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Management

An Empirical Investigation to Analyze the Brand Equity and Resonance of Banking Services: Evidence from India

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This study attempts to verify the determinants of brand equity of services based on consumers' perception of a banking service. The present study is based on customer-based brand equity called the Brand Resonance model suggested by Keller (2001), which comprises six brand equity constructs, such as: brand resonance; brand judgements; brand feelings; brand performance; brand imagery; brand salience. Exploratory factor analysis was performed to reduce the total number of items to a small number of underlying factors, and the results produced six factors, namely: brand resonance; brand judgements; brand feelings; brand performance; brand imagery; brand salience. These alpha coefficients of the reliability test were found to be ranging from 0.781 to 0.912 for all of the brand equity constructs individually, and for the entire scale the value of alpha was found to be 0.837. Correlation analysis was performed to find out relationships among various components of brand equity. From the findings of multiple regression analysis it is evident that brand performance emerged as the most important determinant of brand resonance, followed by brand feelings (0.427) and brand judgements (0.306).

Key words: brand resonance model, banking services, customer, correlation analysis

Introduction

BACKGROUND FOR THE STUDY

Brand equity refers to the marketing effects and outcomes that build up to a good or service with its brand name. Recent researches on brand equity point towards the fact that most of the multinational corporations in the world are focusing on brand equity in their marketing operations. Today's business world relies mostly on brand equity. The importance aspect of brand equity is not confined to tangible goods, but is also of utmost requirement in the intangible services sector. In the present time, business is not restricted to boundaries

of nations or cultures, but there is a concept of the global market, where brands are considered as global brands.

Many contemporary studies in the context of brand equity have provided evidences of global brands, and all organizations (both tangible and intangible) aspire to develop themselves as global brands. The financial service sector is no longer far away from this aspect. Finance institutions are trying their best to make their presence worldwide. Many foreign banks are establishing their setups across various countries and cultures. Generally branding is considered to be associated with only tangible goods, but it is as relevant in the context of services also. In the case of goods branding, the good itself acts as a primary brand, whereas in the case of services, the service provider acts as a primary brand.

There are a few basic differences between tangible goods and intangible services, which may act as indicators for assessing brand equity. In the case of tangible goods, the branding efforts can be materialized through attributes like: the product itself, packaging style, labelling, and logo designing technique. On the other hand, services lack the tangible attributes like: packaging, labelling and displaying, which may help them in expressing about the brand. Services are less harmonized and are composed mainly of conceptual experience cues, the value of which must be contingent to the consumer (Cobb, Walgren, Ruble, and Donthu 1995).

In marketing discipline, brand equity has emerged as one of the critical issues to be discussed and understood (Keller 1993; Aaker 1996). In the literature, brand equity has been discussed by many researchers in many ways. According to Zeithaml (1981), brand development is imperative in services because of the complicatedness in differentiating products that are deficient in terms of material differences. Branding is a principal success driver for service organizations, and it plays a vital role in services because strong brands increase the confidence of customers in the case of invisible purchase (Berry 2000).

In the present era, there is stiff competition in service markets also. Therefore, the concept of service branding is of much relevance. Intense competition helps the customers to choose among the best brands, and service providers make their best efforts to attract the customers. Wood (1995) argued that understanding brand equity in the marketing context is considered as an effort to define the bond between brands and consumers.

Almost all of the service industries, such as insurance services, banking services, hospitality services, airline services, telecommu-

nication services etc., are confronting with increasing competition. Bamert and Wehrli (2005) concluded in their study that the stiff competition among almost all of the service industries makes it more important for the service provider to establish a strong brand, not only in the market but also in the customers' minds.

A strong brand, being an important relational tool, reduces the risk of consumption and helps in economizing decision-making costs (Erden and Swait, 1998). In the contexts of services, the primary service brand and the organization are mostly the same (Berry 2000).

OBJECTIVES OF THE STUDY

Basically the present study intends to understand the process of service brand equity formation from the perspective of the customer. Banking services are examined in this study. The objectives of the study are:

1. To validate the determinants of brand equity of banking services.
2. To find out linkages among various components of brand equity.
3. To study the extent that Brand Feelings, Brand Judgments, Brand Performance and Brand Salience explain the variance in Brand Resonance.

Literature Review

In marketing discipline, brand equity has been gaining much attention since the nineties, and is referred to those brand properties which are intangible in nature. Brand equity brings value for every stakeholder including producers, retailers, and consumers with the help of the brand name.

Bello and Holbrook (1995) argued that brand equity comes into the picture when consumers knowingly pay higher prices for the same level of quality in goods as well as services, because of the charisma of the name emotionally involved with that particular good or service. The importance of brand equity has been discussed in several writings (Aaker 1991; Kapferer 1995; Aaker 1996; Keller 1998). These well known books have also talked about how to build and manage the brand equity in the service market. Different research works in marketing (like, Kamakura and Russell 1991; Aaker 1996; Keller 1993; Simon and Sullivan 1993) have explored the theoretical and practical implications of brand equity.

Heskett et al. (1994) concluded that brand is considered as a defensive marketing tool in order to attract and retain customers in the

context of the retail service market. The same findings were validated by Rust, Zahowik and Keiningham (1995). Louro and Vieira da Cunha (2001) have identified and analyzed four approaches towards brand management. They conclude that in each organization there will be a dominant paradigm that will further determine the understanding of its brands, the process and content of brand strategy of the organization. This will furthermore determine the potential contribution of the paradigm to competitive advantage.

The relationship between brand performance and consumer-based brand equity has been analyzed by Oliveira-Castroa et al. (2008). They investigate the relationship across thirteen product categories ranging from computer to soft drink products in Brazil and the UK. They conceptualized the brand equity as related to the level brand's offering of the social benefit. The result of the study showed a variation between the brand performance and consumer-based brand equity across the product categories. Furthermore this variation indicates that products differ with respect to their level of brandability, suggesting ways to measure it.

Keller (2009) discussed the tools for building strong brands in the modern marketing environment. The finding of the paper helps marketers to manage and build their brands' image in the contemporary dramatically changing market. The paper presents the customer based brand equity model which emphasizes the importance of managing and understanding the brand knowledge structure of the consumer. The brand resonance pyramid has been specifically reviewed as a means to trace the relationship between marketing communication and active loyalty of consumers and how this relationship is being affected by brand equity. Keller has also addressed the versatility of on-line interactive marketing communications to marketers in brand building.

Theoretical Model

The concept of brand equity is multi-dimensional. Various models of brand equity have been propounded by various researchers over a period of time. A few of the established brand equity models are:

- The Aaker Model of Brand Equity,
- Customer-Based Brand Equity (CBBE) Model and the Brand Resonance Model (Keller 2001),
- Brand Asset Valuator by Advertising Agency Young and Rubicam,
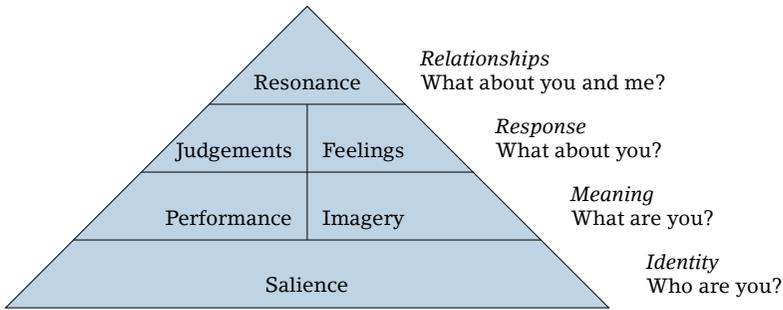
FIGURE 1   Brand Resonance Model

- The BRANDZ Model of brand strength by marketing research consultant Millward Brown and WPP.

The Aaker Model and the Customer-Based Brand Equity (CBBE) model are among the most common models of brand equity. As per the literature reviewed for the concept of brand equity, empirical studies to test the proposed constructs in the Brand Resonance model for banking services in the context of India are quite limited. The theoretical framework for this study is based on the consumer based brand equity model called the Brand Resonance model developed by Keller (2001).

The author propounded four main constructs, namely, brand identity, brand meaning, brand responses and brand relationships. These four constructs consist of six blocks, which were named by the author as brand building blocks. All these six brand building blocks were arranged in the shape of a pyramid.

The author explained through the model that the power of brand lies in what consumers learnt, felt, saw and heard about the brand over time. The process of moving from bottom to top of the pyramid helps in creating brand equity. According to Keller (2001), the six building blocks are:

1. Brand Salience, which relates to how often the brand is evoked in the situations of purchasing and consumption.
2. Brand Performance, the degree to which the product meets the functional needs of consumers.
3. Brand Imagery, which relates to the extrinsic properties of the goods or services.
4. Brand Judgements, which concentrate on the personal opinions and evaluations of consumers.

5. Brand Feelings, which are the emotional responses and reactions of consumers towards the brand.

6. Brand Resonance, which refers to the nature of the customer-brand relationship and the degree to which consumers believe that they are 'in sync' with the brand.

As per the Brand Resonance model, consumers with true brand resonance probably have a high degree of loyalty and energetically seek ways to interrelate with the brand and express their experiences with other customers (Atilgan, Aksoy and Akinci 2005).

Research Methodology

Services offered by public sector banks in India will be investigated to meet the objectives of the present study. the modern and economically advanced city of Chandigarh is selected as the sampling area to get a heterogeneous sample comprising various demographic characteristics. Primary data were collected through a structured questionnaire adopted from Keller (2001). The questionnaire was based on all six constructs proposed by Keller (2001). Variables under study were measured through the perceptions of respondents. A stratified random sampling method was employed to collect the responses from the respondents. Five sectors were selected randomly from all the strata.

A pilot study was conducted to ascertain the suitability of the brand equity construct ($n = 83$) in the Indian banking setting, because in the questionnaire statements were modified to suit the Indian context. A reliability check has been performed to know the suitability of the construct for this industry. After ascertaining the suitability of the brand equity construct, a total of 449 questionnaires were administered to potential respondents chosen from various areas of Chandigarh, Union territory of India.

A total of 373 usable questionnaires were returned, giving a response rate of 83%, administered to the customer's sample size of 373 respondents. Since pilot study results were in favour of the construct, those responses were also included in the sample. As a general rule, the minimum is to have at least five times as many observations as the number of variables to be analyzed, and the more acceptable sample size would have a 10:1 ratio (Hair et al. 2008).

SAMPLE PRESENTATION

The questionnaire included a section on customer's profile, as various demographic and other factors were likely to influence the cus-

tomer services offered by the service provider. Information on demographic characteristics may also be helpful to provide services effectively and efficiently. A demographic profile of the respondents consisted of age, gender, marital status, educational qualifications, employment status, and monthly income. Among the respondents 48.5 percent were of the age group 36 to 45 years, and 32.5 percent of 26 to 35 years. The majority of respondents were males (64.5 percent) and females respondents were fewer (36.3 percent).

The majority of the respondents were married (63.2 percent), and the percentage of unmarried was 39.7 percent. There were more postgraduate respondents (69.3 percent) than graduate and others. Moreover, the occupational variables showed that the respondents had a major portion of professionals (71.2 percent), whereas the percentages of self employment, wage employment, and others were 6.4 percent, 5.6 percent, 16.8 percent, respectively. In the survey it was also found that the respondents came from different income backgrounds; a major part of them (61.3 percent) earned more than Rs.25, 000, and below Rs.25, 000 were only 30.5 percent.

Data Analysis and Findings

The data were analyzed by using exploratory factor analysis, correlation analysis, and multiple regression analysis. The SPSS software package 17.0 version was used for analyzing the data collected for this study. The Microsoft Excel software package was also used to make some basic computations like calculation of the mean values etc.

RELIABILITY ANALYSIS

To test the reliability of the set of items forming the scale a measure of construct reliability (Cronbach's alpha) was computed. Cronbach's alpha is useful in measuring how well a set of variables or items measures a single, one-dimensional latent construct. The alpha values of 0.70 or greater represent the satisfactory reliability of the items measuring the construct (dimension). These alpha coefficients were found to be ranging from 0.781 to 0.912 for all of the brand equity constructs individually, and for the entire scale the value of alpha was found to be 0.837.

EXPLORATORY FACTOR ANALYSIS

Exploratory factor analysis was performed to reduce the total number of items to a small number of underlying factors. In addition,

TABLE 1   Reliability Coefficient for Brand Equity Constructs

Name of Construct	Cronbach's Alpha Value
Brand Salience	0.781
Brand Performance	0.795
Brand Imagery	0.872
Brand Judgements	0.891
Brand Feelings	0.802
Brand Resonance	0.912
Overall	0.837

TABLE 2   Kaiser-Mayer-Olkin Test of Sample Adequacy and Bartlett Test of Sphericity

Kaiser-Mayer-Olkin Measure of Sample Adequacy		0.893
Bartlett test of Sphericity	Approx. Chi-Square	1943.231
	Significance	0.000

a test was performed to determine whether the data collected were consistent with the prescribed structure.

The results for factor analysis gave Kaiser-Mayer-Olkin (0.893), Bartlett's Test of Sphericity (Chi-square 1943.231, significance 0.000), proving that the factor analysis done with the brand equity related variables was effective. Six factors were extracted using the methods of principal component analysis.

The extracted six factors explained 69.73% of the total variance. Principal Component Analysis using varimax rotation with Kaiser Normalization was performed to find the dimensionality of the data set collected. The loadings of the factors identified in factor analysis were stable. Each of the variables loaded high on a single factor. Cut-off point was 0.40 for the factor structure matrix.

CORRELATION ANALYSIS

Average scores for all the six brand equity factors were calculated. Mean and standard deviations of the variables included in the study are presented in the tabulated form.

In order to understand relationships among all the brand equity constructs, the Pearson correlation technique was performed in the study. Numerical values of the correlation coefficients reflect the degree of association between each of the brand equity constructs.

From the table, correlation results show that there is a strong, positive correlation between brand judgement and brand performance ($r = 0.734$) at 1% significance level. A strong, significant and positive correlation between brand judgement and brand feelings ($r = 0.711$)

TABLE 3 Factor Loadings Matrix

Variables	Factor Loadings					
Brand Resonance 1		0.41		0.81		0.43
Brand Resonance 2				0.79		
Brand Resonance 3				0.83		
Brand Resonance 4	0.52			0.80		0.45
Brand Resonance 5				0.78		
Brand Resonance 6				0.77		
Brand Resonance 7				0.76		
Brand Judgement 1		0.77				
Brand Judgement 2		0.68				0.44
Brand Judgement 3		0.69				
Brand Judgement 4		0.81				0.47
Brand Judgement 5		0.80		0.53		
Brand Judgement 6		0.85				
Brand Judgement 7		0.79				
Brand Feeling 1						0.89
Brand Feeling 2						0.88
Brand Feeling 3		0.51				0.78
Brand Feeling 4						0.79
Brand Performance 1			0.50		0.90	
Brand Performance 2					0.91	
Brand Performance 3	0.47				0.89	
Brand Performance 4					0.88	
Brand Performance 5		0.48			0.78	
Brand Performance 6					0.79	0.53
Brand Performance 7					0.75	
Brand Performance 8					0.80	
Brand Imagery 1	0.68		0.45			
Brand Imagery 2	0.69					
Brand Imagery 3	0.70				0.46	
Brand Imagery 4	0.71					
Brand Salience 1			0.92			
Brand Salience 2	0.43		0.93			
Brand Salience 3			0.90		0.44	
Brand Salience 4			0.89			0.41

at 1% significance level was found. Correlation between brand performance and brand resonance ($r = 0.701$) is significant and positive. Correlation is also strong, significant and positive ($r = 0.692$) at 1% significance level for brand feelings and brand resonance, and

TABLE 4 Mean and Standard Deviation for Brand Equity Constructs

Construct	Mean	Standard Deviation
Brand Salience	4.48	1.47
Brand Performance	3.69	0.73
Brand Imagery	3.71	0.65
Brand Judgements	3.67	0.58
Brand Feelings	3.54	0.73
Brand Resonance	3.32	0.83

TABLE 5 Pearson Correlation

Variables	(1)	(2)	(3)	(4)	(5)	(6)
Brand Resonance	1.000	0.687**	0.692**	0.701**	0.173**	0.039
Brand Judgements		1.000	0.711**	0.734**	0.161**	0.068
Brand Feelings			1.000	0.601**	0.137**	0.031
Brand Performance				1.000	0.198**	0.076
Brand Imagery					1.000	0.021
Brand salience						1.000

NOTES Column headings are as follows: (1) Brand Resonance, (2) Brand Judgements, (3) Brand Feelings, (4) Brand Performance, (5) Brand Imagery, (6) Brand Salience. ** Correlation is significant at 0.01 level of significance (two-tailed).

also between brand resonance and brand judgements ($r = 0.687$). The correlations between brand imagery and brand judgements are ($r = 0.198$), between brand imagery and brand feelings ($r = 0.137$), and between brand imagery and brand resonance ($r = 0.173$).

MULTIPLE REGRESSION ANALYSIS

Multiple regression equations were developed to relate the construct of brand resonance with other brand equity constructs. For the purpose of developing the regression equations, the five brand equity factors, i.e. brand salience; brand performance; brand imagery; brand judgements; and brand feelings were taken as the independent variables and the brand resonance as the dependent variable.

The Predicted Regression Model Used in the Study

$$Y_1 = \beta_0 + \beta_1 X_{1i} + \beta_2 X_{2i} + \beta_3 X_{3i} + \beta_4 X_{4i} + \beta_5 X_{5i} + \mu_i, \tag{1}$$

Where $i = 1$ to 373, Y is the Brand Resonance, X_1 is Brand Salience, X_2 is Brand Performance, X_3 is Brand Imagery, X_4 is the Brand Judgements, X_5 is the Brand Feelings, and μ is the random error term.

TABLE 6   Multiple Regression Results

Independent Variable	(1)	(2)	(3)	(4)
Constant	−0.293	0.053		
Brand Judgements	0.306	0.053	5.773	0.000
Brand Feelings	0.427	0.053	8.057	0.000
Brand Performance	0.496	0.053	9.358	0.000
Brand Imagery	0.093	0.053	1.754	0.101
Brand Salience	0.138	0.053	2.604	0.010

NOTES   Column headings are as follows: (1) unstandardized beta, (2) standard error, (3) t-value, (4) sig. $R = 0.809$, $R^2 = 0.656$, adjusted $R^2 = 0.649$, F-value significant = 0.000.

Estimated Regression Equation on the Predicted Model

$$\text{Brand Resonance} = -0.293 + 0.496 \text{ Brand Performance}$$
$$+ 0.427 \text{ Brand Feelings}$$
$$+ 0.306 \text{ Brand Judgements}$$
$$+ 0.138 \text{ Brand Salience}$$
$$+ 0.093 \text{ Brand Imagery.} \qquad (2)$$

Overall R^2 for the estimated regression model was 0.656, with F-value significant at 1% significance level.

From the above table it is evident that brand performance emerged as most important determinant of brand resonance, followed by brand feelings (0.427) and brand judgements (0.306). The explanation for the results is that the higher the performance of the brand, the higher will be the brand resonance among the customers.

Discussion

Exploratory factor analysis results give six relevant factors in building banking services' brand equity in the Indian context. The study used the brand equity construct proposed in the Brand Resonance Model by Keller (2001). The six factors which form the predictors of service brand equity are brand salience, brand performance, brand judgement, brand feelings and brand resonance. Among these variables, strong, significant and positive correlation was found among brand performance and brand judgement, brand feelings and brand resonance. In addition, brand judgment is found positively related to brand feelings and brand resonance. A strong, significant, and positive relationship between brand feelings and brand resonance was also evident from the correlation results.

In order to build the relationship between the service provider and

consumer, brand feelings and brand judgements are more important as compared to brand resonance. In the context of services, the technical and functional service quality cannot be separated from each other, because services are intangible in nature. In the present study, Brand performance, Brand feelings and Brand judgements are found to be important determinants that help to develop Brand resonance. The functional aspect of service quality will help service providers to develop relationships with customers, and later this may help them to build loyalty among customers. In the context of services, brand focuses on the experience of the customer with the service provider, which helps in understanding the meaning of brand. In the context of banking services, the functional quality of the services cannot be understood separately from the technical quality of the services. To achieve the brand resonance and brand equity, service providers need to integrate customers' perspectives, employees' efforts, and the process of delivering services. The process of service delivery includes every step of internal operation, which helps in the production and consumption of services. This will help the service providers to make improvements in brand resonance.

In order to satisfy the customers, service providers should think about customized services and, in addition to those, they can also work out the possibilities of rewards to delight their customers or attract them for repatronizing the service provider.

Conclusions

As has been suggested by Keller (2001), the present study also confirms that the customer-based brand equity model called the brand resonance model works in series of steps in a logical manner to build a strong brand. The steps followed in the process of brand building involve the establishment of brand identity followed by creation of brand meaning appropriately by drawing the right response and developing customer relationships over a period of time. The model used in this study works as a guide to marketers in the process of developing strong brands in the consumer markets. The model talks about the sequence from building the meaning of brand to establishing the customer brand relationship. From the findings of the study, it can be concluded that all six factors contribute to the entire brand equity construct, and a strong, significant and positive relationship among all six factors of the brand equity construct. The variation in brand resonance is explained by its predictors to some extent, but there may be other factors which may be explaining brand resonance in the context of banking services. Brand performance was

found to be the most important factor followed by brand judgements, and then brand feelings in predicting brand resonance. In the case of banking service, brand has been recognized as a relational tool and is valuable to consumers. The model also implies that service providers must focus on designing and implementing brand building programs to get resonance with the customers.

Scope for Future Research

The present study focuses only on public sector retail banks in the Indian context with which customers develop a long-term relationship over time. Further studies can be conducted for private sector banks also. In addition, studies can be conducted in other service contexts such as fast food restaurants, tourism services etc. In future, researchers can conduct studies to cross-validate the results of this study.

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Human Resource Evaluation
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This paper aims at presenting and analysing the performance appraisal systems and the human potential development in hotel units. It aims at integrating and updating many aspects of performance appraisal while concentrating on the hotel units system to prove the importance of human resource evaluation in hotel units and the procedure that is to be followed by the enterprise for further development of hotel employees. HR evaluation analysis is presented through relevant theoretical background on the evaluation method and the presentation of the practical problematical issues in order to create an image for a whole evaluation system of HR in Greek hotel enterprises.

Key words: human resource management, performance evaluation, hotel units, employee development

Introduction

Other people are both sloce to us and yet far away due to direct data transport, communication development, technology and fast transfers from country to country. We ascertain the important meaning that tourism industry acquires at two levels. Firstly, on the level of globalization and of transfer of new ideas, thoughts and culture as well as, secondly, on the level of economic development both in Greece in general and in the country's regions. The economic success of the State tourism industry may contribute in further development of the other business sectors. On the other hand, though, economic problems that surface universally have effects on tourism as well as, in parallel, being capable of influencing at variable levels and contributing to the creation of the domino phenomenon on the national economy (Huntington 2001).

The aim of every body involved (Ministry of Tourism, Greek Tourism Enterprises Organisation, Panhellenic Federation of Hotel Employees) is to upgrade the hotel units and especially the lower-middle ones that constitute the foundation of the country's tourism. Moreover, in order to increase the overnight period for demanding

tourists, it is essential to develop luxurious hotel units as part of a complete luxurious hotel complex. The basic element to achieve amelioration of services offered is mainly the continuous development and improvement of human resource.

The objective of an ideal system of evaluation of human personnel is to face all the possible problems, either coming from the evaluators or from the assessed, or from within the system itself. For this reason, it is necessary to use suitable methods that will be simple and will be characterised by clarity, will correspond to the needs of the organisation and will help it to be developed dynamically. The individual output owes to combine itself with the total attribution of organisation, because it is the interrelation of good administration, leadership and other factors. A sense of team work should be created in order for the members to focus their interest on the achievement of predetermined goals. The workers must be able to satisfy their objectives and at the same time the objectives of the team (Cabrera and Cabrera 2001).

This paper aims at presenting and analysing the systems of performance appraisal and the development of human potential. It is aimed at integrating and updating many aspects of performance appraisal while concentrating on the system of hotel units in order to prove the importance of human resource evaluation in hotel units and the procedure that is to be followed by the enterprise for the further development of hotel personnel.

Relationship between Human Resource Management and Organisational Performance

Human resource management (HRM) is the strategic and coherent approach to the management of an organization's most valued assets – the people working there, who individually and collectively contribute to the achievement of the objectives of the business (Armstrong 2006; Mullins 2005). In simple words, HRM means employing people, developing their capacities, utilizing, maintaining and compensating their services in tune with the job and organizational requirements. In order to compete effectively, firms must constantly improve their performance by enhancing quality, reducing costs, and differentiating their products and services (Chang and Huang 2005). Organizational performance is a widely used term to describe improvements on a firm's bottom line performance that is influenced by HRM. It can cover a range from employee turnover rates to changes in market share. Organizational performance is a complex and multidimensional concept (Cho et al. 2006). The main strategic goal of
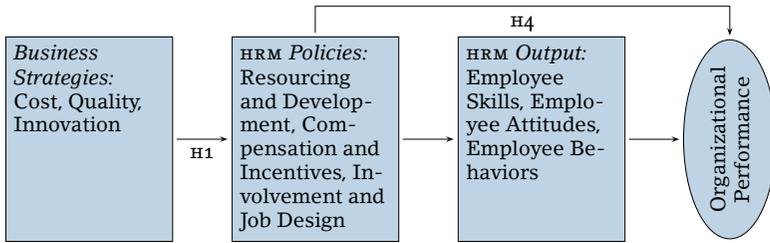
H5 *Contingencies:* Management Style, Organizational Culture, Reverse Causation
H6 *Control:* Size, Capital Intens., Degree of Unioniz., Age of Organization, Industry

FIGURE 1 The operational model for the HRM-performance relationship

any business is to maximize financial performance or to maximize wealth for the shareholders (Katou and Budhwar 2006). However, achieving the organization's basic objective, such as profits, will obviously depend on the degree to which its organizational performance is reached (Katou and Budhwar 2006; Harney and Jordan 2008).

Figure 1 depicts an operational model linking HRM to organizational performance. The model is adapted from Paauwe and Richardson (1997, cited by Katou and Budhwar, 2010), who argue that HRM outcomes mediate the relationship between HRM activities and firm performance, and Katou and Budhwar (2006), who recognize that HRM outcomes connect HRM policies to business performance, and furthermore it assumes that HRM policies and business strategies are independent. The causal pathway presented by the operational model in figure 1 refers to an 'indirect linkage' through HRM outcomes, between HRM policies and Organizational performance, and to a 'direct linkage,' between HRM policies and Organizational performance. However, it is not required that these linkages be simultaneously present. It is very possible, even in the absence of a direct linkage, for some policies to significantly contribute to business performance through the intervening process (Katou and Budhwar 2010).

Cho et al. (2006) explored the relationship between the use of 12 human resource management practices and organizational performance measured by turnover rates for managerial and non-managerial employees, return on assets and labor productivity. They found that companies which use HRM practices such as incentive plans, pre-employment tests, and labor-management participation programs are more likely to experience lower turnover rated for non-managerial employees.

Katou (2008) tried to measure the impact of HRM on organizational

performance in the context of Greece. After a questionnaire survey from 178 organizations in the Greek manufacturing sector she shows that the relationship between HRM policies (development and resourcing, involvement and job design, compensation and incentives) and organizational performance is in part mediated through HRM outcomes (behavior, skills, attitudes). In addition, the conclusion of this study, for both academics and practitioners, is that HRM policies matched with business strategies will affect organizational performance through HRM outcomes.

Katou and Budhwar (Karipidou 2010), carried out a large questionnaire survey in the Greek manufacturing sector on a sample of 178 organizations in order to investigate the HRM-performance causal relationship in the Greek context. The findings of the survey show that the ability, motivation and the opportunity to perform the HRM policy domains are moderated by business strategies and additionally, the motivation to perform is further moderated by managerial style and organizational culture. Furthermore, the results indicate that the impact of HRM policies on organizational performance is fully mediated by employee skills, attitudes, and behavior. They concluded that although the motivation to perform in the HRM policy domain causes organizational performance, through employee attitudes, it may be argued that organizational performance positively moderates the effectiveness of this HRM policy domain, raising thus the question of reverse causality. 'The literature on the HR performance relationship has universally reported significant relationships between HR and performance, almost exclusively used designs that do not logically allow one to draw causal conclusions and are very seldom actually tested for a reverse causal order' (Karipidou 2010).

Performance Appraisal

One way to review the performance and potential of staff is through a system of performance appraisal. It is important that members of the organisation know exactly what is expected of them, and the yardsticks by which their performance and results will be measured. A formalised and systematic appraisal scheme will enable a regular assessment of the individual's performance, highlight potential, and identify training and development needs. Most importantly, an effective appraisal scheme can improve the future performance of staff and planned career progression (Mullins 2005; Pfau et all. 2002). A comprehensive appraisal system can provide the basis for key managerial decisions such as those relating to allocation of duties and responsibilities, pay, empowerment and levels of supervision, pro-

motions, training and development needs, and terminations (Mullins 2005; Stein 1991).

The objective of performance appraisal is to improve the performance of individuals leading to improvement in the performance of the organisation as a whole. An effective appraisal scheme, therefore, offers a number of potential benefits to both the individual and the organisation (Mullins 2005; Beardwell, Holden and Claydon 2004; Armstrong 2002). It can identify an individual's strengths and areas of development and indicate how such strengths may best be utilised and weaknesses overcome. It can develop a greater degree of consistency through regular feedback on performance and discussion about potential. This encourages better performance from staff. It can provide information for human resource planning, to assist succession planning, to determine suitability for promotion and for particular types of employment and training. It can improve communications by giving staff the opportunity to talk about their ideas and expectations, and how well they are progressing (Coleman 1995).

HR evaluations, if done correctly, will reward employees who are working in the interest of the firm and correct those who are not. There is no single evaluation system that can be used for all firms, but there are a variety of different evaluation systems to choose from. It is important to choose the HR evaluation method that will best suit the organisation (Mullins 2005; Huczynski and Buchanan 2001). Understanding more about some of the most popular HR evaluation methods will help managers to determine which method best fits the needs of the organisation. Appraisal systems can be used to measure attitudes, behavior and performance. Measurement may be a combination of (Mullins 2005) 'quantitative' measures using some form of rating scale, such as, for example (1) excellent, (2) exceeds expectations or requirements of the job, (3) meets the expectations or requirements, (4) some weaknesses in meeting expectations or requirements, (5) unsatisfactory performance and 'qualitative' measures involving an unstructured, narrative report on specific factors and/or overall level of behavior and work performance.

Hotel Industry

The hospitality industry is internationally considered as the sector with the highest occupational mobility (turnover) at both hourly and managerial levels (Paraskevas 2000). Employees are one of the key elements in the operation of a successful hospitality business. Having the right employees will greatly enhance the likelihood of success for any enterprise (Davidson 2003). There have been many

studies suggesting that the management of human resources in hotels is underdeveloped and lacking in sophistication and also that there is little evidence of HRM implementation in hotels. However, over the last decade several estimations show that interest in HRM within the hotel industry has increased (McGunnigle and Jameson, 2000)

For instance, Hoque (1999) has conducted quantitative research into HRM in the UK hotel industry. The sample frame used for this survey was over 200 hotels and he demonstrated that the reported usage of practices associated with an HRM approach was higher in this sample than within a comparable sample of manufacturing establishments. Based on this research, Hoque argues that there is evidence of an increased level of interest in HRM within the hotel industry and suggests that this may possibly be the case within the hospitality industry as a whole.

Alleyne, Doherty and Greenidge (2006) (Karipidou 2010) measured the extent of the adoption of human resource management (HRM), the existence of a formal HR strategy, and the development of the HR function in the Barbados hotel industry compared with Hoque's sample of hotels in the UK. A quantitative survey covering 46 hotels out of a population of 75 hotels was carried out with the respondents being the hotel's management: HR manager, a general manager or line manager. The results show that the adoption of HR practices was more dominant in Barbados hotels than in the UK sample and that in many aspects the Barbados hotels are ahead of their UK counterparts in the development of the HR function.

Chang and Katou (2007) carried out a research with a total of 439 hotels in the Indian hotel industry (ranging from three-star to five-star deluxe) and they tried to measure 27 HRM practices, 5 organizational performance variables and 10 demographic variables. The results establish that hotel performance is positively associated with hotel category and type of hotel. In addition, hotel performance is positively related to the HRM system of recruitment and selection, manpower planning, job design, training and development, quality circle and pay systems.

As far as the Greek hospitality sector is concerned, there is a lack of similar research due to the fact that human resource practices in most hotels are poor and mostly concentrated on the basic 'personnel' functions. However, the case of a small number of five and four stars hotels are the exception to the general rule that are either managed or owned by international or local chains. Even though this is not empirically proven, it is broadly believed that, because of their

TABLE 1   Greek tourism main figures, 2009

Contribution to GDP	15.2%
Contribution to Employment	18.5%
Employment	774.200
International Tourism Receipts	10.4 billion €
International Tourist Arrivals	14.9 million €
Average per Capita Tourism Expenditure	697 €
European Market Share	3.2%
World Market Share	1.7%
Concentration of Hotels Supply	52% of beds in Crete, Dodecanese & Macedonia
Hotel Capacity	9,559 Hotels – 732,279 beds

NOTES   Based on data provided by the Hellenic Statistical Authority and the Bank of Greece.

human resources practices, these are the establishments having the lowest turnover rates in both managerial and hourly positions and creating a very positive image for the overall sector (Paraskevas 2000). In the following table we present the profile of the Greek tourism in 2009.

Methodology

As far as the secondary data are concerned, their collection and analysis is used to examine trends over time. The secondary data utilized in this study, as mentioned above, have been collected from books, Greek, English and other academic journals, relevant researches and reports, related websites, official statistics and press articles that concern current trends in Human Resources Evaluation and the Hotel industry. According to the way they are collected, primary data can be distinguished as quantitative and qualitative. Quantitative methods consist of numerical measures to quantify the data and efficient statistical relationships between predetermined variables in order to classify the results into standardized categories, a process outside the aim of this article. Qualitative primary data are collected for this study, because they are most appropriate for research, given the nature of the issues pursued and analysed in the study. Qualitative data can be obtained through a variety of sources, the most common of which are interviews, questionnaires, observations and focus groups. For this study, the source of information was the conduct of interviews. The primary advantage of in-depth interviews is that they provide much more detailed information than is available through other data collection methods, such as surveys. They also

may provide a more relaxed atmosphere in which to collect information – people may feel more comfortable having a conversation with you about their program as opposed to filling out a survey (Boyce and Neule 2006). However, there are a few limitations and pitfalls, each of which is described below.

Because the program or clinic staff might want to 'prove' that a program is working, their interview responses might be biased. Responses from community members and program participants could also be biased due to their stake in the program or for a number of other reasons. Every effort should be made to design a data collection effort, create instruments, and conduct interviews to allow for minimal bias (Boyce and Neule 2006). Interviews can be a time-intensive evaluation activity because of the time it takes to conduct interviews, transcribe them, and analyze the results. In planning your data collection effort, care must be taken to include time for transcription and analysis of the detailed data (Boyce and Neule 2006). In-depth interviews, however, provide valuable information for programs, particularly when supplementing other methods of data collection. It should be noted that the general rule on sample size for interviews is that when the same stories, themes, issues, and topics are emerging from the interviewees, then a sufficient sample size has been reached. Convenience sampling was utilised for this study, which is a type of non-probability sampling that involves the sample being drawn from that part of the population which is close to hand, and on this occasion, the Hotel industry. That is, a sample population selected because it is readily available, convenient and representative of the Hotel industry. It may be through meeting the person or including a person in the sample when one meets them or has chosen them through technological means such as the internet or through phone. The researcher using such a sample cannot scientifically make generalizations about the total population from this sample because it would not be representative enough, but in this article the relative individuals that were selected, due to their presence in the Hotel sector, reflect the whole industry.

Evaluation of Human Resources of Hotel Enterprises

SEMANTIC APPROACHES

What is meant by the term evaluation of performance of human resources (Aspridis 2004), is the procedure of clarification and recording of performance and qualifications of employees (but also of the total of service), in relation to the demands of the position they hold and the potentials of progress that are presented to them. The eval-

uation of human resource performance needs to be clarifying and comparative. It has to be informative and consultative and administrative.

The main purpose is re-supplying of results to responsible people who are in charge of decision making, in order to avoid past mistakes in the future, because if the employees know on what basis their performance is being measured, in relation to their expectations, it will become better. Every evaluation system must be correlated with the whole human resource development system. It has to be specific and simple in order to become accepted by the evaluators and the evaluated people without significant reactions. Implementation of an evaluation method is based on the realized choice which it is not always possible to found in objective criteria, because it can be affected by the person's familiarisation with only some techniques, with personal experience and generally with personal beliefs and considerations. Every evaluation method needs to be objective during the results countdown, to be clear for its application to be easygoing. It is necessary to approach the special operating conditions of the organisation, meaning another method for building companies and another for service providing organisations. Additionally, the selected method depends on the number of staff that every organisation employs, the usage of modern technology and, finally, the organisational economic sizes.

Single human resource performance evaluation system can be considered perfect and ideal. What has been pursued a priori is its effectiveness and its contribution to the capabilities development of employees,which makes them more productive. Usually, it is required to be fully specialised and adapted to each organisation's needs, either public or private sector, and to be renewed in fixed time periods according to every organisation's and its employees' targets. An important role in the evaluation system evolution is played by the personal employment of every employee and the time period in which that person occupied, since nobody can evaluate in the same way the routine and target-placing works. For this reason, targets will be renewed in fixed time periods.

During the evaluation, it is possible for a chain of weaknesses to appear. This is natural, because all evaluation methods that have been developed reveal disadvantages, but also advantages. For every evaluation system, in order to be successful, it is essential to receive all the organisations' human resource approval and trust, which they will apply and which has to be embodied in a wider management system that will operate efficiently, and usually for this reason, more than two evaluation methods are being used. Before a company de-

cides which evaluation method it is going to use, it must define the immediate and objective targets to be realized, but also define the frame which will cover the evaluation. Finally, it is suggested that to in all those directly interested a special publication, should be distributed, e.g. a manuscript, which will explain the evaluation system's details.

The evaluator should not to compare the employee according to himself, should not consider himself as a judge or police officer, whose aim is to judge and control his subordinates as well as imposing penalties instead of helping them to improve their performance, and not to be limited exclusively to in the employee's reaction on critical occasions, but also to take into consideration the total image of the employee as it is being shaped during the evaluation period. With the completion of the human resource evaluation procedure and by defining its meaning the total of results can be assessed. Whichever method is utilised there, will be implemented an ultimate phase, that of the results evaluation during which the responsible people of the system are to control if and to what extent the system is effective or not, evaluating produced data quality and overtaking stereotypes and partial positions. Whatever the results may be, satisfying or not, a re-supply of the system will exist for future evaluations. If, on the contrary, errors emerge, it is essential that the changes to be made are specified in order to avoid error repetition and re-planning of the system from the controversial point or even from the beginning.

In order to overcome all problems, wherever they are caused, it is essential for the appropriate system planning to exist by using those personnel evaluation methods, mainly through pre-agreed target-placing and the institution of objective evaluation criteria. Good relations and the creation of a mutual trust climate between supervisors and subordinates are required, because without them, an efficient personnel evaluation system cannot exist. Improving the communication procedure with the interview method and through the usage of specific methods and interview techniques adds a plus to the evaluation system. Finally, full justification of evaluation reports from the evaluators and the existence of a second evaluator, assist in error decrease.

EVALUATION OF HUMAN RESOURCE IN HOTEL UNITS

The first hotel unit that was studied belongs to a large group of companies, which consists of one of the largest non-commercial ship fleets as well as other enterprises, mostly in Europe, except from ho-

tel units. It is considered to be one of the most ancient and larger hotel chains in Greece, with five hotel units in Athens, Corfu, Chios and Thessaloniki. In the frame of human resource development, evaluation is being introduced as the first step-phase of this policy. Evaluations are realized once a year, during December, for every permanent employee. In extraordinary situations, and when it is considered worthwhile, a direct order from the General Manager has been given. This evaluation can concern all or part of the personnel. The evaluation does not take into consideration seasonal personnel, for whom brief details are being kept by their direct supervisors for future usage. The evaluation is being realized by the direct supervisor of each employee and is later submitted, in a sealed envelope, to the present Personnel Manager. Evaluation forms of every employee are kept in the Human Resource Division and are dealt with as strictly confidential. For the completion of the evaluation forms, direct collaboration of the evaluator and the evaluated person is needed for at least two months. The direct supervisor is obliged to invite for an evaluation interview every one of his subordinates. During the interview, the evaluation results are to be analysed and measures in order to improve employee performance are to be decided.

Criteria grading is alphabetically numbered. As 'Very Good' – grade 4, is characterised an employee who responds exceptionally to work demands. As 'Good' – grade 3, is characterised an employee who fully responds to work demands but does not respond from extra capability or desire. As 'Average' – grade 2, is that employee who does not fully meet to the work demands. As 'Inadequate' – grade 1, is judged that employee who does not entirely respond to work demands, and direct improvement is demanded in order to further evaluate his existence in the company. As the final evaluation mark, an average of every criteria mark is being extracted. Evaluation consists of two forms. The first one concerns personnel and the second specialised executives. As for executive evaluation, the criteria are personnel management, influence, communication, interpersonal relations development, planning, data and information analysis, decision making, business development and self-control. From the moment that the HRM collects all evaluation forms, it is obliged to notify and brief the General Manager for the evaluation results. According to those, the General Manager has to make decisions on educational-training matters, succession programming, re-organisation of duties and, finally, personnel renewal.

During the last years, factual evaluation for all personnel has been conducted. Evaluators have taken specialised seminars the with aim

of achieving a unified evaluation procedure. Company's aims include full utilisation of the present performance evaluation system, and evaluation results announcement to each employee through individual interview. In addition, the company focuses on the implementation of an informal promotions system with allocation of new and more responsible duties and finally, progression possibilities and human resource succession at all levels. Also, the company is occupied with connecting the human resource evaluation system to the remaining systems (like payroll and productivity bonuses, progression, training and informal promotions system).

The second hotel belongs to the universal group of a large, universal hotel enterprise which has 147 hotel units globally, with 49,904 rooms. In Greece, this hotel offers 543 rooms of which 60 luxurious suites and one presidential suite. In 2007, it was presented with the distinction of being 'Greece's Leading Business Hotel.' The specific hotel disposes of a full human resource performance evaluation system. Evaluation is realized every semester and annually, and concerns supervisors and the rest of personnel. The main evaluation criteria are total evaluation of performance, primary performance targets, leadership capabilities, according to the hotel's international practises and 'winning way.' Specifically, supervisors are evaluated on business formation, work quality, communication capability, credibility and other factors. Moreover, the rest of the personnel are evaluated on criteria such as work knowledge, work quantity and quality, interest, cooperation with colleagues and more. Evaluation is realized by the direct supervisor, while there is the possibility of self-evaluation of the evaluated people. The final judgement springs from conversation and the mutual decision of both evaluators and evaluated people. More specifically, we refer to leadership and human resource development, and that interest is shown in action and in results. Furthermore, interest is directed towards the market, change procedure and full comprehension of employment and finally towards strategy. On occasions when the evaluation has negative results, problem sources are being investigated, which among others can be personal, family, professional, lack of education and knowledge and finally, lack of will.

FINAL THOUGHTS

It is a fact that the majority of Greek enterprises consider human resource performance evaluation as an essential element of Human Resource Management, in order to achieve the best possible results during the production process. The aim of all companies is, through

evaluation systems, to develop a good working environment, to avoid leaking to other companies, especially the antagonist ones, and to increase total productivity and business profitability.

Almost every hotel enterprise utilises a special form for their personnel evaluation, which takes place at least once a year and includes its total. Evaluation is realized by two evaluators, who are always the direct supervisors of the evaluated employee. Primary evaluation aims are promoting executives to superior positions, their pay progression, formatting a career plan and training for all those employees who experience problems. The basic element for adopting the appropriate evaluation system is the hotel unit size, because in a small unit with few employees a typical evaluation system, cannot be implemented, such as the one that is implemented in large hotel units. On these occasions, an informal evaluation system is being utilised. Through employee evaluation, it is possible for their weak points to be revealed (which they have to improve) as well as ascertaining their capabilities (which can lead to progression potentials). In order for the evaluation to be realized, it is necessary to set up a committee from the hotel's managerial executives, which will be based on quantitative criteria to achieve more objective evaluations. These evaluations have to be realized in fixed time periods, meaning, once or twice per annum, in order not to have too long an intervening time, and for the employee image to be more fully presented (Laloumis and Roupas 1996).

Evaluation methods' aims are: to become as credible as possible and to depend as little as possible on participants' personal eccentricities, emphasizing the future and not so much the present or the past. Their aim is to evaluate the employee's performance, a difficult task from both its nature and its extremely sensitive, as well as personal characteristics. Evaluation methods are distinguished between comparative methods, absolute ones and those that are oriented towards results.

Employee equalization and levelling is a result of criteria uniformity and evaluators' practice of resisting in employee differentiation. In this practice, almost the total of personnel is exceptionally classified in the same category. This phenomenon derives to a great extent from evaluated people's reactions, when negatively marked, because bad criticism is not acceptable and this has as a consequence distortion of the service operation.

Human resource evaluation has to consider both higher and highest hotel executives and employees. Initally, experience shows that managers have to be evaluated by the following criteria: profes-

sional and technical formation, work quality, problem solving, decision making, communication abilities, programming, leadership capabilities and credibility. Their evaluation result is to program executives' service condition variations, and the training and further education that these executives have to receive. In a few words, to form a full census diagram in which the total image of executives and their possibilities of progression will be demonstrated (Laloumis and Roupas 1996).

Moreover, it is possible for self-evaluation to exist as a method, where the employee will be invited to answer a series of questions like 'In which field of your work are you more efficient?' or 'Do you have some special abilities/capabilities that you do not use in your present work?' Thanks to evaluation, the company can focus on the reward and progression potentials of human resource. Evaluation through re-supplying makes it possible to achieve important results both for the individual and the organisation in total and to be connected by motivation.

According to employees themselves, the aim of human resource performance evaluation is the amelioration of the training provided, the demand from superiors to pose targets for their employees and finally to have the evaluation results published through a re-insert of data. Criteria marking should be accompanied by arithmetic characterisations which will be fully determined and will not create suspicions for doubts, so as to better present the existing employee image and total impression. In each criterion, it is essential for a gravity factor to be given so that the phenomenon of total evaluated criteria levelling does not appear. Specifically from zero (0) (who does not perform his work and whose performance is lower than expected) to four (4) (is far above the expected, and exceptional performance is achieved which is also continuous).

Employee effectiveness must also be estimated in mid-term time points of the year, such as in 3-month or 4-month periods, and not only at its end, through supervisors and employees meetings with an aim to critically evaluate realized work and ensure continuous briefing of subordinates by their supervisors for their evaluation results. At this point it would be useful to mention benchmarking, which is based on comparing the enterprise with others which are considered to be points of reference. It is possible to implement this technique in the company's interior. It is been implemented systematically by enterprises that wish to evaluate their product's performance and favour the initiative, creativity and innovation spirit (Roux 2007).

All this procedure is directly connected with Performance Man-

agement (Aspridis 2007), which contributes to the achievement of better results at individual, team and organisation level. It aims at creating and founding the common sense of what has to be achieved, how and with what models, with high importance given to employee administration and development. It is a chain of actions and behaviours from executives for daily target achievement and employee performance improvement, and cooperates with the rest of the company's management procedures. It appoints responsibility to the supervisor to work efficiently in order to lead, support and motivate the subordinates. It aims for executives' work success and contributes towards their capabilities development with the aim of maximising their contribution to the company's success. Performance Management is founded in the existence of the 4 C's (Beech and Chadwick 2006, 100–109), Commitment, Competence, Congruence and Cost-effectiveness.

An evaluation system to be successful must be adaptive in real organisational facts and not simply transplanted as a simple foreign model copy. In some multinational companies, that have branches in Greece, evaluation is realized through the prototype form which is in the native language. For the best possible results to be achieved there is continuous and constant communication between their representative in Greece and the company's owner abroad. In this circumstance, the basic problem that surfaces is that of mutual communication and its presented difficulties. Human resource evaluation is easy in the case when the supervisor has individual and separate meetings and conversations with each of his subordinates during the year. The evaluation must be addressed to the total of the executives' personal and professional development. The hotel units executives' evaluation procedure should consist of a series of procedures that have as their target to form a total employee image.

Conclusion

The Greek Ministry of Tourism Development strategy is focused on the threefold approach 'Quality – Business – Promotion.' In a few words, it focuses on a qualitative upgrading of services offered, in the tourism product amelioration with infrastructure improvement and, finally, with product advertising (Spiliotopoulos 2007, B20). Therefore, it is comprehensive in the fact that hotel units' amelioration receives special meaning and especially their human resource improvement in the large hotel units. Hotel human resource consists of the most important criterion for service users' satisfaction. What is needed necessarily is adequate knowledge of personnel around

customer service related matters, excellent communication between customers and personnel and to comprehend customers' problems and, finally, to be friendly towards them. In order to achieve all these aims, human resource evaluation is necessary (Fergadis, Siskos and Maninou 2006).

This paper is aimed at presenting and analysing the systems of performance appraisal and the development of human potential. It is aimed at integrating and updating many aspects of performance appraisal while concentrating on the system of hotel units. The systems of evaluation of human potential could not restore the feelings of insecurity and fear of workers and specifically the fear of failure, reprisals and control in Greece. The system did not convince the employees to function in favour of themselves and try to be more productive. Most systems of evaluation are not perfect because they are affected by the external environment, the organisational culture and the behaviour of personnel that continuously changes. The changes that are forecasted cannot have direct results, nor can their value nor their usefulness decrease. It is necessary for a controlling mechanism of evaluation to be created, so that its weaknesses and its problems of application are located and its continuous improvement will be ensured. All of the above have no value at all if there is no interest in better performance by the employees. And last but not least, we do not have an ideal system of performance appraisal in hotel units because of the organisational policies.

For an effective system of performance evaluation, in hotel units, it is necessary to accept the criteria of the system, which should be explicit and predetermined and should be adapted to the real data. The criteria should provide an accurate picture of the employee performance. A system of evaluation has to be created, so that its weaknesses and the problems of application are found, its continuous improvement is ensured and the complete acceptance of workers in hotel units is gained. Last but not least, the system of performance evaluation must review performance formally at least annually, and will form a new organizational culture in the hotel sector.

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A Comparative Study of Cognitive Schemas of HRM During Economic Crisis in Two Slovenian Sectors

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The main objective of this article is to present a qualitative study of HRM schemas in the recent economic crisis in Slovenia. Cognitive schemas influence perception and behavior and serve as powerful sense-making frameworks. In-depth interviews with 16 CEOs, HR executives and trade unionists from the production and service sectors and analyses of annual reports were conducted to find the content of their HRM schemas. In addition, a comparison between schemas from companies from both sectors was made. Results reveal that HRM schemas in companies from the financial sector include more 'HRM is bureaucratic' attributes, whereas in companies from the automotive sector 'HRM is strategic' attributes prevail. In companies' annual reports, the socially responsible role of HRM toward employees is only moderately present. While the crisis in 1990s was an influential factor for the sense-making and 'flexibility is crucial' attribution in companies in the automotive sector, the current HRM schema in selected companies from the financial sector was influenced by the occurrence of conjuncture.

Key words: social cognition, cognitive schema, HRM, economic crisis

Theoretical Background

The main objective of the present article is to present a qualitative study of schemas of human resource management (HRM) at the time of the 2008 economic crisis. The majority of managerial literature cites managerial cognition as rational and fully controllable, whereas the present article is based on the assumption of bounded rationality by managers. An analysis of their cognitive schemas is thus equally important as the analysis of objective business indicators.

SOCIAL COGNITION

In social psychology, cognition and mental processes have always had an important role. As the main interest of social psychology is in social context, it is common to use the term social cognition. This is based on the assumptions of social constructivism. Constructivism

has received a growing research interest (Grossenbacher 2008) and is based on two assumptions: (1) knowledge is the result of inter-action between an active perceiver and the environment and is always a construct (Bečaj 2003); (2) a perfect fit between perception and the environment is not possible and objective reality as such is inexistent (Hala 1997; von Glasersfeld 1989). Therefore, perception is rather an active construction on the basis of individuals' beliefs, experiences, values, etc., which are stored in cognitive schemas.

While in social psychology all processes are more or less con-scious, social cognition is mainly an automatic process with only minor conscious awareness. According to the definition, the center of social cognition is social context and its role in social behavior (Vaugham and Hogg 2008).

COGNITIVE SCHEMA

In general, schemas are viewed as everyday subjective theories about how the world operates, so they are important sense-making frameworks. Many kinds of schemas exist, e. g.: object schemas, trait schemas, self schemas, social role schemas (e. g., Vaugham and Hogg 2008) and event schemas or scripts (Gioia and Poole 1984; Poole, Gray and Gioia 1990). For example, one's 'department' schema would include the knowledge regarding typical attributes (e. g., colleagues, boss, office, break, work) and the relationships between those at-tributes (e. g., the boss allocates benefits to employees in a depart-ment) (e. g., Augoustinos, Walker and Donagheve 2006; Fiske and Taylor 1991).

Schema theories assume that people rapidly generalize their sche-mas, and with increased experience they become more abstract, complex, organized and compact. Because schemas represent gen-eral knowledge, no single example fits the schema perfectly, al-though most fit well enough (Fiske and Taylor 1991), but may omit irrelevant or unimportant features. People learn schemas from di-rect experience or from other people's communications (Hala 1997). Once they are established, they tend to endure and become resis-tant to change, even when disconfirming information is presented (Reger and Palmer 1996; Taylor and Crocker 1981). However, they can change over time, particularly if the information in the environ-ment is dramatically altered (Bartunek 1984; Fiske 2000).

Schemas have several functions: they help the person to iden-tify incoming stimuli by providing hypotheses about these stimuli; they help with interpreting the stimuli and with gathering further schema-related information (Bartunek 1984; Gioia and Poole 1984;

Lord and Foti 1986; Poole, Gioia and Gray 1989; Taylor and Crocker 1981). Schemas also guide subsequent behavior in response to that information (Harris 1994).

Past studies of cognitive schemas were oriented either to schema content or to schema structure (Grossenbacher 2008). In this article, the interest was firstly in the schema content and secondly in comparison between the schema contents in companies from two industries. The content encompasses the attributes of schema about particular stimuli, in our case the HRM department. HRM schemas are one type of schemas of organization attributes. In other words, cognitive schemas explain what participants think of HR, how they value HR, how they position it, what functions and roles HR should in their view have in the company, etc. For example, an HRM schema may include attributes that individuals use to represent the HR department such as activities and importance of HRM, regulations, role of HRM in a company, etc. However, HRM schemas may differ across participants from different companies and even more across different sectors because of different antecedents.

ANTECEDENTS OF COGNITIVE SCHEMAS

There are some important personal and organizational antecedents of cognitive schemas. Among the most common personal antecedents are personal history, background and personal beliefs (Poole, Gray and Gioia 1990), function in a company, as well as the degree to which a business situation is seen as threatening (Grossenbacher 2008). Among organizational factors are national culture, business context, industry (Grossenbacher 2008; Lau and Woodman 1995) and company success (Barr, Stimpert and Huff 1992). Grossenbacher (2008) also found research evidence for organizational membership and organizational scope influence schemas, where companies with international scope show broader and more complex cognitive schemas.

Furthermore, turbulences in the business environment can affect cognitive schemas (Bartunek 1984; Fahey and Narayanan 1989). Chattopadhyay et al. (1999) found crisis in the business environment as a factor that influences executives' beliefs about innovation, but not the beliefs about HRM, company reputation, quality, efficiency and performance levels. Furthermore, Reger and Palmer (1996) found that managers incorporate new information into their schemas in turbulent times only slowly. From this it may be concluded that the recent economic crisis that started to show in Slovenia in September 2008 may influence HRM schemas. Even though not

both sectors were at the same stage of decline at the time of interviewing (companies working in the automotive industry experienced its major decline in January 2009, whereas financial institutions experienced their major decline in April 2009).

The strategic nature and role of the HR function have been emphasized since the 1980s. Research on strategic HRM focuses heavily on the integration between HRM and business strategy (Svetlik 2004), requiring HR departments to provide appropriate input into strategic decisions and HR managers' participation in strategic planning and decision-making processes. Moreover, it has been argued that the HR department's representation on the board of directors is becoming more necessary (Kelly and Gennard 1996). On the other hand, the strategic role of HR function can be evaluated by examining the existence and quality of HR strategies and policies and by examining whether HR departments' performance is being measured or not (Kramberger, Ilič and Kohont 2004; Őzcelik and Aydınlı 2006).

As a general observation, Slovenian HRM is sometimes seen as not strategic enough. However, it is not sufficient to evaluate the importance and role of the function without carrying out more detailed investigations. In the last few years, some research has been done to show the HRM role in Slovenian companies. Comparative analysis places Slovenia in a group of countries with weak and non-intensive HRM (Svetlik 2004). From this it may be concluded that there are many possibilities for the development of HRM.

Based on research by Lobnikar et al. (2002, in Merkač Skok 2005) in Slovenian SME, it can be seen that the majority of time and attention in the HRM department is allocated to administrative tasks. On the other hand, HR managers report they should spend less time on administration and more on strategic HR functions. Slovenian HR managers also report they should put more emphasis on work analysis, traits testing and a reward system. Upon this a broader picture of HRM schemas can be sketched.

On the basis of their data, Zupan (1998) and Zupan and Ograjenšek (2004) claim that in general Slovenian companies have not been very successful in transforming their HRM function towards a more strategic partner role in the transition period. Their research has shown that in practice several models of HRM, which differ with regard to the complexity of the HR activities involved and the overall strategic orientation of the function, can be found in Slovenian HRM. Conservative or administrative models, as well as more professional

and strategic HRM models were found, with the latter mostly being seen in those companies mainly competing in international markets (Zupan and Ograjenšek, 2004).

The content of cognitive schemas by participants from two different sectors was searched for. Both selected sectors were severely concerned in the current economic crisis. A search was made for the meaning that participants from both sectors placed on the role of HRM during the economic crisis (see research question 1). In addition, a comparison was made between cognitive schema contents, held by participants from two sectors (see research question 2).

The study of HRM schemas is important because of their influence on HR function in the company. In turbulent times, cognitive schemas become more explicit (Poole, Gioia and Gray 1989). During such times, questions regarding the HRM role may arise, e.g.: 'Is it OK, what we are doing and the way we are doing it?' Consequently, crisis is the appropriate time for schema investigation.

On this basis, two research questions were proposed:

1. *What is the content of cognitive schemas of HRM in the selected companies in crisis?*

The main objective of assessing HRM schemas is to give an estimation of HRM schemas in the selected companies as mainly strategic or mainly non-strategic at a given time.

2. *How do HRM schemas in both sectors differ from each other?*

It is suggested that different business strategies (Thomas and McDaniel 1990), different history (Daft and Weick 1984) and business scopes (Calori, Johnson and Sarnin 1994) influence schemas. Research shows, that the schemas in the same industry are more homogeneous in comparison with schemas from other industries (Porac, Thomas and Baden-Fuller 1989; Daniels, Johnson and de Chernatony 2002). Furthermore, Horvat (2009) found differences in reporting social responsibility in annual reports between companies in Slovenian service and production sectors. More precisely, she found that financial institutions report on social responsibility to a significantly lesser degree than companies from the production industry.

Method

Altogether 16 in-depth interviews were conducted with participants from six Slovenian companies (see table 1), and 12 interviews were

TABLE 1 Participants structure in accordance with the sector and position in the company

Sector	Company	CEO	HR executive	Trade unionist
Automotive	A	+	+	+
	K	+	+	+
	M	+	+	+
Financial	B	+	+	+
	P	+	+	
	L	+	+	

conducted with CEOs and Executives in the HR department. Isabella (1990) showed that managers are at the centre of cognitive shifts during the times of crisis. Furthermore, individuals with higher rank exert influence over schemas of their subordinates, which means their schemas are of immense importance for the company's future (Calori, Johnson and Sarnin 1994; Chattopadhyay et al. 1999). HR executives are directly involved in HR functioning, therefore their HRM schemas are rich and broad. Four additional interviews were conducted with trade unionists. Interviews with trade unionists served as a data source from a different perspective. The average age of the participants was 50 years, with three participants deviating significantly above or under this age. The relationship between men and women is not equal (ratio between M and W: 10:6).

Both industries have relatively long traditions in Slovenia. Selected companies that work in the automotive industry (in this text, shortened to the automotive industry) operate internationally. Two of three financial institutions were banks and one was a securities brokerage. We found companies that cooperate with the automotive industry and companies from the financial sector to be an appropriate choice for schema investigation, because the functioning of both sectors was stunted in crisis. From the social-cognitive point of view, this was a fruitful basis for schema investigation, because crisis can serve as a trigger for schema modification. Intentionally, production sector and service sector were chosen for comparison, in order to assess the degree of overlapping between them. From that, a conclusion can be made about emphases in cognitive schema contents by participants in each sector.

Because of the initial troubles regarding access to the highest managerial positions during the crisis, a convenience sample was used within each sector. That is, from the preselected companies from both sectors, only those were included who were willing to participate in the study. In spite of this, we consider all selected com-

panies as appropriate representatives of their industry, according to the content of their work. That is, they all operate in one of selected sectors (either producing for the automotive industry, or rendering services within the financial sector). All companies are originally Slovenian, are renowned and among the biggest in terms of number of employees in their branch. The number of employees ranges from 37 to 2700.

INSTRUMENTS

An in-depth interview was chosen as the most appropriate methodology for assessing a cognitive schema. Even though schemas can be accessed via different methods, less structured interviews are preferred by managers (Bartunek 1984; Isabella 1990). The in-depth interview was divided into three main parts: (1) crisis in company (perception; if the crisis is present and how it is manipulated); the most central point – (2) crisis in HRM (perception of HRM function in the crisis, its role in the present and in the past); and (3) crisis in broader business and social environments. Interview transcripts were coded and analyzed by the computer program for qualitative data analysis ATLAS.ti. Transcripts of interviews were uploaded into the program and each of them was coded in accordance with codes that had been created preliminarily and stem from the research question(s). During analysis new codes emerged and all interviews were coded once more for all new codes at the end of the coding procedure. Words, sentences or messages of other type were coded with one or more codes. At the end, the program gave an output of all existing codes and of coded material. Secondary analysis with searching for a connection between codes was made and in-depth meaning was searched for.

With the help of this program, the researcher is flexible. Furthermore, research consistency and internal reliability can be increased, compared to analysis made without use of the program (Hannes, Janssens and Wets 2009).

In addition, the comparative analysis of annual reports from the selected companies was made in order to provide triangulation. A checklist was constructed and adapted from GRI (*Global Reporting Initiative*) to compare several indicators of social responsibility (SR) reporting. The whole framework consists of seven SR dimensions, of which only one was used in order to analyze the degree of SR in HR practices. The dimension *Labor practices and decent work* consists of seven indicators as seen in table 3. On this basis it was possible to assess the degree, to which HR strive for SR. It may be concluded

from Horvat (2009) that in recent time many companies in Slovenia mainly report on ecological issues regarding their sr, but to a lesser degree on other factors of sr.

The checklist was filled in accordance with the degree of information provided in annual reports (table 3). There were three degrees of reporting on the specific sr indicator: complete information is provided, partial information is provided or no information is provided. In addition, comparison from year 2007 (before crisis) and 2008 (in crisis) was made.

PROCEDURE

In-depth interviews were conducted from April and August 2009. Prior to conducting an interview, the participants were informed about the objectives of the study. In introduction, they were asked to explain their own perceptions and beliefs. Interviews were tape-recorded. Transcripts were further followed by additional comments.

Interviews lasted from 35 to 80 minutes, on average 55 minutes. They were followed by transcription, coding and analysis in the AT-LAS.ti program. When no appropriate code existed, a new code was introduced and all prior interviews were analyzed once more for the additional code. The important codes were included in the further analysis of searching for their characteristics and interconnections. Description of actual schemas of HRM in the selected companies at the time of crisis followed.

In order to avoid subjectivity when conducting in-depth interviews, the following precautions were taken: enough time was allocated for the discussion part in order to get additional information. Prior to the coding process, a coding protocol with most of the important codes was made. An additional researcher, uninformed about the research aims but experienced in coding, independently coded a sample of the interview material. We considered 88% of material being allocated to the same codes as adequate compliance. This was considered as the minimum condition of scientific research, by which it was still possible to get research autonomy while at the same time retaining participants' own expressions, which was emphasized as a *sine qua non* in cognitive schema research (Diplock 1999).

We were conscious that annual reports are limited in content and in space, therefore only the comparative analysis for two years was made. Differences and similarities in the dimension *Labor practices and decent work* were searched for and noticed on the checklist. It was suggested that the differences between reports indicate the actual differences in HRM schemas.

TABLE 2   Significant codes for HRM schemas in both industries with commentary

Code name	Industry		Commentary
	Automotive	Financial	
Bureaucratic role of HRM (past & present)	−	+	Significantly more reports about the bureaucratic role of HRM in the financial institutions
Strategic role of HRM (past & present)	+	±	The strategic role of HRM in the automotive industry; less in the financial sector
Role of crisis in HRM activities	+	+	Several HRM activities are altered in both, automotive and financial sector because of the crisis
Role of crisis in HRM schema	−	±	No influence of the crisis in schemas in the automotive sector and minor influence in the financial sector
Role of other factors in the HRM schema	+	+	Several heterogeneous factors influence HRM schemas in both industries
Role of previous economic crisis in HRM	+	−	Several comparisons of HRM with the previous crisis in the automotive industry; none in the financial sector
Role of conjuncture in HRM	−	+	Several comparisons with economic conjuncture in the financial sector; only few in the automotive industry

Results

The results are divided into several parts, according to the content. The first part includes the presentation of interview results. In the second part, the comparative analysis of annual reports is presented.

INTERVIEWS

Interviews were analyzed with ATLAS.ti. Altogether, 42 codes and 1129 citations emerged.

Interview results with the actual HRM schemas are summarized in table 2. Similar codes are joined for the purposes of clarity, and codes with similar meaning are placed closer together. Only significant codes for HRM schemas are included. The comparison between the automotive and financial companies shows there are some common points in how the participants from both industries perceive HRM. However, there are some differences too. Given in brackets A and F are abbreviations for the financial and automotive industry. The first number is an interview number and the second number stands for the consecutive quotations number of the interview.

There were some reports about the bureaucratic role of HRM in

the past and in the present in financial institutions. However, the bureaucratic role was not significant for the companies that work for the automotive industry. Below is an example of a CEOS answer (Q: What is the main role of HRM in your company?):

> To assure a systematically settled environment, infrastructure, rule books and contracts, to assure the mode of operations, various procedures, processes, advantages. [F2:7]

The strategic role of HRM in the past and in the present is significantly present in the automotive industry. Further analysis of citations shows that a large part of perceptions relates to the following attributes: 'education in the company is important,' 'strategic employee selection,' 'holistic treatment and respect toward employees,' 'strategic role of HRM by layoffs' and 'importance of CEO in HRM.'

On the other hand, the HRM role in the financial institutions was in the past less strategic. However, there are indicators that the participants perceive it as more strategic in the present time. Further analysis of citations shows that a large part of perceptions in the present relates to the following attributes: 'important role of HRM in communication within the company,' 'important role of HRM in individual work with managers' and 'role of HRM in devising a new business strategy.'

> By the end of the 90's we've created a model of activity, based on psychology, on the model of one's inner motivation. And all we tried was [...] the leaders to understand, that relationship, and all we can expect from our employees depends upon how much we will invest in it. [A1:20]

> This year we [...] organized a workshop for all leaders to the lowest management level [...] We have presented it with this purpose, because perhaps in recent years – and I am a part of this system for a long time – actually I grew from a referee to the highest leading working posts, and actually I do not remember as an employee to have felt the strategy that a system has. And I find this very important, knowing what the system or the society wants. [F3:3]

Table 2 shows that activities in HRM are altered in both industries because of the crisis. Many reports from the automotive sector show layoffs and redeployments as well as a shortened work week (not in all companies studied). On the other hand, only one financial company reported layoffs and redeployments, which can be ascribed to different cycles of decline in both sectors in crisis. Reports about increased cost cuts in HRM existed, so there are alterations in activities

such as training and education, the reward and motivation system, etc. On the other hand, the participants report an increased amount of education within the company.

> Earlier we were occupied with education, contracts, annexes, the payment system and reward system, support to newly formed companies, qualifying and searching for new workers. But now all is limited due to the crisis, funding especially. Perhaps even greater emphasis is on motivating key workers to stay and on individual work with the leaders. [F1:15]

Even though it is difficult and sometimes even impossible to differentiate between HRM activities and HRM schemas (activities mostly arise from schemas), we tried to distinguish between citations that included reports about activities held in HR department and some thoughts from which HRM schemas could be deduced. Sometimes a citation was allocated to both, HRM *activity in the crisis* and *the* HRM *schema alteration in the crisis*. It can be concluded from table 2 that the crisis has no significant influence on HRM schemas in the automotive sector and only a minor influence on schemas in the financial sector.

> My opinion is, in essence, no. We do not panic from crisis to crisis, no. I think that the essence is this orientation of ours. [A3:72]

Further analysis of the code *Influence of the crisis on the* HRM *schema* shows that the crisis is in both sectors perceived also as an opportunity for improvements, for innovation or for reflection. In addition, the participants from the automotive sector believe that the crisis induced more caution and rationality by layoffs and employment. On the other hand, the participants from the financial institutions perceive crisis as an opportunity for changes in HRM. Some other codes that are only indirectly connected with HRM schemas confirm this statement.

Occurrence of the code *Influence of other factors on the* HRM *schema* shows that in both industries several factors influence HRM schemas. Further analysis of citations shows that the HRM schema is influenced not only by one major other factor, but also by several fragmented users. Among the most perceived factors in the automotive sector are: 'lack of a proper work force in the labor market,' 'employee and management personality' and 'incompatibility with CEO.' Among the most perceived influences in the financial sector are 'employee and management personality,' as well as 'historical and local specialties.'

Management in Slovenia is, in my opinion, on a certain level [. . .] managers think they don't need the expertise of HR experts. They think: I work with people for 20 years and I know it better, I don't need knowledge of HRM. But of course this is not the case. It is quite common in our society to think one is able to do/know everything. It is probably linked to us being close to the Balkans [laugh]. [F1:29]

Comparisons with the previous economic crisis were made by the participants within the automotive sector. They were ascribed to the codes *Strategic role of* HRM *in the former crisis, Influence of the former crisis on* HRM*, Comparison of the actual crisis with former crisis and Bureaucratic role of* HRM *in the former crisis.*

[. . .] so we have learned from that crisis to be independent, to be recognizable so others would want to cooperate with us on the basis of good development of parts, rather than only because we can produce quality parts. That we have the knowledge to surprise the customer and offer him a better solution he had not expected from us, he had not known, but it is better than his. [A3:110]

On the other hand, no significant crisis was reported by the participants from the financial sector. The situation is reversed by the next significant code: whereas the participants from the financial institutions reported a role of economic conjuncture in their HRM, this is not common in the case of the automotive industry.

On many occasions [. . .], also in times of prosperity, we have met the profile of young managers eager to quickly earn plenty with relatively small investment. [F3:6]

At the end of this section we present some exemplar citations from managers and trade unionists that show their HRM schemas. Their citations were ascribed to the somehow dispersed and not unified code HRM *schema.* Additional codes analysis for the automotive industry shows the most common attributes of this particular schema: 'social responsibility,' 'management greediness is not OK,' 'employees layoffs are not OK,' 'the importance of the relationship between HR manager and employees,' 'HRM should be strategic.'

The purpose of a company is to operate in the best interests of the owners and other components: environment, employees, management and creditors. [A14:46]

In the financial institutions the most common attributes were: 'crisis as an opportunity for HRM,' 'crisis as an opportunity for reconstruction,' 'crisis as a business opportunity,' 'crisis as an opportunity

TABLE 3 Comparison of annual reports for the dimension 'Labor practices and decent work'

Company label	Automotive						Financial					
	2007			2008			2007			2008		
	A	K	M	A	K	M	B	P	L	B	P	L
Employment												
Total number and rate of employee turnover by age group, gender and region	–	–	–	–	–	–	±	-	-	±	–	±
Occupational Health & Safety												
Rates of injury, occupational diseases, lost days and absenteeism and number of work related fatalities by region	±	–	–	±	–	±	–	–	–	–	–	–
Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families or community members regarding serious diseases	+	±	±	±	+	+	±	–	–	–	–	–
Training & Education												
Average hours of training per year per employee by category	±	±	±	±	+	±	±	–	–	–	–	–

for value change' and 'in crisis HRM needs fast and insistent measures.' From this it can be concluded how much influence crisis has or will have on HRM in financial institutions.

> Perhaps the crisis could be the triggering moment for the department to pass from being a support administrative to strategic department. So that HRM is not just in service of the management. I hope that after the crisis [...] will come the awareness of the importance of collaboration of HRM in strategic decisions. This would mean HRM taking a part in vision planning, in developmental strategies and in annual reports and operations. [F1:35]

ANNUAL REPORTS

In table 3 only those indicators of SR are presented, by which differences occurred. On all other indicators either no information about the indicator was given or else the indicator was only partly reported. It can be seen that companies reported their *Labor practices and decent work* SR in annual reports only to a moderate degree in 2007 and in 2008. Companies in the automotive sector are reporting slightly

more sr contents in comparison with the financial institutions. Only minor changes can be observed from 2007 to 2008.

Discussion

The present article aimed at presenting one part of a broader longitudinal research. Because of economic, technologic and social shifts, changes in expectations toward employees and HR function in general occur (Özcelik and Aydınlı 2006). Furthermore, Slovenian accession to the EU and international commerce put demands on Slovenian companies to follow the changing role of HRM. An insight into HRM schemas of the participants is needed to assess their present dilemmas and ideas, and what HRM actually means for them.

Our data, as well as other research reports from Slovenia (Horvat 2009) show the bureaucratic role of HRM in the selected companies from the financial sector. On the other hand, the participants from the automotive industry reported significantly more cases of a strategic role of the HRM department. It can be concluded that HRM schemas by the participants from the financial sector include more 'HRM is bureaucratic' attributes, whereas 'HRM is strategic' attributes prevail in the automotive sector. However, there are signs that the participants from the financial sector perceive it as more strategic at present as well. One reason for this may be the occurrence of the current crisis. One of the participating CEOs said: 'As I see it, crisis is a factor that makes changes, it de facto changes you' [F3:40]. Prior to the crisis, only a minor need for strategic HRM was expressed in a large part of the financial sector, while it was perceived as not necessary in times of conjuncture. But in turbulent times, the need for a strategic HRM arises because of adjustments in business strategy.

However, at the time of interviewing, the crisis had only a moderate influence on the selected companies from the financial sector and no significant influence on HRM schemas in companies in the automotive sector. Even though the crisis affected the activities of HR departments to different degrees at the time of interviewing (e.g. layoffs and redeployments, cost cuts, less training and education, changes in the reward and motivation system), there are only few reports about HRM being different than prior to the crisis. This is in accordance with other research findings that showed crisis does not influence executives' beliefs about HRM (Chattopadhyay et al. 1999). However, it will be interesting to observe whether this is going to change over a longer period of time, especially with the participants from the financial institutions, who perceive crisis also as an opportunity for changes in HRM. In the future, crisis may also

serve as a changing factor for HRM schemas in the financial sector.

Comparisons with the previous economic crisis were made by the participants within the automotive sector. At the beginning of the 1990s a large part of Slovenian industry experienced a major economic crisis. Yugoslavia had fallen apart and suddenly a big part of the market had been closed. Afterwards, business relationships with Western markets were created. On the other hand, the participants from the financial institutions compared HRM in economic conjuncture with time of crisis. In the period from 2003 until early 2008, economic conjuncture was advantageous for both, the automotive and the financial industry. It can be concluded that in selected financial institutions, conjuncture fostered the attitude 'the times are good, why bother with HRM?' in their HRM schema.

> [I]f you function in times when every day things get better and better, it's fine, but people become a little leisurely [laugh] you forget, you put in less effort, because everything you do succeeds somehow. [F3:9]

This was not, however, the case for the companies that work for automotive industry. Even though the conjuncture was felt in this industry as well, the participants rarely apply their experiences to this time. We conclude that the conjuncture was only a minor factor influencing the cognitive schema for HRM in selected companies. On the other hand, the former crisis had a significantly bigger effect on their HRM schema.

Calori, Johnson and Sarnin (1994) propose that when the business environment is similar to the past environment, automatic and controlled processing provide compatible maps and functioning becomes faster and easier. When schemas are operational, there is no need to alter them. Furthermore, the international business environment, occurrence of strong competition and need for technical improvements in the automotive industry serve as important factors for the attribute 'flexibility is crucial' in their HRM schema. From this it can be concluded that the former crisis serves as an influential factor for sense-making in the 2008 crisis.

What can be concluded from annual reports analysis? Companies that work within the automotive sector are reporting slightly more SR contents on the *Labor practices and decent work* dimension in comparison with the financial institutions. As a whole, in the automotive sector the strategic role of HRM is less obvious than it was in interviews. This observation is in accordance with Horvat (2009), who found that many annual reports include mainly ecological is-

sues regarding its sr, whereas other factors of sr are less present. The differences in reporting the socially responsible role of hrm in both data sources could be as well attributed to the tendency in interviewees to give socially desired answers. Even though precaution was taken, some of the answers may still reflect a more positive attitude toward hrm than there actually is. Thirdly, possibly the differences stemmed from not entirely overlapping data sources: even though strategic hrm should incorporate sr toward employees, that is not the *only* thing it covers.

Only minor positive or negatives changes are observed from 2007 to 2008. This was expected, as it is in accordance with the notion of slow schema change. Even though the average reader is interested in different kinds of data in annual reports, reporting responsibility toward employees in the sr report is as important as everything else. In some sections of sr reports it can be seen that the copy-paste function was used. To conclude, reporting sr in annual reports tends to be change-resistant, especially in a short time of observation. In order to test this assumption, more annual reports will be taken into account in the future research.

Some further limitations of this study should be mentioned at the end. First of all, the design of the study and the short research period do not allow for making generalizations to cognitive hrm schemas, held by participants from the sector as a whole. Including more participants would mean also a bigger chance of envisaging about hrm schema in each of the two selected sectors held at present. Secondly, for the purposes of this article the cross sectional approach has been used. For future research, a longitudinal approach is planned for analysis of the cognitive schemas, because of the very nature of cognitive schemas. Thirdly, our sample was to a certain extent auto-selected. Some methodological reservations are connected with this, namely only managers that do not experience major existential problems within the company are willing to participate. In spite of this, we consider companies in each sector to be eligible representatives of their field of operation, either because of their size, or because of their position in the Slovenian market.

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The Effect of Trained Principals on the Professional (Self) Development of Employees

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The matter election of principal in schools can sometimes become a political issue. All political parties are interested in this position, especially the ones that are now in power. The work of a principal is a rather complex activity, especially during the time of transition, when teachers, who are managed by the principals, expect the implementation of every outlined change and to achieve the goals of educational reform. Principals often must struggle to supervise teachers and deal with difficulties, because during their professional development they did not acquire basic competency in management, or management in education. This article discusses research among the main participants in education (teachers, principals, and advisors) and examines what kind of influence education has on principals' ability to provide leadership in times of change. The results of this research show that leadership in schools is more efficient if principals are more educated in disciplines such as management in education.

Key words: principal improvement, professional development, teaching observation

Introduction

European strategic goals for a period of ten years given in the Lisbon Declaration (European University Association 2000) are incorporated in a document called 'Education Reform in Bosnia and Herzegovina strategy,' which was signed in Bruxelles in 2002. In response to this document, Entity Ministers of Education have undertaken certain commitments, and agreed to take the following reform measures (OSCE 2002):

- All teachers should undergo training for four years concerning implementation of modern teaching methods.
- Teacher licensing and certification should be standardized and include certain procedures.
- A system of teacher improvement centers should be established.
- Implementation of subjects revision and systems of teacher improvement revision before employment.

- Improvement of school leadership quality.

Because of the complexity of the educational system in Bosnia and Herzegovina, educational reform and other written materials that are products of projects within the international community have not been embraced and adopted by the decision makers and power centers.

Improvement of teachers, and especially principals, has not received the needed attention. Analyzing present educational practices, it is rather obvious that there are only few parties with good intentions, who are willing to make a profound analysis of the true state of education and the need to develop teachers and leadership staff in schools. Few are also willing to acknowledge that teachers are, in the end, the ones who have to respond to students' and parents' demands.

This work presents the results of research that has been conducted among teachers, principals, and advisors at the Pedagogical Institute in two groups of schools. The purpose of the research is to determine the effectiveness of the principal training implemented by the Pedagogical Institute. Expectations are that well-trained principals effectively lead their schools. Morrison (2003, 219–220) sets 'training and teaching of principals and their assistants' as a high priority and precondition for successful work in leading the educational institutions, that are subject to constant changes. This study aims to answer the question of whether the level of training which principals receive in management in the education field has an effect on employee development, without which there cannot be succsessful introduction of educational reform.

Paradigm and Methodology of Research

The study uses the traditional, empirical, analytical, quantitative focus, the paradigm on which Marentič-Požarnikova (1987, 65) says that 'in the past few decades the world has experienced significant shifts in the direction of qualitative research,' especially in education and services. Therefore, in this study, the quantitative approach is combined with the descriptive method, which is more common for a qualitative approach to research. This is particularly evident in the area of interpretation of statistical indicators.

THE AIM, TASKS AND RESEARCH HYPOTHESIS

The aim of this research is to identify the opinions of participants on their professional development in elementary schools, and to corre-

late these opinions with the level of principal training in the field of management in education.

The task of this research is to determine how different levels of experience and principals' training in management in education influence the opinions of school employees on their own development and the development of their colleagues.

Accordingly, the hypothesis is: 'There is a difference in the opinions on the need for professional development of teachers and principals in relation to the level of principals' training in the field of management in education.'

SAMPLE, METHOD AND LIMITATIONS OF THE RESEARCH

It was necessary to determine the 'model which will guarantee, based on the positions of the questioned sample, the existence of the same views and opinions' of all teachers, managers and elementary school advisors, 'as the basic set or populations' (Mužić 1979, 534).

The sample of respondents in this survey is dedicated (purposeful sample), because the schools and teachers in which the reform, – including a shift from an eight-year curriculum to a nine-year one –, is in progress, are included in the survey. Professional training of principals and teachers from these schools is inevitable. The sample consisted of respondents from among the teachers, principals, and advisors from educational institutes which are in charge of their schools. Group A is composed from 6 schools with 71 teachers and principals that attended organized training in management in education, while group B is composed from 7 schools with 76 teachers and principals that have not attended organized training in management in education. Thus, it was a sample from which one was expected to 'learn the most' and collect the most useful information (Sharan 1998, 61).

This research used the questionnaire that Mužić identifies with the 'simultaneous action and the written data collection from large numbers of people (respondents) about something they know, feel or think.' Bearing in mind that it is non-functional and very expensive to have the answers from all basic sets (all teachers, elementary school principles and advisors from pedagogical institutes), it was decided to carry out the survey in order to get the answers from the selected sample, as a subset of the basic group 'in order to determine the distribution of behaviors, opinions and attitudes of the basic group' (Ristić 2006, 350).

The sample in the survey was selected on purpose and as such

does not provide for generalization. That was not the intention of the researcher, because the territories in Bosnia and Herzegovina are treated with different intensity, both in introduction and acceptance of reforms, as well as in professional development and strengthening of school management teams and teachers.

INSTRUMENT OF MEASUREMENT

The survey was conducted by using questionnaires with the same or customized questions for all three target groups. As a basis for the construction of research instruments, systems of questionnaires have been used called 'Black Eye' (www.ric.si). These questionnaires are used to measure the quality of schools in the Republic of Slovenia, within the standards of 'PRSP' (Recognition of the Republic of Slovenia for business excellence), which are compliant with European standards of quality in education (EFQM – European Foundation for Quality Management).

In creating the survey sheet it was taken into account that completing the survey should not require a great effort for the respondents. Therefore, questions were taken from Likert´s descriptive scale judgement with 3–4 levels of satisfaction (e. g. very important, important, average important and unimportant) in combination with the checklist (Mužić 1979, 313–320). Short, simple and unambiguous closed-type questions (dichotomous or multiple choice) were selected, which participants answered by marking a small x in the box next to one of the two, three, or four answers offered (Bakovljev 1997, 73–76).

Two different types of questions were used in creating the research instrument (questionnaire), namely:

- Dichotomous questions (structured), which respondents answer with yes, no, or do not know.
- Questions with multiple choices (structured). In the offered questions, respondents could choose only one of the answers.
- (Open (unstructured) questions were not used in this study because their treatment requires more time.)

The questionnaire included questions about teaching observation. This is one of the very important activities of principals. Even more important is the information gained in that process. Questionnaires also contained questions about the possibility to access the professional development seminars for teachers, questions about who influences the development of teachers, and questions about the level of education of principals.

Data Processing

It was planned that data processing would be conducted by using an *F*-test and *t*-test. The idea was that by using an *F*-test, it should be established whether the attitudes of samples that will be compared have equal variances. Depending on results gained in such a way, the *t*-test would be used to determine in which case there were significant differences in opinion of the observed populations. However, this method would be applicable only for samples larger than 30 subjects (Mužić 1999, 129). Therefore, this method would not give good results because the size of the sample, except in the case of teachers, is no more than 30 ($n \geq 30$). So it seemed appropriate to use the AVM (Average Value Method Testing – arithmetic mean) (Walker 2006). It was possible to apply this method because the 'four degree' Likert scale of attitude assessment is functionally connected between the numerical value from 2 to 5. Grade 2 indicates the lowest and 5 the highest level of satisfaction. After obtaining the structure of responses from 2 to 5, it was possible to calculate the arithmetic mean value of satisfaction of the response to every question or subquestion for all three populations from both groups. The obtained average values have been effectively used to record the difference in the levels of the respondents' expressed satisfaction with the same issues. Finally, the analysis of the responses was compared to those of the corresponding focus group on the matter. These results are presented in tables. So, it was shown that the use of the method of mean values was more effective in recording the differences in the attitudes of the population studied. These differences are, as it will be seen, sometimes very small, but they are still differences.

STATISTICAL INDICATORS

The following tables present data obtained by measurement, using AVM which will be the basis for the interpretation, after statistical processing.

The resulting data significantly reduce the subjectivity of researchers, although Mužić (1999) considers that the appearance of 'subjectivity does not mean arbitrariness' (Mužić 1999, 138).

Observed data in tables show the attitudes of the observed population. The basic principle used in the context of interpretation of data is to compare the obtained results with the same instrument in two different populations. Thus, conditions for legal deduction are acquired, based on verifiable and correct results, not on the results

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TABLE 1 Professional development of teachers: teaching observation, feedback and seminars

Question	Teachers		Principles		Advisers	
	A	B	A	B	A	B
(1)	3,96	4,15	4,16	4,14	4,50	5,00
(2)	4,34	4,40	4,83	4,57	4,00	4,28
(3)	4,86	4,90	5,00	5,00	4,83	4,85

NOTES Questions: (1) Does the principal visit your classes? (2) How often do you get feedback from your principals? (3) Do you have the possibility to attend seminars for teachers?

that match some moment. This is crucial for Mužić (1999, 140) who says that we should avoid the 'conclusion based on something that is in itself false.'

PROFESSIONAL DEVELOPMENT OF EMPLOYEES

Table 1 shows grouped data obtained by statistical analysis of data dealing with the theme of professional development. Numbers in this table are average values of levels of satisfaction given by the respondents when answering the questions.

Teaching observation (Question 1: Does the principal visit your classes?[1]) is part of the principal's job. It is evident that the principals more often observe teaching by teachers in School B. Principals of School B, in the opinion of teachers, tend to be bossy and controlling, rather than encouraging the development and motivation of employees. Teachers in this group also felt that the most effective control is by the students. Principals' opinion of observation is in an almost balanced position in both groups of schools. Advisors in group A believe that principals are more engaged in schools A (teachers: −0.19, principals: +0.02, advisors: +0.50).

When it comes to giving feedback (Question 2: How often do you get feedback from your principals?), teachers and school advisors of B schools are more satisfied. School A principals believe they provide better feedback (teachers: −0.43, Principals: +0.26, Advisers: −0.28). The fact that feedback is provided means nothing if the quality of the information and the way in which it is given are unknown. It is especially important to know whether it has implications in practice, after observations. Or it may mean that principals at schools B more often 'patronize' more often their associates, because they have already acquired competence, by which they effectively show their positional power.

The teachers of both groups highly valued opportunities to attend

TABLE 2 Professional development of teachers

	Teachers		Principals		Advisers	
Group	A	B	A	B	A	B
(4a)	4,57	4,38	5,00	4,71	4,66	5,00
(4b)	4,61	4,23			4,66	4,85
(4c)	4,71	4,30			4,33	4,71
(4d)	4,60	4,30			4,16	4,71
(4e)	4,69	4,39			5,00	4,71

NOTES Question 4: How much is your self-development influenced? Groups: (4a) school management, (4b) other teachers, (4c) students, (4d) parents, (4e) only on your own initiative.

various seminars (Question 3: Do you have the possibility to attend seminars for teachers?). In the opinion of teachers and advisers, the opportunity to attend seminar is higher, although insignificantly in schools B (teachers: −0.04, principals: 0.00; Advisers: −0.02). This may explain the general attitude towards the need for seminars and opportunities that are available to schools.

If you ignore the financial abilities of schools for organizing seminars, it is interesting to get information about, who influences – and to what extent – the education of teachers (Question 4: How much is your self-development influenced?). The data on this issue were obtained by the 4th group of questions, which are summarized for all three populations of respondents in table 2.

Almost all the possibilities of influence on teachers are taken, starting from management, colleagues, and parents of students to the existence of strong own initiatives to self-development and strengthening. It is evident that the self-education of teachers is strongly influenced by the principals of School A (4a). The attitude toward the need for self-education is evident from school principals in group A. Advisers think a little differently. They believe that school principals in group B have more influence on their colleagues to self-educate (teachers: +0.19, principals: +0.29, advisers: −0.34), which was a logical consequence of the general situation in schools B according to advisers.

It was concluded that the exchange of information is more prominent in schools in group A. This indicated that other teachers (4b) in schools in group A have more influence on the development of colleagues than they do in schools in group B. Advisers in both groups have a uniform opinion (teachers: +0.38, Advisers: −0.19[2]). It is shown that teachers in Group A schools are more intensive in school communication than those from schools in group B.

When it comes to the influence of students (4c) on teacher education, it is more intense with school teachers in group A. Advisers think differently. They believe that students in B Schools have more influence on their teachers (teachers: +0.41, advisers: −0.38), which can be a consequence of ignorance of the situation in their schools. This could also imply the expressed desire of the adviser with respect to the needs that are placed before them during the introduction of changes (such as the shift to a nine-year curriculum). The results are similar when it comes to the influence of parents (4d) on self-education of teachers, which showed a higher degree of satisfaction with school teachers in group A. Advisers again do not have the same opinion, which may be accounted for by ignorance of the situation in 'their' schools (teachers: +0.30, Advisers: +0.55), or what can be interpreted to be in school B. Advisers think that teachers from schools in group B should cooperate more with parents. Teachers and advisers from schools in group A agree that the teachers' self-education is performed largely on their own initiative (4e) (teachers: +0.30, advisers: +0.29). Reviewing the results related to questions about professional development of teachers, a conclusion can be made that the schools in group A show a stronger level of investment in professional development. It can also be concluded that the degree of exchange of professional experiences, as the best aspect of professional development, has the more fertile ground in schools from Group A.

EDUCATION OF PRINCIPALS

Respondents in this survey were asked about what area principals should be constantly trained in (Question 5: Do you think that your principal needs permanent professional development in the following areas?). Table 3 summarizes the statistical analysis of data collected from the processing of questionnaires for all three populations of respondents.

Respondents were offered a framework of curriculum contents intended to train principals in management in education. This framework included topics such as working with people and managing human resources (teachers, parents, and local community), handling law enforcement and legislation, supervising and motivating people, and planning and introducing changes in schools.

Respondents from Group A are more aware that they need training in the field of human resource management (5a). Principals of schools from Group A, while more trained in management in education, are aware of the need for additional training in working

TABLE 3   Professional development: Education of principals

Area	Teachers		Principals		Advisers	
	A	B	A	B	A	B
(5a)	4,00	3,86	5,00	4,42	4,83	3,71
(5b)	3,96	3,72	5,00	4,71	4,66	4,57
(5c)	4,02	3,81	5,00	4,85	4,50	3,71
(5d)	3,98	3,78	5,00	4,71	4,66	3,71
(5e)	3,98	3,67	5,00	4,71	4,66	3,85

NOTES   Question 5: Do you think that your principal needs permanent professional development in the following areas? Areas: (5a) human resource management, (5b) implementation of laws and bylaws, (5c) people leadership and motivation, (5d) planning and introduction of change in teaching, (5e) mobilization of resources (teachers, parents and local community).

with people. There is little difference in the degree of satisfaction of teachers and school advisers, so it can be said that the teachers from both samples agree about the need for education of their principals (teachers: +0.14, principals: +0.58, advisers: +0.12) in the area of human resource management.

When it comes to the education of principals in the legislative filed (5b), there is a greater degree of agreement among all respondents in the schools in group A about the need for training, which shows that one training demands another training. Continuous improvement gives wider views and it never ends (teachers: +0.24, principals: +0.29, advisers: +0.09). Training in the understanding and interpretation of legislation is very important for executives during the transition phase of the educational system.

The changes that are implemented in schools follow the constant changes and amendments to the law, and there is no need to explain financial transactions, because it is rather obvious how bad the financial situation is within the school system. The need for this education does not have the same intensity in all environments. The general attitude of principals in the schools surveyed is that it is very difficult to carry out their obligations under the annual work program.

Very little money is set aside to support teaching, and even less is reserved for extracurricular activities, competitions, festivals, etc. Provisions for better material conditions for schools are very problematic.

Therefore, the principals of these schools must often be 'workers of miracles' to provide the necessary means for achieving the objectives of the annual work program of schools.

This problem is greater when we consider that schools operate in the manner of treasury operations budget users, but under the guidance of principals who are not properly trained in this area. A solid educational reform and spending plan is destined to fail if the principals responsible for executing it have not been well-educated in the subject. It is even more difficult for these principals to ensure the timely but legal expenditure of funds, due to the extensive, unnecessary, and very complicated procedures they must follow. Therefore, the need for training in the application of laws and bylaws is very necessary, as noted even by participants.

The result is similar regarding the need for principal training in the area of leadership and motivation of people (5c). All respondents in group A schools have a higher degree of consensus about the training needs of principals in the area of managing and motivating people, (teachers: +0.21, principals: +0.15, advisers: +0.79). It is obvious that respondents from A schools have a higher degree of agreement when it comes to education principals on managing and motivating people. This can be interpreted by assuming that the principals of the B schools (which are also 'old' principals with a few mandates) are more successful in the cosmetic presentation of the situation in their school. They, from their own experience, know that it is essential what the ministry thought about their work, rather than other participants. These changes are decorative, and their schools can be subsumed under the term 'school – the Christmas tree,' which is discussed by Fullan (2001a).

Advisers believe that the principals of B schools must devote more attention to management and motivation of people, which is acceptable, considering that it is those managers who had not been given organized managerial training.

Also, when it comes to the training needs of principals in the field of planning and implementation of changes (5d), a higher degree of consensus was expressed by the respondents from School A than those in School B (teachers: +0.20, principals: +0.29, advisers: +0.95). Almost the same was found in the case of the need for training in the use of segments of human resources both within and from outside the school. Respondents from School A also have a greater degree of consensus on the need for training in the use of human resources (5e) (teachers: +0.31, principals: +0.29, advisers: +0.81).

So in the matter of the professional development of people in schools, we can draw conclusions that the climate and culture of schools in Group A is at the higher level of awareness of need for continuous professional development, which is one of the main de-

terminants of successful leadership of people and organizations. It is a little strange, but also expected, that in schools with higher levels of principals' training, a higher degree of consensus on the needs of education in educational management is reported.

Conclusions

The study showed a high degree of agreement from the principals of both groups of schools regarding the continuing professional development of the principal. All principals of schools from Group A (principals with organized training in management in education) responded to all the questions (5a–5e) with the highest mark (average: 5.00) which in qualitative terms means that they agree that continuous professional training is essential for their work in school. School principals from Group B (principals without organized training in management in education) have also responded to questions with a very high average, which ranged from 4.42 to 4.85. This means that for them, too, continuing professional education is very important. Teachers and advisors gave their opinions on the development of principals. The Method of mean values showed no significant difference in opinion about the need for professional development of principals for the benefit of teachers from school group A. The average rating of responses to offered options from question 5 for teachers of A schools ranged from 3.96 to 4.02, and for the group of teachers from B schools from 3.67 to 3.86, which, generally, means that for both groups of teachers continuous professional development of principals is essential, but still with a slight advantage in the attitude that concerns the need for principals' improvement, with teachers of school Group A. We are informed about this slight advantage, – but still an advantage –, by the difference in average rating of Schools A and Schools B, which range from 0.14 to 0.31 in favor of values of teachers' attitudes in school group A. There is a particularly close level of agreement between both groups of schools concerning the professional training of principals in the areas of human resources management and planning and introducing changes. So we can say that teachers from both samples agree about the need to educate their principals. This is in accordance with the opinion of the authors Everard, Morris and Wilson (2004), that principals of educational institutions are expected to 'maintain and continually develop their resources' (Everard, Morris, and Wilson 2004, 4). The results obtained from the study are in agreement with the statement of the authors Stoll and Fink (2000), who claim that 'principals must learn if they want teachers to learn' (Stoll and Fink 2000, 15). They only

occasionally have the opportunity to attend still rare and uncertified training sessions in the field of management in education. They are more oriented towards their own self-development, which Alibabić (2003) says is the 'kind of education that is deliberately and independently organized by the person who teaches, with or without instructional help. It occurs as a function of additional school learning, and beyond that, it is conducted by the young as well as by adults.'

In that sense, the position of principals on professional development of teachers is very important, because providing teachers with constant training to obtain competency means effectively leading during changes. Another opinion on the matter is offered by Day (1999), who states that "teachers should not be the subject of development, but they must develop,' because 'the success of the school is dependent on the successful development of teacher.' Principals, as pedagogical leaders and managers should be aware of the essential need for the professional development of teachers, especially in times of change, where further strengthening of teachers is necessary for the challenges that come with change. (Bush and Bell 2002).

Regarding the development of teachers in the research conducted, principals of both groups of schools list teacher education as their top priority. However, the principals of schools in group A have a slightly higher level of awareness (5.00) than the principals of schools in group B (4.71). The principals from schools in group B have devoted more energy to visiting their teachers' classes than have their colleagues from the schools in group A. This appears to show a wish of principals of schools in group B to control and direct their teachers to properly conduct pedagogical and educational work. We believe that the principals of A schools have relied more on the self-development of their teachers, as seen from the data concerning that matter, and that according to teachers in school A their principals influence their self-education more (+0.20 in favor at A school). This is similar to the greater impact of students (+0.41), parents (s +0.30) and fellow teachers (+0.38), each of which displayed more intense influence in A schools. This kind of intensive participation between all participants (teacher, parents, students) is common for successful and efficient implementation of educational change such as the implementation of the curriculum of 9th grade primary school. Teachers of schools in group A have shown more positive attitudes regarding initiatives for their own self-development. In A schools the intensity of attitudes among teachers on this issue is up to 0.30 higher than it is among the teachers in B schools.

Research has shown a mild increase of interest from teachers in

schools in group A, when it comes to the possibility of participating in seminars. It can be concluded that it is customary to visit the seminars for teachers, but that the effects of these seminars are weaker because there is no transferring of knowledge to colleagues who did not participate in them. When it comes to opinions of advisors on the training of teachers, those from B schools show a slightly more favorable attitude, which is probably because advisors either desire such an outcome, consider it normal or simply because they are too busy with their own work and on this issue they do not have a completely clear position. As for the need for continuing education, Fullan (2001a) concludes that, for the introduction of changes, it is important 'to develop specific purpose, activities, opinions and feelings and concern for continuous improvement and professional enrichment. There is no shorter path' (Fullan 2001a, 34). Constant concern for professional education of principals and teachers has its foundation in the deliberations of Ender and Strittmatter (2001), who speak about the role of leadership towards students and parents, and especially toward the teaching staff, whose quality, in the opinion of the authors, makes 90% of the quality of a school. All this indicates that the statement 'there is a difference in views on the need for professional development of teachers and principals, in relation to the level of training principals in management in education' *is confirmed, thus confirming the hypothesis of the research*.

Hence the study shows that the attitude towards self-development of all, including the principal, is much more positive in schools in group A and all that are questioned. We should pay attention to the results that follow from the responses to the five questions that are intended for teachers, which are, in reference to the same question which was asked of principals, richer for the option 'principal acts as if he knows it all.' The structure of the answer to the question of the need for professional training of principals is shown in table 4.

Table 4 shows that teachers of the A schools are more aware of the need for professional development of principals. 78% of them believe that the training for the principal is necessary or very necessary, while the same attitude represents 66% of teachers from B schools. Thus, teachers from schools in group A were 12% more aware of the need for professional training of principals. It is interesting to note that almost the same percentage of teachers in both groups of schools (A – 56%, B – 55%) believes that this development is required. Even more interesting is the information obtained from teachers in the descriptive answer option 'principal acts as if he knows it all,' which indicates that teachers from B schools have shown a higher

TABLE 4 The structure of responses to the 5th question of the questionnaire for teachers

Schools A			Schools B		
(1)	(2)	(3)	(1)	(2)	(3)
(a) Education on human resource management					
17	42	17	10	40	21
(b) Education on the implementation of laws and bylaws					
15	43	18	6	38	25
(c) Education on the leadership of people and their motivation					
17	43	15	9	40	22
(d) Education on planning and implementation of changes in teaching					
16	43	17	10	36	25
(e) The use of human resources (teachers, parents, local communities)					
17	41	18	3	41	26
The percentage of average response					
22%	56%	22%	11%	55%	34%

NOTES Column headings are as follows: (1) very necessary, (2) necessary, (3) principal acts as if he knows it all.

degree of agreement (12%) about allegations that principals behave as though they know everything or that what they do not know they do not need to learn because they have better things to do. This result was confirmed by the principals. In fact, all principals in A schools are of the opinion that their further training in all areas offered is much needed (though they are already trained), while their colleagues from B schools have a slightly lower degree of agreement about the need for their own continuing education. It is, however, important to conclude that the vast majority of teachers and principals believe that the training of principals in these areas is needed.

Advisers also have similar opinions, and they place the subject of legal issues, such as implementation of laws and by-laws, at the top of the list of priorities in principal training. This is not surprising, considering that current advisers base their 'advice' on the control and monitoring of work in accordance with the laws.

For teachers, those from schools in group A list the areas of leading and motivating people and managing human resources as the top priorities in the education of principals, respectively. Conversely, teachers from B schools believe that it is essential that their principals acquire more skills in managing human resources, and after that, skills in leading and motivating people. The issue of the impact of training principals on the success of introducing change may be superfluous, but the findings from contacts with school principals,

after organized development, indicate that the principals who finish organized education in management in education have broader views on education.

Principals with training in education management have a different attitude toward change, which may not be imposed 'top down' (Kotter 1996), but rather the opposite way, beginning with their own schools. They are encouraged to change within a school with a high level of participation from all parties in all aspects of education, from strategic planning, to decision-making, to creating a curriculum and identifying 'the need to institutionalize change' (Fullan 2001b, 46). In fact, trained principals know what Bitel (1997) advises: 'To get the job done, you have to act with people and motivate them by taking them for what they are, not what you think they should be' (Bitel 1997, 102). At the same time, it is clear to these principals that 'teachers and principals practically learn from each other during the process of teaching' (Fullan 2001b, 80) and that is why their attitude towards the strengthening of their associates is intense.

In this survey, respondents indicated that it takes constant professional training of school principals according to the following priorities: leadership and people management and motivation, planning and implementation of change, implementation of laws and bylaws, and finally, the use of human resources (teachers, parents, local communities).

Similar results were obtained by Erčulj (2001) in research among Slovenian principals and teachers and who were asked what knowledge and skills they believed, after completion of the School for principals, assisted in the work at school. They responded that a principal's most important areas of knowledge were law, visiting schools and classes, planning (short and long-term), running meetings, and working with people (climate, professional development of employees) (Erčulj 2001, 87–96).

This study showed that principals, after training, are 'differently working with people – take them more into consideration, for example in planning and decision making, they devote more attention to motivation [. . .] are better organized, know how to prioritize, know the action plan' (Erčulj 2001, 87–96).

Therefore, training principals in management in education, if anything, at least provides a better opportunity for everyone at the school to successfully introduce changes, because the process of implementing change is approached by a well-trained principal. This type of principal undertakes changes in the school with clearer goals and strategies to achieve them, an ability to use resources rationally,

the skills to encourage participation from all participants in educa-
tion, and the training necessary to monitor the implementation of
changes. These are the foundations for the successful introduction
and mastery of changes.

Finally, we can say that research shows that the professional de-
velopment of principals certainly has a positive effect on the learn-
ing culture and attitude towards the professional (self) development
of all employees at the school. Therefore, for planners and orga-
nizers of professional development, the results of this study may
be an incentive to devote due attention to the problem of profes-
sional training for educators. Training of teachers and principals, as
proved in this study, is an investment worth investing in, because the
students will feel the effect, students who are the future bearers of
social development.

Notes

1. Questions 1–5 are customized for the other two groups of respon-
   dents (e. g. principals and advisers).
2. –0.19 Difference in this case is interpreted as a small difference,
   while in the case (issue 13) a difference of 0.02 is interpreted as
   negligible, but on the basis of it the conclusion is reached.

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A Research of Critical Factors in the Cloud Service Approach

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The purpose of this study is to find out how to manage knowhow in an old company with a new service. There are many different matters of concern when launching a new service on the market. That is why the aim of this study was to give priority to areas in managing the knowhow and thus support the management to aim in the right direction from the very beginning. This can also work as a competitive advantage for the new service. The point of view has been gained from management students who are experienced in business life. The group members had a realistic basis from their experiences to compare the existing systems to this new one. The chosen view can also help an existing company to see its own functions and processes in a new way, which tends to become difficult after years of operation. This leads to another positive aspect – improvement and developing. The study is based on the Critical Factor Index method which had here a different function than it usually does. Basically all the other results given by the Critical Factor Index are based on a questionnaire inside the companies. In this case, the study was carried out by using external experts. The aim of the study was also to find out the differences pointed out between different answering groups: managers, sales personnel and experts.

Key words: decision making, operations strategy, resource allocation, critical factor index (CFI), service developing, cloud service, rental software

Introduction

The research group was interested in testing what results the Critical Factor Index (CFI) method would give in management of new and advanced service. Cloud service is an innovative project which started in March 2009. The purpose is to create a guaranteed connection of one hundred megabits for every home and desk in Finland. The project aims to offer a virtual desk of high quality when using the TV-channels, games, video negotiation and other applications. About 150 experts from nearly a hundred companies are taking part in creating new services and applications for cloud service.

Cloud service brings a very fast connection of data transmission at home usage. This makes it possible to order a computer, software and tv-channels from a cloud service supplier. The customer needs only a keyboard, mouse and screen which will be connected to the adapter of broadband line. The service can be ordered from a local operator and will be built and installed by professionals who also will take care of the virus protection software and installations of updates for the operating system, regular back-up copying, saving files and many other things. The target of the service is to offer an easy, fast, confident and carefree way to use the computer and its applications. The existing companies in this case are current operators, software and applications.

The study was made to find answers to questions: what kind of results does the Critical Factor Index (cfi) method give when using an outside expert group and what are the main points to focus on in managing cloud service? By the results of the cfi method, the aim was to find the challenges in managing knowhow and launching.

The study has been done by using the cfi (Critical Factor Index) method, which has been used in other cases before. The idea of applying cfi came while studying an article 'Developing Resource Allocations in New Product Development by Critical Factor Index' written by Elina Latva-Rasku and Josu Takala.

First the cfi method was studied to define and calculate cfis fitted for the chosen case. The case in this study was cloud service. When the cfis are found out, conclusions are made about which things with the cloud service concept needs to have more management actions than the others. The aim is to find out the most challenging factors when company management to gives priority the resources connected to cloud service functions (to give the company management information to help the managers to gives priority to their resources at the most alarming spots).

Methods and Examples of the Results

To find the critical factors for the cloud service concept, a study was made by utilizing the cfi method developed by Rautiainen and Takala (2003) and Ranta and Takala (2007). The basic idea of cfi is to compare expectations and experiences and is applied in this study for research of cloud service and other technologies. The cfi method assumes the user to define attributes, which are connected to chosen main themes in the product or service in focus.

The cfi method focuses also on analyzing ideas about what kind of future or development the company is expected to have for dif-

1. *Gap index = |(average of experience – average of expectation)/10 – 1|*

   Average of experience = 8.75
   Average of expectation = 9.45
   Direction of development: worse (*w*) = 34%, same (*s*) = 43%, better (*b*) = 23%

2. *Direction of development index = |(b – w)/100|*

3. *Importance index = (average of expectation)/100*

4. *Critical factor index* (CFI) = *((st. dev. of expectation) × (st. dev. of*
   experience))/((importance index) × (gap index) × (direction of development index))

FIGURE 1   CFI calculation formulas (Latva-Rasku and Takala 2008)

ferent attributes: worse, same or better than the situation at the mo-
ment. Typically named in the questionnaire is the time period of con-
cern. The examined time period in this study was five years. The CFI
method has been used as shown in Latva-Rasku and Takala (2008).
The formulas are shown in figure 1. CFI calculation formulas (Latva-
Rasku and Takala 2008).

    The material is based on a questionnaire, which was carried out
among the company managers, sales managers and experts. The
questionnaire consisted of 22 different attributes in 3 different
groups. Three groups were identified to find out the value of cus-
tomers for the cloud services. On that basis the target groups were
named. The groups were 1 Customers, 2 Products and 3 Resources
and Technologies.

    After having named the groups in interest for the cloud service
evaluation, there were found out different attributes among these
three groups. The attributes characterize more precisely the de-
sired issues inside a group as well as the identified facts managed.
Those issues are already managed or are desired to be managed, but
their importance is found out by using them as attributes in the CFI
method. After holding attributes evaluation sessions, the ones seen
to be relevant for the service supplier were pointed out as attributes.
To be able to handle properly the attributes, an amount of 5 to 10
per group can be recommended, although there are no limitations
for the attribute amount.

    In this study the first group 'Customers' had 5 attributes, the sec-
ond group 'Products' 8 attributes, and the third group 'Resources
and Technologies' 9 attributes. In the group 'Customers' the question
asked was how important (scale 1–5) the company should consider
the following factors regarding customers: wide range of customers,
turnover of client, location of customers, customer needs and their
understanding and finally, how important it is for the company that

FIGURE 2 Distribution of questions for CFI questionnaire of cloud service concept

it will be identified on the market. When finding out the critical factors in the group 'Products,' the questions were asked about branding, pricing, delivery, introduction, subcontractors, distribution, supplementary service and amount of new products. In the group 'Resources and technologies' the questions were about knowledge on telecommunications, IT, software, information security, production and invoicing system, logistics, finance, process and meaning of supplementary service and technology partners. All the groups and attributes are given in table 1 and the distribution of questions is shown in figure 2. The questionnaire was weighted on 'Products and Resources' by having slightly more questions on these two groups.

Three calculation rounds were made because of irrelevant CFI values. The first values were too big in scale; the second ones had negative CFI values mixed with the correct ones. The last calculation round produced the correct CFI values in correct scales. Irrelevancies in calculation were found to appear due to inaccuracies of the formulas in the reference material.

The aim of this study was also to find out the differences pointed out between different answering groups: managers, sales personnel and experts. The questionnaire failed to produce this information, because of the large amount of uncompleted answer sheets. Irrelevant material in this sense made the researchers' group decide to drop this comparison.

Results

The questionnaire was sent to 32 persons who were chosen carefully due to their background and knowledge. The responses were received from 22 persons. The response rate amounted to 69%, which can be considered to be fairly high. In table 1 there are given all the attributes, gap indexes, directions of development indexes, importance indexes and CFIS. These results are explained later.

The importance index varied between 0.57 and 0.95. The study was focused on the highest one-third of the indexes and it gave the weight point of 0.90. It resulted in one important attribute in group 1, one important attribute in group 2 and four important attributes in group 3. Totally the questionnaire analysis ended in six important at-

TABLE 1   Critical factor index questionnaire preliminary analysis

Questions	(1)	(2)	(3)	(4)
Customers				
1 Large quantity of customership	−1.12	−0.996	0.86	1.63
2 Turnover of individual customer	−1.02	−0.994	0.69	4.35
3 National or local customership	−0.96	−0.997	0.57	6.84
4 Understanding of customers' needs	−1.15	−0.992	0.95	0.54
5 Identifying of service provider at market	−1.08	−0.992	0.86	1.76
Products				
6 Level of productization	−1.12	−0.993	0.88	2.07
7 Pricing constructions and models	−1.10	−0.997	0.80	1.86
8 Delivery of total service(equipment and software)	−1.13	−0.995	0.88	1.73
9 Easiness of introduction	−1.11	−0.994	0.92	0.90
10 Subcontracting's large proportion of operation	−0.96	−0.997	0.61	6.37
11 Distribution of services locally	−1.04	−1.000	0.71	3.89
12 Supplementary service (installation and support service) of turnover	−1.07	−0.993	0.69	5.02
13 Large quantity of new products (e. g. Leasing of software)	−1.12	−0.993	0.71	5.56
Resources and Technologies				
14 Knowhow of telecommunication	−1.09	−0.994	0.92	1.11
15 Knowhow of IT	−1.10	−0.994	0.93	1.01
16 Knowhow of software	−1.11	−0.996	0.90	2.10
17 Knowhow of information security	−1.13	−0.993	0.94	1.01
18 Knowhow of production and invoicing system	−1.06	−0.999	0.73	2.76
19 Knowhow of logistics	−1.05	−0.996	0.76	291
20 Knowhow of finance	−1.06	−0.997	0.73	3.32
21 Knowhow of process	−1.06	−0.996	0.80	3.00
22 Meaning of supplementary service and technology partners	−1.08	−0.994	0.83	1.71

NOTES   Column headings are as follows: (1) Gap Index, (2) Direction of Development Index, (3) Importance Index, (4) Critical Factor Index.

tributes, which were mainly connected with group 3 and knowledge connected with IT (software, information security etc.). Regarded as important attributes were the following:

- in group 1: attribute 5 'Identifying of service provider at market,'
- in group 2: attribute 10 'Subcontractor's large proportion of operation,'
- in group 3: attributes 15 'Knowhow of IT,' 16 'Knowhow of soft-

ware,' 17 'Knowhow of information security' and 18 'Knowhow of production and invoicing system.'

The four smallest Critical Factor Indexes can be found in three different groups, while the three biggest ones were concentrated in only two groups as seen in table 1 (column 4). There were four small CFIS instead of three because of the equal numerical value, which was 1.01 for two different attributes.

The smallest CFIS fell among four different attributes:

- in group 1: attribute 4 'Understanding of customers' needs,'
- in group 2: attribute 9 'Easiness of introduction,'
- in group 3: attributes 15 'Knowhow of IT and 17 Knowhow of information security.'

The above attributes should be taken into consideration and are most critical in management.

The biggest CFIS fell into three different attributes:

- in group 1: attribute 3 'National or local customership,'
- in group 2: attributes 10 'Subcontracting's large proportion of operation,' and 13 'Large quantity of new products.'

The attributes do not significantly affect managerial choices.

The future development analysis of this study's attributes is based on table 2. The future of the cloud service studied is evaluated as Worse if the defined attribute is expected to develop worse than it is at the moment. Likewise the category Same indicates the future to be the same as at the moment of the questionnaire, and Better indicates the future to be better. The time period was expected to be five years.

Most of the answers fell into the category Better, which had 247 remarks to be shared between the 22 attributes. The category Same got 190 remarks, and only 20 remarks were given to the category Worse. The top three in different categories were:

1. Better:
   - attribute 4 'Understanding of customers' needs,'
   - attribute 5 'Identifying of service provider at market,'
   - attribute 12 'Supplementary service.'
2. Same:
   - attribute 7 'Pricing constructions and models,'
   - attribute 18 'Knowhow of production and invoicing system,'
   - attribute 20 'Knowhow of finance.'
3. Worse:

TABLE 2   Development of the future of the cloud service concept, deviation on categories Worse, Same and Better

Questions	Worse		Same		Better	
Customers						
1 Large quantity of customership	3	14,29%	6	28,57%	12	57,14%
2 Turnover of individual customer	2	10,00%	4	20,00%	14	70,00%
3 National or local customership	1	5,56%	10	55,56%	7	38,89%
4 Understanding of customers needs	0	0,00%	5	22,73%	17	77,27%
5 Identifying of service provider at market	0	0,00%	4	18,18%	18	81,82%
Products						
6 Level of productization	0	0,00%	6	30,00%	14	70,00%
7 Pricing constructions and models	0	0,00%	15	71,43%	6	28,57%
8 Delivery of total service (equipment and software)	0	0,00%	10	47,62%	11	52,38%
9 Easiness of introduction	1	5,00%	6	30,00%	13	65,00%
10 Subcontracting's large proportion of operation	3	14,29%	9	42,86%	9	42,86%
11 Distribution of services locally	5	25,00%	10	50,00%	5	25,00%
12 Supplementary service (installation and support service) of turnover	2	9,52%	2	9,52%	17	80,95%
13 Large quantity of new products (e.g. leasing of software)	2	9,52%	3	14,29%	16	76,19%
Resources and Technologies						
14 Know how of telecommunication	1	4,76%	6	28,57%	14	66,67%
15 Know how of IT	0	0,00%	9	40,91%	13	59,09%
16 Know how of software	0	0,00%	13	61,90%	8	38,10%
17 Know how of information security	0	0,00%	7	33,33%	14	66,67%
18 Know how of production and invoicing system	0	0,00%	17	85,00%	3	15,00%
19 Know how of logistics	0	0,00%	14	63,64%	8	36,36%
20 Know how of finance	0	0,00%	14	70,00%	6	30,00%
21 Know how of process	0	0,00%	11	55,00%	9	45,00%
22 Meaning of supplementary service and technology partners	0	0,00%	9	40,91%	13	59,09%

- attribute 1 'Large quantity of customership,'
- attribute 10 'Subcontracting's large proportion of operation,'
- attribute 11 'Distribution of services locally.'

The comparison of averages given in the questionnaire is shown in figure 3. The averages are calculated for every 22 attributes separately and for three different views: expectations, experiences and competitors. The patterns of the average curves were nearly the
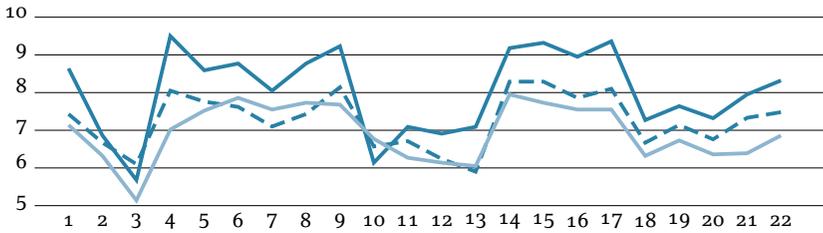
FIGURE 3   Comparison of the averages given in the questionnaire (from top to bottom: expectations, experiences, competitors)

same, when having a look at expectations, experiences and competitors. The highest expectation was placed on attribute 4 'Understanding of customers' needs,' which was fulfilled better by experiences from cloud service than by ones from competitors. The lowest expectations were placed on attribute 3 'National or local customership', and the answers of the experience from both cloud service and its competitors were analogous. As groups, the highest expectations are on products, resources and technologies. Both the experiences of cloud service and competitors did not achieve the level of expectations, where those expectations are the highest ones. The gap is quite big and these points are taken into the list of improvements. Cloud service is seen to be roughly on the same level as its competitors on the average curve of attributes.

Review of cfi in Different Groups

'Resources and technologies' get a lower critical factor index than the two other groups; 'Products' and 'Customers.'

The most critical factor in the group 'Resources and technologies' was on attributes Knowhow of it and Knowhow of information security. Both attributes were experienced as being important today and were expected to be more important in the future. No one expected the importance of these two attributes to decrease.

Knowhow of it is increasing continually and people do not hang on to development. That is why it is felt as being important even in the future and as a critical factor today. Know how of information security was also expected to be more important in the future. Lately there has been lot of discussion about security. People are very watchful and feel that security is never enough. It is important to note that the lowest attributes were in the group 'Customers;' understanding of customers' needs and in the group 'Products;' easiness of introduction. In the research, the cfi method raised these attributes to be paid attention in managerial actions.

How to Raise the Level of KnowHow of IT

To increase sufficient expertise, the staff of the company should be offered education in IT, although this requires resources. The costs of education will be paid back in successful processes. A companies can for example purchase completed study program depending on the needs. Company can also choose one or more persons on the staff to have a good knowledge of IT as their responsibility. Excellent education for selected persons is economical and more feasible than to educate everyone on the staff a little.

How to the Raise Level of KnowHow of Information Security

The information security can be improved, for example, by security directions. The communal governing and economic life are already following their own directions in information security. The directions separate the information security hazards into different ranges, according to seriousness and the probability of hazard.

How to Understand Customer Needs Better

It is important to understand customer needs, so that is easier to serve the customer. When the customer service personnel knows well the products and is self confident, then the customers feels faithful and has the right requirements to make the decision to purchase. It is very important for customer service personnel to understand the client's personality and to know how to ask the right questions. Every customer is unlike the other, and every customer should feel that the service is just for him or her.

Professional customer service personnel knowhow is to make conclusions rapidly based on customer needs. Listening to the customer is important and makes it possible to serve a client in an actual situation. It is unnecessary work to offer something that the customer does not want. This is also one of the grounds why the service can be felt not to be good.

It is important to understand why customers buy or use products. The customer has a job to do or problem to solve, and the product is the solution. It is easier to be successful when the company which is providing the service focuses on the situations where the customers use the product, not only directly on the customer. The service providing companies perceive the customer's needs by observing the customers and later asking them. Sometimes the target group could be found by the non-consumers.

How to Ease Introduction

It is most important to have good and clear instructions for use available. Instructions for new personnel should be clear. There should be enough time for them to familiarize themselves with the equipment and learn to understand how it works.

In a lot of cases the helpdesk can help the customer with problems which appear in the introduction. When thinking about the product development, the experiences from the helpdesk should be forwarded to developers. As a whole this requires usage of an information method inside the company.

Conclusions

This study shows that the most critical factors of the cloud service concept are 'Understanding of customers' needs.' 'Easiness of introduction,' 'Knowhow of IT,' and 'Knowhow of information security.' This result indicates that the developers of the cloud service concept have to focus on those four factors in management.

The study method worked quite well in this kind of survey. To receive better results, the introduction of the cloud service concept should have been written more precisely. This would have given more answers than are included on the questionnaire sheets to the survey. The questionnaire included a part called 'Competitors' and this was unclear from the answers too. The comparison with the competitors was dropped due to this failure in the questionnaire.

The management is advised to focus on four points in the company offering and launching the cloud service. Those points are the level of knowledge of IT, the level of knowledge of information security, the understanding of customer needs and how to ease introduction. For the attributes also the expectations were high and therefore should be emphasized in managing.

When planning the future management actions in this case, the researcher's group recommends focusing on discovered weak points by educating the personnel, making resources available to assure the easiness of the concept service, and following the information security directions. The management actions should be focused on technological knowledge and understanding customer needs. This can relate to the fact that consumers are often searching for easy ways to use and understand what they spend their money on. The management students' group saw that customers expect to be served, too.

The deepest differences in answers in the group 'Customers' and in the question of understanding the customer's needs may be based

on the large variety of the management students' backgrounds. Even if they work in companies with large amounts of customers, the variety in their experience influences their views and answers. Also, if the cloud service was not familiar to the respondents, it could cause a high gap too because they probably wanted to highlight that the service is difficult to understand, which can also cause a feeling that the service is difficult to use. The cloud service is a new innovation, and as usually with new innovations, it can be challenging to imagine something that does not yet exist.

There have been found two suggestions for advancing the analysis made here. As the first suggestion, it would be interesting to repeat this study after 2–3 months and find out if the results were same. The expectation would be that the repeated study gives different results. As the second suggestion, it would be interesting to make comparisons between the new concepts studied in this study and some other new concept using the same test group.

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Abstracts in Slovene

Empirična analiza vrednosti tržnih znamk in zvestobe znamki pri bančnih storitvah
Vikas Gautam in Mukund Kumar

Raziskava poskuša na podlagi ocene uporabnikov bančnih storitev določiti dejavnike, ki vplivajo na vrednost tržnih znamk teh storitev. Temelji na k uporabniku usmerjenem modelu vrednotenja tržnih znamk, ki ga je predlagal Keller (2001) in ga poimenoval model odmevnosti tržne znamke. Model temelji na šestih sestavinah vrednosti tržne znamke: odmevnosti tržne znamke, mnenjih o njej, čustvih, ki jih vzbuja, kakovosti, predstavah o tržni znamki in njeni poudarjenosti. Da bi zmanjšali število dejavnikov, smo opravili eksploratorno faktorsko analizo, katere rezultat so bile prav zgoraj navedene sestavine. Alfa koeficienti, ki jih je pokazal test zanesljivosti, so bili med 0,781 in 0,912 za vsako posamezno sestavino vrednosti tržnih znamk in 0,837 za celotno lestvico vrednosti. Povezave med različnimi sestavinami vrednosti tržnih znamk smo poiskali s korelacijsko analizo. Iz izsledkov večkratne regresijske analize izhaja, da je kakovost tržne znamke najpomembnejša sestavina njene odmevnosti; sledijo jim čustva, ki jih vzbuja, ter mnenja o tržni znamki.

Ključne besede: model odmevnosti tržne znamke, bančne storitve, odjemalec, korelacijska analiza
Management 7 (1): 3–16

Vrednotenje človeških virov v hotelih
George Aspridis in Dimitrios Kyriakou

Namen članka je predstaviti in analizirati sisteme ocenjevanja učinkovitosti človeških virov in njihovega razvoja v hotelih. Želeli smo strniti in posodobiti različne vidike ocenjevanja učinkovitosti; da bi dokazali vlogo ocenjevanja učinkovitosti osebja in poiskali ustrezne načine razvoja osebja, ki naj jih izberejo podjetja, se članek osredotoča na hotelske nastanitvene zmogljivosti. Analiza ocenjevanja človeških virov je predstavljena z ustrezno teoretično podlago ocenjevalne metode in s prikazom problemov v praksi, s čimer poskuša podati celotno sliko sistema ocenjevanja v grških hotelih.

Ključne besede: upravljanje s človeškimi viri, ocenjevanje učinkovitosti, hoteli, razvoj zaposlenih
Management 7 (1): 17–34

Primerjalna raziskava kognitivnih shem o HRM med gospodarsko krizo v dveh slovenskih panogah
Ana Arzenšek

V članku je predstavljena kvalitativna raziskava o kognitivnih shemah o HRM v obdobju aktualne gospodarske krize v Sloveniji. Kognitivne sheme vplivajo na percepcijo in na vedenje ter so pomemben okvir za osmišljanje poslovnih situacij. Opravljeni so bili poglobljeni intervjuji s 16 predstavniki vodstev podjetij, vodstev HRM oddelkov in s predstavniki delavcev iz proizvodnih in storitvenih podjetij. Istočasno smo opravili analize letnih poročil vključenih podjetij. Oba vira informacij sta bila temelj za ugotavljanje shem o HRM pri udeležencih. Opravljena je bila primerjalna analiza med shemami podjetij iz obeh panog. Rezutati kažejo, da sheme o HRM v podjetjih iz finančne panoge vključujejo več atributov »HRM je birokratski,« medtem ko v izbranih podjetjih iz panoge, ki proizvaja za avtomobilsko industrijo, prevladujejo atributi »HRM je strateški.« V letnih poročilih vseh izbranih podjetij je družbeno odgovorna vloga HRM do zaposlenih omenjena poredkoma. Medtem ko je bila kriza v 90. letih prejšnjega stoletja pomemben dejavnik osmišljanja in je vodila do atributa »prožnost je ključna« pri proizvajalcih za avtomobilsko industrijo, je na sheme o HRM v izbranih finančnih institucijah vplivala konjunktura.

Ključne besede: socialna kognicija, kognitivne sheme, HRM, gospodarska kriza
Management 7 (1): 35–53

Vpliv usposobljenosti ravnateljev na strokovni (samo)razvoj zaposlenih
Hariz Agić

Volitve ravnateljev lahko včasih postanejo politično vprašanje. Položaj ravnatelja je pomemben za vse politične stranke, še posebno za tiste, ki so trenutno na oblasti. Ravnateljevo delo je kompleksno, zlasti v času tranzicije, ko učitelji, ki jih ravnatelji vodijo, pričakujejo izvedbo vseh začrtanih sprememb in dosego vseh ciljev izobraževalne reforme. Ravnatelji imajo pogosto težave pri nadzoru učiteljev in pri reševanju njihovih težav, med svojim strokovnim razvojem namreč niso usvojili temeljnih managerskih znanj oziroma natančneje znanj iz managementa v izobraževanju. Članek obravnava rezultate raziskave med poglavitnimi deležniki v izobraževalnem procesu (učitelji, ravnatelji in svetovalci) in ugotavlja, kako izobrazba vpliva na ravnateljeve vodstvene zmožnosti v času sprememb. Rezultati kažejo, da je vodenje v šolah bolj učinkovito, kadar so ravnatelji bolj izobraženi na področjih, kakršno je management v izobraževanju.

Ključne besede: napredek ravnateljev, strokovni razvoj, spremljanje poučevanja
*Management* 7 (1): 55–71

Raziskava odločilnih dejavnikov pri uporabi storitev v oblaku

Heli Nevala, Christina Ollila-Tåg, Pia Pitkäkoski, Josu Takala
in Jari Toivola

Namen pričujoče študije je ugotoviti, kako upravljati z znanjem v starem podjetju z novimi storitvami. Pri uvajanju novih storitev na trg se porajajo številna vprašanja. Zato se raziskava osredotoča na upravljanje z znanjem in na usmerjanje poslovodstva v pravo smer že na začetku. To je lahko tudi primerjalna prednost nove storitve. Mnenja so bila zbrana med študenti managementa, ki imajo izkušnje v poslovanju. Člani skupine imajo v svojih izkušnjah trdno podlago, na kateri lahko primerjajo sedanje sisteme z novimi. Izbrani pristop lahko tudi pomaga podjetjem, da vidijo svoje delovanje in postopke iz drugega zornega kota, kar sicer postaja z leti vedno težje. To vodi k naslednjemu pozitivnemu vidiku – izboljšavam in razvoju. Raziskava temelji na metodi merjenja odločilnih dejavnikov, vendar je uporabljena na drugačen način kot po navadi. Pri metodi merjenja odločilnih dejavnikov na vprašalnik praviloma odgovarjajo v podjetju, v tem primeru pa so ga izpolnjevali zunanji strokovnjaki. Namen raziskave je tudi bil poiskati razlike med različnimi skupinami, ki so odgovarjale na vprašalnik: managerji, tržniki in strokovnjaki.

Ključne besede: odločanje, poslovne strategije, razporejanje virov, merjenje odločilnih dejavnikov, razvoj storitev, storitve v oblaku, najeta programska oprema

Management 7 (1): 73–83
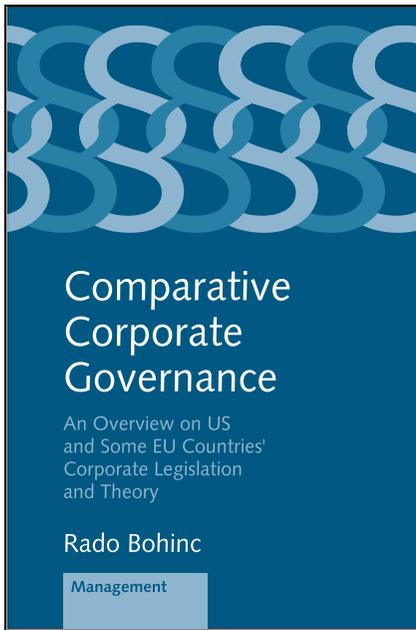
Comparative Corporate Governance:
An Overview on US and Some EU Countries' Corporate Legislation and Theory
Rado Bohinc

Book club price 35,40 €
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The Comparative Coporate Governance monograph contains the extensive research the author has done on the corporate governance systems of the USA, EU, UK, Germany, France, Slovenia and some other countries of the EU and out of EU. It analyses the differences and similarities, advantages and disadvantages, of the US single board or one-tier system in comparison with the European two-tier corporate governance systems.

Following an in-depth presentation of corporate governance in general, provided with chapters on the general theory on corporate governance, the main opened issues of corporate governance, sources of law, OECD principles of corporate governance and OECD guidelines for state owned enterprises, the book focuses on the types of business organizations and ownership structures both in the US and EU corporations, and then concentrates on explaining and analysing the corporate governance systems in the EU, the USA, the United Kingdom, Germany, France and Slovenia, emphasising the features inherent to each of these systems.

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