequisites motivates and empowers knowledge of colleagues.

2 Interpersonal skills in management practice

Work relations are related to the hierarchical grouping. It always it determined who has the power to lead a team, and also who must respect this power. In relations an important role plays the power of force to control others, which should be optimally used and not abused (Strnadová, 2011). The work of manager requires cooperation at all levels and in all relationships. We mean the cooperation with superiors, subordinates, business partners. In the

mentioned above relationship it is essential to be able to negotiate, resolve disputes and follow the principles of ethics and social communication.

Interpersonal skills, have been discussed, are based on the processing of Mikuláščík (2003), Dědina a Odcházel (2007). Those ones states that basic interpersonal skills, which should dispose manager have are such as *communication skills* (verbal, non-verbal), *emotional intelligence*, *ability to listen*, *resolve conflicts*, and *make decisions*.

From all of the management assumptions *communication* is the primary element, integrating other functions into one unit. According to Ratcliffe (2004) through communication we can modify behavior, purposefully use the information, effectively achieve changes and realize determined objectives. Psychologically, it is also about self-presentation, self-affirmation and expression of attitudes towards subject and content of communication. Strnadová (2011) expressed her conviction that the study of communication and its skills is essential for managers if they are to work in contact with people and lead them. It facilitates them to manage conflicts, understand their relationships and their development, it helps them in persuading the people as they should be inspired, motivated, how to understand groups and communicate despite intercultural barriers. Szarková (2002) considers as the basic principles of dealing with people: speaking (expressing oneself), listening (active listening, the existence of feedback) and silence (selectivity depending on situation). Verbal communication is also complemented by nonverbal expressions. They show the real feelings and attitudes and in most cases we are not able to influence and control them. Nonverbal communication in most cases does not send the information, but gives importance to the verbal speech.

The *ability to listen* can not be considered a simple matter, because it is mediated knowledge. Understanding others may be presented by Mikuláščík (2003) as one of the most difficult interpersonal skills, because who speaks, does not always accurately express feelings clearly. But if his/her feelings are not clear to express this ambiguity and inconsistency is very difficult and even more difficult is this ambiguity to understand from the side of perceiving person. By Tyagi (2013) good listening supports worker's productivity and the ability to listen carefully. Knowing to listen to others enables the person: to understand the task and to find out what he is expected, to build relationships and solve problems with co-workers and clients, answer questions and find the essence of what others say.

To *resolve conflict* respectively not to resolve conflicts is the largest reserve in reducing costs for many companies. Conflicts are defined as a situation

in which an individual or group seeks to achieve its own objectives by eliminating or subordination of other individual or group trying to achieve similar or identical goals. A source of conflict at the workplace can be to get the best employee compensation packages, but it can also be a differentiation in their attitudes, culture, education. Most conflicts have their origin in sources such as: different views - if both parties are looking at the same thing from different aspects, different values - if both parties have different beliefs, different interests - preferences different interests, limited resources - vaguely defining who and what he wants and needs, psychological needs - every person has a need for others to be seen in a favorable light, as capable, responsible, successful. In this regard Kadárová (2009) quotes the causes of conflicts, which are communication and structural reasons. Structural reasons lie mainly in the size of the company or team, the length of information turnover, involving the individual members of company, system of financial valuation and amount of dependencies between team members. Personal reasons include conflict factors such as self-esteem, personal goals of individuals, their values and needs. Unresolved conflicts can cause disincentives of employees by their creating an unfavorable climate of tension, suppressed or overt aggression. The negative consequences are in conflict situation, if they are not solved at proper time or are due to the different circumstances, in particular the intransigence of the parties, intractable (Nákonečný, 2005). Escalation or expansion of conflict is done by means of communication, words and emotions. Some conflicts constitute at enterprises the function of a set mirror thus they contributes to positive changes in personal and business development.

One of the most important activities in management work is a *decision-making role*. Any decision as a management activity is crucial because it ultimately affects not only the performance of an individual, but also the whole organization (Remeňová, 2011). Decision-making process involves a number of tasks: implementation of new methods, interpersonal disputes resolving, promoting the interests of employees and businesses, resource allocation and spending.

Collective and mutual cooperation is currently increasingly emphasized. Mikuláščík (2003) in this regard states that manager must lead to prevailing group decision at the time of participation. Strnadová (2011) points out that participation should not be the final link in interpersonal relationships area and work organization in company. It is necessary to create conditions so that power and responsibility are distributed and received as far as possible at the lowest levels of management (ie. delegation of

powers). This is the way how it is possible to increase the flexibility of company and at the same time to create a sense of satisfaction and self-fulfillment for workers.

In management work it is also very important to know how to be able to manage one's own emotions and moods, and also able to work with emotions of others. We are talking about *emotional intelligence* of which depends to what extent an individual is able to get ahead with one's skills and competences within the existing social environment. In this context Salovey and Mayer speak about emotional characteristics such as empathy, the ability to solve interpersonal relationships, respect, understanding of feelings, independence, perseverance. Goleman (in Dédina, Odcházal, 2007) says that for career promotion the emotional intelligence is more important than rational intelligence. He observes that high emotional intelligence helps to establish appropriate contacts within the organization. He divides emotional competence into two main groups: personal and social competences. Personal competencies determine a person's ability to control oneself and he classifies among them such as self-awareness, self-control and motivation. Social competence determines the orientation and behavior

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in partnership and working relationships (Goleman, 1998).

Conclusion

Expectations and quality that are put to work in managerial positions have a growing character. A manager is expected to dispose of personal and professional qualities that will lead employees to objectives and benefits. Implementation and application of interpersonal skills and competences requires a proactive approach by individuals and corporations. To promote and develop them is possible through training activities as required by individual businesses. Through the training of selected skills it will contribute to their development which ultimately affects the working atmosphere and relationships at workplace.

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DEVELOPMENT OF PUBLIC SERVICES WITH APPROPRIATE EDUCATION OF USERS

Martina KLIEROVÁ

Abstract

The article presents the results of research on public services offered by sector conducted in area of educational technology. It also discusses the extent of needs and adaptation of education for new educational environment. To help our students become aware of the current technological development and to make education relevant and efficient we are supposed to use optimal structure of educational technology. Finally, it presents the idea how we continue with our projects submitted to competitions Galileo and Copernicus focused on public services including education of future users based on multimedia even for education in dangerous environment. Optimal structure of educational technology gives equal chances for all at school but optimal structure of information and communication technology gives equal chances for all during whole live, following the idea that all of us are gifted but it is up to scientists to use educational, information and communication technologies to find the way how to use our gifts

Key words

Educational technology, Galileo and Copernicus Projects, Multimedia, Public services

JEL Classification: H83, A29, I23

Introduction

The issues of changing the goals, principles and ways of realization of education in all its aspects are now facing all the countries around the world. It's bound up not only with the break-up of social systems but also with the desire to retain national peculiarities in education while absorbing accumulated world experience. All this facts have required new ways of learning and living for the majority of the population. Experience of the article presented by author is from stays in Israel, Finland and at the oldest university in Bologna. Well as managing video-conference in virtual environment of SANET with University in St. Petersburg and five other universities from abroad supported our procedures for preparation educational project even for Africa. Such experience created appropriate environment for development of double diploma study program with University in Pittsburgh. To focus further research and development (R&D) with immediate transfer of outputs we were discussing our proposals even with editors China-USA Business Review and for introduction we were sending next e-mail

Dear Editors,

It was nice to receive email from co-author Ján Kútik expressing your interest even about our research since by the end of this school year we'll have been working in this area for 16 years but during recent

years we used to prefer the invited vocational lectures with immediate possibilities to transfer knowledge or research results as it was for example in case of my last plenary presentation at University in Radom/Poland for International conference Informatics for 21st century – the 6 June 2014. If I compare final effect of this presentation to my article: Michalko, J.: Education Technology and Multimedia Centres even for Education in Infection Environment issued by editors in 2005, it was focused on preparation professionals for such cases as Ebola but without application and considering how hard it is for Africa now without appropriate preparation for managing such cases.

PS: In book: Innovation Processes in Organizations, MERCUR – VERLAG, Wien/Berlin 2013, you can also find my chapter: E-government

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In other to transfer R&D knowledge in area of Public Administration we would recommend to apply new technology for sophisticated public services including services offered also by army and police. Even for case studies with our students we used to use real decisions publicly familiar via TV or radio with evaluation of conditions for such decision. Last story for example was from the Czech Republic after disaster in army ammunition depot in neighboring

Moravia. Decision of army officers in this case was totally unappropriated ignoring chances to use new technology (drones). For education our students at study program focused on Public administration with subject as Crises Management we are using actually even ammunition depot explosion in Doneck or VOP Novaky from history such disasters in the Slovak Republic, but “disaster has multiple faces; it can be a terrorist attack, an explosion, earthquake, flood, hurricanes, tornadoes, and airplane crashes to name a few of them” (Mini, Dufrene, 2014).

1. Against total virtual BOOM

With our students at study program focused on Public Administration who were aware of the current technological conditions we did many experiments to make education relevant and efficient as we were supposed to use optimal structure of educational technology for each out of 50 subjects of their curricula. To illustrate results of those studies we can compare two of them from the point of view of educational technologies used for teaching and learning at home (see Table 1).

Table 1: Use of Technology in Teaching and Learning

Accounting \ Technology	face to face	multimedia supported	e-mail school	m-learning
FINANCIAL ACCOUNTING	30%	0%	50%	20%
MANAGER ACCOUNTING	10%	80%	10%	0%

It is clear from comparison of the similar subject that each subject of education needs individual measure of educational technology used see also Heinich, Molenda, Russell, and Smaldino (2002) define instructional development as “the process of analyzing needs, determining what content must be mastered, establishing educational goals, designing materials to reach the objectives, and trying out and revising the program in terms of learner achievement”. Schools services are supposed to offer professional multimedia support for whole educational sector including education of citizens with criteria of success characterized by the weakest link principals. Such supports are supposed to be conducted first of all in area of medical study focused on work in infection environment with urgent demand on educational technology such as Ebola and SARS. Fatal consequences of SARS research in South Asia for professor from Italy we have to consider at least as totally not appropriate for modern era equipped with modern technology. Especially we would like to stress our obligations to educate citizens in region with for example nuclear power stations to prevent horrible consequences as it was Chernobyl (1989) and Fukushima (2011). We are trying to improve education in this area by inviting the top professional for lessons with our students at study program for public administration with subjects of regional orientation. Almost totally different is preparation professionals for sophisticate health services to avoid drop-out rate effects as we are to describe next part of this article.

It is proved by dozen of the UK's universities which were asked for their drop-out rates (Thomson, 2005). Some declined to provide any statistics, saying they do not publish the figures. Others admitted to rates of anything between 10% and 33%.The health workers' union Unison though, believes that at some institutions, the figure is much higher. It cites anecdotal evidence from student nurses in London of a drop-out rate of over 50% on some courses. "We need to be looking at how student nurses are trained, we need to be looking at how we care for them during that training, and we need to make sure that we retain them at the end of those three years." Chances to use experience even from UK's universities help to introduce adequate educational technology form the beginning of such study programs at new faculty of our university using services of multimedia canter.

2. Creativity Support and Innovation

Great opportunities for education via all Erasmus study programs are given by European Union grants for R&D projects at university environment. For quite a few years we are using chances for such projects submissions by international teams of Erasmus students created for competitions as Galileo and Copernicus. But despite of advantages it is hard to explain some procedures used by managerial stuff in case of such important competitions. As a measure without positive educational effects we consider repeated changing deadlines even after submissions of

ours and so many other projects as it was proclaimed by organizers and respecting new registrations in the last couple of days do not characterizing sophisticated procedures in area of R&D, but giving chances for cyber-crime and suspicion among students and young scientists.

Success story of European Space Agency gives us chance for preparation and participation in competitions of Galileo and Copernicus. By the end of this school year we will have been creating international Erasmus teams of students for 12 years. With such teams we used to submit projects for international competitions. Students and young scientists with orientation on development of safe services for citizens of EU we were educating for six years. Finally we would like to realize those teams' ambitions, for benefits of all by submitting our common projects via Galileo and Copernicus competitions in EU. After our negotiations with some competitors in this area we would prefer development additional tools for European navigation considering even last behaviour of GPS and Glonass providers. We have submitted our last project focused on improving of accuracy especially in case of chosen ski, bike or other sport centres we consider as one of decisive assignments of our research and development strategy. The final version of our system will offer the rescue service also in areas without terrestrial mobile network coverage - for everyone, but decisive purpose of our study is to develop appropriate equipment for disabled people in not only in challenging environmental conditions such as skiing in foggy weather as well as night cross-country skiing or riding bike in such conditions, so we were using article of Tucker, Bradshaw and Ketcham (2013). The authors discuss their creation of a virtual experience that leveraged smartphones, laptops, eBooks, and Internet resources with existing university technology, allowing students to stay on track.

In our project we are going to continue with our strategy how to develop the best technological support even for all types of disabled people. We would recommend starting with development of technologies for competitors at Paralympics, taking into account that "performance on learning activities during instruction correlated not only with writing outcomes; and individual students tended to improve in the impaired skill associated with their diagnosis" (Berninger, Nagy, Tanimoto, Thompson, Abbott, 2015). About two years ago we submitted our first project focused on development of technology for supporting skiers in dangerous conditions for example foggy weather, night skiing, etc. We were using our former experience with a group of Erasmus (students from Bulgaria, Italy, Lithuania, Portugal and Spain) applying principles of Management in Higher

Education according (www.itnews.sk), for testing our know-how, good practice and procedures for successful performance in the framework of Galileo the European competition criteria.

Successful development would provide technological help not only for disabled skiers but also for all types of disabled people not only while skiing but at the end for other activities even in case of citizens without disabilities as important factor defined by Habánik (2014), Šandora – Betáková (2010) for sustainable regional development in European regions not only on territory of the Slovak republic or EU. To prevent such horrible consequences as it was in case our favorite Schumi former F1 champion or even in case of top among politicians Angela Merkel or even fatal consequences in case of Holland prince among prominent people, do not mentioning others, so we consider as our obligation to continue. Up to now public services, including former winners of Galileo competition, were not focused on prevention but on disaster consequences even in case of integrated emergency services while having only terrestrial emergency call to 112, the police, ambulance or fireman service. But our strategy for development is totally different based on two level of prevention. First level focused on cooperation with medical staff orientated on evaluation and development of standards or parameters defining physical and health conditions of individuals before sport activity for example cross country skiing to avoid activity not appropriate for individual trying to manage activity not adequate to his physical and health conditions. Final version of navigation software should allow choosing perfectly adequate sport activity following physical and health parameters of each person before starting with sport performance. The second level of prevention focused on cooperation with technical staff orientated on evaluation of real conditions of ski slopes in case of downhill skiing or cross country skiing to avoid accidents while skiing in dangerous conditions as well as in other outdoor activities including summer season.

Decisive step for development would be connected to Winter Olympics in PyeongChang or especially to Paralympics to following these Winter Olympics in South Korea. After these games would be the best time for commercial success immediately after introducing such software apps perfectly adequate for installation even into mobile phones. Technological feasibility would be appropriately improved even via cooperation with producer of mobiles from South Korea. But after negotiations with some competitors from USA we are supposed to finish our development before the Olympics since

competitors plan for such development have starting point in 2016.

Following our negotiations with some competitors in this area we would prefer development additional tools for European navigation considering even last behavior of GPS and Glonass providers. Improving of accuracy especially in case of chosen ski, bike or other sport centers we consider as one of decisive assignments of our research and development strategy. The final version of our system will offer the rescue service also in areas without terrestrial mobile network coverage - for everyone, but decisive purpose of our study is to develop appropriate equipment for disabled people in challenging environmental conditions such as skiing in foggy weather as well as night cross-country skiing or riding bike in such conditions. Improved public services appropriate for almost all citizens while spending time in winter or other sport centers and as well as for all types of outdoor activities with appropriate providers support considering the quality level of services provided by nowadays competitors. Our estimation of return for potential customers is up to one season but in case of providers is up to two seasons but for strategic investors up to five seasons.

Final phase of such sophisticated public services development is connected with demand of future users of those services and they prepared for such services by adequate education with "inclination to provide services for the good of society" as it was defined by Perry, J. L., Hondeghem, A. (2008). In case of our projects for skiers we have a chance to use our experience from former Czechoslovakia in area of compulsory subjects focused on education at the level of secondary schools as well as at universities to prepare students for appropriate behavior on mountains including cross country and downhill skiing. Because of its 'limited universal character' one should always take regional and national dimensions into account when researching public service motivation (Vandenabeele, Van deWalle, 2008), with consideration global character of final solutions as "technology has become internationalized" (Kordoš, 2013).

3. Our proposals

The National Education Multimedia Center - NEMC has to begin somewhere, for example "building regional innovation centers and development of innovation infrastructure for entrepreneurs" (Krajňáková, Vojtovič, 2012). In all countries we know in Europe there are National Pedagogic Centers. So, the NEMC might function under the management of the existing National Pedagogic Centers or relevant

Ministry. They are able to introduce step by step modern educational technology into education (Michalko, 2000; Varkoly, 2001).

Our project proposes the establishment of a national centre specialized in the exploring of the educational needs of pre-school, primary, secondary schools including professional preparation even in case of special medical education in infection environment and the producing of educational audio-visual materials.

The main goal of this project is to reach disadvantaged rural and semi-urban areas who have little or no access to high-tech forms of education and to enrich students with additional educational opportunities.

The philosophy of our project based on three main principals:

- to bring educational opportunities to semi urban and rural population for improving conditions to introduce modern eGovernment, doctor on line etc.
- to provide and to enrich formal education with additional audio-visual support for children and youngsters.
- to encourage development of thinking and learning skills of students.

The method we propose is based on more flexible used appropriate methodology, namely training with audio-visual materials, to work with learners wherever they might be.

4. Similarities and differences we are to consider

1. The conception plans of the reform education in EU countries are declared in the special nation (state) programs.
2. The main objectives of the reform are decentralization of the educational system, development of the autonomy of educational institutions, expansion of academic freedoms of faculties and students, development of new financial mechanism.
3. The educational system is going through a transitional period.
4. There are mostly state public educational institutions and also the non-governmental and private ones.
5. The existing educational institutions are reconstructed and educational institutions of a new type are organized.
6. There are both the national educational center and regional educational centers in EU countries.

7. All these countries have differences in the economical, social and cultural development of the different regions.

As far as the project will be dealing with wide audience, we must make sure that the organization will be adequately staffed.

- generators of educational contents: selected from the various parts of the educational system - higher and technical. Contents of audio-visual materials may be within and outside the school program. Generators of educational contents might be organized in the form of working teams to take on the specialized tasks.
- professional producers and script writers
- experts from Academy of science and National Pedagogic Center.

6. What will be the NEMCe's objectives?

- to produce audio-visual educational materials for education.
- to provide channel and broad-casting audio-visual programs
- to distribute its production among educational organizations
- to cooperate with similar international organizations (Academy of science and National Pedagogic Center, Educational TV)
- to explore the needs of education of schools. It means, what problems and interests do students have, what will be the solutions to these problems, what regional variations should be considered? And so on. Official Ministry of education reports, National Development plans, research reports, statistical abstracts can be used to fulfill this task.
- regular researching conferences, devoted to a topic to Educational Multimedia Center.

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7. Budget

As for the budget we should remind that NEMC will be affecting thousands of students. That's why for the purpose to keep our project flowing Ministry of Education must give support to it. A memorandum must be written to the government explaining the NEMC proposal carefully and funds should be found for the establishment of the NEMC.

It will be very important, especially at the beginning; besides the commercial activity of NEMC itself might do it self-sufficient.

- The NEMC should avoid the error of trying to go it alone. Many available agencies will be called in to contribute in the forms of personal investments and sponsorships.

Conclusion

All these facts including money mentioned before have required new ways of learning and improving living conditions and health care not only for the majority of the population. It is important for all countries to remove barriers between compulsory and professional education, between different areas of knowledge, between the universities and society of these countries with their national and social fragmentation, between different concept of tradition and human values and with these goals in mind use information technology effectively for whole mankind. Optimal structure of educational technology gives equal chances for all at school but optimal structure of information and communication technology gives equal chances for all during whole live, following the idea that all of us are gifted but it is up to scientists to use educational, information and communication technologies to find the way how to use our gifts.

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PUBLIC SERVICES IN AREA OF CITIZENS' SECURITY

Ján MICHALKO

Abstract

To provide a broad picture of how cities perform in area of security we have tracked in our article index of security perform across a range of indexes created by The Economist Intelligence Unit. Three of these indexes are at the city level (Safe Cities, Liveability Rankings, Cost of Living) and three are at the country level (Business Environment Ranking, Democracy Index, Global Food Security Index). Ultimately, in mature and emerging cities alike, local governments and city leaders need to get better at collaborating with all city stakeholders from different department, sectors and civil society groups. The arguments for taking such measures are compelling when most of the world now calls a city their home. Safe cities are those that can support a vibrant cultural life and a dynamic entrepreneurial environment in which everyone can thrive. The proponents of the "balloon effect" note that the successes described in the work on the topic of crime in NY and in the other places around the world are not successes in the elimination of the phenomenon but in the removal of the phenomenon to geographic regions where there is no police pressure

Key words

Business Environment, Cost of Living, Public services, Quality of Life, Safty of Cit

JEL Classification: H56, R51, I25

Introduction

To compare Public security measures prepared in all part of the planet we are using actual The Safe Cities Index 2015. It is Economist Intelligence Unit report, sponsored by Nippon Electronic Company (NEC). The report is based on an index composed of more than 40 quantitative and qualitative indicators. These indicators are split across four thematic categories: digital security; health security; infrastructure safety; and personal safety. Every city in the Index is scored across these four categories. Each category, represented throughout the report by the icons shown in the key, comprises between three and eight sub-indicators. These indicators are divided between inputs, such as policy measures and levels of spending, and outputs, such as the frequency of vehicular accidents. The Index focuses on 50 cities selected by The Economist Intelligence Unit (EIU), based on factors such as regional representation and availability of data. Therefore, it should not be considered a comprehensive list of the world's safest cities. The report was written by Sarah Murray and edited by James Chambers. Amie Nagano and Takato Mori conducted additional interviews. Chris Clague built the Index.

Cities are already home to a majority of people on the planet. The current level of urbanization ranges from 82% of the population in North America to 40% in Africa. But all regions are expected to follow this trend towards greater urbanization over the next three decades. Lagos, the most populous city Nigeria, is

predicted to double in size in the next 15 years. However, cities should not take continued population growth for granted. As the UN's latest World Urbanization Prospects study points out, some cities have experienced population decline because of, among other things, low fertility rates, economic contraction and natural disasters. The population of Seoul, the capital of South Korea, has shrunk by 800,000 since 1990. Likewise, the safety of cities can ebb and flow. New York recorded a record high of 2,245 homicides in 1990, equating to six murders per day. Since then the population has grown by over 1m people, while homicide rates have fallen. The murder rate in 2013 stood at 335, a historic low, moving New York below Chicago—a city with under one-third of New York's population.

1. The Ability of the Police as a Service Organization to Set Social Goals and Reduce Crime

Bratton, who was the Police Commissioner, when Guliani was the mayor of NY City, notes the skepticism that exists among criminologists and different social scientists regarding the ability of the police service organization to effect a reduction in crime (allegedly, the main goal of these organizations). According to the researchers' position (which is supported by research findings), the crime rate in communities changes according to demographic variables, influences of social trends,

and different economics factors. The Police has minimal influence, if at all. On the basis of this approached, detractors voice their objections to the increase of the Police force and to the addition of resources to the Police at the expense of other factors (Bratton, 1999). Nowadays the public security as one of the key players is going to make real-time communications will be possible not only by humans but also by things at anytime and from anywhere (Lu,

Li, 2011). Based on the "digital city", "smart city" is widely used in daily livelihood, environmental protection, public security, city services and other fields. They mainly focus on recent research and the concept of "smart city", summarizing the relationship between "smart city" and "digital city", putting forward the main content of application systems as well as the importance and difficulty of the construction of "smart city" (Su, Li, Fu, 2011).

Figure 1: Safe City Index



Source: Assessing urban security in the digital age (2015)

Bratton challenges this prevalent determination and argues that these conclusions are the product of an implicit assumption that Police work is the same Police work everywhere – managed, directed and executed in the same way – and thus the outcome is the same. “I question this statement, that since a causal relationship has not been found between Police activity and the reduction of crime, that such a relationship is not possible. The criminal elements are not uncontrollable force. In essence, the elements responsible for most street crime are no more than a collection of unorganized individuals and many of them are not even successful at what they do. The Police have the advantage in training, equipment, organization, and strategy. We can catch the delinquents and we can scare them to flight. It is possible. We do this in NY” (Bratton, 1999).

Bratton notes the improvement conducted in the NY Police as a result of the implementation of the compstat approach, which for the first time presents statistical data close to the date at which the

occurrences occurred (unlike the past situation, in which there was a wait of months till data were received).

In this paper we are trying to review the performances of units in a large security organization around the planet for which “the Balloon effect” is attributed.

For present research we would recommend to use experience of Police in Israel, or even from China described by Chen, Lee, and Tseng (2013) in their study employs the Geographic Information System (GIS) technology to analyze the spatial locations of maritime cases that arose in the Taichung Harbor. In case of Israel, a small country that is surrounded by enemies and thus keeps its borders closed, a country whose Police is a national force eliminating the Balloon effect. The special article written by Kutik and Karbach (2012) is „about the policy management requirements in present post-industrial society. Specifically, it is focused on the area of informatization of society, knowledge society,

knowledge economy and tasks resulted from that for the management, as well as some challenges for managers“. Another point of view was applied by Krajňáková (2014) on “the new economy – the economy of knowledge, innovations and global information systems, economy of intellectual labour, science, new technologies and technological business entrepreneurship”. Štefančíková (2014) was trying to describe complexity “in connection with the development of knowledge management discipline in recent years as there has been a series of reviews, recommendations, management concepts. It is not possible to provide the full richness of ideas on this area in all its aspects. The aim is to outline the basic ideas of the concepts of knowledge management and related basic knowledge for improving workers' organizations and of the organizations that creates knowledge, the concept of a learning organization and the concept of intellectual capital.” Although there have been observable improvements in a range of public services, the impact is complicated by a public that has grown increasingly sceptical and demanding (Clarke 2005). We can prove this declaration even by own experience with Lufthansa on the flight from New Your to Frankfurt. As teachers in this area we have also “inclination to provide services for the good of society” as it was defined by Perry, J. L., Hondeghem, A. (2008).

Piet Hein van Kempen (2013) discusses how security must be understood from a human rights perspective. It is submitted that human rights law i.e. classic civil human rights in fact presupposes four different concepts of security: international security; negative individual security against the state; security as justification to limit human rights; and positive state obligation to offer security to individuals against other individuals. These concepts are explained, discussed and criticised individually and in combination. Reasons are given why several of the concepts insufficiently substantiate what security encompasses: not all concepts are mutually reinforcing; in some cases they even undermine each other.

So we are trying to use this advantage for introduction of research results described by our doctorand of his dissertation submitted at UKF Nitra. For supporting of knowledge transfer and using principals of dissemination of the best practices decisive in case of improving strategy for fighting terror nowadays we are supposed to describe some parts of the research. After ours study stay in Israel it is almost unbelievable that even communities of Jews in such countries as France are not ready to apply practices in area of security from Israel despite of public educational history Obschestvo Remeslenovo Trouda with beginning of those international study

programs among Jews in Petersburg (nowadays Russia) with original title in Russian language – общество ремесленного труда.

2. The Research Instruments

The present research studies the work method of the Israel Police for the achievement of organizational effectiveness. The research employs a number of instruments:

1. Analysis of the work method according to objectives in the Israel Police – the unique methodology developed by Police experts and implemented in the Police for six years.
2. Analysis of the method of implementation of the objectives approach in the organization.
3. Analysis of organizational documents:
 - a. Analysis of the data of all the objectives, as reported by the different units in the computerized system for the management of objectives, 2004.
 - b. Analysis of the objectives of the Police commissioners and performances in the years 1998-2003 according to the reports of the different unit and official reports of the Israel Police.
 - c. Analysis of protocols from confirmation meeting, district and department objectives.
 - d. Summaries of quarterly critical reviews.
 - e. Situation evaluations of the departments, districts, and the police as a whole.
4. Analysis of statistical reports of the crime and selected offenses data during the implementation period.

3. The Research Findings

This section presents the three main products of the analysis of the work on the objective of the Israel Police:

1. A complete strategic work model for work according to objectives that was crystallized and implemented in the Israel Police. The model is based on organizational experience in methodical work on objectives beginning in 1998, but up to now without application outside of Israel. The model combines the performance of an orderly situation evaluation, with the setting of objectives and systematic supervision. The model includes all the elements that the research literature considers important to success and others.

2. The findings of the data of the work of the Police units in regards to the objectives of the system head – objectives determined by the heads of the system in the period 1998-2003.
3. The finding of the work of the Israel Police units on objectives in 2003. In 2003 the Israel Police achieved the full implementation of the approach and hence this year was chosen as the subject of the analysis.

4. Model of Management according to Objectives and Measures

1. *Orderly evaluation of a situation for the management of routine*

To manage the work routine in the world of limited resources, it is necessary to focus the activity and direct it so that it provides the best possible response to the given circumstances. The achievement of organizational effectiveness necessitates the performance of as comprehensive an evaluation of the situation as possible, so as to derive focused work objectives. During the ongoing coping with objectives, it is necessary to return after a defined period of time to the evaluation of the situation so as to validate the manner of performance, the objectives, or the other parameters related to it.

2. *Systematic process to define objectives*

In this approach, team objectives are defined and to achieve them cooperation with other units inside and/or outside the organization is necessary. According to the approach for an objective to be defined a “unit objective” it must be subject to the influence of the unit actions and not necessarily controlled by them. The goal is to bring about through the unit actions results that express the maximum of the influence ability on the discussed variable. For instance, if according to the determiners of policy in the Traffic Police there is an influence of 20% on the variable of traffic accidents in the country, then the objective will express an attempt to bring about the 100% realization of this 20% impact.

3. *Achievable and Challenging*

The objectives must be those that can be achieved in the given time period and through the resources at the unit is disposal. If the objectives are perceived by those who must achieve them as “beyond the horizon”, then they will give up ahead of time on the effort to attain them. Nevertheless, they must be challenging – they must be perceived as requiring effort for

achievement, otherwise further effort will not be invested to improve the achievements.

4. *Measurable*

To effect an improvement in the achievements, it is necessary to measure them. Without the ability to measure the achievements, it will not be possible to ascertain improvement and to direct the effort during the performance. According to this assumption, for every objective one or more measures express the required quantitative achievement for the end of the period. The Police Commissioner who brought about the complete implementation of the objectives in the Israel Police tended to say: “If it is not measured, it does not exist – what cannot be measured cannot be managed.”

5. *Delineated in time*

For the system-wide effort to be focused, it is necessary to delineate in time the date for the achievement of the objectives. This data may shift short-term to long-term, according to the nature of the task, the amount of resources. If possible, a long-term objective should be divided into shorter-term secondary objectives to allow appropriate supervision and control of the performance, to allow the possibility to identify deviations as close as possible to their occurrence and to enable rapid correction. In the Israel Police, the maximal period of time for an objective is set as one work year. A multi-year objective is divided into sub-objectives each with a time period of a year. The minimal time period is determined as half of the work year.

6. *Clear command performance responsibility*

The first address for all the unit’s objectives is the head of the unit. However, it is clear that the head of the unit manages the performance of the tasks through his subordinates. To ensure effectiveness, the unit head is required to allocate to every objective a commander who will be responsible to him for the achievement of this objective. This commander will lead the objective in all of the performance stages. It is important to note that the fact that the commander comes from a certain sector does not make the objective into a sector objective.

7. *Defined and clear action plan*

It is not enough that objectives and measures have been defined in light of the orderly evaluation of the situation. It is also necessary to determine the way in which the objectives will be achieved. “An attack plan for the achievement of an integrative objective” is a plan that states the part of all the participants in the achievement of the objective, presents detailed schedules, and cites

the people who are responsible for the execution. It provides a guarantee that the achievement will not be one-time or that if the effort fails, and then it is possible to draw conclusions and thus achieve better performance in the future.

8. *Involvement*

Involvement is necessary to derive quality thinking products, to minimize objections, and to maximize efforts. Involvement is necessary throughout the entire method and especially in the stages of the evaluation of situation in the planning of the actions and in the actual performance.

9. *Supervision and feedback*

Process supervision is necessary to direct towards the desired progress, to correct a deviation from the goal, and to strengthen a normal course of action. To enable this, there must be continuous flow of control and supervision data to the factors that act to achieve the objectives. At the end of the process, feedback regarding the performances should be provided – the level of achievement and the quality of the performance.

10. *The collection of objectives of every unit reflects*

The Israel Police is a national and not an urban police and as such, it is required to provide a solution to problems and challenges on the national level from a national or district viewpoint. However, there are also local needs, which change from region to region, which require a police response. The desire to satisfy the local needs is strengthened in light of the community policing strategy that the Israel Police has adopted in recent years. Hence, every unit is required to present a collection of objectives that includes, on the one hand, strategic objectives determined by the higher levels that provide a solution to the national or regional problems/challenges and on the other hand, local objectives, which provide a solution for the population of the region the unit is in charge of. The result is the combination of the top down process with the bottom up process.

11. *Performance framework – End units*

Although an objective can be defined as an objective of the organization head and/or of the senior regional command, the execution will always be in the operative end unit – in the field. Hence, the requirement to achieve the objectives will always be credited to the heads of the field units and they are required to clearly present all their objectives, including those of the heads of the system, with the required adjustments for the data of this unit. The meeting of the senior regional management with the objective of the head of the organization is the \sum of the achievements of the end units in

the given district. Similarly, the collection of the achievements of the operative units in the region expresses the achievement of the region.

12. *Cartridge Objectives”*

Every unit must prepare ahead of time for the confirmation of the objectives by the superior levels a number of reserve objectives to be introduced during the work period if other objectives of the unit's objectives are eliminated or removed.

13. *Performance standard*

The annual work plan of the unit is phrased in the format of requirements for quantified results that reflect quantitative objectives and measures – challenging objectives that require increased effort to achieve them. The other tasks of the unit are defined as a performance standard – demand for quantitative result that notes the threshold required for performance so as to ascertain that the activity in the field was not impaired because of the increased effort given to the challenging objectives.

14. *Involvement in and commitment of the senior rank in the organization to the method*

Although this point appears at the end of the basic assumptions, it is perhaps the most important assumption and if it is not realized, then the other have no meaning. The management/senior command of the organization must acknowledge the importance of the method to its success and invest time to realize it. The involvement in the performance of cross-cutting control and organizational expression of achievements resulting from the implementation of the method are the core of the process and are essential to its continuation.

Conclusion

The special geographic situation of the State of Israel and the fact that the Israel Police is a national police force (and not an urban force) constitute an excellent opportunity for the examination of this issue. Since the State of Israel is subject to a constant security threat in the part of its Arab neighbors, there is an almost complete closure of the country's borders (land, air, and sea). Concurrently, the Police work on the topic of crime inside the country is determined by the senior command from both nationwide and local perspectives. The success in the national objective, such as the reduction of the car thefts, expresses true success in the fight against crime. During the period of work on the objective, there was also a national decline in the areas of crime in general.

The proponents of the "balloon effect" note that the successes described in the work on the topic of crime in NY and in the other places around the world

are not successes in the elimination of the phenomenon but in the removal of the phenomenon to geographic regions where there is no police pressure.

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PATHWAYS TO PLURILINGUALISM. A REFLECTION ON LINGUISTIC TRANSFER AND LANGUAGE CONTACT IN EDUCATIONAL CONTEXTS

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Abstract

In our global society, students from diverse backgrounds come into contact. Now more than ever, communication across languages and cultures is vital to success in today's life for nations and societies. The aim of the study is a theoretical reflection on linguistic transfer that will enable the understanding of the underlying processes behind contact language and in particular will shed light on the question why linguistic differences of students with different native languages (L1) faced with learning difficulties when in Spanish educational contexts they must to acquire new languages (L2 and L3). The native language of the students is one of these variables involved in the learning process of second languages (L2). Currently, the active and fundamental role of L1 in the L2 learning is acknowledged (Gass, 1996; Odlin, 2005; Jarvis & Pavlenko, 2008) but, at the same time, we notice the attempt to analyze the aspects involved in this influence. To understand the main development stages of acquisition process of the students in this complex context of language contact, and to provide and facilitate the necessary knowledge for the improvement of educational practice one we wonder, as an assumption, whether the influence of the native language (L1) has on the second language (L2) and the third language (L3) acquisition process. This analysis of language in oral communication and written discourse will allow us to detect the major difficulties in the target language acquisition. Our study will help the academic community and educational authorities better to understand problems in language acquisition and thus well defends its topic as relevant to the preservation of the linguistic richness and linguistic resources of Spain. The results of this study will have a high level of interest and applicability in other multilingual contexts, which are fairly common in Europe, and enrich the knowledge we have of language learning among people the world over.

Key words

plurilingual and educational context, L1/L2/L3, language transfer, language contact

JEL Classification: I21, I23, Z00

Introduction

In an initial attempt to examine these linguistic concepts, we will present, in a theoretical manner, the diverse approaches taken on by different authors, from linguistic and psycholinguistic perspectives, while mentioning some of their works and highlighting the most relevant aspects of their theories.

As a first reflection, we highlight the term *transfer* or *interlinguistic influence* as the "subconscious, uncontrolled and automatic use of behaviours learned in the past while trying to produce new answers" (Dulay, Burt and Krashen 1982: 101). These authors consider that the transfer can be positive or negative, associating it with the phenomenon of interlinguistic errors, and pointing out that one must distinguish between process / product, description / explanation, learning / communication.

Weinreich (1953) proposes the term *interference* in order to explain that the L1 influences the acquisition of the L2 and argues that the person who learns an L2 resorts to using elements or structures

from his L1 in order to develop his communicative competence in the L2. Starting from the assessment that the concept of interference is seen as a *restructuring of models*, the author considers that the phenomenon follows two main patterns:

- the *transfer* to L2 of the units or statements belonging to L1
- the *identification* of similar elements (phonemes, syntactic structures) in the languages in contact as an effort on the bilingual persons' part to simplify the two systems, which can lead to a blend of the similar linguistic signs (signifier and signified) in the case of some bilingual speakers.

Furthermore, Weinreich (1953) distinguishes between the interference which occurs in speech and the one which is present in the language. In the first case, the bilingual speaker produces new utterances which arise due to his knowledge of another language (*occasional loan*), and in the second one, the interference phenomena that occur in the speech of bilingual people are widespread in particular

community, a process which the author calls *inherited loan*.

Authors like Weinreich (1953) or Payrató (1985) claim that the phenomenon of bilingualism and that of code alternation¹ in bilingual speakers are linked to the concept of linguistic interference. Thus, Dubois (1991), consistent with the previously mentioned authors, says:

The interference phenomenon occurs when a bilingual individual uses in target language A a phonetic, morphological, lexical or syntactic feature belonging to language B (Dubois, 1991: 265).

As far as the concept of interference related to the dominance of more than one language is concerned, authors such as Weinreich (1953) and Lüdy and Py (1986) present a distant position regarding these phenomena called *deviation*, which occurs in the speech of bilingual individuals as a result of the contact with other languages: "The mix of languages was very often considered a sign of the bilingual speakers' inability to distinguish between them clearly" (Lüdy and Py, 1986: 155). Thus, the concept of interference has been associated with that of negative transfer, phenomenon which is seen from a remarkably unfavourable point of view.

As far as the above-mentioned concepts of transfer and interference are concerned, Corder (1983) rejects them because of their link to behaviourism and proposes the notion of "influence of the mother tongue". Faerch and Kasper (1986) note that in the behaviourist tradition, transfer is conceptualized as the automatic activation of the linguistic behaviour, while in cognitive psychology the transfer is a strategy which is developed through the activation of the L1 knowledge at different levels of awareness and through the highly automated knowledge of the L1 in the absence of conscious control.

Odlin (1989, 2003) uses as synonyms the concepts of transfer and the influence of the L1 on the L2. Defining transfer, he pinpoints that through the

¹ Alternating use of two or more languages in the same utterance. Such alternation is a common phenomenon among bilinguals, whose pragmatic competence allows them to choose between one code or the other, according to the interlocutor, the theme or the purpose of the interaction. *Code-switching* has been studied since the 70s, from a psycholinguistic perspective – centred on the bilingual speaker –, as well as from a sociolinguistic, political, etc. perspective – centred on the speech community – or even from a historical perspective, since code-switching affects the diachronic evolution of the languages in contact. To refer to two languages or dialects which are alternated during communication, the terms *base language* (*parent language*) and *embedded language* are used.

transfer (interlingual identification) arises a positive transfer, one that facilitates new learning, which is not interference (negative transfer). He also emphasises that the transfer does not exclusively indicate the influence of the L1, but, in an equal manner, that of other languages learned by the speaker, along with the L1 which is always present, as a mark of the subject's identification. Odlin (1989) proposes a viable and acceptable definition of the concept of transfer:

The transfer is the influence which results from the similarities and differences between the target language and any other previously (and perhaps imperfectly) acquired language (Odlin, 1989: 27).

The author is aware that, in order to achieve a comprehensive definition of the transfer phenomenon, other terms, which are interrelated in this characteristic process of learning, should be mentioned; terms such as strategy, simplification, process, etc., which characterise the relationship between the transfer and other psychological factors² which affect the subject on an individual level or as a member of a school context, in the process of learning a L2.

Other authors have different points of view, considering that transfer is a *strategy* which does not lead to acquisition (Corder, 1983; Krashen, 1983; Meisel, 1983). In the words of Porcher (1992), the concept of transfer resides in (...) "the capacity to carry from the general what has been acquired in the particular" (Porcher, 1992: 32).

Language transfer and types of transfer

The concept of *language transfer* occurs within the notion of transfer and emphasises the crucial role played by the L1 as a cognitive support which sustains the learning of other languages. Regarding this aspect, Gass (1988) defines transfer as "the use of information pertaining to the mother tongue (or to other languages) in the acquisition of the second language or of other languages" (Gass, 1988: 387).

In summary, we agree with the scholars concerned with aspects of transfer and we consider that this phenomenon consists in the transfer of the characteristic elements of the L1 into an L2 or of the L2 into the same L1 and we think that, in order to

² Among the factors quoted by Odlin (1989), we note motivation, age, personality, the number of students per class, the capacity to imitate linguistic models, etc.

acquire an L2, one uses his L1 knowledge. The transfer processes can be of various kinds and they may appear on any linguistic level: phonetic, lexical, semantic, morphosyntactic, sociocultural, sociolinguistic, etc., both in the spoken language and in the written one. The usage of the linguistic knowledge constitutes a learning and communication strategy, through which some limitations in the L2 are compensated - *positive transfer*, when the student transfers from their L1 into the L2 the similar or identical elements, the previous knowledge which facilitates the acquisition of other languages, but which is also a source for confusion and errors, many of which can become ingrained – negative transfer, when what is transferred by the student from one language into another does not match in both, and, consequently, causes errors.

In any case, and because of the interest it raises today, the issue of the interference of the L1 in the L2, as far as the phonetic, lexical and grammatical levels are concerned, in fields such as pedagogy, psycholinguistics, didactics of L2, etc., it seems clear that the degree of contact due to the origin and historical-linguistic relationship between two languages directly affects the amount and intensity of the linguistic influence in learning an L2.

In every language, interferences from L1 to L2 arise between words of a similar phoneticism. These are called *false friends (faux amis)* which lead to mistakes. The divergences, which have appeared because of polysemy, often go unnoticed and are very dangerous.

Acquiring knowledge in a L2 is not an easy task, neither for the speakers of cognate languages, nor for those of distant languages. To master a language in order to express oneself correctly without making mistakes is an endeavour of several years, conditioned by perseverance and patience. The real interlingual communication is always possible, in spite of the apparently huge difference that exists between the cultural characteristics of the linguistic structures, a phenomenon which rests on the semantic and syntactic correspondences between languages. Wandruszka (1969) states that languages are like magnetic fields of analogies and anomalies, polymorphs and polysemies, redundancies and deficiencies, explanations and implications, constants and variants. Languages are not, as postulated by the structuralism, macro-systems constituted by micro-systems of oppositions and they are not built on mechanisms of processes whose rules are infallible and on operations, as explained by the transformativism.

The transfer from L1 to L2 has been regarded as one of the key factors in the *learning process* or in the *production process* of an L2 (Kohn, 1986: 22), but, as

well, it was considered by the minimalist current as an almost irrelevant element. In this sense, it is essential to address this transfer and influence phenomenon of L1 on L2, from the point of view of the classifications made by the experts on the subject. As far as our paper is concerned, of special interest is the transfer typology proposed by Odlin (1989), who projects in detail the nature of this linguistic phenomenon.

According to the author, certain factors can influence the degree of transfer probability. Similarly, starting from the empirical studies, it has been argued that transfer can manifest itself in all the linguistic subsystems (phonetics-phonology, morphosyntax and lexical-semantics). Likewise, the transfer from L1 to L2, which serves both formal and informal situations, causes the appearance of unusual structures in the use of the L2, and can be affected by non-structural factors such as the knowledge of other languages.

The manifestations of transfer can be grouped according to various criteria. Odlin (1989) proposes the following classification, which includes:

1. Positive transfer: it appears when learning an L1 facilitates or consolidates the learning of another language.
2. Negative transfer: phenomenon known as *interference*. It occurs when using a difficult L1 or when it inhibits the learning of another language, causing linguistic production errors in the new language.

As part of this transfer, four subgroups are distinguishable:

- 2.1. Underproduction: the poor production of the structure of L2 varies depending on the underlying linguistic distance.
- 2.2. Overproduction: the surplus production is sometimes the result of underproduction
- 2.3. Production errors. In this group, we highlight the presence of three types of deviations because of the underlying similarities and differences between the two languages.
 - 2.3.1. Substitutions: the use in the L2 of forms specific for the L1
 - 2.3.2. Calques³: the deviations which reflect a structure similar to the L1 such as the idioms and the variability of the word order

³ The term *calque* was often compared by linguists with *borrowing*: the *borrowing* refers to the full transfer of a foreign lexical item, while the *calque* involves the idea of translation and replacement of phonemes. The difference between *borrowing/calque* appears as *importation/substitution* (Haugen, 1950a), *emprunt total/emprunt partiel* (Deroy, 1956) and *prestiti integrali/prestiti parziali* (Klajn, 1972).

2.3.3. Structural alterations: because of the interlingual influences, structural alterations appear in the correction excesses

2.4. Misinterpretation: the L1 structures may influence the interpretation process of the L2 knowledge.

When examining the effects of transfer, one can conclude that although there are plenty of unknown aspects to be solved on this phenomenon, the L1 represents a key element in the acquisition of a L2 and, consequently, we must remember the role of the colloquial language in order to understand the process of learning an L2. The effects of the L1 are evident when the student has reached a level of knowledge which makes transfer possible. Moreover, transfer plays a dual role by braking or accelerating the learning process, depending on whether a transient development structure matches the L1 form which reverts into a delay process or, on the contrary, if there is no reinforcement from the L1 in terms of forms not matching, an accelerated progress will be noted.

Cross-linguistic effects on the acquisition of second and third language

Regarding the effects of transfer, it has been widely acknowledged that transfer is more likely from the L1 than from the other languages and the influence of the L1 on the L2 / L3 decreases as proficiency in the target language increases (Ringbom, 1987; Tremblay, 2006; Williams & Hammarberg, 1998). Despite those hypotheses, some studies (Bardel & Falk, 2007; Flynn et al., 2004; Jarvis and Pavlenko, 2008; Leung, 2002, 2005, Odlin, 2003) indicate that all know languages may be a source for transfer, which means that there is a bidirectional relationship from L1 to L2, L1 to L3 and L2 to L1 and L3 to L2, respectively. With the increasing number of people who speak more than two languages, the researchers confirmed the special status of the L2 and L3 and found differences in the dynamic interaction of both L1 and L2 with L3 (Jessner, 2008).

All linguistic systems represented in the learner's mind may be simultaneously interacting and competing in interlanguage production. Note that the Threshold Theory suggested by Cummins and Toukomaa and Skutnaab-Kangas (1977), has implications for foreign languages learning because multiproficiency seems to develop only after a certain threshold level in the L2 is attained. In fact, one of the benefits associated with bilingualism according to Cummins' (1981) interdependence hypothesis is the

ability of speakers to transfer skills between languages.

Several authors have suggested some indicators or factors that determine the choice of transfer source such as age when the languages are acquired (Clahsen & Felser, 2006; Garnett & Ungerleider, 2008; McDonald, 2006, 2008; Muñoz, 2006; Pfenninger, 2011), the context in which each of the languages is acquired (Ellis, 1996; Perales et al., 2009), the typological distance among the languages involved (Bardel & Falk, 2007; Cenoz, 1997; 2001; Dewaele, 1998) as well as social-psychological factors, that is, motivation and attitudes towards languages and individual and educational background factors (Ellis, 1996).

At present, the increasing arrival of immigrant students in Europe, especially in Spain has obviously transformed all schools. This is the situation all over the Spain, but it acquires special relevance in the case of Valencia where the immigrant students are in a context where the language of teaching (Valencian), alongside Spanish is extensively used in education and also different from student's native language (L1). Therefore, in this immersion context they must acquire new languages (L2 and L3) and faced with learning difficulties.

The results of the research conducted in the province of Valencia (Devis, 2013), with students from different countries as Bulgaria, China, England, Switzerland and Ukraine, revealed that the linguistic interferences in foreign language learning come from the foreign languages previously studied, and not that much from the L1.

Another study (Devís, Delgadova & Oltra Albiach, 2013) was conducted in Slovakia at Alexander Dubček University of Trenčín, with students studying Spanish as their L2 or L3. The results of this investigation show that Slovakian students who learned Spanish also had a more significant interference of the previously learned foreign languages (when studying Spanish) than that of their native language (L1). Finally, the study carried out by Devis & Chireac, 2014 investigated how multilingual adults worked on two new target language in the acquisition process. Regarding the methodology, we proposed an eclectic teacher, one that is able to adapt, whatever the circumstances of the teaching-learning process.

Conclusion

As we demonstrated in our studies, at the beginning of the acquisition of Catalan or Spanish as a new foreign language in Valencia (Spain) and in Slovakia, adult learners make use of the foreign

languages previously studied other than one's native language. Such a result has important consequences for language teaching; primarily because it informs us about the methods to be used with adult students. Finally, this study and others studies show that transfer can be used as an effective learning strategy in multiple language learning.

When examining the data of how our participants processed their input, we observed that they used aspects of their prior linguistic knowledge to produce the new languages. The results provide evidence for the important role played by not only the learner's first language (L1) but also their other known languages. This article highlights the importance of language transfer and knowledge of languages other

than one's native language, a new approach to understanding the acquisition of additional languages through analysis of cross-linguistic influence.

Our study will help the academic community and educational authorities better to understand problems in language acquisition and thus well defends its topic as relevant to the preservation of the linguistic richness and linguistic resources of Spain.

The results of this study will have a high level of interest and applicability in other multilingual contexts, which are fairly common in Europe, and enrich the knowledge we have of language learning among people the world over.

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