

Czech University of Life Sciences Prague

Faculty of Economics and Management

Department of Management



Diploma Thesis

The Personnel Policy in the International Corporation

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CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Department of Management
Faculty of Economics and Management

DIPLOMA THESIS ASSIGNMENT

Pelcová Andrea

Economics and Management

Thesis title

The Personnel Policy in the International Corporation

Objectives of thesis

The goal of the diploma thesis will be concentrated on analysing and examining the situation in the company and to identify the problems connected with dissatisfaction of employees with some components of the personnel policy, evaluating them and proposing solutions. Further aim of the thesis is to prepare a theoretical base for the mentioned topic.

Methodology

Thesis is composed of two main parts: theoretical and practical. The theoretical part will be based on secondary source analysis. The practical part will be developed on the basis of results of qualitative research. Thesis will be elaborated in the following procedural steps by using scientific methods.

1. Objectives and methodology formulation.
2. Synthesis of initial knowledge base.
3. Characterization of selected entities
4. Implementation of qualitative/quantitative research
5. Aggregation of acquired knowledge and developing of own proposals.
6. Formal completion of thesis

Schedule for processing

1. Goal formulation and description of the methodical frame of the thesis: 11/2010 – 2/2011
2. Synthesis for the theoretical frame: 11/2010 – 8/2011
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4. Qualitative /Quantitative research realization: 9/2011 – 11/2011
5. Creation of own results and finding's aggregation: 2/2011 – 2/2012
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The proposed extent of the thesis

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Keywords

personnel policy, human resources, human capital, international company, remuneration, reward policy, social policy, education, evaluation

Recommended information sources

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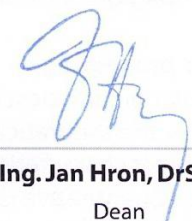
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Prague March 9. 2012

Declaration

I hereby declare that I have written the diploma thesis titled “The Personnel Policy in the International Corporation” independently with use of quoted resources in bibliography.

Prague, 1st April 2012

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Bc. Andrea Pelcová

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Personální politika v mezinárodním podniku

The Personnel Policy in the International Corporation

Souhrn

Diplomová práce se zabývá problematikou personální politiky v mezinárodní společnosti. Personální politika reprezentuje pravidla, která jsou uplatňována při práci s lidskými zdroji. Pomocí personální politiky je společnost schopna ovlivňovat práci svých zaměstnanců. Dobře stanovená, definovaná a srozumitelná personální politika napomáhá ke stabilitě a úspěšnosti společnosti a zahrnuje velké množství dílčích složek. Teoretická část práce shrnuje poznatky odborné literatury týkající se personálního managementu a řízení lidských zdrojů. Práce vymezuje termíny, jako jsou personální politika a její formulace, hodnocení zaměstnanců a zaměstnanecké benefity. Praktická část diplomové práce obsahuje manuál personální politiky se zaměřením na rozvoj a vzdělávání lidských zdrojů a odměňování. Práce na základě dotazníkového šetření zjišťuje postoje a názory zaměstnanců na jednotlivé dílčí politiky. Součástí práce jsou doporučení, ve kterých by mohla být politika efektivnější, a to zejména ve smyslu zvýšení spokojenosti zaměstnanců.

Klíčová slova: personální politika, manuál personální politiky, spokojenost zaměstnanců, vzdělávání zaměstnanců, benefity, odměňování, hodnocení zaměstnanců.

Summary

The diploma thesis deals with the topic of personnel policy in an international corporation. Personnel policy represents stable rules, which are applied while managing human resources in an organization. With the help of personnel policy, organizations are able to influence the work of its employees. A well-defined, stable and understandable policy contributes to the success and stability of an organization and contains a number of partial policies. The basis of the theoretical part of the thesis is on literature and internet sources, concerning human resources management. The terms such as personnel policy and its formulation, evaluation of employees and employee benefits are defined. The description of the personnel policy is included in the analytical part of the thesis and the manual focuses specifically on reward policy and employee development policy. Then based on questionnaire research, the perceptions and opinions of employees about individual policies were investigated. In the conclusion of the thesis, the results of the survey are evaluated and improvements were suggested. These suggestions, if applied could result in higher efficiency of the personnel policy, mainly in the domain of increasing employee satisfaction.

Key words: personnel policy, personnel policy manual, job satisfaction, employee development, employee benefits, reward, employee evaluation.

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1. Introduction

Human capital has recently become the most important factor of each successful company. People first form each firm, but this fact was not considered as the most important in the past. Technology, other resources and management of these processes were regarded as more important. Entrepreneurs, managers and other leading workers did not realize that human resources are so significant for them. Currently human capital is a competitive advantage of every company, because without employees, a company would not be able to compete with its competitors.

People are a company's biggest asset and human resource management plays a very important role in the company's strategy and planning. Top executives of international companies are already aware of the importance of having the high quality employees and therefore they look for their employees all over the world. Each company should have its personnel policy, no matter if written or unwritten, and personnel strategy. The important part of personnel policy is also motivation of staff in order to give them what they really want most from work and to achieve a company's goals.

Now the question is what should be included in the personnel policy? What should the management do to motivate employees to be effective, to like their job and to make them willing to work for a company? What kind of remuneration system should a company use? What kind of education and personal development could be provided for their employees? What should a company do to retain its highly skilled employees and prevent them from leaving to competing firms?

The aim of this diploma thesis is to evaluate the personnel situation of an international company, which is conducting business in the Czech market and has approximately 15 million customers worldwide, define its main challenges and provide an improvement suggestion in conformity with a company's image and its personnel strategy.

2. Objectives and methodology

The aim of this diploma thesis is to develop the personnel policy manual of the company, where personnel policy is currently unwritten, and find out perceptions and opinions of employees about particular policies. A written personnel policy for the company should help increase an understanding of policies as well as procedures and practices, which are carried out regularly. The policy manual should work as a set of written guidelines for managing human resources, used by human resources specialists, leaders, managers and supervisors. The policy manual is a means of communication with employees, therefore it should help in solving problems in communication, and it should assure uniformity throughout the company.

With regard to the fact that some employees of the company gave notice recently, we would like to learn, what the reason or reasons of giving notice were and mainly how current employees of the company perceive particular personnel policies (reward policy, employee development policy, attendance policy etc.) and what their level of satisfaction or dissatisfaction with elements of the policies is.

2.1 Methodology

The first part of the diploma thesis constitutes the theoretical framework, which is based on the review of relevant topics connected to the matters of human resource development. This section includes insights into the topics such as personnel policy, forming of the personnel policy manual, employee development, reward systems, job satisfaction etc. Since the thesis is limited in terms of scope and time, not all aspects could be considered due to the vast field of human resources management. For this reason, the appropriate methodology for the analysis of documents had to be chosen. The methodology called formal content analysis of secondary data has been utilized. After the analysis of reliable sources, the synthesis has been used in order to put all reliable sources together along with the author's own interpretation. All sources used in the theoretical part of the thesis are marked according to norms. A quoted list of sources is included in the end of the paper.

The practical part concentrates on the development of the personnel policy manual and discovering the employee's opinions of particular elements of policies written in the manual.

The first part of the work is aimed at the development of the written personnel policy manual. The basis of the manual is on the classification analysis of the company's documents and internal regulations and likewise on the content analysis of the publication 'How to develop a personnel policy manual'. The classification analysis helps us classify general topics of the manual into concrete topics and subtopics. There is a simple rule; the more data acquired equals better results.

For the analysis of company's documents, the following secondary data are reviewed:

- Company's website and intranet
- Internal forms, regulations and procedures

Reviews of the internal materials provide comprehensive fundamental data about the company and serve as a base for the development of the personnel policy manual of the company.

In the next part of the actual work, the combination of quantitative and qualitative research approaches is introduced. The aim of this research is to expose information on the perceptions of employees regarding particular policies written in the manual. The focus will be put on employee perceptions of reward policy, their satisfaction with possibilities for further growth and career development as well as satisfaction with individual employee benefits.

The research questions and the purpose of the research are determinative factors for choosing an appropriate research method. In order to obtain answers from the large number of respondents, the questionnaire research method has been applied. Questionnaires are an easy way of getting information from respondents. The main advantages of questionnaire surveys are mainly the easiness of analysing and processing the results acquired.

Due to the high number of respondents, it would be quite difficult, time consuming and costly to print the questionnaire and give it to all respondents in paper form. Instead of paper, an online platform was used called Google Docs. Google Docs is a Web-based freeware tool, which is accessible via the Internet and is used for creating online forms. Through this tool, the questionnaire was created, edited, and shared with the respondents online. The advantages for this are mainly: the availability online without a need to download any software; data are safe and cannot be lost; and the data obtained from respondents are quickly processed.

The questionnaire contains 40 closed-ended questions where the possible answers are predetermined. In some cases it was crucial to discuss and get further explanations concerning certain answers. For this reason, nine open-ended questions were added where necessary. In these questions, respondents have a chance to state reason or reasons of their possible dissatisfaction. Questions in the opinions survey are in logical order and start with three demographic questions to profile respondents.

The questionnaire was sent to 240 individuals: full-time internal employees of the company, former employees of the company, external employees employed through a temporary staffing agency and students (part-time employees). Respondents were of different age, sex, education and position in the company. The questionnaire was placed on a web server and respondents were asked to visit the relevant web page to answer the questionnaire. When respondents completed and submitted their answers to the web server, the data were placed in a database for further analysing and evaluation of results.

From the 240 employees addressed, 104 of them filled out the questionnaire, which was sent to their company email address.

The results of the survey will provide us with an understanding on how the employees of the company perceive particular elements of personnel policy and company. In addition, the results will show which parts of the policy should be adjusted to improve employee satisfaction and increase in the company's effectiveness.

3. Literature review

3.1 Human resource management defined

“Human resource management (HRM) is a strategic, integrated and coherent approach to the employment, development and well-being of the people working in organizations. It comprises a set of policies designed to maximize organizational integration, employee commitment, flexibility and quality of work. The overall purpose of human resource management is to ensure that the organization is able to achieve success through people. HRM aims to increase organizational effectiveness and capability – the capacity of an organization to achieve its goals by making the best use of the resources available to it” (1, pg. 4). Another author defines it in a slightly different way, that “human resource management mainly aims to improve the efficiency of the employees whereas aims at the development of the employees as well as organisation as a whole” (13, pg. 6).

Human resource management covers all activities of managers and specialists concerning human beings whose abilities or potentials, while used, can be beneficial for an individual as well as for a company. The aim of the HRM is therefore to lead its employees to increase productivity of a company they are working for.

3.2 Personnel policy

Personnel policy represents stable rules which are applied while managing human resources in an organization. Personnel policy is also a concept which can be understood from two different points of view. Firstly as a system of stable rules which has to be followed by all members of an organization in case of making decisions which it can or cannot directly influence human capital of an organization. Secondly personnel policy is also a set of actions through which an organization and its management and a human resource department try to influence work of its employees in order to contribute toward effective performing of tasks and strategies of an organization (15, pg. 23). Personnel policy can be also “characterised as ‘rules of action’ or guide to thinking and action. Policies deals with ‘how to do’ the work, they

do not dictate terms to subordinates. They only provide a framework within which decisions can be made by the management in different areas” (18, pg.24).

Personnel policy simply helps to define common course of action applied by an organization. In either cases there have to exist a goal, aim, strategy or strategic concept according to which personnel policy was stated. Personnel policy has to be well defined, stable and understandable for all employees which lead to a successful long-term existence of an organization. It also strengthen a relationship between employees and organization, makes decision making processes clearer and easier to understand, creates a favourable climate in an organization, minimizes conflicts between employees or between managers and its subordinates, and also respects the interests of an organization as well as its employees. Therefore one of the main tasks of personnel work in an organization is not only to formulate, suggest and promote personnel policy, but to acquaint steadily its employees with its elements, respect their interests and take into account their suggestions. Common personnel policy is formed by a number of partial personnel policies, e.g. acquiring employees and selection policy principles, remuneration policy, policy of employee education, employee-evaluation policy etc. (15, pg. 23).

All companies have its personnel policy. It works like a philosophy of the management of an organization. It can be either written or unwritten. Written personnel policy principles can be easier to understand for employees but on the other hand written policy can be rigid, inelastic, and restrictive or combination of all together. Formalized personnel policy can be used for employees and managers to easier understand philosophy of a company and its values (3, pg. 184).

An organization’s personnel strategy results from corporate personnel policy and is concerned with long-run general and complex company objectives. These objectives are about labour requirement and sources of covering these needs. A personnel strategy also comprises notion of what way and methods to use to achieve company’s goals. Personnel strategy is determined by corporate strategy which is concerned with the overall purpose and scope of the business and is at the same time oriented on conditions of forming, reproduction and behaviour of manpower in an organization. That’s why strategic workforce management is mainly about following areas such as population

and development, labour market and relationship between supply and demand, value orientations in our society, changes in technologies used in a company, movement of people and workforce, employment legislation and policies etc. (16, pg. 8).

3.2.1 Objectives of personnel policy

Personnel policy of an organisation is a defined statement of organisation's aims and objectives. This statement also includes what should be accomplished. In some way, the policy is limiting the conduct of subordinates from the performance which is supposed to be undesirable from the managerial perspective. All the decisions made by employees have to be consistent with the policy. Therefore individual personnel policies are formulated so as following objectives were achieved:

- a. Formulated policies should help in solving problems when they appear. All decisions made will be quick and that will save time and labour.
- b. Policies should help to create favourable conditions of work for employees and ensure security of their employment. Policies should also protect the interests of its employees on the job.
- c. Policies should be motivational. Employees should be motivated and sure that their performance will be recognised and rewarded. This is done mainly by monetary and non-monetary incentives.
- d. Employee growth should be regular not exceptional.
- e. Predetermined policies help to make consistent decision regarding the staff. Policies restrict supervisors and managers when making decisions. Their decisions should not be in contradiction to the policies.
- f. Policies help to ensure competent and skilled personnel.
- g. Policies should give employees feelings of participation and belongingness; this can be achieved when the human relation aspects are effectively assigned to the line managers.

h. Personnel policies should create coordination, and provide understanding about the departments. Thanks to formalised policies, managers can then take similar decisions in similar situations (13, pg. 25).

3.3 Personnel policy areas

“HR policies can be expressed as overall statements of the values of the organization. The main points that can be included in an overall policy statement and specific policy areas are set out below” (1, pg. 148).

- Employing people
- Equal opportunities
- Diversifying workforce
- Rewarding
- Employee development and education
- Employee benefits
- Employee participation
- Employee relations
- Occupational health and safety
- Harassment
- Smoking

“The overall policy defines how the organization fulfils its responsibilities for its employees and sets out its attitudes towards them. It is an expression of its values or beliefs about how people should be treated” (1, pg. 148). Values of an organization can relate to equity, consideration, quality of working life, working conditions but the question is if these values or attitudes towards employees are really taken into consideration when carrying business.

3.3.1 Policy on employing people

3.3.1.1 Human resource planning

Human resource planning is one of the important activities of HR managers and specialists. It aims for achieving corporate goals and objectives. The important part of planning is also setting methods and processes how to achieve those goals and objectives. HR planning is predicting also the development and therefore is trying to ensure that right amount of employees will be doing proper operations at right time, that they will have necessary experience, knowledge and skills, personality characteristics, that they will be enough motivated, flexible and ready for changes, optimally deployed in an organization and also financially affordable for a company (16, pg. 19). Human resource planning should “ensure that an organization has the right number and kinds of employees in the right place at the right time capable of efficiently and effectively doing the work required to meet or exceed the predetermined goals” (22, pg. 60).

A personnel planning (human resource planning) is a process of predicting and realizing activities in the area of movement of people to, out and inside a company. The main goal of such planning is optimizing the use of manpower in an organization. Therefore, we should think and answer following question:

- What kind of employees does a company need?
- How many new employees are needed?
- When will be new employees needed?
- How many employee are employed now and how many could possibly leave the company shortly?
- Can those needed employees be taken from inner sources or do we have to hire new employees from external sources?
- What will be the expected movement of employees in a company (horizontal/vertical mobility)?
- What king of change can be expected to happen on the labour market?
- Can changes on the labour market influence labour force in a company? (16, pg. 19).

To succeed in human resource planning, it is necessary to take into consideration also training and development of employees, increasing their potentials and giving them chances for career development. Local employment policy has to be also taken into account as well as population development etc. All this has to be embodied in a personnel plan. Improper planning or underestimation of personnel planning can have a significant effect on a company. At the worst case it can lead to termination of employment of employees because of their willingness to work for a company with perspective development ensure for each individual (15, pg. 32).

Personnel planning can be divided into three time dimensions: short-term, medium-term and long-term planning. Short-term planning is usually planning which is not longer than one year. Medium-term planning last from one to two years and last ones, long-term plans are usually those whose perspective is about five years.

To sum it up, human resource planning is executed by human resource specialists, but managers and team leaders are also playing an important role in this process and together, they have to go through following steps while planning:

1. Setting corporate aims and objectives
2. Estimating manpower needs
3. Estimating manpower resources:
 - a. Internal or external
 - b. Current or future
4. Action planning:
 - a. Recruitment and selection
 - b. Manpower development
 - c. Remuneration and productivity
 - d. Transmitting employees
5. Planning check and evaluating results (yearly, monthly)
6. Modification of plans, if necessary (16, pg. 28)

3.3.1.2 Other areas of policy on employing people

- Quality of employees - Organization can specify in its policy statement that they are hiring only people with high potential in order to achieve excellent results and being efficient and highly effective (3, pg. 179).
- Promotion – The point of this policy is to enable internal employees to promote to a higher post whenever it is possible. During the promotion process, employees working at lower rank are appointed to the upper rank and in the same time, their responsibility increase, status increases and salary is also raise. In some cases it is better and more efficient to hire a new person who can bring skills and potential to a company. This policy should motivate employees to apply for a different position internally (20, pg. 20) and increase their level of satisfaction. “Satisfaction with promotion is based on the employee’s satisfaction with the company’s promotion policy and the administration of that policy. It is thought to be a function of frequency of promotions, the importance of promotions and the desirability of promotions (good opportunities for promotion)” (8, pg. 270).
- Managing diversity in the workplace – Organization is trying to diversify people working in a company. Each person is having different work experience, culture, religion, educational background, parental status, age, sex orientation etc. All these things have an effect on motivation, performance and interactions of employees. “Work diversity can simply provide tremendous benefits in terms of improved morale, outside-the-box thinking, greater teamwork, and an atmosphere of mutual understanding and respect” (24).
- Ageing and employment policies – This policy should take into consideration employing as well as training and promotion of older workers who are often discriminated and unused (3, pg. 179).
- Redundancy – Redundancy policy should apply in cases when there are redundant workers. Accordingly considerable efforts from the organization’s side should be made to prevent involuntary dismissing namely employee relocation or retraining programmes. In case of inevitable dismissing of redundant workers all possible assistance will be provided to them (3, pg. 179).

- Discipline at work – Employee discipline policy should be known to everybody and make clear about consequences which can arise as a result of unacceptable behaviour or violation of a company’s policies or procedures. Consequences which can result from such violation are usually done in these steps: caution, warning and termination (3, pg. 179).
- Employee complaints policy – All employees have a right to complain or report against somebody in case of any problem to his or her immediate supervisor. This policy should be informative to all employees and help in equitable resolution of complaints (3, pg. 180).
- Sexual harassment policy – Such policy applies to all employees of an organization and it should express precautions and procedures proceeded in the case of sexual harassment. Unwelcome actions, depending on the circumstances, can be judged as a sexual harassment. Example of this could be sexual pranks, repeated sexual teasing, jokes, no matter if in person or via email, then touching or grabbing of sexual nature (person’s genital area, buttocks or a woman’s breast), also obscene gestures, making sexually suggestive pictures and posting them in the workplace, repeatedly asking a person out who is interested and said so couple of times and so forth (10, pg. 174).
- Smoking policy – This policy should embody rules which target reduction of smoking during working hours (10, pg. 174).
- Drug and alcohol policy – The purpose of this policy is to ensure problems caused by alcohol and drug use in the workplace and to unify dealing with employees who have a problem (3, pg. 180).

3.3.2 Equal opportunity policy

The equal opportunity policy is expressing organization’s attitude towards giving equal opportunities at work to all employees as well as fair treatment without any discrimination based on an individual’s sex, sexual orientation, race, religion, ethnic origin, age, marital status, disability, and without making judgements based of stereotypes (3, pg. 187), (28).

“The policy could be set out as follows:

1. We are an equal opportunity employer. This means that we do not permit direct or indirect discrimination against any employee on the grounds of race, nationality, sex, sexual orientation, disability, religion, marital status or age.
2. Direct discrimination takes place when a person is treated less favourably than others are or would be treated in similar circumstances.
3. Indirect discrimination takes place when, whether intentionally or not, a condition is applied that adversely affects a considerable proportion of people of one race, nationality, sex, sexual orientation, religion or marital status, those with disabilities, or older employees.
4. The firm will ensure that equal opportunity principles are applied in all its HR policies, and in particular to the procedures relating to the recruitment, training, development and promotion of its employees.
5. Where appropriate and where permissible under the relevant legislation and codes of practice, employees of under-represented groups will be given positive training and encouragement to achieve equal opportunity” (16, pg. 150).

3.3.3 Diversity policy

The workforce diversity policy takes into account that there are differences between employees of a company and as long as they are properly managed, they lead to efficiency and effectiveness of work. The definition of diversity policy takes into consideration the categories such as gender, ethnicity, age and disability (11, pg.4). When speaking about workforce diversity we do not mean only aspects connected to discrimination, we intend staff diversity which contributes to organization accomplishment. Benefits which can be gained from diversified workforce are strictly dependent upon employee recognition, respect and valuing of differences in its broadest sense. Managing diversity is based on the premise that if we use these employees' differences appropriately, where each person knows his own values, where potentials of all employees are fully used, and where organization's objectives are met, productive environment will be created (3, pg. 181).

The workforce diversity policy means:

- Accepting cultural differences as well as individual differences.
- Organization appreciates diverse characteristics, which employees put into a work.
- Organization tries to eliminate prejudices which could harm an employee during selection process, promoting, job performance appraisals, rewarding and opportunities for training and development (3, pg. 171).

3.3.4 Reward policy

The reward policy shows how employees are rewarded in accordance with their value to an organization. The aim of this policy is to motivate employees toward excellent performance or a specific accomplishment. Rewards are usually paid as one-time cash or non-cash award. Methods how employees are valued and rewarded by an organization can have a significant effect on its effectiveness (5, pg. 43).

Elements of employee reward are as follows: base pay (fixed salary/wage), employee benefits (pensions, insurance cover, company cars ect.), contingent pay (additional financial rewards), allowances, non-financial rewards, pays for individual contribution (1, pg 251).

Formalized reward policy may include following matters:

- Competitive pay – it indicates to which extent the policy is influenced by the market
- Variable pay – the extent to which organisations make differences between employees according to their skills, abilities and performance they deliver to an organisation
- Individual or team reward – organisation s should decide if to reward individuals according to their performance or if to reward them equally in the team
- Employee benefits
- Reward priorities – organisations should decide if to reward the best employees with high rewards

- Uniformity – organisations should decide if to apply same reward policy to whole company or only to some groups of employees
- Gender neutrality – the same pay should be provided to both genders, because they deliver the same value to an organisation (2, pg. 99).

3.3.4.1 Employee reward system

“An employee reward system consists of an organisation’s integrated policies, processes and practices for rewarding its employees in accordance with their contribution, skill and competence and their market worth” (2, pg. 4). Employee reward is one of the oldest and the most important parts of HR activities, which is influential and considerable not only for employers but mainly for employees. This HR activity is very extensive as regards theory and methodology. Employee remuneration or reward system is not only about money which an employee receives in a form of wage or salary. It is also not only about any other form of financial reward, which a company provides to their employees as a compensation for work done. The modern concept of reward system is much wider. It consists of promoting employees to higher posts, employee recognition, appraisals, and employee benefits in non-financial form. These benefits are usually not dependent upon job performance of an employee. They are given to employees on the basis of employment. Rewards can comprise things which are not quite obvious and these are for instance an equipped office and a computer. All already mentioned rewards are called as external rewards. On the other hand we also have internal rewards which exist in a non-tangible form. These rewards bear upon job satisfaction, the joy of work, pleasant feelings which can arise from specific activities, feelings of usefulness, feelings of success, achieving recognition at work, achieving personal and professional goals, achieving career success et cetera. Although both rewards (internal and external) have different form, they are closely linked to each other (15, pg. 236).

3.3.4.2 Components of rewards system and its function

Reward system consists of these components:

- ❖ Basic financial rewards and additional financial rewards (wages and salaries)
- ❖ Employee benefits
 - Employee benefits together with financial rewards comprise total remuneration
- ❖ Non-financial rewards (recognitions, appraisal, personal development, responsibility)
- ❖ Performance management processes

And it has these objectives:

- To attract the required number of employees with specific qualifications
- To stabilize desirable employees
- To reward employees based on their efforts, results, loyalty, experiences and their abilities and skills
- To help in achieving competitive position in the market
- To be rational and suitable to company resources
- To be accepted by employees
- To have a positive motivational effect on employees (it should motivate them to work as best they can)
- To comply with legal and other requirements
- To be helpful as a stimulus for improving employee qualifications and skills
(14, pg. 160), (2, pg.4).

Wage/salary and benefits are called transactional rewards, because they are financial in nature and have the character of a financial transaction and are tangible. The second group of rewards is called relational rewards, these are intangible and consist of experiences, development and learning of employees and represent the relationship between employer and employees (14, pg. 161). The following picture illustrates the remuneration model.

Table 1- Remuneration model

Compensation <ul style="list-style-type: none">• Base Salary• Variable Pay• Job Evaluation• Performance Management• Paid Time Off	Benefits <ul style="list-style-type: none">• Health Care• Retirement• Savings• Other Insurance
Development and Learning <ul style="list-style-type: none">• Training• Career Development• Learning Experiences• Succession Planning	Work Environment <ul style="list-style-type: none">• Work/Life Balance• Leadership• Performance Support• Organizational Climate

Source: compiled according to OPM.gov, 2000;

<http://www.opm.gov/perform/articles/2000/fal00-3.asp>

3.3.4.3 Employee benefits

"Employee benefits are elements of remuneration given in addition to the various forms of cash pay. They also include items that are not strictly remuneration, such as annual holidays. The objectives of the employee benefits policies and practices of an organization are to: provide an attractive and competitive total remuneration package which attracts and retains high-quality employees; provide for the personal needs of employees; increase the commitment of employees to the organization; provide for some people a tax-efficient method of remuneration" (1, pg. 729).

Benefits which are provided by an employer, directly and immediately influence the performance of employees. "A good benefits package can make an employment decision in favour of one company over another" (22, pg. 157). With the benefits, employees have better attitude towards the work they are doing and it can have a significant effect on the company. It also affects job satisfaction and stabilization of employees. Employee benefit system is different in different companies. The system is formed usually on the basis of company strategy, its goals and its economics conditions. Employee benefits express company's personnel and social policy which

is applied in relation to employees. There are four objectives, which employee benefits should meet. These are the competitiveness against other companies working in the same field, cost-efficiency, customization in accordance with personal preferences and needs and conformity to laws (14, pg. 274).

There are lots of benefits which can be divided into following categories:

- pension schemes – considered as the most important of employee benefits;
- personal security – benefit, which strengthen personal security of employees and their family by means of health, social, accident or life insurance;
- financial assistance – loans, assistance in buying a house, moving assistance;
- personal needs – holidays needed for recuperation, taking care of children, studying, financial assistance;
- company cars and petrol – very appreciated form of benefit;
- other benefits – increase the standard of living of employees.

There are also other forms of payments such as overtime payments. Regular employees as well as top managers are eligible for paid overtime. Employees may get some days off for extra hours rather than having them paid (1, pg. 849).

"Other benefits include:

- subsidized meals in staff restaurants;
- luncheon vouchers – especially where employers have sites in large towns/cities;
- clothing allowances/ cleaning tokens for employees who have to wear company uniforms;
- the refund of telephone rentals or broadband connection fees and the whole or part of the cost of calls – for those required to work at home or from home on occasions;
- BlackBerries or similar devices and laptop computers – typically job-need related but perceived as a reward too;

- funding of non-job-related evening classes/training to encourage employees to broaden their interests and skills" (5, pg. 465).

Another form of benefits is a system of **flexible benefits** which can be also called 'cafeteria benefit system' and allows employees to choose a benefit package within the fixed cash limit. The system gives employees a choice within employee benefits and between individual benefits. Employees get extra money to be spent on benefits according to their choices. They can, within the whole system of benefits, set balance between financial rewards and employee benefits, or they can also take the money which was not spent in cash. Flexible benefits provide employees with the possibility of choice of the most appropriate benefits based on their needs and wants. Policy of flexible benefits can save money of a company for those benefits, which are not needed and wanted by employees (4, pg. 519).

Here is the table of the most attractive benefits which can be drawn thanks to cafeteria benefit system (flexible benefits):

Table 2 – The most attractive benefits

Benefits of Leisure	%
Travelling	86
Cultural events	70
Massage, rehabilitation	70
Swimming pools, water parks	68
Education (language courses, driving school)	64
Cinema	63
Spa, wellness	57
Sport activities except fitness	56
Pharmacy products	55
Cosmetic services	52
Other procedures (therapeutic, regenerative)	52
Fitness (gym)	48
Sauna	48
Visiting sport events	45
Shopping in optics	42
Aerobics, spinning, pilates and so on	37

Source: compiled according to Gfk research, 2010; <http://www.podnikatel.cz/clanky/vetsi-pracovni-vykon-za-aktivni-odpocinek/>

3.3.5 Employee development policy

This policy is founded on the premise that organization's goals are achieved through the performance of its employees and that is why organizations require a skilled and knowledgeable employees. Organizations are therefore trying to ensure permanent development of skills and abilities of its employees which is at the same time

favourable for a company. It is also very important to increase the qualification of staff, help them realize their potential and enable their career progression (3, pg. 189).

3.3.5.1 Human resource development

Employee development, which is also known as human resources development, includes activities such as employee training and employee career development which helps employees to improve and develop their personal and organizational skills and it leads to better performance of a company.

Organizations are permanently facing up many external influences which put pressure on them and therefore have to adjust skills of their employees. Individuals have to adapt to changing conditions in an organization. They have to develop their skills and abilities which make them more flexible and more perspective. Newly acquired skills thereafter reinforce their situation in the labour market.

Employee training is process, throughout an individual acquires and develops his or her knowledge, skills, capabilities and attitudes. And according to Harrison we can divide training into four categories:

- Instrumental training leads towards a better work performance and improves operational skills.
- Cognitive training can help employees in upgrading existing knowledge and cognitive abilities.
- Emotional training forms attitudes and feelings of employees.
- Self-reflection training helps to form new way of thinking, observing, and behaviour and thanks to that creates knowledge (14, pg. 169).

3.3.5.2 Benefits of trainings to organizations

“Training is needed to give employees the information and skills necessary to perform their job. Smart organizations go well beyond this and use a variety of training methods to further their goals. A solid training and development program can be an important part of attracting, motivating, and retaining good employees.

Training benefits employers in a variety of ways, including:

- ◆ providing employees with the job skills and knowledge
- ◆ improving employee productivity and efficiency
- ◆ preparing employees for leadership roles
- ◆ investing in future business
- ◆ creating a flexible workforce that can adapt quickly to change in the business environment
- ◆ giving employees the skills necessary to remain competitive, master technological advances, and move ahead in the organization as vacancies arise
- ◆ developing group and team skills needed for organizational tasks and objectives
- ◆ providing proof of policy and intent for certain initiatives
- ◆ increasing employee morale, development, and commitment to lifelong learning
- ◆ decreasing absenteeism, turnover, inefficient practices, and workplace accidents and fines” (7, pg. 72).

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3.3.5.3 Conditions of effective training

In order to reach effectiveness of a training there are conditions which has to be accomplished. These are:

- An employee has to be motivated and have to have a will of training. He or she should be aware of the fact that his or her current knowledge, skills and abilities and also his or her way of behaviour and attitudes are needed to improve. It will help the individual to work better and improve job satisfaction.
- Performance norms and standards should be set for employees going for training. Aims have to be clearly defined. In the end it will help in detection performance obtained.
- Employees who are being trained need a person leading them. A leader will tell them how they are performing and final feedback as well. Employees are able to help themselves during training but it is more useful and practical to have a leader available for them, who will help them and motivate them whenever will be necessary.
- Employees have to gain a satisfaction feeling after finishing the training. If the training satisfies at least one of their needs they will be able to learn even during difficult conditions. Conversely, even during best training conditions, training does not have to be useful because of the non-participating attitude of the employee.
- Learning is not passive but active process. It is important to make your employees active during learning process, make them cooperate with a trainer as well as other employees.

- During training, it is essential to use suitable methods of training. Trainers can use wide range of different educational tools and materials. All these things are used only based on the opinion of the trainer in accordance with working needs, working place, individual or group needs.
- Training methods should be changed time to time and should be also miscellaneous. Wide range of different training methods stimulates the employee and helps in creating concernment.
- It is vital to provide enough time to employees to absorb well gained knowledge and skills. That is why the process of learning includes time for thinking, adaptation and also revision of new thoughts. Training programmes should count on that. Many trainers try to make their training programmes as complex and broad as possible but they omit the fact that people need some time for revision and retrying of new acquirements.
- Next important condition of effective training is a strengthening of sense of proper behaviour for employees who go through learning process. These people need to know that they are performing well so there should be some stages in between the process which would evaluate already gained knowledge and skills.
- In the end we should be aware of existence of different levels of training which demand various methods and take different time. The easiest way of training consists in physical reactions, remembering and basic forming of individuals. Second, higher level of training involves using of already gained knowledge or abilities during new tasks or in new environment. On the next level, training is becoming a complicated process of recognition of the matter of specific procedures and actions. It is necessary to integrate and link many separate tasks or when the training is dependent upon interpersonal skills (3, pg. 296).

3.3.5.4 Training and promotion

All employees of an organisation should have a chance and be encouraged to take part in trainings and other relevant career development opportunities. Trainings and seminars offered by the company should not be restricted only to the new employees and should be provided equally to young as well as old employees, irrespective of their

age and the length of their employment in an organisation. Regarding promotion, the vital thing which organisations have to ensure is that no one employee will be overlooked for promotion because of the age and that all the employee of the organisation will be treated equally (5, pg. 92).

3.3.6 Health and safety policy

This policy will describe how the company will manage health and safety in the workplace and show its commitment to health and safety (3, pg. 190).

3.4 Social policy

The purpose of social policy is creating suitable conditions for successful realization of personnel policy and also job satisfaction among employees. Social policy should be understood as a support system of a personnel work, which ensures suitable conditions for work activities in a broader sense; it also tries to stabilize employees and identify them with a work and company in general. Social policy is a package of specific activities and procedures focused on generating favourable internal and external conditions for proper allocation of manpower and efficient use of labour force (3, pg. 179).

Most of the companies try to advance towards their employees and their social needs. Companies with strong system of social policy are considered as attractive companies and desirable employers, and they get into the awareness potential employees, competitors and other economic entities in a positive light and therefore the value of a company rises (15, pg. 23).

The areas of interest of social policy can be divided into two groups namely internal and external conditions. Internal condition includes especially things like improving working conditions and working environment, improving safety and hygiene at work and also development of health care about employees, participation of employees on meal allowances, relationships among employees and personal development of employees. On the other hand external conditions include matters such as improving conditions of living and lodgings of employees, supporting employees in cultural, sport

and other spare-time activities, ensuring suitable transport to work, organizing of company services for employees, supporting active leisure for employees etc. (4, pg. 245).

3.4.1 Job satisfaction

Job satisfaction is employees' overall positive or negative attitude towards their job and the job context. Attitude about the job includes mainly feelings about the job and other intrinsic factors. On the other hand, the job context covers factors, which surround the job or are with the job associated. These are for instance relationships among employees, corporate culture, and organizational and personnel policies which comprise reward management, career development opportunities and the like (19, pg. 42). Job satisfaction is simply said the way how employees of an organisation feel about their jobs and different aspects of their jobs. Employees may either like (satisfaction) or dislike (dissatisfaction) their jobs (21, pg. 2).

Some organisations conduct opinion surveys to find out how their employees feel about their jobs and the working environment. Job satisfaction is usually measured either with questionnaire research or with personal interviews. The more common way of measuring job satisfaction is with questionnaires. Interviews are costly, time consuming and hard to conduct when organisation has high number of employees (21, pg. 2).

When measuring job satisfaction aspects can be measured:

- satisfaction with reward policy (pay and pay raises, employee benefits, rewards given for good performance)
- satisfaction with employee development policy (training and promotion opportunities)
- satisfaction with other policies, rules and procedures
- satisfaction with the type of work done etc. (21, pg. 8).

3.5 Forming personnel policy

“Policy formulation is a very difficult process. Policies are the major guidelines for effective performance of managerial functions. It requires careful thinking and conscious efforts” (13, pg. 28). In forming personnel policy, it is always important to reflect and support values of an organization concerning the way of dealing with people. Personnel policy has to be formed in order to support corporate feeling, fairness and decency in the affairs concerning employing of people and their remuneration (3, pg. 191).

While forming or changing personnel policy it is important to act upon following steps:

1. To understand corporate culture and its values and norms.
2. To analyse existing policy, both written and unwritten.
3. To analyse internal effects such as legislation concerning employing of people and other legal enactments from this area.
4. To evaluate all areas where new personnel policy is needed or need to be changed.
5. To find out opinions of line managers as well as top managers.
6. To find out opinions of employees about personnel policy.
7. To find out opinions of representatives of departments.
8. To analyse information acquired in previous steps and prepare a proposal of new personnel policy.
9. To consult, discuss and ratify new policy between members of the management and representatives of departments.
10. To inform about new personnel policy and eventually provide a training (3, pg. 191).

3.6 Personnel policy manual

“The purpose of a personnel policy manual is to provide employers, human resources directors, and supervisors with a systematic approach to administering personnel

policies and practices. A policy manual should be designed as a fundamental communications tool for these member of management to clarify policies and practices and thus stop moral problems, complaints, and grievances before they arise. A policy manual should put an end to difficulties in understanding personnel policies and practices that have resulted from unwritten policy, inconsistent policy, and lack of proper communication. Above all, a personnel policy manual should be a working tool designed to help an organization in “affirmative action” – providing equal employment opportunities to everyone in an organization, regardless of race, sex, age, religion, national origin, physical or mental handicap, or veteran’s status” (17, pg. 9).

3.6.1 Benefits of a personnel policy manual

A policy manual brings to an organization many benefits, both tangible and intangible. One of the most beneficial things what makes a written policy manual useful is the fact that it provides exact guidelines how to behave in specific situations and clarifies existing personnel policies and practices. That facilitates communication significantly. A personnel policy manual is simply said a communication instrument, given to supervisors by a company, so that they can communicate existing personnel policies to all employees properly and fairly. Next advantage of a manual is the ability to help new supervisors to understand the organization’s policies and it can serve as a tool for conducting training. Also fair employment practices and equal employment opportunities for all present and future employees can be considered as another benefit of a written document (17, pg. 10). When an organisation develops a personnel policy manual, it usually improves the moral of employees as well as their turnover and managers and supervisors see also improvement in relationships with their subordinates. When managers and supervisors follow the guidelines written in the manual, they begin to make fair and consistent decisions according to personnel policies, employees are more trustful in their leaders and can be sure that they get quick response to questions and that their leaders will handle possible problems without confusion (9, pg. 15).

A manual should be provided to all level of managerial functions that means from the first level of supervision to the top management. All employees responsible for leading people should follow and be aware of the policies and follow same rules (17, pg. 10).

3.6.2 Personnel policy manual versus employee handbook

The personnel policy manual should not be confused with an employee handbook. These two guidelines are similar but with different purpose and target group. “A policy manual outlines policies that managers can use in their daily decision-making, and an employee handbook puts these organizational policies into procedures and guidelines to help employees do their jobs effectively” (9, pg. 3). An employee handbook is written in general terms and is used by employees of the organization. On the other hand, policy and procedural manuals are written more in detail in order to provide supervisors and managers with detailed guidelines. Normally, employees do not have an access to policy manuals, they are provided only with employee handbooks. Some persons could be confused why a company does not write only one book for all people working in a company, here are the reasons why a personnel policy manual and employee handbook should be written separately:

- A personnel policy manual may include sensitive information concerning pay scales. Organisations do not usually want to reveal such information to employees.
- A policy manual is usually very extensive and contains many detailed information about how thing are done in the company. If an employee handbook contained much irrelevant information, employees would not probably read the handbook because it would be full of unnecessary information for their day-to-day work.
- Policies as well as processes of policies implementation go through changes quite often. If such information was contained in an employee handbook, it would be difficult to for the company to change the way things are done (12, pg. 4).

4. Practical part (Case study of a selected company)

This part of the diploma thesis concerns about personnel policy of the company and employee satisfaction and attitude towards particular policies. The first paragraph introduces the company and its activities. Afterwards, personnel policies of the company are introduced in the form of a written personnel policy manual. The manual contains policies and practices such as a reward policy, employee development and education policy, and attendance and absenteeism policies. The main aim of this part of the thesis is to ascertain facts and to determine the cause of employee dissatisfaction with specific elements of policies and practices in the company. For this purpose, the online survey was used to gather information on employee satisfaction. The component part of the thesis includes the questionnaire evaluation. In the end, it includes an overall evaluation of the results, compares them with the theory written in literature review, and offers improvement suggestions.

4.1 Company characteristics

This company is one of the largest financial institutions in Europe and it serves many customers across the globe. Nowadays it has over 15 million private and corporate customers worldwide. This company was founded in the end of 19th century and in the end of the year 2010, it had almost 60 thousand employees. Main activities of this company are primarily corporate banking, retail banking and mortgaging. But it also provides effective financial services to private customers. It holds numerous branch offices in many countries of the European Union and Europe and also holds representations and holdings in commercial and financial centres in Asia and the Americas.

In the Czech Republic it is considered as being one of the largest foreign financial institutions. It is doing business on our market for already 20 years. It provides services for multinationals operating in the Czech Republic, as well as for large and middle-sized local Czech companies. It provides wide range of corporate banking services, such as standard corporate banking products, then specialized services including financing, trade and export financing.

4.2 Instructional manual on developing company's personnel policy

Contents of the Manual

A. Introduction

B. Attendance and Absenteeism policy

- B.1 Absences, attendance and illness
- B.2 Punctuality and working hours
- B.3 Flexible working hours
- B.4 Working during the weekend and Public holidays
- B.5 Overtime

C. Reward policy

- C.1 Wage and salary administration
- C.2 Employee benefits
 - C.2.1 Sick leave benefit
 - C.2.2 Holidays
 - C.2.3 Contributions to pension scheme
 - C.2.4 Flexible benefits
 - C.2.5 Meal vouchers
 - C.2.6 Exceptional benefits

D. Employee development and education policy

- D.1 Professional training and further improvement of qualifications
- D.2 Language courses
- D.3 Performance appraisal
- D.4 Rewards (Bonus)

Source: own work

A. Introduction

This manual contains statements of personnel policies and procedures to be followed by all managers, supervisors, group leads and department heads. It serves as a source of information for leaders and human resource specialists in daily administration of personnel policies, procedures, and practices. This manual contains only several selected policies, namely attendance policy, absenteeism policy, employee development and education policy, and reward policy, comprising employee benefits administration.

The selected policies that follow promote the philosophy of the company. The purpose of this written policy manual is mainly to increase understanding, eliminate the need for personal decisions on matters of company policy and it should help to assure uniformity in the company. It is also important that all employees understand the policies.

In case of any personnel questions which cannot be answered by these manual, employees should refer oneself to the Human Resources department for more information. Any relevant comments or suggestions regarding the personnel policy manual may be delivered to the HR department.

From time to time some changes of policies will be made due to changes in the workplace, economic conditions and because of the changes in legislation. Therefore this manual will be updated as necessary.

B. Attendance and Absenteeism Policy

Absenteeism is not unique to one specific department or branch of the company; it is a problem for every organization, no matter if private or public. We can say that any form of absenteeism, excused or unexcused, results in disruption of work schedules, adds more work to supervisors and colleagues and increases payroll costs.

B.1 Absences, attendance and illness

In the company, absences are classified according to reasons. Reasons of absence can be except sickness also accident at work, own marriage, childbirth, employment anniversary, sickness of family members (children), death in family, etc. There are different policies and procedures operating these types of absences and different numbers of days which can be excused in case of separate absences.

Excessive absenteeism has a significant influence on productivity, disrupts normal operating effectiveness and overburdens other employees who must do the work for the employee who is absent.

From time to time, employees may be absent from work. The reason can be illness, injury or some personal matters. In such cases, employees are obliged to give their supervisor advance notice. This notice of absence is necessary in order to make appropriate arranging to handle the work during employee absence. If the absence of an employee cannot be predicted in advance, he or she should inform his/her supervisor or Human Resources before 10 am. After getting back to work, an employee has to fill out the Absence Form. The form has to be filled out in case of illness as well as short time illness so called sick day. The form must be then signed by an employee's supervisor and sent to the HR department.

In case of absence because of sickness for more than two consecutive working days, employees are obliged to provide a medical certificate including also the period from the first day to the last day of absence.

B.2 Punctuality and working hours

Being on time is one of the most important things which contribute to the efficiency of the company. In compliance with the Labour code, the company implements the flexible working time (see below for details). Generally, all employees are expected to be in the work place latest at 10am and not to leave work until 3pm providing that 40 hours working week is kept. In general, the working hours are 8 hours per day excluding the lunch break. Full-time employees must work at least 5 hours per every day to be entitled to the lunch contribution.

The stay at the workplace is recorded through the electronic identification card system. All employees are obliged to use the system properly and thoroughly. Whenever the workplace is left the reason must be selected.

B.3 Flexible working hours

The company has a policy of trying to assist its employees to balance their work and home life, and is therefore willing to consider requests from employees to vary their working hours or work pattern and provides flexible working hours. Flexible hours are established in the whole company and hold for regular, full-time employees. These rules of flexible workings hours are not applicable to auxiliary and students, whose organization of working hours is arranged individually.

In some cases, department heads or Group Leads may limit or change the application of these rules.

It is assumed that flexible working hours arrangements will not endanger nor limit working processes in the company. All employees should also be concerned to comply that their hours actually worked should fit with working week, that is 40 hours a week.

B.4 Working during the weekend and Public holidays

The company recognizes certain days during the year as public holidays for its employees. Due to the nature of the company, in special cases employees may be asked to work during the weekend or during public holidays in the Czech Republic. If this occurs, those employees required to work will get compensation for every day spent at work and are eligible for a day off.

Some employees may be requested to provide stand-by (out-of-hours/on call) support. By stand-by is understood the readiness of the employee to perform work outside the framework of the working hours and outside the workplace. An amendment to the employment contract is signed with employees on stand-by. In this amendment the employees agree with the stand-by support as well as with the overtime up to the limit

state by the Labour Code. The maximum of stand-by hours which can each employee work during a year is limited by 150 hours.

Work performed during stand-by is considered as overtime.

B.5 Overtime

Overtime work can be done only exceptionally and is defined as any work over the basic working hours included in an employee's contract, which means each hour of work in excess of eight hours in a day or in excess of forty hours in a work week. Employees are doing overtime work when required and asked by an employer. As a compensation for overtimes, employees get time off in lieu of overtime pay.

C. Reward Policy

The aim of the reward policy is to attract, recruit and retain employee of the highest quality that the company needs. The company tries to reward employees for their knowledge, skills, and for their work they are performing. In the same time the company tries to ensure that the salaries and benefits will be competitive with leading companies in the sector of the market. The company aims to meet the needs of organization as well as individual needs of high skilled workforce. The reward policy includes all aspects of an employee's remuneration package such as pay, employee benefits, recognition awards based on the Individual Performance Measurement and also intangible benefits such as work environment and career development.

C.1 Wage and salary administration

An employee's salary will be paid out on 15th of each month as a direct credit transfer to employee's bank account. Employee earnings may be transferred maximum to two bank accounts according to an employee's preferences. The company is also opened to advance wage payment.

Employee gross pay was outlined in statement of terms and conditions of work. Any further amendments to employee's gross pay will be notified to an employee in writing by the company.

Part-time employees (students) will be paid on a pro rata basis based on the hours actually worked. In all other aspects, salaries of part-time employees will be paid in accordance with the pay arrangements for full-time employees of the company.

C.2 Employee benefits

It involves the creation and management of employee benefits and also provides means for the staff to be trained in knowing how the benefits work and what types of standards they must fulfil in order to be qualified for benefits.

C.2.1 Sick Leave Benefit

As a voluntary social benefit, the company compensates its employees for the difference between the sickness pay and the actual salary for a maximum of 30 working days of sickness per calendar year. These 30 days also covers the days of sickness without doctor's certificate. This benefit is offered only to employees that are not in the notice period or with whom the end of employment relationship was not agreed.

C.2.2 Holidays

The company provides holidays with pay for all eligible employees for the purposes of rest and relaxation.

The holiday entitlement is 25 days per calendar year. In the calendar year of joining and leaving the company, the holiday entitlement is prorated to the annual entitlement.

Employees are encouraged to schedule and take their holidays during the calendar year (January 1st through December 31st) in which it has been earned. It is possible to carry-over vacation credit from one year to another. This credit is limited to five days.

According to the Czech Labour Code, holidays should be taken for a longer period of time. If an employee takes holiday in a couple of shorter periods, one of these periods has to be at least 2 weeks which means a period of 14 consecutive calendar days. It should help all employees to have enough time for recovering and relaxing. There is also another reason for this Mandatory Leave Period Policy. This period provides enough time for clarification of possible pending transactions and realization of precautions for independent control activities which an employee directs and conducts.

The requirement of mandatory leave period can be also met by combination of absence of other kind such as holidays, unpaid leave, taking care of family members during their sickness.

Personnel department is keeping records about taking mandatory leave period. If an employee takes two week holidays more than once a year, he or she is obliged to determine which of those holidays the mandatory leave period is.

If an employee is entitled for less than 3 weeks of holidays during a relevant year, he or she has to take holidays minimum for 5 consecutive days.

Full-time employees can take 5 days holidays during the period from October to December in advance. These days are after subtracted from the entitlement for the following year. If an employee takes holidays in advance and afterwards terminates the employment, the compensation for the holidays taken is then deducted from the last payment.

Any holidays must be approved by employee's Group Lead or supervisor and reported to Human Resources department. The Group Lead is responsible to ensure, that the holidays are not in any kind of conflict with employee's work or the team project or planning.

The holiday request is supported by an intranet based application called "Human Resources Application".

If a public holiday occurs during an employee's holidays, an employee is eligible for taking an additional day off with pay, at a time different from the holiday.

Temporary or part-time employees are also eligible for vacation credit or vacation payment. Vacation entitlement depends on the time spent at work.

Human Resources keep records about each employee and when an employee has used his or her vacation credit. Regular, full-time employees who have consentingly terminated their employment should get, in their final pay-off, payment of any unused vacation credit.

C.2.3 Contributions to Pension schemes

The purpose of this scheme is to provide employees with a means of saving money on a pre-tax basis and building financial resources for retirement.

According to the legal regulations possible participants are those physical persons who are over 18 years of age with permanent residence in the Czech Republic (Czech Republic citizens or foreigners) or physical persons over 18 years of age with permanent residence in a member country of the European Union, if they participate in pension scheme or health insurance in the Czech and have concluded a written contract with a Pension Fund.

All employees (having contract for definite or indefinite period) including trainees who have completed a minimum of six months of employment are eligible to participate in the State-aided Pension Scheme. Employees working on basis of agreements are not eligible for this benefit.

The amount contributed by the company

The uniform monthly amount is 400 CZK for full-time employees. In case of part-time employees, the amount is reduced according to the following table:

Working time	Contribution in CZK
87,51%-100%	400
75,01%-87,5%	350
62,51%-75%	300
50,01-62,5%	250
37,51%-50%	200

If the company and employee agree on changes in working time for a longer period than 2 months, the contribution also changes as of the month when the change in working time is reflected in the salary.

The start/end of the contribution rendering

New employees are rendered the first contribution after 6 months of employment, which means the first contribution is rendered together with the salary for the 6th entire month of employment (e.g. starting date 3.2., the application submitted by 25.8., first contribution rendered on 15.9.).

The contribution is rendered also in cases of illness (when drawing sickness allowances) for up to 6 months. The last contribution is being rendered in the month when the state allowance is paid for the 6th entire month. The contribution is also rendered during maternity allowances. The last contribution is rendered in the month when the last part of the maternity allowance is drawn.

In case of employment termination by agreement or notice handed in by an employee the last contribution is rendered together with the salary for the month last worked. The same applies for the notice given to an employee by the company due to cancellation of the position or similar reasons as written in the Labour Code.

In case of notice given to an employee by the company caused by insubordination (stated in the Labour Code), the last contribution is rendered in the month when the notice was given.

Employee's own contribution

The contribution of the company is conditioned by an employee's own contribution in the monthly amount of 100 CZK. An employee authorizes the company to deduct this monthly sum from his/her salary and send it directly the Pension Fund according to the choice of an employee, with which an employee has concluded a Pension Scheme contract.

Taxation

The contribution of the company up to 5 percent of employee's gross monthly salary is not subject to tax for an employee. In case the contribution exceeds 5 percent of employee's gross monthly income in the respective month the amount exceeding 5

percent is subject to tax. This tax is deducted from the salary/allowances that an employee receives in the given month.

C.2.4 Flexible benefits

These flexible benefits are offered by an external company which provides benefits through outsourcing. FajnClub is a new online application which works as an e-shop. The system is accessible from whichever computer connected to the Internet. Benefits can be ordered from the office as well as from home.

This unique fully automatic system is also called 'cafeteria benefit system' and it combines benefits of leisure time such as wellness, sport, culture, education, travelling and medical care. There is a possibility to choose between 200 suppliers of services in the Czech Republic and more than 400 different kinds of benefits. The broadest network of suppliers is provided in the capital city and its surroundings.

Each full-time employee of the company is entitled to get a credit in the amount of 4,800 CZK per year. This money can be used for drawing benefits in the form of flexible benefits from FajnClub, MultiTickets (also called Flexipass), contributions to pension scheme or money can be used also for language courses. Employee can choose one of the options cited or they can divide the credit into two different benefits (for instance the first half of the credit can be used for drawing benefits from FajnClub and the second half of the credit can be used as a contribution of the company into the pension scheme of an employee). The choice of benefits is done at the beginning of the year. New employees choose the type of the flexible benefit once they are entitled for it. That means after the end of the probation period.

These kinds of benefits give higher level of flexibility to employees when drawing them.

C.2.5 Meal vouchers

The company contributes its employees to meal and food vouchers in the form of partial payment for the voucher. Each full-time employee gets 20 pieces of meal vouchers at the beginning of each month. This meal allowance does not pertain to employees who are having a holiday, are ill or having sick day and also during business trips, when another form of boarding was offered. In the end of a calendar year or in the end of an employment, the final account of entitlements for this allowance will be realized.

All full-time employees as well as students are entitled to get a meal voucher worth 80 CZK once a person works minimum 5 hours per working day.

C.2.6 Exceptional Benefits

Employees of the company can get an exceptional benefit for recommendation of a colleague. This does not serve for students and employees from the personal department. Also supervisors cannot get this benefit in case that a new employee joins his/her group, team or department. Full-time employees as well as trainees may be recommended to work in the company. In case a candidate responds to a job advertisement or applies for a job through temporary work agency and then is recommended for a job, the first way of applying for a job will be respected by the personal department. In this situation an employee who is recommending a colleague will not get an exceptional benefit.

This programme does not limit the number of colleagues recommended by one employee. An employee who recommends a new colleague who is then employed and ends the probation period will get a reward of 50,000 CZK gross. If a new employee notifies the employer that he or she wishes to terminate the employment with the company or the company finishes the contract with a new employee in a probation period, the entitlement of an employee for a reward ceases to exist.

There is another exceptional benefit, and that is a gift which employees of the company get when they reach 5th, 10th and 15th employment anniversary with the company.

D. Employee development and education policy

Employee development and education policy can be defined as any activity designed to help individuals become more effective at their work by improving, updating or refining their knowledge and skills.

The company is committed to maintaining and improving the competence of its permanent employees to meet the changing needs of individuals and of the market in which it operates. The company will provide the development framework and financial support, while an employee is responsible for taking ownership and responsibility for his/her personal development.

Trainings of employees should be targeted to fulfil individual and well as organization needs. Three to five days training per full-time employee per year would be generally considered appropriate where the training meets identified and approved individual and organisational needs.

The company will pay course and possible examination fee in full, for essential and approved courses, regardless of the full-time employee's length of employment. The budget for employee development and education is held locally within each branch of the company.

D.1 Professional training and further improvement of qualifications

The company encourages all full-time employees to complete job related professional and post graduate qualifications. All course fees and exams fees will be paid 100% by the company. The objective of the programme is to recognise and develop the potential of full-time employees while furthering the business needs of the company.

The training plan for the year is set up by the employee's supervisor, based on the performance appraisals discussion. The training courses are arranged by Human Resources, based on the requests and the available dates and after approval from the supervisor. An employee may choose following trainings based on his/her individual and also organizational needs: technical courses and seminars, and soft skill trainings such as presentation skills, communication skills, assertiveness, time management, conflict management etc.

Other courses which may be approved for tuition refund include job related courses offered by recognised colleges and universities, and also courses which lead to a relevant professional qualification or diploma, or a post graduate qualification with a major subject related to the company.

Prior to any commitment being made for sponsorship, employees should have discussed and agreed the course or programme with his/her supervisor.

When the employee undertakes professional and post graduate qualifications training, he /she will be required to sign a loyalty agreement securing them to the company for a specified period of time. In case the employee leaves the company during his/her studies or within the specified time period in the agreement, he/she will be required to refund all costs met by the company for his/her qualification. Full repayment of all costs incurred for the training will be deducted from the final salary payment.

D.2 Language courses

All regular, full-time employees can sign up for in-house English, available once per week.

Employees can also contact the HR department for external language course possibilities and recommended teachers. A subsidy for external language courses is available of up to the amount of 16,000 CZK during the first two years of employment and then it is reduced to 12,000 CZK for the following years. Higher contribution can be rendered only in exceptional cases supported by the employee's supervisor and approved by the Branch manager.

The nonreturnable participation of the company is 8,000 CZK (in case of the contribution of 16,000 CZK) and 6,000 CZK (in case of the contribution of 12,000 CZK) for the respective year.

The company covers for the whole sum of 16,000/12,000 CZK in case an employee makes use of the gained knowledge in the company for at least one year after finishing the course. In case of leaving the company earlier the employee is obliged to return 100 percent of the returnable part for the period up to six months after finishing the course

and 50 percent for the period 7 to 12 months. An employee agrees that the sum be deducted from his/her salary. Larger sums can be repaid in more repayments.

The subsidy is provided for a calendar year and is not transferable to the next year.

An employee can have his or her language course by agreement once a week 60 minutes during working hours without any need of substitution. Eventual extra hours of language course have to take place outside working hours.

When starting the language course the employee takes a test (written and oral) organized by an external language school. The precondition for obtaining the contribution for the second and all other years is passing the test once every year. Passing the test means reaching similar or better results than in the latest test taken. The annual contribution may be rendered before the employee takes the test. In case of failure the employee agrees that the rendered sum will be deducted from his/her salary (in case of failure in the test at the first half of the year the sum from the beginning of the year; in the second half of the year the sum from July on).

D.3 Performance Appraisals

Performance appraisal is a process that takes place at least once a year and applies to all employees. A standard form is used to rate employee's individual skills, competencies and abilities on scale from 1 (high) to 5 (low). It does not only evaluate employee's past performance but also sets employee's individual targets for the next appraisal period.

Performance appraisal serves as a basis for bonus allocation (non-guaranteed bonus paid out in April) so that employees may be rewarded with 50% (low performance) to 150% (high performance) of their gross monthly salary. It also serves as a basis for yearly salary adjustments made in April.

In order to evaluate each employee properly, a uniform, fair and transparent process of the evaluation of employee performance was developed. The model called Individual Performance Measurement (IPM) was designed and it is an innovative management instrument that alongside a standardised, transparent process ensures the objectivity and comparability of individual performance evaluation of each employee. The centrepiece

of the IPM model is, at the beginning of the evaluation period, to agree individual targets and tasks with the employees that are derived from the strategic and operative goals of the business segments. At the end of the evaluation period the employee receives structured feedback on the success achieved and the performance delivered. In this way, the process not only provides a valuable contribution to the achievement of the corporate goals of the company, but at the same time also benefits the personal situation, role and development of the employee, while serving as a basis for measuring the performance-related component of compensation.

The elements of Individual Performance Measurement are target achievement, task fulfilment and general evaluation.

At the beginning of the evaluation period, 0 to 8 individual targets can be agreed with an employee. The targets can be set from the following categories: qualitative targets, quantitative targets, personal development targets and overarching targets. Individual targets can be weighted between 10 and 50 percent. The objectives reached must be documented in writing at the end of the evaluation period. The achievement of individual targets is to be measured on a scale of 0 to 200 percent.

Task fulfilment can be used, either in addition to the target agreement or in the case of more task-oriented functions. In the context of task fulfilment, the extent to which an employee has completed his/her regular work tasks, as specified by the job description has to be evaluated. For this, there are following criteria which are measured together: work quality, work quantity and results-oriented teamwork. The task fulfilment is to be recorded in writing at the end of evaluation period same as the target achievement. The evaluation is then on a scale from 0 to 200 percent.

The general appraisal evaluates after the expiry of the evaluation period if the employee has reached the targets, or fulfilled his/her tasks. The general appraisal is carried out specific to the target group, with the help of defined requirement skills, for the specific employee groups.

D.4 Rewards (Bonus)

Employees of the company will receive together with their November salary (paid in December) a special “Christmas bonus” amounting 50 percent of their gross monthly salary. This amount will be adjusted proportionally according to the number of months an employee has worked during the year. An additional bonus is added to employees’ March salary (paid in April). This amount depends on company performance over the past year, an employee’s personal development and achievements during the year and cannot be guaranteed (regards performance appraisal). Normally it is not paid to employees who have worked 6 or less months in the company during the past year.

4.3 Own research – evaluation of the questionnaire

This part of the thesis contains the evaluation and analysis of results from the questionnaire filled out by the company’s current and former employees. All the results were turned into a report showing a series of graphs. The outline of the reference questionnaire, which was focused on mentioned topics, comprises nearly 10 pages and is attached in supplements.

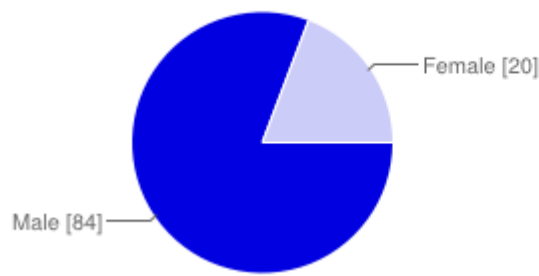
4.3.1 Structure of respondents

In this part, the structure of respondents is graphically displayed. The questionnaire was anonymous and therefore only three demographic questions for employee identification were used.

The representation of employees, who filled out the questionnaire, is visible in the graph 1 below. 104 respondents, which are approximately 43% of questioned persons, answered the questionnaire. 81% of respondents were male and 19% were female.

Graph 1

What is your sex?



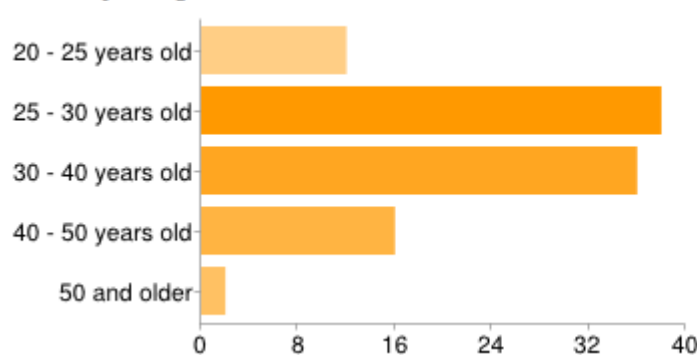
Male	84	81%
Female	20	19%

Source: Own research

As you can see in the graph 2, the majority of respondents were in age of 25 to 30 years old. This group had in total 38 respondents, and that was 37%. The second biggest group of respondents was in age 30 to 40 years old, and that was 35%. Other age groups of respondents formed only 29 % together.

Graph 2

What is your age?

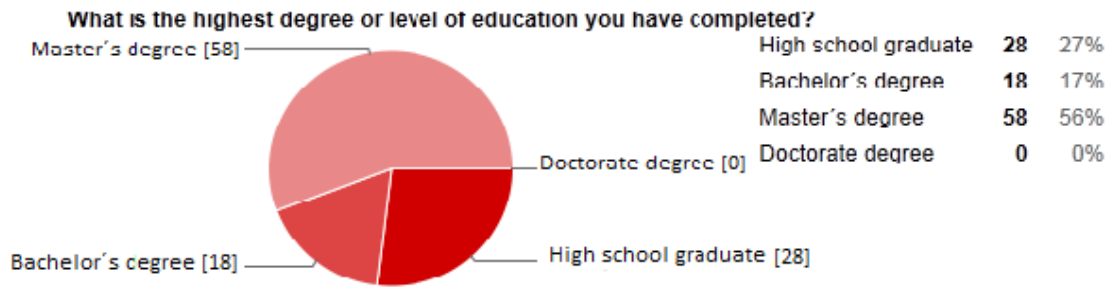


20 - 25 years old	12	12%
25 - 30 years old	38	37%
30 - 40 years old	36	35%
40 - 50 years old	16	15%
50 and older	2	2%

Source: own research

In this question, employees of the company were asked about the highest degree or level of education that they completed. As you can see in the following graph, 56% of the respondents earned a master's degree of different types and 17% of respondents earned a bachelor's degree. On the other hand in between of respondents there were not that many high school graduates without university degree. And there was no respondent with doctorate degree. To conclude, 73% of respondents having degree can be considered as highly skilled labour by the company.

Graph 3



Source: own research

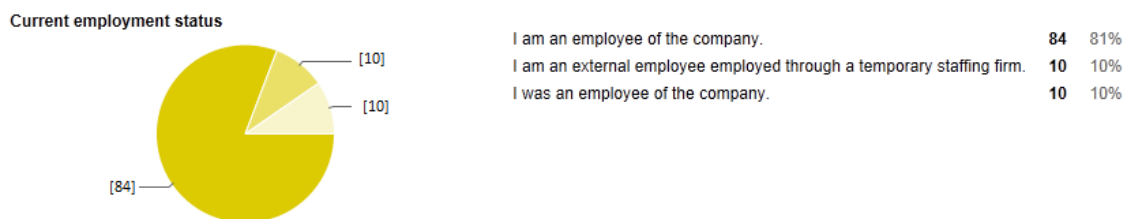
4.3.2 Employment status/Job satisfaction

This section of the questionnaire divides employees according to their current employment status and examine for their overall satisfaction with their positions and the company in general.

The questionnaire was filled out by full-time as well as part-time employees (students), external employees employed in the company through a temporary staffing agency and also by former employees of the company, who terminated their employment recently. Their current employment statuses and their percentages are stated in the graph 4.

All former employees in the survey were men, all were having master's degree and majority of them worked in the company for longer than 3 years, except 2 who were employed in the company for not longer than 2 years.

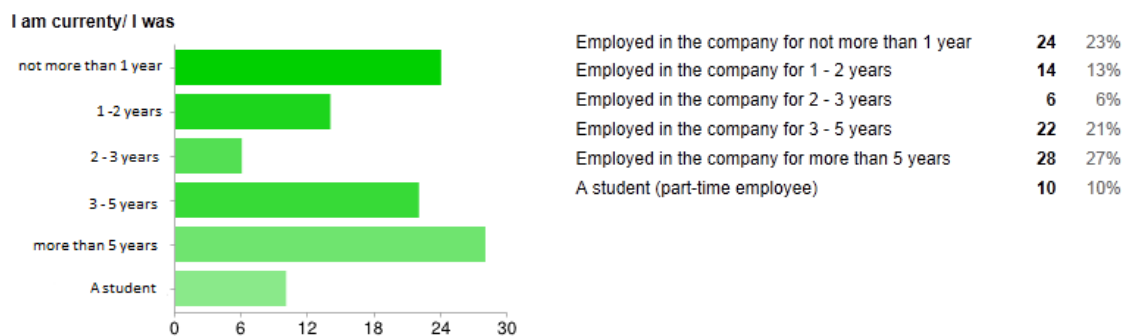
Graph 4



Source: own research

The length of the employment of all respondents is recorded in the graph below. There are almost equal numbers of respondents employed in the company for less than one year and on the other hand groups of employees working in the company for longer (3 – 5 years or for more than 5 years). In the following questions, the opinions of ‘new’ employees will be distinguished from the opinions of the ‘old’ ones. The results may bring evidence how the values, opinions and satisfaction of employees change with the time.

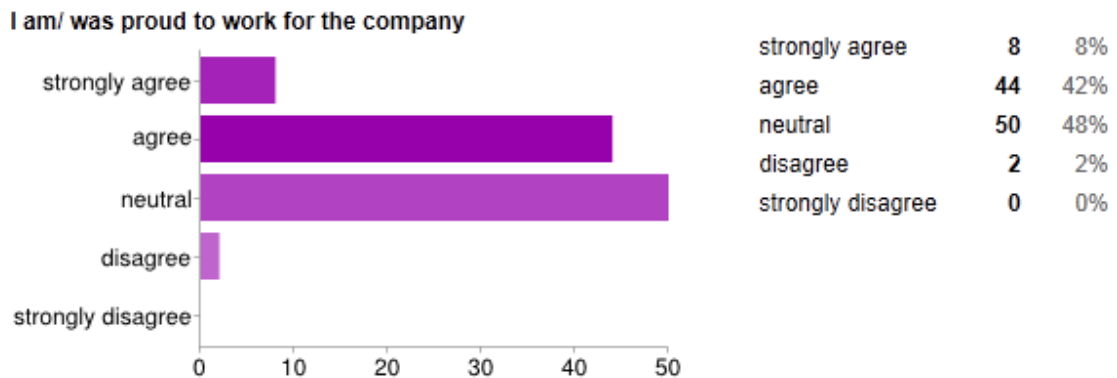
Graph 5



Source: own research

In this question, respondents were asked, if they are/were proud to work for this company. 42% of questioned persons confirmed that they are/were proud to work for the company. Reasons, why they are/were proud, are mainly: the international strong company with good name and reputation and vision. Almost 50% of employees are neutral in their answers. 8 respondents, who answered, that they are very proud to work for the company, are employed in the company for not more than 1 year. Only 2 respondents disagreed with the sentence. They were former employees of the company who worked there between 3 – 5 years and had a master’s degree. One of them stated that the company feels very rotten to him and even though he tried to do his best he lost part of his illusions because of general incompetence and laziness of other colleagues.

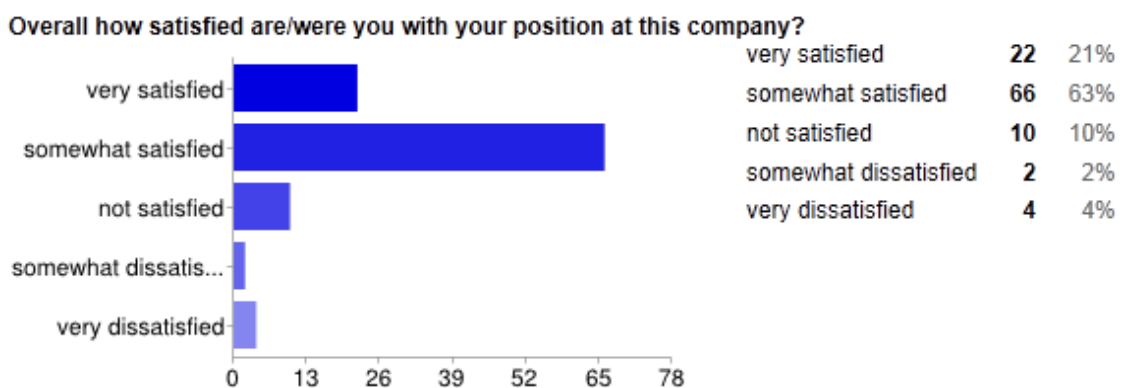
Graph 6



Source: own research

In the following question, almost 65% of respondents assigned that they are/were somewhat satisfied with their position at the company. 22 respondents, which are 21%, are/were very satisfied. 10 respondents answered that they are/were not satisfied, 2 respondents are/were dissatisfied and 4 are/were very dissatisfied. That makes it altogether 16%, of those who suffer from some level of dissatisfaction. Those who are/were not satisfied with their position at the company stated following reasons: not enough motivation and challenge, the company does not use employees' abilities effectively, absence of new technologies, lack of communication and no career options offering further growth.

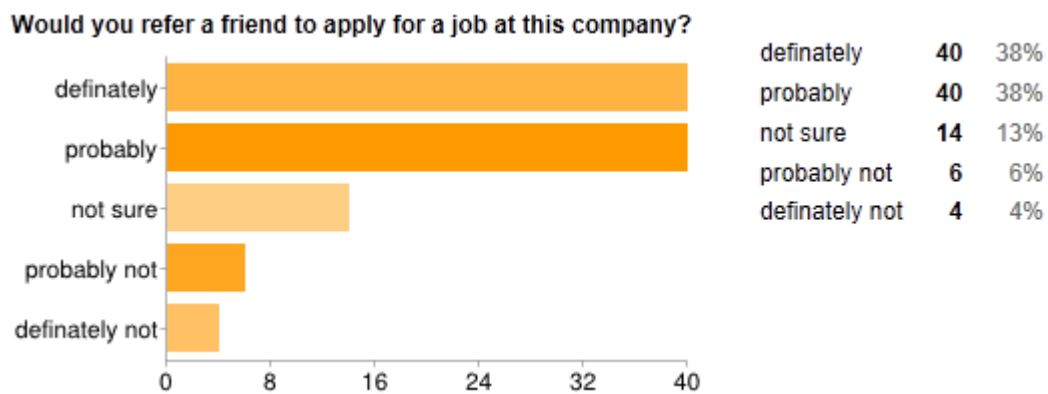
Graph 7



Source: own research

Another question, which also proves the level of satisfaction of employees with the company in general, is evident from the graph below. 38% of respondents stated that they would definitely refer a friend to apply for a job at this company and the same amount of respondents answered that they would probably refer a friend to apply for a job there. The reasons are that the company has a good name and reputation, it pays above average salaries, provides wide range of benefits, trainings, courses and there is highly diversified workforce. On the other hand 14 respondents were not sure if they refer a friend or not, 6 respondents would probably not rather recommend a friend to work there and 4 respondents would definitely not refer a friend to work at this company. These 4 employees are both employed in the company for around 5 years and they did not state any specific reason why they would not recommend a friend to apply for a job at this company. Their overall level of satisfaction is visible from other questions. 10 employees who answered that they would probably not or not refer a friend to work at this company are those, who work in the company for 3 and more years. On the other hand all 10 students (part-time employees) would refer a friend to apply for a job due to great working conditions which the company offers to students.

Graph 8



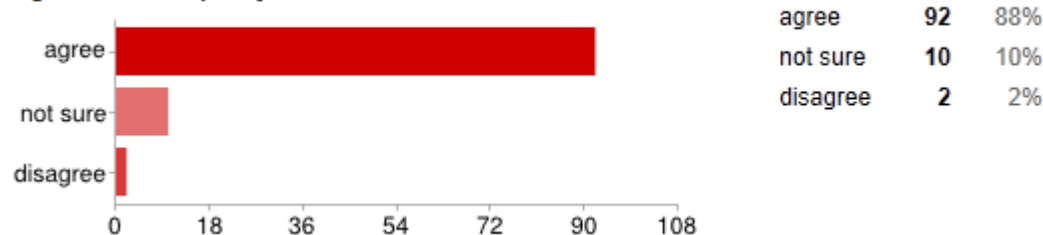
Source: own research

In the next question, respondents were asked if they agree, disagree or are not sure that the company has a good vacation policy, a good reward policy and a good absenteeism policy. Respondents were asked to state their opinions about mentioned policies in general which are written down in the manual. Almost 90% of respondents claimed that the company's vacation policy is good. It has to be thanks to the fact that employees are

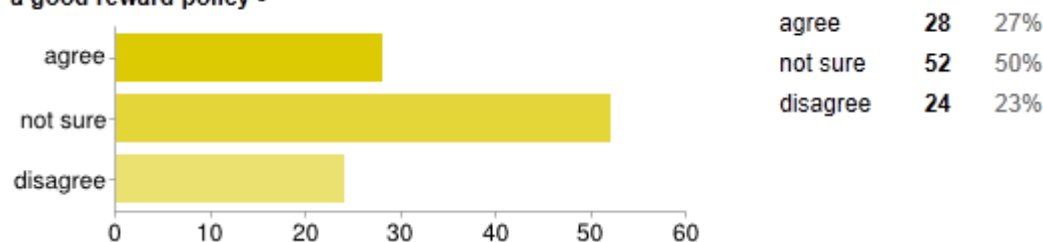
entitled for 5 weeks of vacation per year, which is one week more than employers are obliged to provide its employees according to the Czech Labour Code. Almost three thirds of employees were satisfied about the absenteeism policy. They are given 30 paid sick days where the company compensates its employees in full without doctor's certificate. Those respondents who were not satisfied about this policy claimed that this policy is heavily abused by some individuals. These persons use sick days as days of vacation instead of using it only in cases of shorter illness. The last one is the reward policy. 27% of respondents agreed that the company has a good reward policy, 50% of them were not sure and 23% disagreed. Quite high level of dissatisfaction with reward policy is caused by a matter of fact that the pay of employees have not been risen in last 3 years. Those who complain about remuneration are mainly employees working in the company for longer period of time. Their pay was competitive and above average a couple of years ago, but because of no pay raise and effect of inflation, it is not the case anymore.

Graphs 9, 10, 11

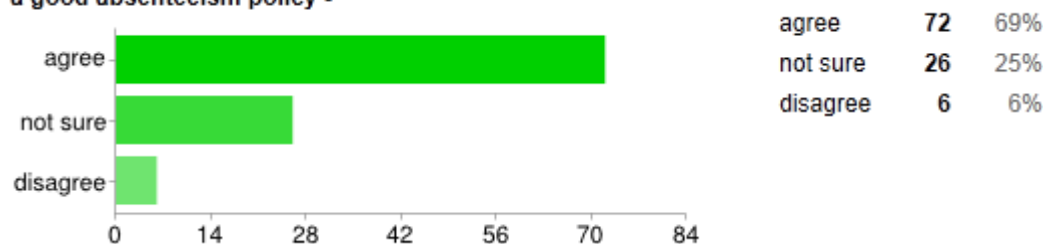
a good vacation policy: -



a good reward policy -



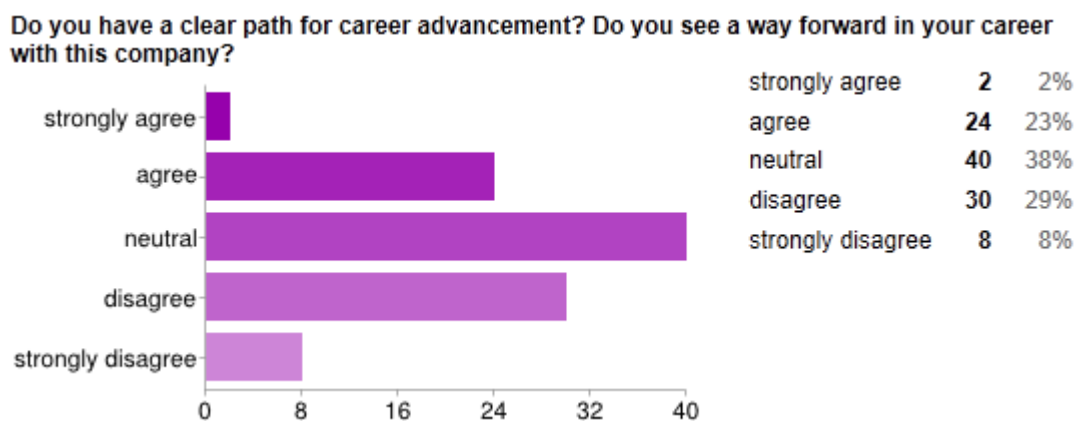
a good absenteeism policy -



Source: own research

Here, respondents were asked if they think that they have a clear path for career advancement and if they see a way forward in their career with this company. Employees who disagreed or strongly disagreed with the statement are mainly those who work in the company for 3-5 years or for more than 5 years. Out of 38 respondents who disagreed or strongly disagreed, 14 of them work in the company for more than 5 years and 10 of them work there from 3 to 5 years. They stated that they do not see any possibility to get promoted or if they got promoted, the name of their position simply changes but their work stayed sort of same. Even though they went through lots of trainings and courses for their development, they do not have hopes of any advancement. 38% of respondents are neutral in their answers. They do not reflect upon future yet. They are somewhat satisfied with their current positions. And only 26 respondents, which are in total 25%, agreed and see a way forward in their career with this company. On the other hand students are rather optimistic and see a way forward in their career with this company. They assume to work here longer than only period of time during their studies.

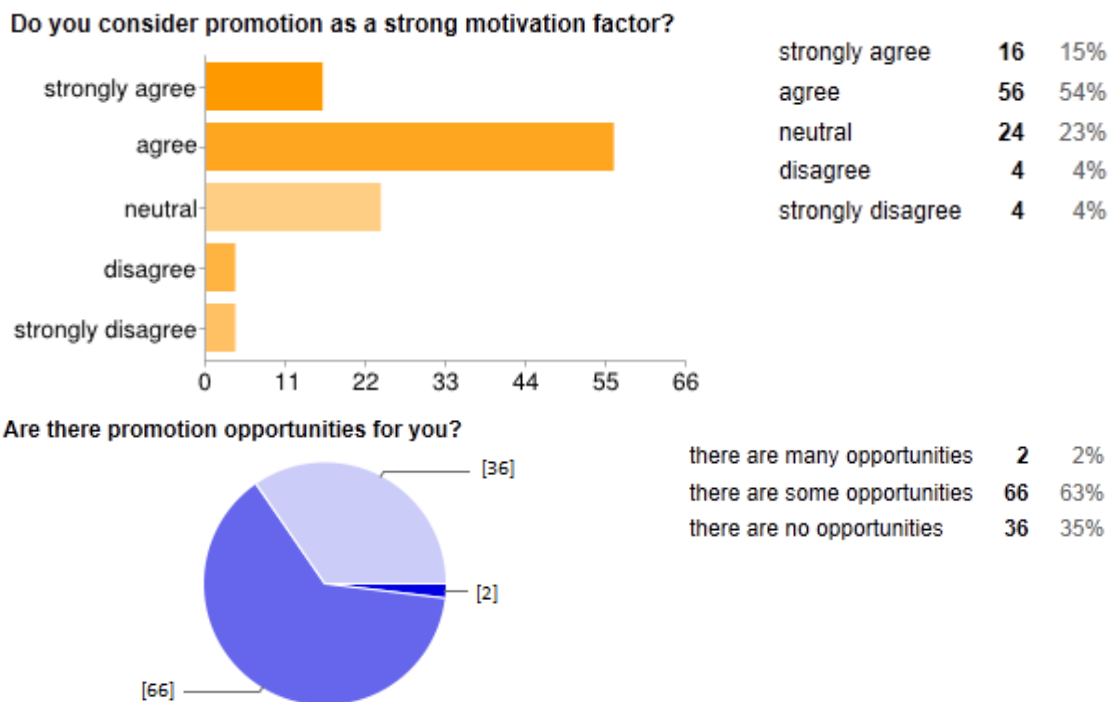
Graph 12



Source: own research

Promotion possibility is a very strong motivation factor for employees. Employees who have possibility to advance on a better and higher position through their career will be motivated, work better and retain in the company. This fact is confirmed in the graph 13. Almost 70% of respondents really consider promotion as a strong motivation factor. Now the question is, if the employees are sure about promotion possibilities through their career with the company. As you can see in the graph 14, 66 respondents, which are 63%, stated that there are some promotions opportunities for them in the company. But if we get back to the previous question, quite high number of respondents does not see a way forward in their career with this company because they do not see any chance to get promoted on better position. On the other hand 35% of respondents are sure, that there are no possibilities to get better position. Those who answered that there are no possibilities of getting promoted are mainly employees working in the company for at least 3 years. They feel of what they answered because they already know how it works in the company. Only 2 respondents, who works in the company for not more than 1 year suppose, there are many opportunities. These persons are working in the company for very short period of time, so their statements do not have a significant value for us.

Graph 13, 14

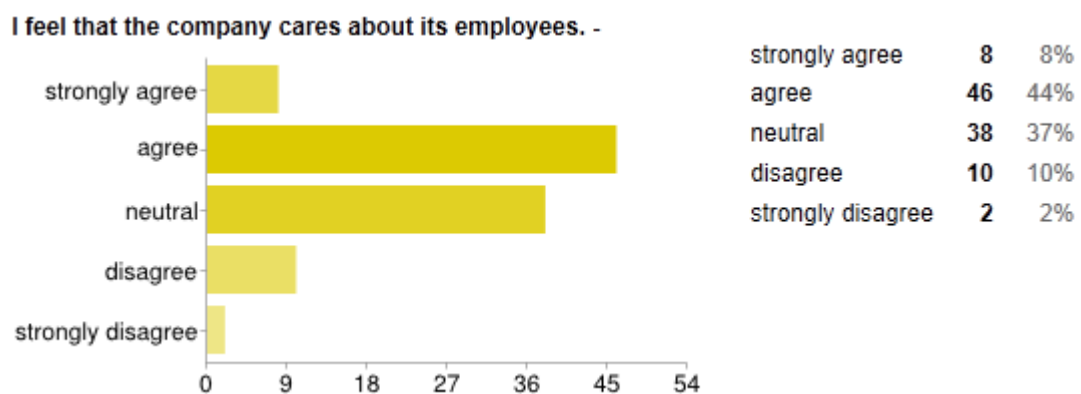


Source: own research

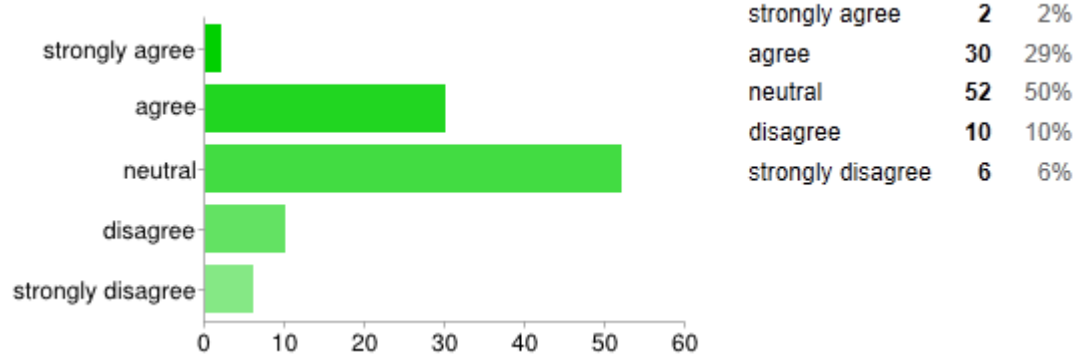
In this question, employees were asked if they are optimistic about their future success with this company. 40% of respondents are optimistic about their future success with the company. 35% of them are not sure about their future and 25% of respondents are not optimistic. Reasons they stated are for instance: no salary chance in 3 years, any motivation, lack of advancement, too many uncertainties, overall atmosphere of rewards and promotion is rather pessimistic and employees cannot count on any improvement.

Afterwards the following three questions were asked to the respondents: if they feel that company cares about its employees, if the company pays high salaries and if employees' pay rises regularly. As it is visible from the graphs below, and also according to statements of respondents, most of them share the opinion that the company pays above average salaries. The problem appears after some period of time when employees expect the company to raise their pay as the inflation raises and prices of products become more expensive and it does not unfortunately happen. The company tries at least to care about them in the form of trainings and providing benefits.

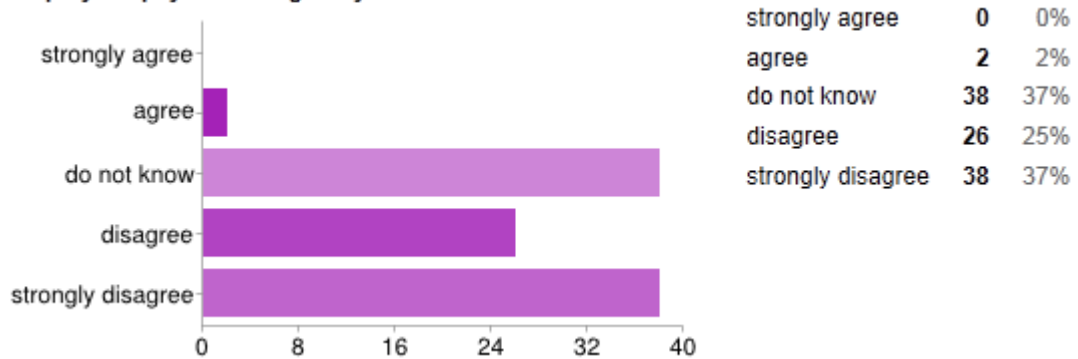
Graphs 15, 16, 17



The company pays high salaries. -



Employees pay raises regularly. -

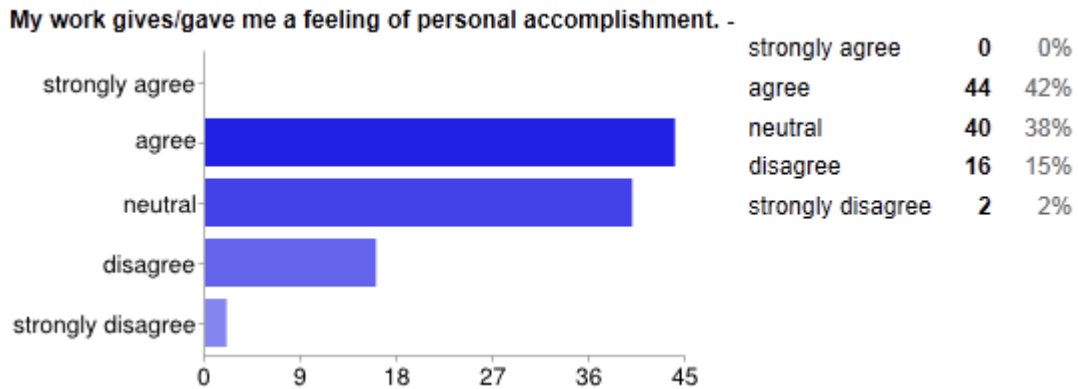


Source: own research

In this question, employees were asked if their work gives/gave them a feeling of personal accomplishment. The areas of accomplishments which might come up to their minds were for instance work and career, leadership, personal growth and self-improvement, intangibles given to others, important life lessons learned and so on. The accomplishment usually does not come when person does not have a clear vision what he or she wants to accomplish and it will be also necessary to persevere effort that is matched by right skills and positive attitudes along the way. 42% of respondents have a feeling of personal accomplishment. There is a significant positive relationship between personal accomplishment and total job satisfaction. It acknowledges the question where the respondents were asked about their overall satisfaction with their position. 17% of respondents who disagreed with the statement are generally dissatisfied with the job and the company. These are again employees who work for the company for longer than 3 years. Because labour turnover and absenteeism are commonly associated with dissatisfaction of employees, the company should set the policies in the way to satisfy

as high number of employees as possible. Dissatisfied employees are not motivated, and motivation plays a vital role since it might negatively influence their performance.

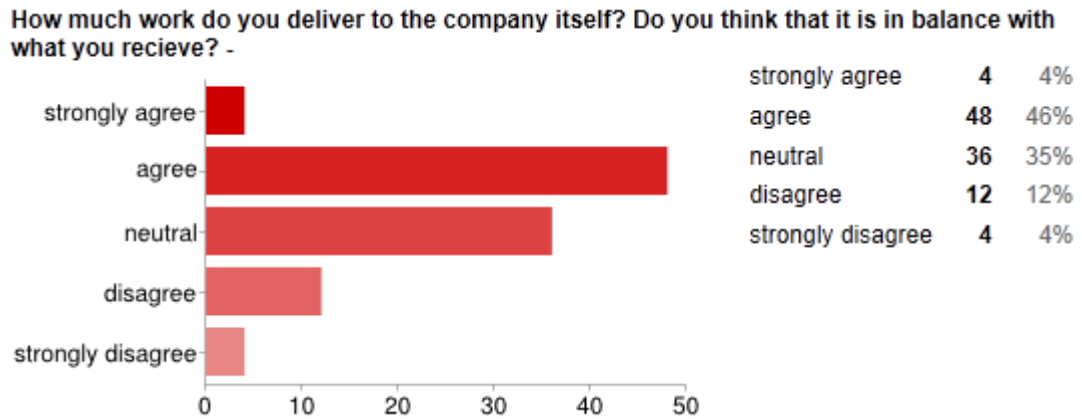
Graph 18



Source: own research

Then, respondents were asked, how much work they deliver to the company itself and if they think that is in balance with what they receive. For employees to verify this question, they need to have a tool to determine the worth of the work they are doing. To some degree they do this by a reflection of intuition rather than rationality. But they validate their feelings by making comparisons of what they receive from the company to what other employees in the company receive for doing similar work. According to answers, almost 50% of respondents agreed that their reward matches the work they deliver to the company. 4 employees even presume that their pay is superior to the work they deliver. 36% of respondents were neutral in their answers. We can assume, that these respondents more or less agree with the reward they receive, but their answers do not demonstrate any sign of satisfaction. These employees would be definitely grateful for pay raise. On the other hand 11% of respondents disagreed and 4% strongly disagreed and are convinced, that their remuneration does not match the work they deliver to the company. All dissatisfied employees work in the company for longer than 3 years. They carry conviction that their remuneration should be higher and that they deliver more work in comparison with their colleagues working on same positions and earning same money. The level of dissatisfaction would be also lower if the pay of these employees rose regularly in last couple of years. Employees would not have a need to compare their pay with the pay of their colleagues.

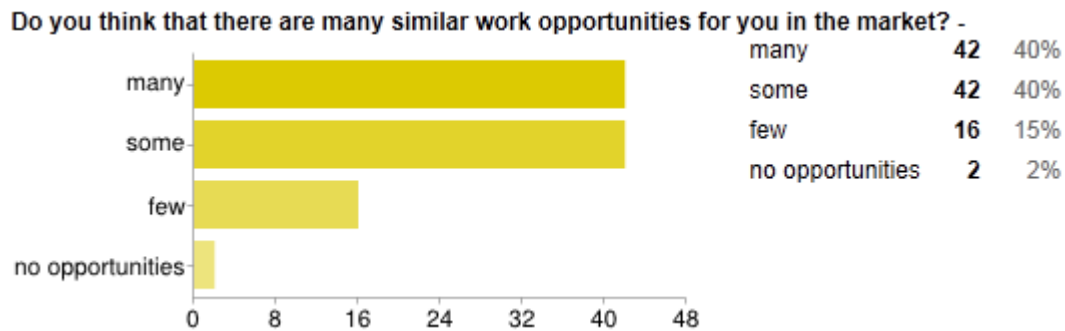
Graph 19



Source: own research

In the following question, respondents were asked if they think that there are many similar work opportunities for them in the market. The objective was to find out how certain they are to find similar work in case they decide to leave the company. 42% of respondents are confident about their skills and abilities and believe that they would not have any problem to find similar work anywhere else, because based on their responses, there are many similar work opportunities for them in the market. 40% of employees think that there are definitely some opportunities for them to find suchlike job. 15% of respondents, which is a quite small number, think that there are only few similar jobs for them. These employees are not so confident about their chances to succeed on the market because they think that they do not possess that many skills and competencies in comparison with their more experienced colleagues. For some of these respondents, which are rather pessimistic about the number of similar work opportunities, this is actually their first or second work experience in their career. The only 2 respondents who suppose that there are no similar work opportunities in the market are women. One of them has finished high school education, is working in the company for 1- 2 years and she is somewhat satisfied with her current position in the company. The second woman is working in the company for 2 – 3 years, has master's diploma and is satisfied with her job in the company.

Graph 20



Sources: own research

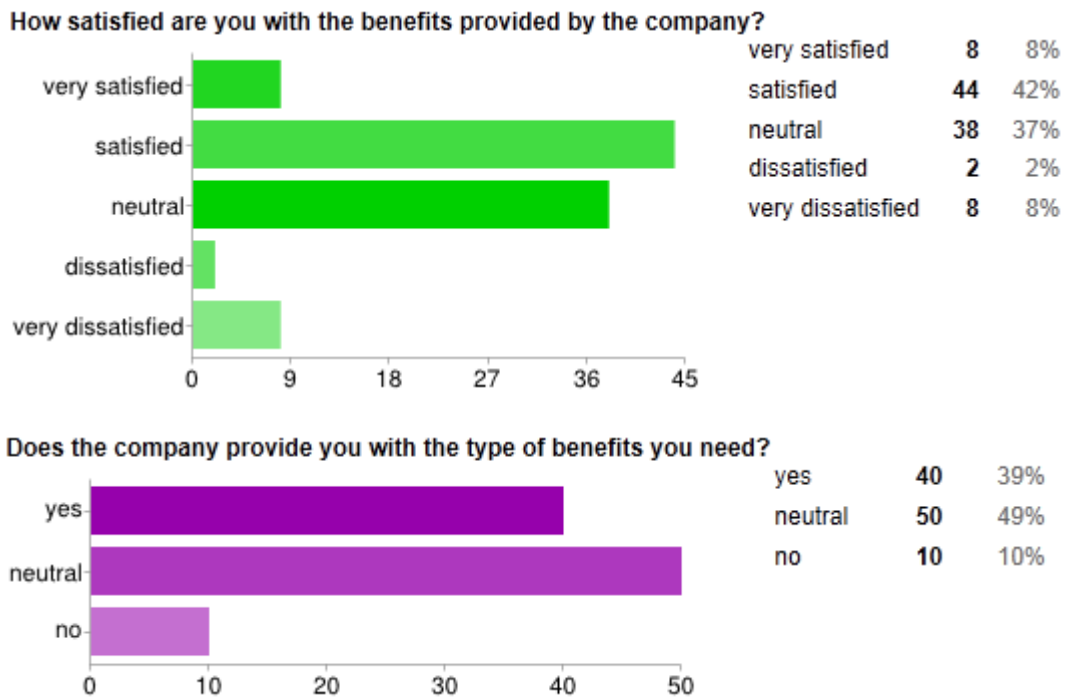
4.3.3 Satisfaction with benefits

Benefits are various non-wage compensations which are provided to employees by the company besides their normal pay. Benefits come on top of the salary and are considered also as basic level of workplace motivation. More details about benefits are in the chapter 3.10.2.

The aim of benefits is to provide attractive and competitive package of rewards which attracts and also retain highly qualified employees. But it is necessary to be aware of the fact that benefits motivate employees, but after some time, they are not motivational any more, since employee are becoming adopted to having them. As you can see in the graph 21, 44 employees are satisfied, only 8 of them are very satisfied, 38 of them are neutral and 10 are dissatisfied or very dissatisfied. These are employees, who work in the company for several years and enjoy the same benefits for this period of time. They would appreciate a change.

On the other hand, the company more or less provides its employees with benefits they need, see below. Reasons of satisfaction and dissatisfaction with individual benefits and employees' opinions and perception of them are stated in the following paragraphs.

Graph 21, 22



Source: own research

In the following table, employees were asked to indicate the level of importance of each of the programmes in the company's benefits package. The results from the questionnaire are sorted in the table below. Graphs of individual benefits with results are attached in supplements.

Employee benefits are considered as one of the most effective instrument of personnel policy which increases employee morale and job satisfaction and in the table 3, there are summarized the opinions of respondents showing the considerable meaning of individual benefits for them. From the point of view of respondents, flexible working hours, 25 vacation days and technical courses are included among the most important benefits. They apparently bring to employees some level of satisfaction. Also employees, who work in the company for 3 or more years affirmed that they consider these kinds of benefits as important or very important. The system of flexible working

hours gives employees some choice over the actual times when they work their contracted hours. It is usually a good way how to retain staff. The other liked benefit is the paid time off, when full-time employees accrue 25 vacation days per year. As it was mentioned, it is one week more than the company is obliged to provide to its employees. The third very important benefit among all provided by the company is the benefit of technical courses. Nowadays, educated and skilled people are looking not only for a company that provides the highest remuneration. They are looking for more from their jobs. These people want to grow, learn and find meaning in what they do. On the other side of it, they get other values such as knowledge, understanding and improvement of skills which they can use also for their future growth and career development.

Language courses and personal rewards are also of inconsiderable importance as it is visible from the table below. Language course are considered as very important or important usually by respondents, who are 30 years old and older or by respondents without university degree. While flexible benefits (FajnClub), contributions to pension scheme, soft-skills trainings and company events were evaluated by employees as less important.

No one respondent answered that benefits such as technical courses, personal rewards, 25 vacation days, 30 paid sick days, flexible working hours and refreshments at the workplace are not important at all. For all employees, these kinds of benefits have some meaning and are important in some level. To conclude, the most favourite benefit out of all is the one in the form of paid vacation days.

Table 3: Company's benefit package – level of importance for employees

	Very important	Important	Somewhat important	Not very important	Not important at all
Language courses	31%	37%	19%	10%	4%
Technical courses	56%	2%	13%	2%	0%
Soft-skills trainings	15%	38%	21%	19%	2%
Contributions to pensions scheme	13%	44%	31%	8%	4%
FajnClub	13%	35%	29%	10%	13%
Personal rewards	46%	44%	6%	4%	0%
25 vacation days	60%	37%	4%	0%	0%
30 paid sick days	44%	37%	15%	0%	0%
Flexible working hours	62%	29%	2%	4%	0%
Lunch vouchers	23%	40%	21%	10%	4%
Refreshments at the workplace	23%	40%	21%	10%	0%
Company events	21%	21%	35%	17%	6%
Recommendations of new employees	8%	40%	35%	15%	2%

Source: own research

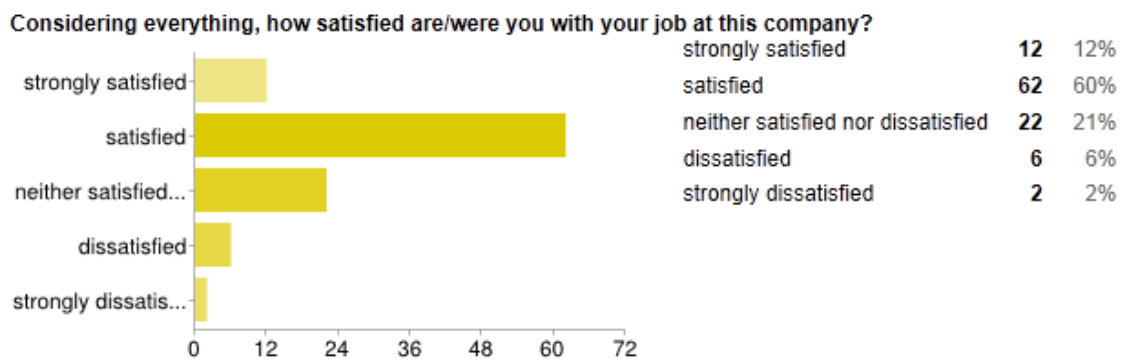
In next question, respondents were asked if there are ways in which the company could improve employee benefits programme currently provided. Based on the query, respondents gave responses such as: the company could provide public transportation tickets and taxi discounts, put more budget in flexible benefits, increase the value of lunch vouchers to 120 CZK, provide more technical courses and provide not only courses which are applicable immediately. Sometimes it also happens that that trainings and courses are promised and afterwards cancelled because of budget overruns. That makes bad image of the company. Other respondents argued that the company could allow its employees home office from time to time and reward people based on their working achievements and commitments, the company could also cut the number of sick days to a reasonable amount so that it does not act as a second holidays, then it could make yearly team buildings sessions out of Prague so it would improve

relationships in the workplace. The last attitude to the question asked was this one – the best benefit is more money.

This question was asked only to former employees of the company. They were asked what the reasons for leaving the company were. All of them answered that main reason of leaving the company was higher pay and better job opportunity offered by another company and no possibility of getting promoted. Other reasons they specified were better benefits offered by new company, commuting to work and career change.

Afterwards, the respondents were asked once again to consider everything and say, how satisfied are/were they with their job in this company. The results are as following.

Graph 23



Source: own research

The final question of the question-form was as following: What do you think can be improved about the personnel policy of the company? What could the company do to enhance your satisfaction as a company employee?

As it was already mentioned most of the employees who work in the company for longer period of the time complain about no regular increase in salaries as a person progresses. Their pay was not increased in last 4 years and that has a strong effect on their motivation. These employees also complain that their new colleagues have completely different and better conditions and those who were hired several years ago have the conditions unchanged. Respondents also argued that there is no difference in

salary for those who work harder and therefore there is no motivation for them to perform better. These facts make employees who work in the company longer to leave.

Other respondents agreed upon paying more attention to employees' development. The company should ensure a clear training strategy for internal employees who want to increase in their career. Those employees, who work in the company for longer period of time, are not happy with the fact, that they are provided more or less similar kinds of trainings and that they are provided only with trainings which are connected to the scope of employment. In case of language courses, employees can go only for language which is used in the company. The language cannot be chosen according to their wants.

Employees also concurred that HR specialists and managers would also need soft-skills trainings to be able to care more about employees and to communicate with them. Employees have a feeling that no one cares about their opinions and needs. Their supervisors do not talk to them regularly and do not try to find out what their subordinates really think. There is in general lack of communication and employees feel uninformed.

Other employees would appreciate as it was said more career opportunities, also more off-work activities etc.

5. Improvement suggestions

The objective of this section of the thesis is to evaluate shortcomings found, based on the questionnaire research. Furthermore, the improvement suggestions that can streamline the company and help achieve goals of efficiency will be introduced.

During the data analysis, it became apparent that the most problematic areas of personnel policy of the company, from the point of view of surveyed factors, are the facts stated below. These have the most significant effect on employee satisfaction and motivation:

❖ Job satisfaction and personal accomplishment

According to results, most of the employees are satisfied with their work, and it gives them a sufficient level of personal accomplishment. However, it is not the case of all employees. Therefore, we can say that there is always room for improvement and change. The company faces the challenges of profitability, productivity and it should try to keep its workforce engaged and satisfied with their work on the highest possible level. If the company did not continuously improve job satisfaction of its employees, it would be at risk of losing its high-skilled employees to the competition. The company should put more emphasis on leaders and supervisors, whose responsibility is creating a high level of job satisfaction among employees. By improving employee motivation, they are able to increase job satisfaction and retain employees. First, the quality of the supervision employees receive is important. Supervisors and leaders should provide employees a positive working environment. In addition, recognition is a powerful tool in building motivation. The next way to motivate employees is to involve them in some process, where they can contribute their ideas and suggestions. Beside this, employees seek a job where their talent and skills will be utilized effectively. As you can see, all these ways of motivating people are costless and can notably help employees acquire higher level of job satisfaction.

As it was already mentioned, making employees satisfied is a never-ending process. Therefore, companies should evaluate and measure job satisfaction regularly. The company should introduce a specific cycle of steps focusing on job satisfaction and

personal accomplishment. The purpose of evaluation is to find out what needs improving. For this reason, the job satisfaction survey could be used to measure areas, in which the employees could be unsatisfied such as salary, benefits, rewards, promotion, growth, career development, supervision, work, team members and communication.

❖ Pay, rewards and benefits

Reward strategy plays a key role in attractiveness of the company. Through remuneration and reward strategies, the company tries to attract and retain high-skilled staff. In order to ensure a reward system is being effective in motivating and stabilization of employees, it has to be in conformity with the conditions of the local market and consistent with the business strategy, values and principles of the company. The company knowingly tries to reward people through above average salary packages but due to no regular pay raise, they become dissatisfied and unmotivated after some period. The company should instead reward employees with a bit lower salaries and save the money to be able to raise their pay in regular periods of time. On the other hand the company should also motivate its employees through a variable remuneration model. Employees of the company should believe that hard work is recognized and rewarded through an incentive and bonus scheme. This would inspire them to perform greater. Employees would be challenged by the ability and power to influence their own rewards. Currently, a number of them complained that there is incentive to work hard and no penalty not to. They are not rewarded according to their efforts. This system should be changed. The company should introduce a compensation package, which would include competitive salary and an incentive plan. Each employee would have an influence on the value of the total compensation through job performance and according to choices, they make.

As well as compensation, employee benefits also strongly contribute to employee satisfaction. The company provides a wide range of competitive benefits, but the problems may appear when for employees who have worked in the company for longer periods. Employees mentioned are provided a number of years with same benefits. The company should include more flexibility into the system of providing benefits and change some parts of the tangible benefits time to time.

❖ Employee development

The company must provide an environment that motivates employee to grow and gives them the opportunity to achieve their growth. The best employees of the company, those who want to retain and improve their knowledge, skill and opportunities to learn and grow in their careers. Without opportunities to grow and develop, employees feel they will stagnate. Providing a wide range of training and other development opportunities is undoubtedly a way to retain great employees. The company is fully aware of the pre-mentioned facts. Thus, it endeavours after career development of its staff and creating appropriate conditions, which support personal growth of each of them. The company has a good training policy, which is linked to career development. Through career development, which is an organised approach, the company tries to match employee goals with the company's needs. The HR department therefore offers a wide range of technical trainings and seminars, soft-skills trainings and language courses. Each year, the budget for each employee is stated. Investing in staff and their training is investing in the future. The company is aware that it takes time and money, but this pays back in long run. Summarising everything, the company's training policy is above average in the local market. Most of the employees appreciate a wide range of training provided, which seem useful to them, but it cannot satisfy everyone.

❖ Promotion opportunities

Besides the possibilities of personal growth, career development, rate of pay and benefits provided, the other important factors influencing employee satisfaction is promotion. Promotion is the advancement of an employee from one job position to another which has more job responsibilities, a higher salary range and a higher level job title. Unfortunately, employees of the company do not consider any of these things possible. Some employees who worked in the company for a couple years confirmed that they were promoted and the job title changed, but the job responsibilities stayed similar or the same. The company should ensure, when an employee is promoted, all three aspects should change – more job responsibilities, a higher salary range and a higher-level job title. Otherwise, the promotion processes shows no indication of importance.

❖ Measuring overall employee satisfaction

The company could start using a scale, which would measure employee satisfaction. Categories such as pay, benefits, promotion possibilities, training and education, working time, the job itself, working conditions and some other categories could be included. These categories would then be measured on the scale from one to five. One would indicate the lowest level of satisfaction and five would indicate the highest possible level of satisfaction. Using this, the company could calculate the average value of employee satisfaction with each category as well as the overall average value of employee satisfaction. The average value of all categories would be measured each year and then compared to the results from the previous times when the surveying took place. The company would then be able to find out, for instance, that due to no pay raise, the average value of employee satisfaction with pay is decreasing constantly in comparison to the values from the previous year. On the other hand, the company could ascertain that there is averagely low value of satisfaction with promotion possibilities and that the value is relatively similar to the value from the previous year. The company could also compare the values from the other categories. That means the company would be able to indicate the category with the lowest level of satisfaction and implement things, which would improve the situation.

Measuring employee satisfaction would provide the company insight into employee perceptions and opinions about particular issues, which may play a key role in employee retention or turnover.

6. Conclusions

Human resources are any corporation's most valuable asset. Companies invest a lot of money in attracting, compensating and retaining highly-skilled people. Nowadays, many companies including the smaller ones are getting aware of this fact and therefore skilled people are more valuable than ever before.

These trends put a high pressure on corporations, which try to rethink how to attract, retain and continuously develop their talented employees. Thus, personnel policy is a continuous guideline, which companies adopt in managing its employees. Personnel policy should be consistent with the values of each corporation and overall corporate policy, and it defines how the employees should be treated. Personnel policy can be written or unwritten, but the written form of the policy provides accurate guidelines and helps leaders, managers and supervisors to better understand company's values, philosophies and corporate culture. Formalized policy also ensures that within corporations the same procedures and practices are carried out.

This thesis introduces the shortened version of the personnel policy manual. The policies such as reward policy; employee development and education policy; and attendance and absenteeism policies of a selected company were introduced. In the reward policy, wage and salary administration is introduced as well as employee benefits, which the company provides to its staff. The benefits are listed and explained; for instance, sick leave benefit, one week of holidays more, contributions to pension scheme, flexible benefits provided by the company are also introduced and as well as meal vouchers. The next important part of the manual is the employee development and education policy. This policy should provide supervisors and managers an understanding of professional training. The concluding part of the manual is attendance and absenteeism policy. This policy introduces issues such as attendance of employees, illness and obligations which an employee has towards the company, flexible working hours, and also how working during weekends, public holidays and overtime is accessed by the company. When developing the policy manual, one of the important parts of this process, is to seek the views and perceptions of employees about particular policies. When finding employees opinions and the level of satisfaction with particular

policies, the questionnaire research method was used, since quantitative surveys are the most useful methods of determining the needs of large number of people.

According to the results of the survey, the company has a good reward policy where employees are rewarded with above average salaries. A little problem appears when speaking about pay raise. Due to the economic downturn in the last couple of years, the company could not afford to raise the pay of its employees regularly and this brought about a low level of satisfaction among employees and increased turnover. The company is aware of the value of its workforce. As soon as the economic situation gets better and the economy starts expanding, the company will get back to raising pay regularly as it did in the past.

Concerning employee benefits, the company provides employees with attractive and competitive benefit packages. The company provides many benefits, for instance, flexible working hours, one week of vacation more above the statutory duty, number of days of sick leave, meal vouchers, contributions to pension's schemes, language courses, professional trainings and further improvement of qualifications. The only one suggestion is that the company should change benefits provided time to time to keep employees working in the company for more years satisfied and attracted. Without providing competitive employee benefits and a proper reward policy, the company will not attract highly-skilled employees and result in unsatisfied employees.

When speaking about employee development and education policy, the company is aware of the fact that one of the most important things, which effects the attraction, and retention of high skilled labour is the range of trainings and development opportunities provided by the company. Therefore, the company is willing to give above average development opportunities to its employees. This will lead employees towards constant career growth and promotion possibilities will increase. The purpose of the company is to provide a wide range of trainings to the workforce so they will have a high knowledge and skills. This is one of the most important competitive resources available to the company because corporate growth and success is based on its employees.

The company should be concerned about opinions, perceptions and the level of satisfaction or dissatisfaction of its employees with particular policies, procedures and practices carried out in the company. Employees' opinions are important in order to

develop a good personnel policy manual, retain employees, and improve satisfaction with the work and conditions in the company. For this reason, the company could measure overall employee satisfaction using a regular electronic questionnaire. Results from the questionnaire could tell the company many things. For instance, it could give insight to employees that are very satisfied with the attendance policy and dissatisfied with training opportunities. These outcomes could be also compared between years or periods when the exploration took place. Results from the survey could serve as a base for further research, changes of the manual or improvements in personnel policy.

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8. Supplements

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8.2 List of supplements

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Supplement 1

Questionnaire

The purpose of this questionnaire is to find out an employee satisfaction with employment conditions, employee benefits and possibilities of employee development. Answers will be used for research purposes of my diploma thesis. Questions asked are anonymous and are not too personal. This questionnaire will not take longer than 10 minutes. Thank you for your help.

* Required

Demographic questions

What is your sex? *

- Male
- Female

What is your age? *

- 20 - 25 years old
- 25 - 30 years old
- 30 - 40 years old
- 40 - 50 years old
- 50 and older

What is the highest degree or level of education you have completed? *

- High school graduate
- Bachelor's degree
- Master's degree
- Doctorate degree

Employment status/Job satisfaction

Current employment status *

- I am an employee of the company.
- I am an external employee employed through a temporary staffing firm.
- I was an employee of the company.

I am currently/ I was *

- Employed in the company for not more than 1 year
- Employed in the company for 1 - 2 years
- Employed in the company for 2 - 3 years
- Employed in the company for 3 - 5 years
- Employed in the company for more than 5 years
- A student (part-time employee)

I am/ was proud to work for the company *

- strongly agree
- agree
- neutral
- disagree
- strongly disagree

Why?

Overall how satisfied are/were you with your position at this company? *

- very satisfied
- somewhat satisfied
- not satisfied
- somewhat dissatisfied
- very dissatisfied

Why?

Would you refer a friend to apply for a job at this company? *

- definitely
- probably
- not sure
- probably not
- definitely not

Do you agree, disagree or have no opinion that this company has:

a good vacation policy:

agree not sure disagree

<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
-----------------------	-----------------------	-----------------------

a good reward policy *

agree not sure disagree

<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
-----------------------	-----------------------	-----------------------

a good absenteeism policy *

agree not sure disagree

<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
-----------------------	-----------------------	-----------------------

You can add your comment.

Do you have a clear path for career advancement? Do you see a way forward in your career with this company? *Do not answer this question if you are not an employee any more.

- strongly agree
- agree
- neutral
- disagree
- strongly disagree

If you disagree, why?

Are there promotion opportunities for you? *

- there are many opportunities
- there are some opportunities
- there are no opportunities

Do you consider promotion as a strong motivation factor? *

- strongly agree
- agree
- neutral
- disagree
- strongly disagree

I am optimistic about my future success with this company *Do not answer this question if you are not an employee any more.

	I am.	I am not sure.	I am not.
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

In case, that you are not optimistic, why?

I feel that the company cares about its employees. *

strongly agree	agree	neutral	disagree	strongly disagree
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

The company pays high salaries.

strongly agree	agree	neutral	disagree	strongly disagree
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Employees pay raises regularly.

strongly agree	agree	do not know	disagree	strongly disagree
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

My work gives/gave me a feeling of personal accomplishment.

strongly agree	agree	neutral	disagree	strongly disagree
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

My compensation matches/matched my responsibilities.

strongly agree	agree	neutral	disagree	strongly disagree
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

How much work do you deliver to the company itself? Do you think that it is in balance with what you receive?

strongly agree	agree	neutral	disagree	strongly disagree
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Do you think that there are many similar work opportunities for you in the market? There are

many	some	few	no opportunities
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

You can add your comment.

Satisfaction with benefits provided

Students may skip those questions, which do not concern them.

How satisfied are you with the benefits provided by the company?

- very satisfied
- satisfied
- neutral
- dissatisfied
- very dissatisfied

If you are dissatisfied, why?

The company provides you with the type of benefits you need?

- yes
- neutral
- no
- Other:

Please indicate the level of importance to you of each of the following programs in the company's benefits package.

Language courses

very important	important	somewhat important	not very important	not important at all
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Technical courses and seminars

very important	important	somewhat important	not very important	not important at all
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

soft-skills trainings

very important	important	somewhat important	not very important	not important at all
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

contributions to pension schemes

very important	important	somewhat important	not very important	not important at all
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

"FajnClub/Multipass - leisure time benefits

very important	important	somewhat important	not very important	not important at all
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Personal rewards for exceptional performance

very important	important	somewhat important	not very important	not important at all
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

25 vacation days per year

very important	important	somewhat important	not very important	not important at all
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

30 paid sick days

very important	important	somewhat important	not very important	not important at all
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Flexible working hours

very important	important	somewhat important	not very important	not important at all
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Lunch vouchers

very important	important	somewhat important	not very important	not important at all
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Refreshments in the workplace

very important	important	somewhat important	not very important	not important at all
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Company events (Christmas party etc.)

very important	important	somewhat important	not very important	not important at all
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Recommendations of the new employee

very important	important	somewhat important	not very important	not important at all
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Do technical courses and soft-skills trainings provided by the company help you to reach promotion?

- they definitely do
- they do
- i do not know
- they don't
- they definitely don't

Are there ways in which the company could improve the benefits programs currently provided?

What were your reasons for leaving the company? (more possible answers)
Question only for former employees.

- higher pay
- benefits
- no possibility of promotion
- better job opportunity
- commuting to work
- family and personal reasons
- relocation/move
- career change
- company instability
- Other:

Considering everything, how satisfied are/were you with your job at this company? *

- strongly satisfied
- satisfied
- neither satisfied nor dissatisfied
- dissatisfied
- strongly dissatisfied

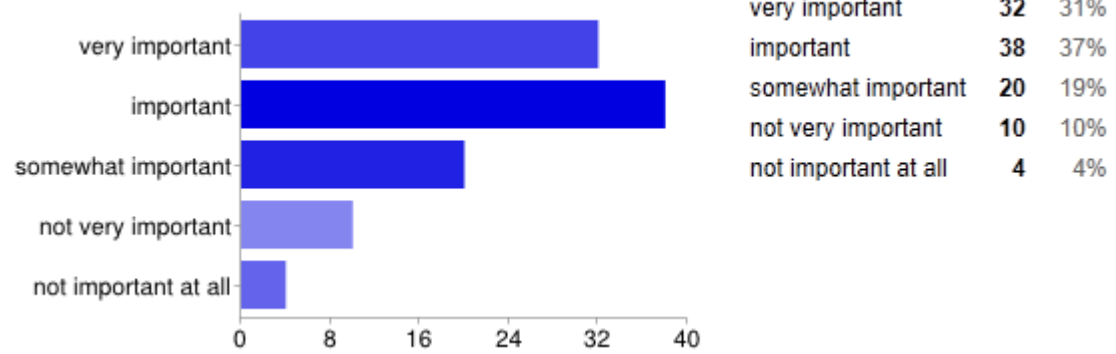
What do you think can be improved about the personnel policy of the company? What could the company do to enhance your satisfaction as a company employee?

Thank You for Your help.

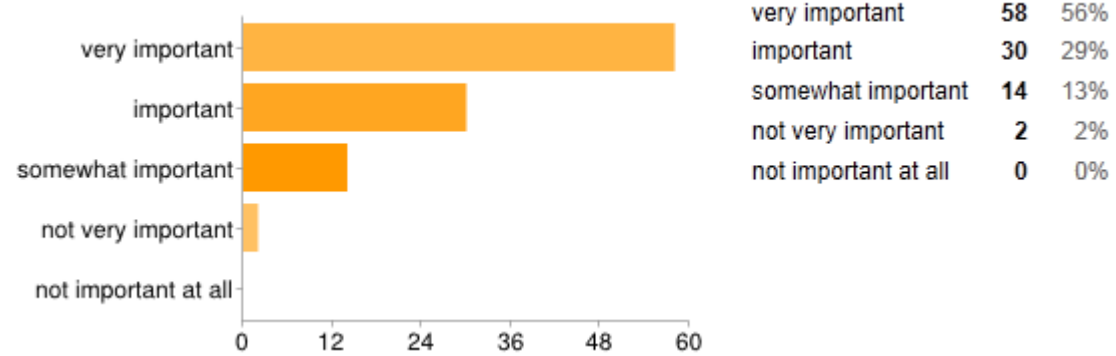
Supplement 2

Graphs – the level of importance of employee benefits

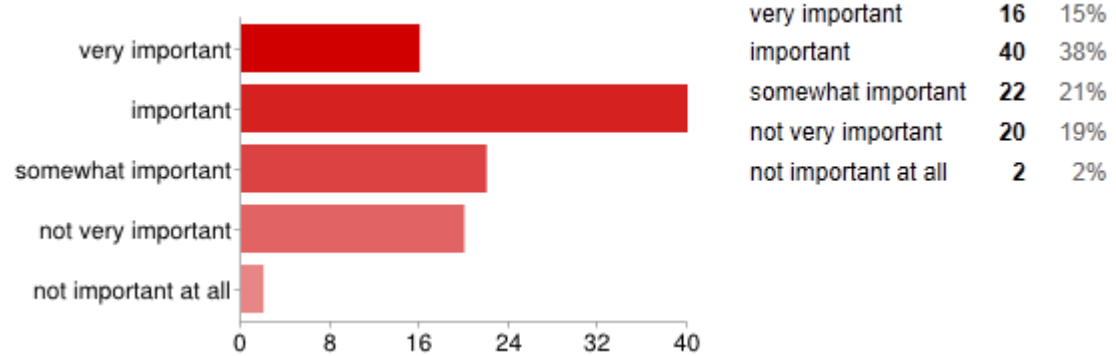
Language courses -



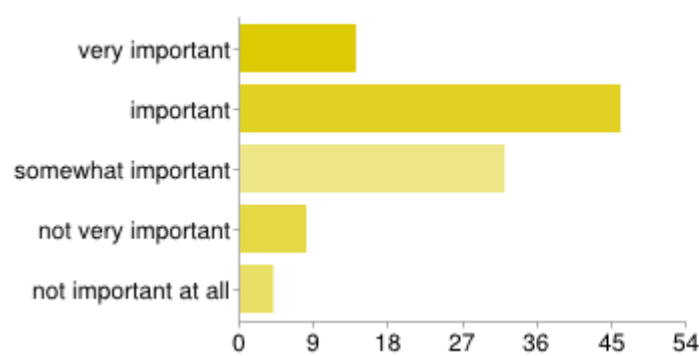
Technical courses and seminars -



soft-skills trainings -

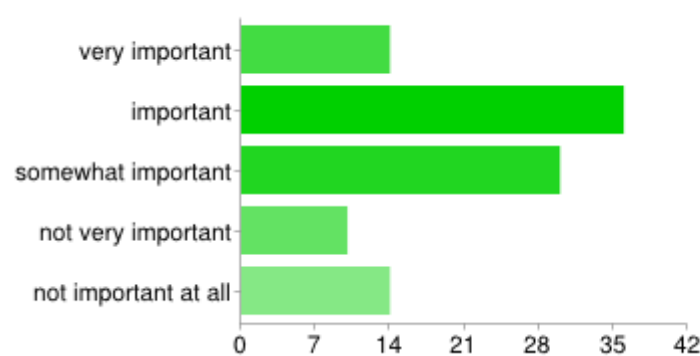


contributions to pension schemes -



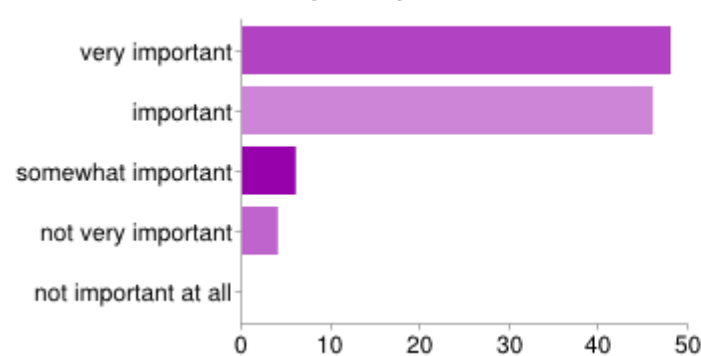
very important	14	13%
important	46	44%
somewhat important	32	31%
not very important	8	8%
not important at all	4	4%

"FajnClub/Multipass - leisure time benefits -



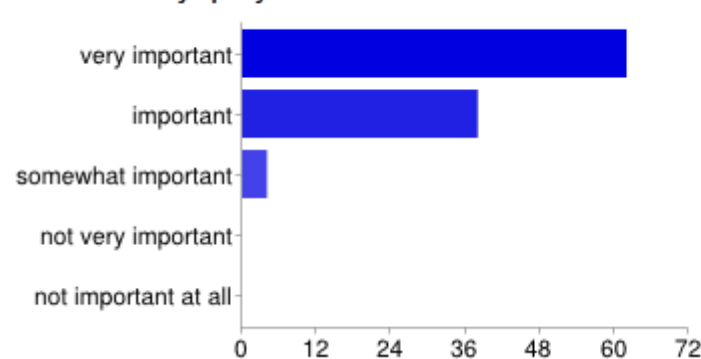
very important	14	13%
important	36	35%
somewhat important	30	29%
not very important	10	10%
not important at all	14	13%

Personal rewards for exceptional performance -



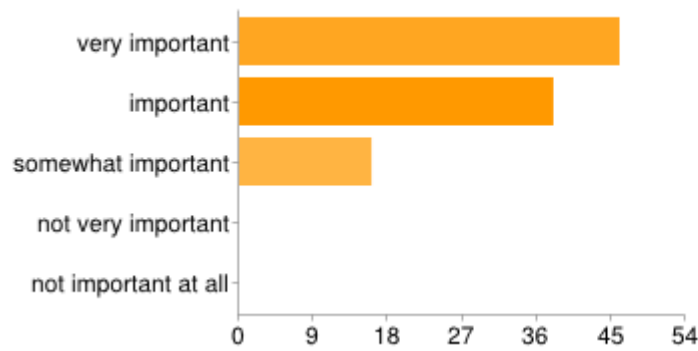
very important	48	46%
important	46	44%
somewhat important	6	6%
not very important	4	4%
not important at all	0	0%

25 vacation days per year -



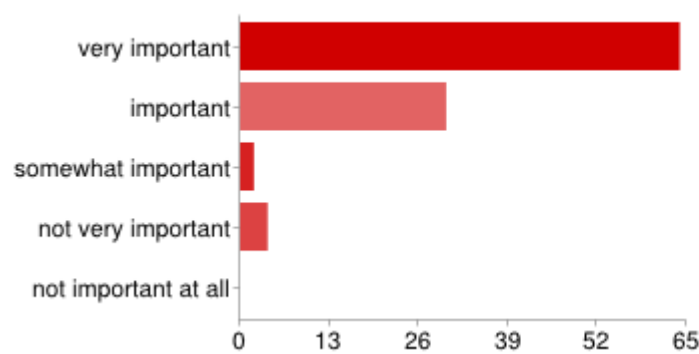
very important	62	60%
important	38	37%
somewhat important	4	4%
not very important	0	0%
not important at all	0	0%

30 paid sick days -



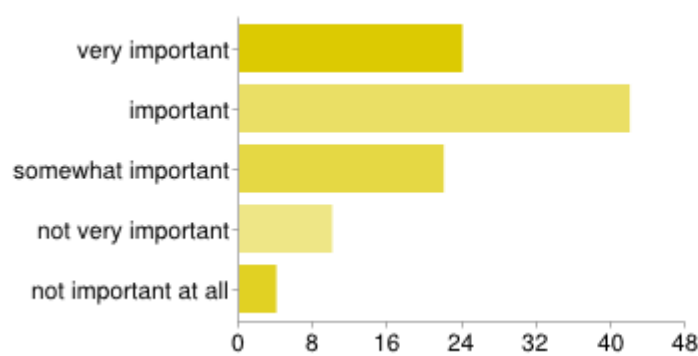
very important	46	44%
important	38	37%
somewhat important	16	15%
not very important	0	0%
not important at all	0	0%

Flexible working hours -



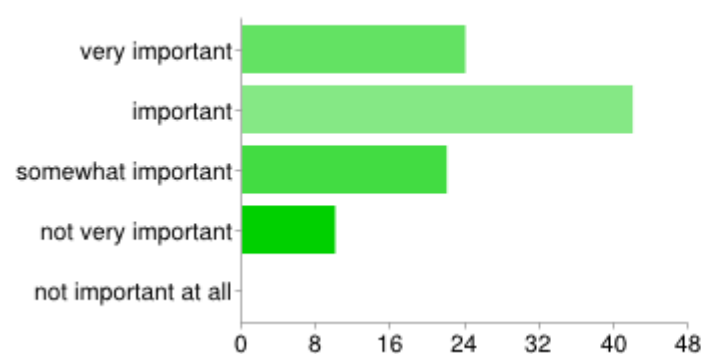
very important	64	62%
important	30	29%
somewhat important	2	2%
not very important	4	4%
not important at all	0	0%

Lunch vouchers -



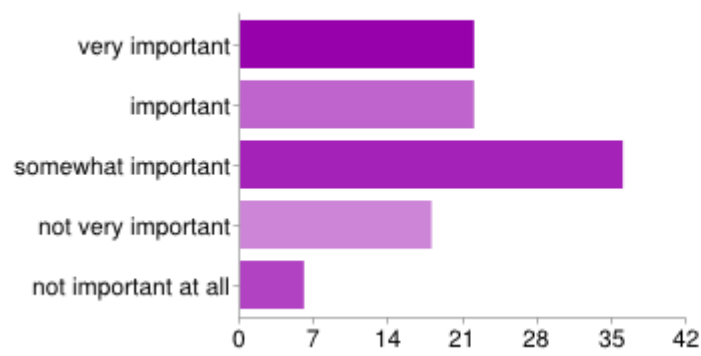
very important	24	23%
important	42	40%
somewhat important	22	21%
not very important	10	10%
not important at all	4	4%

Refreshments in the workplace -



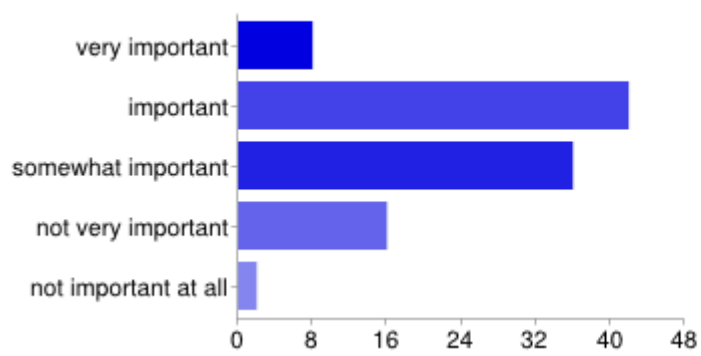
very important	24	23%
important	42	40%
somewhat important	22	21%
not very important	10	10%
not important at all	0	0%

Company events (Christmas party etc.) -



very important	22	21%
important	22	21%
somewhat important	36	35%
not very important	18	17%
not important at all	6	6%

Recommendations of the new employee -



very important	8	8%
important	42	40%
somewhat important	36	35%
not very important	16	15%
not important at all	2	2%