

## Influential Factors of Employee Careers in Slovenia

Marko FERJAN – Goran VUKOVIČ – Tomaž KERN\*

---

### Abstract

*This paper deals with employee promotion in Slovenia. Some factors of promotion that are most frequently mentioned are presented in the first part of the paper. In the second part of the paper, the authors present the results of a questionnaire that included 1075 randomly selected people across Slovenia. They discovered that the completion of a formal education and education in general influence employee promotion the most. They established that those who are most frequently promoted are from the ages of 30 to 55. The authors also studied the influence of the methods on acquiring human resources for later promotion. It was established that most people in Slovenia make contact with an employer through personal contacts. The recruiting method as a means of promotion is not linked. There are also some economic viewpoints of employee promotion in the paper.*

**Key words:** *human resource activities, recruiting, promotion, career, occupational choice*

**JEL Classification:** J50, J64, J24

---

### 1. Defining the Problem

We Slovenians already had the independent state of Carinthia around the year 1000 and Slovenia as an independent state exists only since 1991; before it was part of Yugoslavia from 1918 and before that part of the Habsburg monarchy for centuries. Around 2 million people live in Slovenia. Approximately 650 000 people have permanent jobs. Most people are (more than 200 000) employed in the secondary industry. A great number of people (around 170 000) are employed in the state sector (public administration, education, healthcare, etc). The registered level of unemployment in the last few decades has been fluctuating between 10 and 12 per cent.

---

\* Dr. Marko FERJAN, associate professor – Dr. Goran VUKOVIČ, assistant professor – Dr. Tomaž KERN, assistant professor, University of Maribor, Faculty of Organisational Sciences, Kidričeva cesta 55a, 4000 Kranj, Slovenia; e-mail: Marko.Ferjan@fov.uni-mb.si

The processes of globalisation and the implementation of a new economy in Slovenia in the last decade haven't gone unnoticed. New market demands demand a change in secondary and tertiary processes and as result the adaptation of organisational structures (Kern, 1998, 19). As a result, the number of employees in industry had significantly decreased, and the number of employees in tertiary organisations had increased. Human resources was exceptionally important in companies and other organisations in the past. There were numerous human resource departments especially in bigger companies. Human resource tasks were also very complex for e. g.: the forecasting of the human resources needed, recruiting, selection and training etc. Besides this, human resources have been dealing with some other activities, which were in the domain of other departments especially in organisations of the western world as well as unions and various informal associations. These activities especially include ensuring a life standard for the employees (e. g. cultural activities, recreation), informing employees (which today is included in public relations) and others. Florjančič (Florjančič, 1999, 23) had recognised 35 such activities that were in the competence of the human resources department. He also listed sports and cultural activities for the employees of the company along with social safety activities etc.

Many organisations in Slovenia in the past also earmarked a significant amount of concern for the development of human resources, in which career systems are also a part of. Human resources have of course remained in organisations but their content has changed a great deal. Within the system of human resource development the career system also has a significant role today! The topic of study in this paper is therefore employee careers in Slovenia in the last period and more concretely promotion.

## **2. The Theoretical Framework**

### **2.1. Understanding Careers**

The concept of „career“ means somewhat something different for different people. Brekić (Brekić, 1994, 100) states that a career is the successful advancement and promotion of a human in a profession where barriers, ascents and descents occur. Usually it's not a coincidence. It depends on the individual just as on the development of human resources in the organisation, where someone is employed.

Ivanovic (1998, 38) deals with the concept of career very complexly, from numerous different viewpoints, amongst other things also in this way:

- As work in which we have educated and qualified ourselves and for which we expect to perform throughout our lives.

- As opportunities and possibilities regarding employment.
- As individual expectations for employment.

As a professional path, which individuals take when employed in the organisation.

Haimann and co-authors (1982) define the concept of career in a simpler fashion: a career is our work in the organisation, for which we perform and for which we are employed.

Bernardin (1993, 341) summarises Hall's definition from 1976 and states: „A career is an accepted way of thinking and treatment in connection with working activities and experiences throughout the individual's period of employment.“ Bernardin further states that a career has: • An individual focus (a subjective view of the individual). • External (external focus) this is the actual position of the individual in the working position.

We also come across various views in treating careers in literature. Armstrong (1993) also treats careers from the view of employee categorisation regarding their effectiveness or potential.

All the definitions of the term „career“ are to some degree common in that they relate to „the position of the individual in the workplace“. The individual's position can be static or dynamic. An individual can regress, be promoted or remain in the position that they are in. We do not mention regression in this paper. We are therefore going to deal with employee promotion.

The forms of promotion can be very different. We come across the following forms of promotion in the real world and in the literature we have already mentioned:

- Higher pay for the same amount of work done.
- A new title although the work content does not change.
- New work content.
- Promotion in the organisation's hierarchy.
- A new location for the working position.
- Other.

## **2.2. Conditions for Employee Promotion**

Individual researchers have already established many times in the past, which factors influence employee promotion in the organisation.

The fundamental task of the human resource function is that it establishes the optimal structure of employees regarding the organisation's goals. The feeling of belonging in the employees is also a part of this. It is fully clear that promotion occurs within this framework. The organisation's interest sooner or later remains as the fundamental criteria for employee promotion. However, this factor is not the only one!

One of the first people to study the factors that influence employee promotion was Florjančič. Florjančič (1997, 45) recognises many factors that depend on employee promotion in the organisation. This includes: the labour market, factors in managing the organisation, the developmental strategy of the organisation, the organisation's activity, technology, characteristics of the organisational structure, the current human resources structure, the micro-organisation, the success of the organisation, employee motivation, employee qualifications, the personal characteristics of employees, the working environment, individual working success, the system of evaluating work efficiency and the satisfaction with work. As it can be seen, Florjančič deals solely with the factors that are tied to the individual and the organisation they are employed at.

It is important to know how the individual's career influences the education and qualification process at school. Let us mention for example, that the education process for some professions is determined as „dual system of education“ in which the co-operative education of some apprentices already takes place with the future employer. The first forms of „dual system of education“ in Slovenia are known from at least 1766 when a school for „mechanics“ was established in Ljubljana. After a long tradition, this type of education in Slovenia was abolished in 1981 and then re-started again in 1996. However, it is in great turmoil after the abolishment. Simply put the demands for some professions have increased and for have decreased for others. The public education system is too rigid in order to make changes on time. Heinz (2002, 220) reports about the problems related to „dual system of education“ in Germany and discovers that: „Because of the restructuring of work & deregulation of the labour market school-to-work transitions have been predicted to become destandardized. These structural changes will finally also erode Germany's renowned dual system of apprenticeship training. “

Researchers have also been dealing with the study of the influence of sex and parental roles in employee promotion in the organisation for a long time. Bernardin has established (1993, 343): „Marital and parental roles have a different impact on the career promotion of women versus men.“

In the same instance, Bernardin studies the mutual influence of parental roles on careers and their mutual relatedness.

Widespread research on the influence of the sex of the employee was done in the US between 1970 and 1990 (for more see Brigham, 2001). Numerous similar researches however not as widespread were also done in Korea, Japan, India and other places around the world.

There is a common establishment in all the research that the sex of the employee significantly influences the career. Mothers lose their jobs in many places. An interesting note in Slovenia is that „the expected number of schooling

years<sup>3</sup> for men is 12 years and for women its 13 years. Women on average have a higher level of education than men do. However, are they really promoted faster? The occurrence that women after giving birth to a child often lose their employment also frequently happens in Slovenia, which declares itself as being a social state. However, we must especially emphasise that such treatment is not the rule and is not even typical only for Slovenia. We can also find research regarding this occurrence in other western countries.

### 3. About the Research

#### 3.1. Research Goals

The purpose of the research was to establish how some factors influence employee promotion. The factors that are most frequently mentioned in the literature were identified before the operational realisation of the research. The analysis of the most frequently mentioned factors indicated that employee promotion in the company depends on:

- Factors at the environment level.
- Factors at the individual level.
- Factors at the organisation level.

All the factors that the literature deals with is of course too much. That is why we have focused on only some of them.

When studying the factors in the environment, which influence promotion, we only took a look at the normative arrangement in Slovenia.

When studying the factors at the individual level and at the organisation level we partially originated from Bernardin's definition. He (Bernardin, 1993, 343) lists the following factors, which are important for a career:

- At the individual level: sex, level of education, occupation, organisation, micro-environment and self-development.
- At the organisation level: recruiting and selection, allocation, evaluating success, and education.

However, we were not able to follow his definition to the fullest. When the questionnaire was created other factors that were also mentioned by other authors were also taken into consideration. With the research we therefore tried to establish how the following factors influence promotion:

- At the individual level: sex, age, level of achieved formal education, training and work experience with the employer.

---

<sup>3</sup> „The expected number of schooling years“ is part of the data, on the basis in which the World Bank establishes the level of development in the education system for individual countries.

• At the organisation level: the size of the organisation, method of recruiting, evaluating success and education. The influence of the organisation's activities and the influence of market conditions on promotion were not researched although in our estimation these two factors are also important.

### 3.2. A Description of the Research Method

In order to obtain any answers we made an extensive survey. The survey contained 28 questions of a closed type in written form. The survey also included other questions besides the questions relating to promotion such as:

- Questions relating to recruiting.
- Questions relating to preparing for work with a new employer.
- Questions relating to education and training.
- Questions relating to leisure time.
- Other questions.

The survey was done in May and June 2002. The participants received proper instructions before filling out the questionnaire. The participants were selected randomly (without any influence) for the most across Slovenia. The only condition was that they were employed (full time or part time). There were 1075 people in the survey including 404 (37.6 per cent) men and 640 (59.5 per cent) women, 10 people did not even define which sex they are. All the participants did not even answer all the questions. Most of them replied to the questions on age (1073 out of 1075); one of the questions was correctly answered by only 986 participants. The age and education structure of the people surveyed is shown in Table 1.

The sample included 1037 questionnaires out of 1075 in total. Table 2 shows the structure of the sample regarding the size of the organisation where the employees work, 1030 questionnaires were taken into consideration.

Table 1

The Structure of Age and Level of Education of the Participants

	Years		Level of Education							Total	
			I	II	III	IV	V	VI	VII		VII+
AGE	18 – 30	Number	2	4	5	57	149	56	85	9	367
		% of all	0.2	0.4	0.5	5.5	14.4	5.4	8.2	0.9	35.4
	30 – 55	Number	14	17	32	99	240	116	96	22	637
		% of all	1.4	1.6	3.1	9.5	23.1	11.2	9.3	2.1	61.5
	55 – 70	Number	4	2	1	4	9	4	3	4	31
		% of all	0.4	0.2	0.1	0.4	0.9	0.4	0.3	0.4	3.0
	nad 70	Number		2							2
		% of all		0.2							0.2
		Total	20	25	38	160	398	176	184	35	1 037
		% of all	1.9	2.4	3.7	15.4	38.4	17.0	17.7	3.5	100.0

Table 2

**The Structure of the Participants Regarding Education and the Size of the Organisation where they are Employed**

			Level of Education								
			I	II	III	IV	V	VI	VII	VII+	VSI
The size of the company regarding the number of employees	Up to 10	Number		2	1	30	55	18	26	1	133
		%		0.2	0.1	2.9	5.3	1.7	2.5	0.1	12.9
	Between 10 and 100	Number	6	9	14	50	128	67	59	9	342
		%	0.6	0.9	1.4	4.9	12.4	6.5	5.7	0.9	33.2
	Between 100 and 300	Number	10	5	10	24	101	57	47	17	271
		%	1.0	0.5	1.0	2.3	9.8	5.5	4.6	1.7	26.3
	More than 300	Number	5	9	13	54	111	33	49	8	282
		%	0.5	0.9	1.3	5.2	10.8	3.2	4.8	0.8	27.4
	No response	Number							2		2
		%							.2		.2
Total	Number	21	25	38	158	395	175	183	35	1 030	
	%	2.0	2.4	3.7	15.3	38.3	17.0	17.8	3.4	100.0	

The results of the survey were processed by the computer program SPSS. We processed all the questionnaires; all those asked replied to more than one half of the questions and not everyone replied to all the questions. That is why for different questions we accepted many different answers.

## 4. Results of Research

### 4.1. Labour Legislation in Slovenia

Promotion within itself refers only to the employee and organisation. Emotional „roller-coasters“ are in many cases related to the promotion of an individual. This is understandable, as it refers to „the position of the individual“ at the workplace. This therefore refers to the relationship between the individual and organisation.

The human resources department in organisations in general does not only refer to the relations between the organisation and individual as a member of the organisation but refers to even more. Beer and the co-authors already state that the human resource processes in the organisation are in one way or another intertwined:

- The institution of management in the organisation,
- The employees as individuals,
- Owners or the founders, respectively,
- Formal and informal groups of employees,
- Government,
- Unions,
- And others.

This is the reason for at least a minimal normative arrangement of the area. The normative regulation also refers to promotion. In Slovenia we can see all the forms of promotion through everyday experience; in the profit just as in the non-profit sector. Furthermore, some brief examples (as illustrations) of normative regulations are shown.

*1<sup>st</sup> Example:* Employee promotion in tariff groups within salary grades on the basis of the number of years of work experience and work efficiency. The criteria for recruiting an employee within the salary grades are usually defined in the collective agreement.

*2<sup>nd</sup> Example:* Promotion by titles for public servants is regulated by the Law on Public Servants which was passed on June 11, 2002. The law defines that there are 16 levels of public servant titles in Slovenia.

*3<sup>rd</sup> Example:* The new labour legislation, which came into effect on January 1, 2003 regulates that the employees have the right to education. However the law does not regulate that the employer is obliged to allocate the employee to a working position after the successful completion of a course or courses. Some collective agreements that were signed before 2003 regulate this. Otherwise collective agreements can be more beneficial to employees than the regulations under the law are.

*4<sup>th</sup> Example:* People who are employed in the state administration can also be reallocated.

The following criteria for judging promotion in Slovenia are at least formally mentioned: success at work; performing tasks, that are not considered as regular employee duties; education; work experience; other.

#### **4.2. Some Economic Viewpoints on Employee Promotion**

We can study employee promotion in organisations from many viewpoints: and one of the viewpoints when studying careers is also the economic one. Promotion also influences the employee's salary. Employee promotion means a higher labour cost for the employer. The following question often arises: can a company even afford employee promotion, which is connected to higher salaries?

In the following part of the paper we are going to present some examples that show the influence of some forms of promotion regarding salaries in Slovenia.

*1<sup>st</sup> Example:* In the Table 3 we show how promotion in a tariff group has an influence on the employee's gross pay. The starting gross pays are in accordance with the law, which are represented by the collective agreement stated in the official gazette. We are familiar with 28 different economic activities in Slovenia and as a result we have shown the data for only a few of them. Pays are in Slovenian tolar (1 EURO is approximately 234.02 SIT). From the chart it is evident that employee promotion within the tariff groups can have a significant influence on salaries.

Table 3

**Starting Salaries According to the Collective Agreements for Some Economic Sectors in Slovenia for July 2003**

Sector	Tariff Groups								
	I.	II.	III.	IV.	V.	VI.	VII.	VIII.	IX.
Agriculture	79 033	86 936	97 211	108 275	122 501	146 211	165 969	197 583	237 099
Electrical and Metal Industry	72 694	87 233	95 956	112 676	127 215	154 111	199 182	287 141	327 123
Banking	77 948	85 743	97 435	109 127	124 717	155 896	194 870	245 536	286 069
Workers and Private Employers	68 964	77 240	86 205	103 446	113 791	131 032	148 273	173 789	–

Source: Pay Tables. Finance, No. 139/1567, p. 11.

**2<sup>nd</sup> Example:** Here we can see an example of the public education system. Promotion hierarchically also has an influence on teacher salaries in Slovenia's public education system. The economic effect as a result of very big leaps in the hierarchical ladder can be surprisingly small in the real world! After September 1, 2003 and after a university's chancellor is appointed their gross pay increases by 62 612 SIT and by 26 088 SIT for an assistant to the principle for a primary or secondary school.

**3<sup>rd</sup> Example:** At this point we can see an example of the public education system and employee promotion regarding titles. Employees can be promoted three times at most and thus after at least five years from the last promotion. The pay increases for approximately 10 per cent after each title promotion in the public education system, however the increased amount depends on the individual (years of experience, education, etc.) The gross pay of a beginner teacher who can be promoted after five years for the first time increases from 187 837 SIT to 206 098 SIT (after September 1, 2003).

### 4.3. Survey Results

#### 4.3.1. Are Employees Even Promoted?

Of course, we were first interested in if employees are even promoted? We asked them: „Are the employees in your organisation also promoted?“ 1073 participants out of 1075 responded to the question. 74.1 per cent of those questioned responded that those employed in their organisation are also promoted and 16.9 per cent said no. The responses to the question are shown in the Table 4. In Table 4 we have also shown the participants' level of education. It is clear from Table 4 that 438 who were questioned (from 1075) which is approximately 40 per cent responded that they have not once yet been promoted.

Table 4

**The Last Time Promotion was Made by Individual Groups of Participants from Different Education Backgrounds**

			Q2: Level of Education								Total	
			I	II	III	IV	V	VI	VII	VII+		missing
Q1: When were those who were asked last promoted?	Less than a year ago	Count	1	3	3	26	80	46	41	11	1	212
		% within Q1	.5	1.4	1.4	12.3	37.7	21.7	19.3	5.2	.5	100.0
		% within Q2	4.8	12.0	8.6	16.4	20.2	26.7	22.5	33.3	100.0	20.7
		% of Total	.1	.3	.3	2.5	7.8	4.5	4.0	1.1	.1	20.7
	A few years ago	Count	6	13	12	46	144	72	53	11		357
		% within Q1	1.7	3.6	3.4	12.9	40.3	20.2	14.8	3.1		100.0
		% within Q2	28.6	52.0	34.3	28.9	36.4	41.9	29.1	33.3		34.9
		% of Total	.6	1.3	1.2	4.5	14.1	7.0	5.2	1.1		34.9
	Never been yet	Count	14	7	18	83	167	53	85	11		438
		% within Q1	3.2	1.6	4.1	18.9	38.1	12.1	19.4	2.5		100.0
		% within Q2	66.7	28.0	51.4	52.2	42.2	30.8	46.7	33.3		42.8
		% of Total	1.4	.7	1.8	8.1	16.3	5.2	8.3	1.1		42.8
	No answer	Count		2	2	4	4	1	3			16
		% within Q1		12.5	12.5	25.0	25.0	6.3	18.8			100.0
		% within Q2		8.0	5.7	2.5	1.0	.6	1.6			1.6
		% of Total		.2	.2	.4	.4	.1	.3			1.6
	Missing	Count					1					1
		% within Q1					100.0					100.0
		% within Q2					.3					.1
		% of Total					.1					.1
Total	Count	21	25	35	159	396	172	182	33	1	1 024	
	% within Q1	2.1	2.4	3.4	15.5	38.7	16.8	17.8	3.2	.1	100.0	
	% within Q2	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
	% of Total	2.1	2.4	3.4	15.5	38.7	16.8	17.8	3.2	.1	100.0	

#### 4.3.2. The Influence of Some Factors at the Level of the Individual

It is clear from Table 4 how the level of education influences promotion. We can see that: • 66.7 per cent of all those with the lowest level of education (which is level 1) have never been promoted and only 4.5 per cent of the same population had been promoted a little less than a year ago. • More than 20 per cent with a university education have been promoted less than a year ago. The percentage is even 33 per cent compared with those who have a PhD.

We can undoubtedly see that the probability of being promoted is higher if the employee's level of education is also higher.

It is interesting to note that those employed with a higher level of education better recognize the criteria for being promoted than those with a lower level. The most obvious differences are seen amongst those with the lowest level and highest levels of education. We have also established that those employees who have recently been promoted are also more familiar with the criteria for being promoted. The responses are shown in Table 5.

Table 5

## Knowing the Criteria for Being Promoted

			Q2: Do you know the criteria for being promoted?				Total
			Yes	No, even though there is promotion.	Don not know anything about this.	Missing	
Q1. When were you promoted last?	Less than a year ago	Count	150	62	10		222
		% within Q1	67.6	27.9	4.5		100.0
		% within Q2	30.1	17.0	5.3		21.0
		% of Total	14.2	5.9	.9		21.0
	A few years ago	Count	200	126	41		367
		% within Q1	54.5	34.3	11.2		100.0
		% within Q2	40.1	34.6	21.6		34.8
		% of Total	19.0	11.9	3.9		34.8
	Never been yet	Count	141	170	136	2	449
		% within Q1	31.4	37.9	30.3	.4	100.0
		% within Q2	28.3	46.7	71.6	100.0	42.6
		% of Total	13.4	16.1	12.9	.2	42.6
	No response	Count	8	6	2		16
		% within Q1	50.0	37.5	12.5		100.0
		% within Q2	1.6	1.6	1.1		1.5
		% of Total	.8	.6	.2		1.5
	missing	Count			1		1
		% within Q1			100.0		100.0
		% within Q2			.5		.1
		% of Total			.1		.1
Total	Count	499	364	190	2	1 055	
	% within Q1	47.3	34.5	18.0	.2	100.0	
	% within Q2	100.0	100.0	100.0	100.0	100.0	
	% of Total	47.3	34.5	18.0	.2	100.0	

We were also interested in how education influences promotion. 33.4 per cent of all who were asked educate themselves because of personal motivation and at their own costs. The percentage of those who have been promoted in this population does not differentiate from the percentages of the entire population. Therefore, we can establish that educating oneself because of personal motivation and at one's own costs does not have an influence on promotion. Continuing education because of employer encouragement and costs being covered by the employer does influence promotion! We have established that those who are encouraged and financed by their employers are promoted faster than others.

Age is also a big influence regarding promotion in Slovenia. The answers are shown in Table 6. The results can be summarized as follows:

- 59.9 per cent of all the participants who are younger than 30 years have still not yet been promoted. Meanwhile only 32.7 per cent aged 30 to 55 have never been promoted.

- Only 9.5 per cent of those employed and over 55 have been promoted in the last year. Meanwhile 20.6 per cent of all those asked and aged 30 to 55 have been promoted in the last year.

• Those between the ages of 30 and 55 most are frequently promoted. The career „plateau“ is usually achieved within this time period.

Table 6

## How Employee Age Influences Promotion

			Q2: Age (years)					Total
			18 – 30	30 – 55	55 – 70	nad 70	Missing	
Q1: When were you promoted last?	Less than a year ago	Count	86	131	4	2		223
		% within Q1	38.6	58.7	1.8	.9		100.0
		% within Q2	23.1	20.6	9.5	50.0		21.1
		% of Total	8.1	12.4	.4	.2		21.1
	A few years ago	Count	55	289	23	1		368
		% within Q1	14.9	78.5	6.3	.3		100.0
		% within Q2	14.8	45.4	54.8	25.0		34.8
		% of Total	5.2	27.4	2.2	.1		34.8
	Never been yet	Count	223	208	15	1	1	448
		% within Q1	49.8	46.4	3.3	.2	.2	100.0
		% within Q2	59.9	32.7	35.7	25.0	100.0	42.4
		% of Total	21.1	19.7	1.4	.1	.1	42.4
	No response	Count	8	8				16
		% within Q1	50.0	50.0				100.0
		% within Q2	2.2	1.3				1.5
		% of Total	.8	.8				1.5
	missing	Count		1				1
		% within Q1		100.0				100.0
		% within Q2		.2				.1
		% of Total		.1				.1
Total	Count	372	637	42	4	1	1 056	
	% within Q1	35.2	60.3	4.0	.4	.1	100.0	
	% within Q2	100.0	100.0	100.0	100.0	100.0	100.0	
	% of Total	35.2	60.3	4.0	.4	.1	100.0	

The survey analysis showed that there are no statistically significant differences between men and women regarding promotion. A little less than a year ago more women were promoted (21.7 per cent of all the women who were surveyed) than men (19.6 per cent of the men who were surveyed). The research had shown quite a different picture from what some other researchers had found. Many have reported (for example Brigham, 2001) that women in many countries have poorer opportunities in being promoted.

The difference, which is otherwise statistically unimportant, can also be tied to the level of education. As we have mentioned earlier, women in Slovenia on average have somewhat higher education than men do. The level of education structure (in spite of random sampling) is also related to this fact. For example, 16.9 per cent of all men who were surveyed have university education (VII level) and 18.8 per cent of all the women surveyed.

It is also interesting to note how being promoted is connected to years of work experience at the same employer. We have established that we Slovenians do not frequently change jobs or careers. It is evident from the results that the

greatest percentage of those surveyed (more than one-third) has still been with their current employers for more than ten years. More than half of those surveyed have still been with the same employer for five years. The analysis of the results has shown that there are no significant differences between men and women. The results show that those who have a higher education change jobs more frequently. Regarding promotion we have also established the following:

- 9.1 per cent of all those questioned have already been promoted within their first year.
- 22.1 per cent of all those questioned have been promoted after at least three years of employment under the current employer.

#### ***4.3.3. The Influence of Some Factors at the Organization Level***

The results have shown that promotion is made more rarely in smaller organisations (with up to 10 employees) than in bigger ones. 55.4 per cent of them who are employed in small organisations have not yet even been promoted at all. As mentioned already before approximately 40 per cent of the entire population hasn't even been promoted yet. The first question was what level of education do those employed in small organisations have? We have discovered that the education structure in different bigger companies is very similar and that the differences in the percentages of employees with different levels of education are very small and insignificant.

Therefore: In Slovenia, being promoted in smaller organisations is slower!

We were also interested in where the participants found out about the employer's needs. From the employer's point of view it means which source they used to recruit personnel. The following possible answers were given: advertising in media, at the schools where the employees were educated, unemployment office, personal contacts, specialized agencies and other. A surprisingly big percentage of those surveyed (43.2 per cent) found their employers through personal contacts. This is not uncommon around the world. We also noticed that the smallest percentage of the population with the lowest level of education finds out which employer needs what via personal contacts. We therefore anticipated that those who found employment via personal contacts would in the future advance the fastest; however, this is not the case. On the contrary!!! The results showed that those who entered employment via personal contacts have no advantages at all. 44.4 per cent of them haven't even been promoted, which is even a somewhat greater percentage from the entire population of participants.

We researched if this was not just connected to the course of instruction at the current employer. We discovered that personnel are most loyal to the employer besides they have been employed with the current employer for the longest. Those candidates who heard about a job opening via advertising in the media, are promoted a little slower.

Table 7

## Dependency of Recruiting Methods on Promotion

		Q2: Where did you find out about the employer's needs?								Total
			Media advertisement	At the school where I was educated	Personal Contacts	Notices at the unemployment office	Via specialized agencies	Other ways	No responses	
When were you last promoted?	Less than a year ago	Count	57	19	93	19	2	31	1	222
		within Q1	25.7	8.6	41.9	8.6	.9	14.0	.5	100.0
		within Q2	22.5	20.7	20.4	24.4	13.3	19.0	100.0	21.0
		of Total	5.4	1.8	8.8	1.8	.2	2.9	.1	21.0
	A few years ago	Count	75	44	158	30	2	60		369
		within Q1	20.3	11.9	42.8	8.1	.5	16.3		100.0
		within Q2	29.6	47.8	34.7	38.5	13.3	36.8		34.9
		of Total	7.1	4.2	14.9	2.8	.2	5.7		34.9
	Never been yet	Count	110	29	202	27	10	71		449
		within Q1	24.5	6.5	45.0	6.0	2.2	15.8		100.0
		within Q2	43.5	31.5	44.4	34.6	66.7	43.6		42.5
		of Total	10.4	2.7	19.1	2.6	.9	6.7		42.5
	No response	Count	10		2	2	1	1		16
		within Q1	62.5		12.5	12.5	6.3	6.3		100.0
		within Q2	4.0		.4	2.6	6.7	.6		1.5
		of Total	.9		.2	.2	.1	.1		1.5
	Missing	Count	1							1
		within Q1	100.0							100.0
within Q2		.4							.1	
of Total		.1							.1	
Total	Count	253	92	455	78	15	163	1	1 057	
	within Q1	23.9	8.7	43.0	7.4	1.4	15.4	.1	100.0	
	within Q2	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
	of Total	23.9	8.7	43.0	7.4	1.4	15.4	.1	100.0	

Those who are promoted the most are those who come straight from school. There are 7.1 per cent of them. It is interesting that in this group there is approximately half of this kind of personnel who have been educated by the old education methods (1981) and also by the new dual system (1996).

When analyzing the dynamics of promotion we must not consider those who found out about a job opening via agencies. This includes working positions that are in any case already higher up in the hierarchy. Table 7 shows the dependence of promotion and the method of recruitment.

We discovered that 48.2 per cent of those surveyed responded that their companies have yearly talks and meetings with leadership. This showed that companies who have such yearly talks with employees:

- have a greater percentage of employees who have been promoted. 36 per cent have never been promoted – 42.6 per cent employed within the whole population and in companies where there are no talks 46.3 per cent of the employees have never been promoted.
- have more frequent promotion of employees. Less than 25.9 per cent of those questioned was promoted in these companies less than a year ago and only 16.6 per cent of those questioned who are in companies where management has yearly talks with the employees.

## Conclusion

Employee promotion usually has certain effects on the individual. These can be economic just as psychological ones. Many times the economic effects of employee promotion can be negligible compared to others (reputation, status,...) We mentioned the example of the university chancellor. A higher pay is certainly not the main motivation for someone who wants to take on this role. However, we do find people who desire this...

On the other hand promotion causes greater labour costs. We had also mentioned the beginner teacher in the paper and their first promotion, which is possible after five years of work experience. Promotion for a teacher merely means just a little higher salary. This cannot be negligible for the employer. A teacher that is promoted in Slovenia costs the country 1 565 280 SIT (which is a little less than 7000 Euros) within five years. Nevertheless, a teacher will utterly perform the same work as before! It is therefore also obvious that employers nevertheless see an interest in promoting their employees and that is efficient for them.

As we have already mentioned in the introduction theorists define many factors that influence promotion. It was discovered that in Slovenia some known factors do influence but others do not and that some models hold true in our environment and others do not.

We have discovered that education is the most important factor which influences promotion both directly and indirectly. We discovered that people with a higher level of education more frequently change jobs. They are also promoted more frequently. We discovered that the majority of those with the lowest level of education are never promoted. On the contrary, those with higher levels are promoted very quickly. We therefore count education as the most important factor for promotion. This is not the only rule set in stone. It is definitely true that education and training which is not in the interest of the employer does not affect promotion at least for the short term. We advise participation at training seminars that are in the interest of the employer.

We discovered that in half of the cases organisations hold yearly talks (between management and the employees). The results of the previous period are evaluated. We have to be aware that ten years ago this was not the done almost anywhere in Slovenia. Evaluation of the results is therefore more and more important for promotion. With regards to the trends we can we can certainly expect that in the future there will be greater influence of promotion than just fulfilling the criteria for a formal education.

It is clear that it is necessary to recognize the criteria within the organisation and more. The area of promotion in Slovenia is organised by normative acts (with different laws and collective agreements). Numerous companies organise this via their own regulations. It was shown that those who had been promoted in the last while knew the criteria exceptionally well and better than those who had not been promoted in the last while. Therefore, it is also important to be „successful!“ Some are already promoted after one year of employment, therefore opportunities do exist!

We must admit as researchers we were literally shocked when we found out that 43.2 per cent of those surveyed (out of 1075) found employment via personal contacts. The number seemed quite high for us. We expected a similar situation regarding promotion on the basis of this information. However, this is not the case. Quite the contrary: those who have „personal contacts“ are not promoted faster than the average. This means that employees in Slovenia are nevertheless promoted with regards to fulfilling the criteria of an objective type.

Last but not least, let us just mention our view on two important trends in Slovenia. We have just finished with the reform on salaries in the public sector (public administration, healthcare, jurisdiction...). The legislation has already been passed however; the reform will be gradually implemented. With regards to employee promotion the reform brings a more unified criterion of promotion within different sub-systems. In the private sector, we can see that companies are implementing „periodical discussions“ (summer, yearly) with employees. Managers and employees also discuss about the opportunities for promotion at these meetings. As we can see promotion had been and still is a relevant topic...

## References

- [1] ARMSTRONG, M. (1993): *A Handbook of Personnel Management Practice*. London: Kogan Page.
- [2] BEER, M. – SPECTOR, B. – LAWRENCE, P. R. – MILS, D. Q. – WALTON, R. E. (1985): *Human Resources Management*. London: Macmillan Publishers.
- [3] BERNARDIN, H. J. (1993): *Human Resource Management*. New York: McGraw-Hill.
- [4] BREKIĆ, J. (1990): *Razvoj i promocija kadrova*. Zagreb: Globus.
- [5] BRIGHAM, R. A. (2001): *From School Girls to Working Women: Transitions to Adult Roles in the 1970s, 1980s, and 1990s*. [Dissertation Abstracts International.] A: *The Humanities and Social Sciences*, Vol. 62, No. 5, p. 1959 – A.
- [6] BREKIĆ, J. (1994): *Inovativni management*. Zagreb: Alinea.
- [7] *Business Almanac and Sourcebook (1995)*. Boston: Houghton Mifflin Company.
- [8] *Dictionary of Human Resources & Personnel Management*. Peter Collin Publishing 1998.
- [9] FLORJANČIČ, J. – FERJAN, M. – BERNIK, M. (1999): *Planiranje in razvoj kadrov*. Kranj: Moderna organizacija.
- [10] FLORJANČIČ, J. – JEREB, J. (1997): *Načrtovanje kadrov in njihovega razvoja v: Management kadrovskih virov*. Ljubljana: Fakulteta za družbene vede.
- [11] HAIMANN, T. – SCOTT, W. G. – CONNOR, E. (1982): *Management*. Boston: Houghton Mifflin Company.
- [12] HAMPTON, D. R. (1987): *Management*. London: McGraw-Hill.
- [13] HANNAGAN, T. (1995): *Management*. London: Financial Times (Pitman Publishing).
- [14] HEINZ, W. R. (2002): *Transition Discontinuities and the Biographical Shaping of Early Work Careers*. *Journal of Vocational Behaviour*, Vol. 60, No. 2, p. 220 – 240.
- [15] HUO, P. Y. – HUANG, H. J. – NAPIER, N. K. (2002): *Divergence or Convergence: A Cross-national Comparison of Personnel Selection Practices*. Michigan: Society for Human Resource Management, *Human Resource Management*, Vol. 41, No. 1
- [16] IVANOVIC, A. (1998): *Dictionary of Human Resources & Personnel Management*. London: Peter Collin Publishing Ltd.
- [17] KERN, T. (1998): *The Process Organization – Designing of the Structure of the Business Systems Based on Renewed Business Processes*. [Doctoral Dissertation.] Kranj: University of Maribor, Faculty of Organizational Sciences.
- [18] *Kolektivna pogodba za dejavnost kovinskih materialov in livarn ter za kovinsko in elektroindustrijo Slovenije*.
- [19] MESCON, M. H. – ALBERT, M. – KHEDOURI, F. (1985): *Management*. Cambridge: Harper&Row.
- [20] *Plačne tablice*. Ljubljana: Finance, št. 139/1567, s. 11.
- [21] *Skupina avtorjev (1994): Management*. Radovljica: Didakta.
- [22] *The World Bank (2000): Washington: World Development indicators*.
- [23] VILA, A. (1994): *Organizacija in organiziranje*. Kranj: Moderna organizacija.