

TRENDS IN WORK WITH HUMAN RESOURCES IN SLOVAK AGRICULTURAL ENTERPRISES

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Abstract

Human capital is becoming a crucial and more valuable factor in contemporary society. Management success depends on human resources and their continual and systematic development. It is the role of managers to understand and decide which management tools have the greatest impact on employee engagement and personal development. The aim of the paper is to introduce our findings from surveys in 185 agricultural enterprises in Slovakia. In this paper, we specifically deal with two topics. The first focuses on management tools that top managers in agribusiness apply to work with human resources as part of their active participation in business decision-making. As we found out, proper application of the right management tool or method (teamwork, teambuilding activities, corporate culture and others) can help to increase employee engagement. The benefit is the possibility of improving the retention of workforce, reducing the turnover (fluctuation) costs and the necessary training with a positive impact on the overall performance of the enterprise. The second topic deals with the forms of education as a means of human resources development in a particular agricultural enterprise. The managers who participated in the survey support their staff development through different forms of education. According to the results of the survey, the participation in educational programs outside enterprise is a priority as well as the participation in exhibitions and excursions. Training within the organization is not used in 90per cent of the surveyed enterprises, which turns out to be a weakness. Skilled and interested individuals can be excellent trainers for their colleagues. By following this trend in business, agricultural enterprises could get a comparative advantage.

Keywords: *agricultural enterprises, development, education, human resources, management tools, team work, trends*

JEL classification: *M12, M14*

1 Introduction

National human capital of the country is a major factor in economic growth and the basis for competitiveness of countries in the global economy (Krajňáková, 2014). Nowadays, nobody doubts that success of every company on the global market depends on how fast the company can adjust to quick changes of the business environment. This is also one of the reasons why human capital is becoming a crucial and more valuable factor. Currently, during the era of globalization, the changes are extremely fast; therefore, it is necessary that companies reassess the instruments and procedures that have been used so far. A proper way is to activate the whole system, think about the organizational development and thus acquire a system that would be suitable for rapid changes in business (Antošová, 2010). Human resources must be regarded as “the totality of physical and intellectual properties a person uses in production and services needed for survival” (source?). Human resources are the only production factor capable of creating new values, the creator and stimulator of production means (Petruța & Boer J. 2014). Recent research indicates that intellectual assets and resources can be utilised much more efficiently and effectively if organisations apply knowledge management techniques for leveraging their human resources and enhancing their personnel management. Human resources departments are well positioned to ensure the success of knowledge management programs, which are directed at capturing, using and re-using employees’ knowledge. Through the management of human resources a culture that encourages the free flow of knowledge for meeting organisational goals can be created (Soliman & Spooner, 2000). The preparation of professional managers is an important step in business activities because as the situation in business constantly changes, company managers have to be retrained as well. The education of managers involves university preparation as well as a well-organized retraining system (Jackson et al, 2017).

According to the research made by Dubravská & Solanková (2015) companies apply the concept of the talent control and take care of the talent as they are interested in the employee development. Companies cooperate with secondary schools; they organize internships for students and work with universities in organizing lectures. In hiring, they focus on candidates with a potential that can be developed. Annually, a job evaluation in the form of interviews focused on further

development is performed. An annual training calendar is planned. Also, there is a management review evaluating managerial potential and succession building (Šajbidorová et al, 2016). Companies change their system regularly. They train the employees within the company but also offer training courses outside of it. They try to keep up with the current market. Companies advance their strength by a system of professional tests that are set for individual positions. Companies respond to the changes in human resources management and they work on the improvement of the set processes. Human resources have been the engine power of economic development with increasing? and effective of sources allocated to education. Producing innovation and patents during the last quarter, human resources have become inevitable for enterprises. The precondition for the management success lies in paying importance to human resources and developments of executives in public and private sectors, and encouragement of entrepreneurship, innovation, and patent producing human resources (Bircana & Gençlerb, 2015).

Huffman (2001) sees systematic training of human resources in agricultural enterprises as a great necessity. The question of quality and value of human resource has been prominent in Hungarian agriculture for the past few years (Nótáriet all, 2013).

It is important to identify the attitudes of employees in order to ascertain the correctness of procedures and activities in the subsystem (Finnegan, 2012). One of the options is Employee Engagement Survey. Employee engagement research investigates whether employees are fully involved and enthusiastic about their work and the company they work in. Reasonably and emotionally committed employees help create a happy atmosphere, more loyal customers and improved business results. The method measures the degree of commitment of employees to their work, colleagues and organization, helping to determine their willingness to go beyond the basic parameters of their job responsibilities. It can also be used to identify factors that have the greatest impact on employee engagement and dedication, and predicting employee sustainability. The survey helps the business identify and build on the strengths and talents of human resources to gain a competitive advantage. Surveys made by Macey et al (2009) are useful and support the development of productive, satisfied and motivated employees by creating a sense of a common goal, autonomy, as well as strong cohesion with society and the conditions that society offers – such as emotionally safe work environment and fair rewards.

The solid foundation of any successful company is its people. Employees represent a source of knowledge and ideas, but oftentimes that resource remains untapped. Involving employees in the decision-making process not only empowers them to contribute to the success of an organization, but also saves the company

time and money, in increased productivity and reduced outsourcing (Anderson, 2017).

2 Data and Methods

Drawing on theoretical background and published facts, a structured questionnaire was created together with questions for an interview in order to obtain primary sources of information and qualitative data. Within the formulation of the questions in the structured questionnaire originally constructed by authors we based our knowledge on the given vocational articles and publications.

The aim of the paper is to introduce our findings of actual trends in the work with human resources found out in surveys on agricultural enterprises in Slovakia.

In this paper, we specifically dealt with two topics: the management tools that top managers in agribusiness apply to work with human resources as part of their active participation in business decision-making and the forms of education as a means of human resources development in the enterprise.

The research was carried out between September 2017 and December 2017. The surveyed enterprises were selected from available agricultural databases (zas.sk, mprv.sk, infoma.sk, seznam.sk, sppk.sk, polnoinfo.sk, agrofood.sk). Agribusinesses – namely their top managers were contacted directly face to face, via Slovak Post, email. 395 agricultural enterprises were asked to fill the questionnaire and 47per cent of them were actively involved in the survey. As we expected only 26per cent of electronically contacted enterprises sent us a completed questionnaire.

Data processing was performed using MS EXCEL 2016 and SPSS. In the evaluation of the quantitative and qualitative statistical features the classification, relational and structural-genetic analysis was used. As a logical methodological principle of complementing the analysis, synthesis was used not only as the composition of individual phenomena or processes, but the creation of new entities. Mathematical and statistical methods and tests such as Friedman's test, Wilcoxon test were applied for statistical hypothesis testing.

3 Results and Discussion

Human resources management is a subsystem of organization management – integral, but relatively independent. The content includes personnel strategies, policies, systems and processes designed to provide competent and motivated staff to effectively achieve the organization's strategy. The main objective is to provide

motivated employees and to ensure their use of qualification and personal potential for the achievement of the goals of the organization. The subsystem's function is to manage people – individuals, teams and workgroups, ensure performance and employee development, an irreplaceable resource for each organization.

When employees are involved in making decisions, they gain a professional and personal stake in the organization and its overall success. This commitment leads to increased productivity as employees are actively participating in various aspects of the company and wish to see their efforts succeed overall. Actively engaging workers in the decision-making process increases the overall morality of the company. Many companies have a distinct separation of power between management and workers; however, active employee involvement lowers that gap, opening the lines of communication between supervisors and employees. Using employees in the decision-making process, rather than outsourcing, saves money, time, and offers the company long-term reliable assistance from those who know the corporation well. However, employees who are already aware of these processes, offer insightful knowledge of the company needs, and understand the policies of the company as a whole. Participation in the decision-making process gives each employee an opportunity to voice their opinions, and to share their knowledge with others. While this improves the relationship between manager and employee, it also encourages a strong sense of teamwork among workers. It is also a good way to gather information about employees as to how they work in a team environment, and where training may be necessary, all of which leads to an increase in effectiveness, and ultimately an increase in good teamwork and performance (Anderson, 2017).

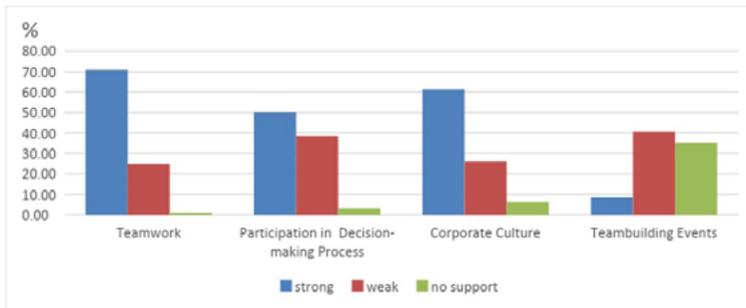
In the first part of our survey we dealt with the issue of application of managerial tools in the enterprise, which lead to a higher employee involvement in decision making. Our chosen management tools that can lead to a higher employee participation in decision-making were tools like teamwork, corporate culture, teambuilding events and participation in the decision-making process.

As part of the survey of 185 farms, we have been dealing with the power of support that top managers paid to these four tools (Figure 1). 70per cent of respondents stated that teamwork is strongly supported in their business. In the surveyed agricultural enterprises employees would use worked in teams to manage given projects. Corporate culture with all its elements was an important management tool for 60 per cent of agrimanagers. In a half of the asked agricultural enterprises there was weak attention paid to the tools like “employee participation in decision making process.” Teambuilding events were either supported to a very small extent or they were not supported at all. From the responses it is clear that

businesses are not willing to spend extra budget on teambuilding activities. Teamwork within projects is sufficient and supported.

We can state “employee participation in decision making process” is one of the most important tools to be implemented in the manager’s work with human resources not only in agricultural enterprises. This can increase employees’ motivation and effectiveness of the enterprise.

Figure 1 Application of management tools leading to higher employee participation in decision-making



Source: Own research.

Mathematical and statistical methods were applied for statistical hypothesis testing. Using the nonparametric Friedman test (Figure 2), these two following hypotheses were verified:

H0: Management pays the same attention to instruments that lead to a higher employee participation in the decision-making process.

H1: Management does not pay the same attention to instruments that lead to a higher employee participation in decision-making process.

Friedman test shows us that p-value is 0.000. As we know, if $p < \alpha$ ($0.000 < 0.05$), we reject the H0 hypothesis of equality. Friedman’s Test confirmed H1 hypothesis: management does not pay the same attention to instruments that lead to a higher employee participation in the decision-making process.

Figure 2 Friedman Test - Applying management tools leading to a higher employee participation in the decision-making

Friedman Test
Test Statistics^a

N	80
Chi-Square	108.910
df	3
Asymp. Sig.	.000

a. Friedman Test

Source: Own research.

Using a post-hoc Wilcoxon test we identified the difference between particular elements. The following hypotheses were formulated:

H0: Management pays the same attention to two instruments that lead to a higher employee participation in the decision-making process

H1: Management does not pay the same attention to two instruments that lead to a higher employee participation in the decision-making process

Figure 3 The results of Wilcoxon test (p-value) for each combination of management tools

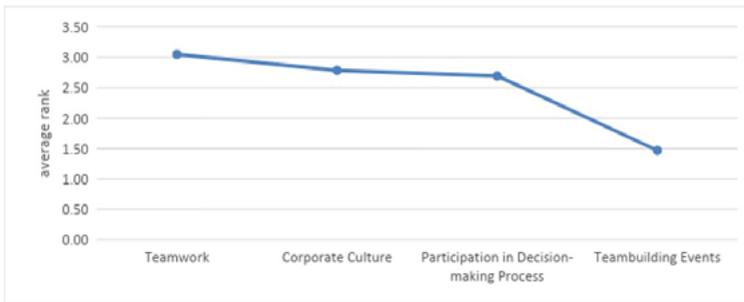
	<i>Teamwork</i>	<i>Participation in the decision-making process</i>	<i>Corporate culture</i>	<i>Teambuilding events</i>
<i>Teamwork</i>		0,005	0,094	0,000
<i>Participation in the decision-making process</i>			0,442	0,000
<i>Corporate culture</i>				0,000
<i>Teambuilding events</i>				

Source: Own research.

The Wilcoxon test results are processed in the form of a p-values table (Figure 3). If the p-value is greater or equal to the significance level α , a zero hypothesis is assumed that there is equal support of two elements of an enterprise's internal environment. If the p-value is less than the level of significance α , we reject the zero hypothesis and accept an alternative hypothesis that management does not pay the same attention to two instruments that lead to a higher employee participation in the decision-making process.

Referring to figure 4 we can see (on the basis of p-values) that only two unbalanced groups were formed. The first group includes team work with an average value above 3.0 and corporate culture with an average value above 2.5. In addition to two instruments mentioned above, the participation in the decision-making with an average value above 2.5 is also included. The second group is made up of only one tool – teambuilding event. Teambuilding events are the least significant management tool for managers in terms of employee activation in business decision-making process. The average value is below 1.50.

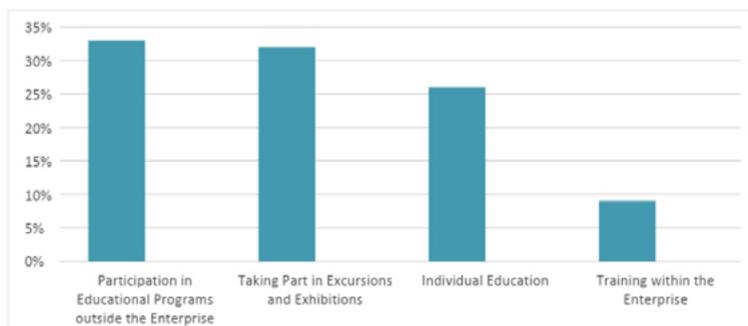
Figure 4 The perception of the importance of management tools that lead to a greater employees' participation in decision-making



Source: Own research.

The second aim of the paper was to introduce the forms of education as a means of human resources development in the examined agricultural enterprise.

In the field of the development of human resources in agricultural enterprises, managers support staff development through different forms of education.

Figure 5 **Forms of education - means of human resources development**

Source: Own research.

From the survey results (Figure 5) it is evident that the leadership of the organization particularly supports education through participation in educational programs outside the enterprise. The business environment itself is an incentive factor for employees. Another benefit of this form of education is the extent and value of new knowledge provided by experts of specialized training organizations. Another supported form of learning is participation in excursions and exhibitions, where the space for demonstrating new knowledge is more realistic. This expresses the positive perception of learning from the presentation of the results of progressive practice on specific examples.

Individual education follows. This result should make managers and their subordinates work hard and intensively on their personal development as the rating is quite high. Despite the fact that a large enterprise is not involved in terms of the number of employees, almost 10 per cent of surveyed enterprises offer the possibility of enterprise education. This form of education is not one of the most preferred alternatives; probably because only a small number of enterprises organize their own business education and the participants in various educational events have difficulty concentrating on the subject, as they also think about their job responsibilities.

As for managers in the business field, it is inevitable to support especially methods of self-education, self-knowledge, self-organizing, self-control; in other words, self-development because it is difficult to penetrate the work of creative individuals but it is even more difficult to influence them (Šajbidorová, 2012). It is important to put emphasis on the inner motivation and self-development in business and managerial work.

4 Conclusion

The process of economic growth greatly depends on the qualification and use of human resources, of the creative, dynamic capacity of the human factor in the unfolding of economic life. It should be remembered that loyalty and employee engagement in business decision making must be the priority of top managers in the application of management tools.

In our survey, 185 agricultural enterprises were actively involved; we have been dealing with power of support that top managers apply in work with human resources in case of the application of management tools as part of their active participation in decision-making. In one half of the surveyed agricultural enterprises only small attention is paid to the employee participation in the decision making process and in case of teambuilding events, the situation is even worse. The second aim of the paper was to introduce the forms of education as a means of human resources development. The survey results should remind managers and all employees to be involved in all possible internal or external forms of education in the enterprise, to work hard and intensively on their personal development.

The following recommendation follows: the competitive advantage for not only agricultural enterprises could be the possibility of the retention of the workforce, reducing the fluctuation of employees, the necessary training with a positive impact on the overall performance of the company. The top management has to follow and implement new trends in the work with human resources management used in international corporations purposefully. This can help employees to be quality and desirable human resources also in the future.

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