

HUMAN RESOURCE MANAGEMENT PRACTICES IN POLISH COMPANIES DURING THE ECONOMIC SLOWDOWN

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Abstract

The objective of the paper is to present how companies operating in the Polish market faced challenges in the field of HR-function during the economic slowdown. As a source of data for the analysis two empirical studies have been used, which were conducted in 2009. In both studies structured questionnaires were used.

The first study deals with turnover and retention issues and the second one focuses on trends in reward systems. Efforts have been made in the paper to examine how companies adapt their HR policies and practices while coping with changes in the environment. After presenting some general adaptation strategies, the authors will focus on two issues mentioned above.

The findings of the empirical research indicate that typical reactions of the examined companies as a response to the crises in the financial markets were: freezing of recruitment actions, cuts in training budgets, changes in reward systems, limitations of benefits as well as restrictions of HR-departments budgets. The research evidence reveals that changes in the labor market caused by economic slowdown forced 46% of the firms to plan reductions of employment but on the other hand 41% did not plan to do that. The uncertainty in the business context of HRM makes HR-professionals rethink practices they have been using so far.

Key words: Human Resource Management, HR-Department, Economic Slowdown, Turnover, Retention, Reward.

Introduction

The development of human resource management in Poland after 1989 has been interwoven in the processes of privatizing, modernizing and internationalizing the Polish economy. After twenty years it has reached a condition evoking some afterthought on the development level of this sub-discipline of management theory and practice, the evidence of which is provided in empirical research results [Funkcja...,2007], [Pocztowski, Buchelt..., 2008], [Listwan, Pocztowski, Stor..., 2009]. Reading the research results leads to the conclusion that the image of the 'Polish' human resource management is differentiated in (relation to) both the level of theory creation and the HR practices implementation in enterprises. It is beyond doubt, however, that we witnessed changes, that is the specific HR function restructurization in majority of enterprises. This fact has been confirmed by both the above-mentioned empirical research [Funkcja..., 2007] and the experiences of the managers and specialists dealing with the human resources management [HR..., 2002]. The conclusion arising from the research points out to progressive HR professionalization in Poland, which does not change the fact that new challenges continually emerge and the change becomes a norm also in the area of human resource management. It is therefore justified to ask to what extent structural and tool solutions take the long-term changes of the working world into

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account, and to what extent, on the other hand, they are a reaction for immediate problems arising from the labor market changes.

The aim of the article is to present the methods of adapting HRM practices in Polish enterprises which are functioning in conditions of the global, financial-market crisis, as a result of which economic slowdown in Poland occurred. The source of information was the subject matter literature as well as two empirical researches conducted at the Department of Human Capital Management of the Cracow University of Economics in 2009. In both researches a structured survey questionnaire was used.

The first research regarded the issue of workers retention and turnover, both constituting one of the greatest challenges in the HR function area of many Polish enterprises before the economic crisis¹¹. 46 companies participated in the research, 35% of which were small and medium companies and 65% - large enterprises employing over 250 people. The largest share among the investigated companies constituted trade and service companies (48%), followed by industrial and construction firms (39%). The remaining 13% of firms represented administration, education, culture and health care sectors. 85% of the researched cases were private companies, whereas 15% - state enterprises.

The second research focused on identifying remuneration system trends¹². It encompassed 45 enterprises, out of which the biggest share belonged to the industry sector companies (56%), while the remaining firms represented various branches of business in a widely understood service sector, among others: trade (11%) and financial institutions (7%). The structure of the studied enterprises according to their size measured by a number of employees can be presented as follows: 77% of the companies were large companies employing over 250 workers, and the remaining 23% were small and medium enterprises. 78% of the researched cases were private companies, whereas 22% - state enterprises. Further part of the paper deals with (in turn): the context of the human resource management in Poland while carrying out the research; some general strategies of the personnel policy adaptation to the changes on the labor market; and the influence of those changes upon two detailed issues, that is the attitude to workers' retention and turnover and the attitude to remuneration.

The context of Human Resource Management

The solutions for particular problems in the human resource management area are directly or indirectly determined by numerous factors of an economic, technical, legal and social character, which, altogether, constitute the context of the reached decisions. A few of them, especially those which were crucial in the research time period, have been summarised below.

The indication of the economic slowdown in Poland was the slow GDP rate increase in 2009. Although the GDP was still positive and amounted to 1.7%, it underwent a noticeable decrease in comparison to the previous years (2008 - 4.9%, 2007 - 6.8%). One of the changes in the labor market which should be emphasized is the unemployment rate increase, as compared to the earlier period, especially in the years 2004-2008, when the unemployment rate had systematically been decreasing, from 19% at the end of December 2004 to 9.5% at the end of December 2008, which was the lowest unemployment level in the whole transformation period. The unemployment rate amounted to 11.9% at the end of December 2009. Average gross remunerations indicated a constant growing tendency and

¹¹ The research results were published in form of a book [Procesy płynności..., 2009].

¹² Its detailed results can be found in the report [Trendy..., 2009].

their rate was , for instance, 8.7% in 2007 and 10.2% in 2008. The remuneration increase rate dropped to 4.3% in 2009.

Numerous problems related to the personnel function are regulated by law. The Labor Code determines some of the terminology questions (employee, employer, wage and minimum wage); it also stipulates the rights and duties of the employees and employers, both of whom constitute the employment relationship parties [Gadomska et al., 2009]. Presently, however, several shortcomings can be observed in the regulations of employment referring to other employment forms (e.g. civil-law contracts or management contracts). They are ever more attractive and more and more frequently used by organizations in practice.

The Polish Labor Code does stipulate the issue of employing workers abroad; nevertheless, it seems that in the event of more intensified activity of Poles as employees abroad, it would be beneficial to widen statutory regulations. Polish jurisdiction is dominant in this respect, with the approval for foreign regulations merely in case when they are not contradictory to the Polish Labor Code (with the exception of 'Other Provisions' Art.6 §1 and 2.).

A substantial number of statutory regulations are connected with employee remunerations. The Polish Labor Code brings up the question of 'fair remuneration' which remains compatible with the European Social Charter (ratified by Poland) and considers such remuneration to be at the level of 68% of the average earnings in a given country. The guarantee of the fair remuneration institution in Poland is the established of the institution of the 'minimum wage' which remains the subject of detailed regulation in the Minimum Wage Act of 10.10.2002. The minimum wage level is discussed in league with the Trilateral Commission and annually announced. The minimum monthly wage for a full time job in Poland in 2010 is PLN 1317 (about 320 Euro). It was until 2009 that the institution of annual wage indexation (wage increase factor in relation to inflation processes) functioned in public sector enterprises; it was rescinded on 1st January 2010.

What seems to be crucial in the situation of the economic slowdown is the lawful establishment of the 'notice of change' institution, allowing organizations for labor cost reduction without resorting to individual or collective dismissals (Art. 42 of the Labor Code) [Lachiewicz, Walecka, 2010, p.410].

The Labor Code brings up the issue of equal treatment and discrimination ban in employment as well. However, a package of laws multi-dimensionally stipulating the rights and duties of the employers towards the disabled persons exists merely in the sphere of disability. Additionally, an important party herein is the state. Other symptoms of discrimination are taken into consideration by the Polish legislation insufficiently and the constitution entry is regarded to be excessively general in this matter. This area of personnel activity should receive stronger legal support.

The Labor Code and its accompanying documents (The Trade Unions Act of 1991 and the Employers Organizations Act of 1991) contain a provision on the right to coalition, understood as a possibility of setting up organizations representing and defending the rights and interests of employers and employees. The consequence of those regulations was the appointment of the Trilateral Commission in 1994. It was set up in order to stimulate social dialogue and maintain social peace by reaching consensus in macroeconomic issues, such as determining factors for a maximum wage increase and working out the concept of a pension reform [Pocztowski, 2008, p. 388]. The existing legal solutions have lead to constituting strong trade unions with two dominating headquarters: The Solidarity (Solidarność) and the All-Poland Alliance of Trade Unions (OPZZ). What is characteristic in the Polish coalition market is the employer's stronger position in relation to the trade unions' position at small companies and privately-owned companies as well as managerial staff being the most

influential subject of the labor relations. Such substantial differentiation impedes personnel activity based on equal employee treatment. It is also a challenging area for the HR services.

An important factor influencing the choice of strategy and methods for solving HR issues is the level of organization and competence of the services dealing with those tasks. It is useful to invoke some empirical research results while undertaking an attempt at showing characteristic personnel function transformation in Poland. The image presented in the results is differentiated with regards to the rules and tools of the human resource management in specific enterprises; however, we witnessed some changes in most of them [Funkcja, 2007, p. 20], which has also been confirmed by managers and specialists dealing with the human resource management. The factor responsible for the increase of the HR function importance in an organization and redefining the range of personnel managers' tasks connected with the issue, was noticing the growing importance of people in building the competitive advantage. Popularization of the awareness of this fact has led to the evolution of roles performed by the specialist sections dealing with personnel matters and compatible with the general global trend, starting from some typical administrative tasks connected with employee service, through specialist functions, such as recruitment, retention, trainings, remuneration, to participation in strategically important processes [HR..., 2002, p. 17].

The subject matter literature offers various suggestions for the classification of roles performed by the human resource managers and specialists. The most frequently mentioned HR specialists are: administrators, business partners, strategic partners, innovators, internal consultants, change agents, cost controllers, monitoring, supporting, business integrators, employee champions, trainers, mentors, knowledge creators [Caldwell R., Storey, 2007], [Ulrich, Brockbank, 2005], [Pocztowski, 2008]. Assigning specific roles to HR specialists depends on the way their position is perceived in certain organizations. There is no doubt, however, that along with the growing importance of the human capital as competitiveness factor and along with organizational changes, such as, among others, decentralization, involving line managers in the human resources management processes, moving from functionalism to result orientation, it is also essential to restructure the roles performed by the human resource department in an enterprise.

Some interesting data regarding the evolution of the HR department position as well as the roles performed by the specialists in this area in Poland after 1989 can be found in empirical research results. The research confirms the tendency of the ever consolidating position of the specialist divisions dealing with personnel questions. It also shows that HR managers and specialists undertake new functions beyond a traditional administrative role; though the range of administrative role is still wide in the above-mentioned departments' functioning.

Table 1. HR department position and roles in the process of changes

HR DEPARTMENT POSITION		
Before	Now	In the future
Subordinate Supportive	- Supportive - Key	Key - Supportive
RANGE OF ROLES PERFORMED BY HR DEPARTMENT		
Role definition	Before	Now
Administrative	Wide	Wide
Social	Medium	Wide-medium
Strategic partner	None-medium	Wide-medium

Change agent	Medium - none	Wide-medium
Internal consultant	Medium	Wide

Source: [Funkcja..., 2007, p.64-66]

General HRM adaptation strategies

Each change of the market situation influencing an enterprise leads to the change of personnel policy or, at least, to its revision and introduction of certain corrections. Personnel policy encompasses activities connected with the human capital in a given organization. These are, among others, human resources allocation, motivating and employee development, including questions related to planning and building employment structure. 65% of the researched companies claim that the crisis contributed to the change of policy as well as practice in the HR function area. It is mostly evident in blocking new admissions, reducing training costs, lowering salaries, reducing additional benefits as well as lowering personnel department budget (Tab.2). 33% of the surveyed companies reckon that the economic slowdown does not influence the change of policy and personnel practice [Procesy..., 2009, p.131].

Table 2. The influence of crisis on personnel policy

NO	TYPE OF INFLUENCE	% OF INDICATIONS
1.	New workers' admission blockage	48
2.	Training costs reduction	39
3.	Changes in remunerations (lower)	17
4.	Additional benefits reduction	15
5.	Personnel department budget reduction	17
6.	Others (lay-offs, freezing of pay increase, outplacement)	20

Source: [Procesy..., 2009, p.133].

It should be underlined at this point that the changes in personnel policy and practice should be executed with great care to avoid worsening the organization's image which has sometimes been created for years. Especially little importance is attached to the way in which dismissals are executed. Workers leaving an organization create its external image by their opinions, frequently negative emotions and the sense of grievance. The mechanism is similar in case of employees not directly affected by workforce reduction. They witness the process, which, after all, influences their state of being, effectiveness and negative opinions on the employer. Symptoms such as fear, anger, depression, sense of guilt or distrust point to *survivor sickness* [Pocztowski, 2008, p. 172]. The syndrome of those who survived consists of four phases. It starts with persuading oneself not being involved in the matter up to the increasing sense of anger, guilt and isolation resulting from retaining a job. The next stage involves employees' thinking about the possibility of negotiating their position and safety. Later we have to do with depression and the feeling of threat resulting from fear of losing a job. The last stage involves coming to terms with the existing state of things. Losing a job is a difficult experience for the dismissed people. It may not only result in lowered self-evaluation but a difficulty in finding new employment as well. That is why the employers should remember to follow outplacement programs, especially in case of collective dismissals. The main outplacement tasks are: psychological support, looking for employment opportunities, building competence profile, additional trainings, supporting occupational retraining and

offering legal assistance [Berg-Peer, 2004]. Programs of this kind not only offer active support for the dismissed employees but they exert positive influence on the workers remaining in the company as well. Additionally, they help retaining a positive image of the company on the market. Difficulties with applying them are linked to the costs which they require. But the negative influence of inappropriately executed dismissals costs a lot as well, e.g. the cases submitted to court by the dismissed persons or the negative attitude of the remaining workers. Furthermore, the range of the program may be adjusted to the company's financial means and personnel number, not to mention help in form of EU subsidies.

The communication process is vital not merely in case of dismissals but it should be an essential element of any changes of personnel policy typically influencing personnel either in a direct or indirect way. Introducing a cost-cutting policy, either in form of getting rid of pay rises or in form of reducing personnel department budget, should be clearly presented. Employees should know what its range is and what it may lead to. In case of, e.g. cutting training funds, it is essential to inform which trainings are still available, which employee groups may participate in them and how the savings are allocated.

Research showed that within the cost-cutting policy framework, enterprises plan to use alternative solutions instead of employment reduction. Collective dismissals have been pointed out by merely 4% of the firms. What the companies mostly do is blocking personnel inflow by refusing to admit new workers. 2% of the companies mentioned voluntary redundancy programs which are to encourage employees to hand in their resignations in return for severance pays [Procesy..., 2009, p.134]. Their application should go along with pointing out very clearly which employees the programs are aimed at, in order to avoid losing the best workers, without whom the further functioning of an organization would be impossible. The three above-mentioned methods of coping with the crisis lead to changes within employment quantities. Also personnel turnover streams are changing – the employee inflow is withheld and the employee outflow increased - in this case on company's own initiative.

Lowering salaries (39%) is one of the three methods for reducing costs and avoiding collective dismissals pointed out in the literature. Some other methods are encouraging employees to leave voluntarily or go on unpaid leaves [Sidor-Rządkowska, 2003, p. 76-80]. Lowering salaries allows for breaking down the company difficulties arising from the crisis to all employees and thus avoiding redundancies. However, there are some negative aspects to it as well, such as the risk of losing precious workers for whom such form of cost-cutting is unjust and unacceptable; it may also lead to a decrease in motivation and effectiveness. In the face of the deepening crisis, it may be an insufficient remedy to avoid dismissals. Lowering salaries is a temporary action and one should not confine merely to this solution. Employers have to be informed that these are actions undertaken ad hoc in order to avoid layoffs and improve the organization's position.

Turnover and retention as a challenge for HRM

Economic slowdown exerts influence on the disturbance of employment stability and the change of the character of the personnel turnover phenomenon. 2007 and 2008 were the years connected with the problem of effective employee retention in organizations. Workers often left for companies which offered higher remunerations, abundant social benefit packs or better career building opportunities. 65% of the companies admitted that voluntary redundancies constituted a significant problem for their normal functioning. It was mainly evident in the effectiveness drop, the job performance drop (57.5% of the surveyed companies), problems with planning actions (52.5%) and difficulties with managing workers (42.5%). The majority of the surveyed firms (64%) have recently experienced problems with

retaining employees as well as problems with the employees who leave [Procesy..., 2009, p.128]. This phenomenon confirms the change of powers which had been taking place on the labor market in the last two years preceding the period of trade recession.

Research shows that economic slowdown influenced the change of the personnel turnover process as compared to 2008. 54% of the surveyed companies pointed to this phenomenon, 39% of which were large companies and 15% - small and medium enterprises. The above data confirms that crisis and recession first affect large companies operating on a large scale and sometimes on the foreign markets as well. 30% of those companies operate in trade and service sectors and the remaining 24% - in the industry, energy and construction businesses. Changes in personnel turnover have not - so far - been clearly registered in administration, education, culture and health protection, that is in most budgetary units. Moreover, 35% of the surveyed enterprises did not notice any changes in the turnover phenomenon and 11% were of no opinion. It's worth pointing out that 41% of the companies where the problem of retaining employees and the problem of employees leaving the company had not been registered in the previous year, have now experienced a change in this respect.

According to the surveyed group of enterprises, crisis influenced the streams of personnel turnover phenomenon mainly in the form of reduced admission of new workers. The second ranked was lower willingness of the employees to leave the company on a voluntary basis, followed by the increased number of employees leaving as a result of the company's initiative. Additionally, some other factors pointed out by the respondents were: pay rise freeze, voluntary redundancy programs, overtime liquidation, collective dismissals, as well as fewer people willing to undertake employment. The chart below presents the most frequently indicated symptoms of crisis.

Table 3. Symptoms of crisis in the area of retention

NO	SPECIFICATION	% OF INDICATIONS
1.	The company restricted number of admissions	35
2.	Lower willingness to voluntary redundancy	33
3.	Higher number of workers leaving out of company's initiative	15
4.	Others	13

Source: [Procesy..., 2009, p.129]

The financial crisis and the necessity of its consequential cost cutting, lead to assigning the areas of the organization which require application of a cost-cutting policy. Personnel is often one of such areas. Such a situation is usually named worker excess and it normally results in employment reduction. Employment reduction is understood as reducing the number of employed people within departments or particular groups of workers, leading to termination of employment contracts. Apart from economic factors, such as business recession, employment reduction may also result from the will to get rid of the so called 'problematic workers' who do not meet their superiors' expectations.

46% of the surveyed companies planned employee reduction, understood as lowering the number of employees. 33% of them were large companies and 13% - small and medium enterprises. As for the ownership, a vast majority of redundancies are planned by private companies (41%) and the remaining 5% of the enterprises belong to the state. Most redundancies are planned in trade and service sectors - as many as 22%. The second largest group (20% of indications) is industry, energy and construction sectors. A 2% group constituted companies operating in administration, education, culture and health care sectors -

they are planning to reduce employment to the smallest extent of all the respondents [Procesy..., 2009, p. 129].

Employee reduction connected with cost reduction used to refer mainly to blue collar workers in the past. During the research, i.e. in the beginning of 2009 it referred to almost all working groups, among others: administration, production, sales or management. Research showed that the employees most frequently destined for reduction were administration workers (44%), followed by production workers (32%) with sales workers coming in the third place.

The process of employment reduction has to be well-judged in the long-term perspective. Also communication within organization is a crucial factor. In the time of crisis, informing workers precisely what direction the organization is heading, what the foreseen changes are and why they take place, allows for reducing anxiety, increasing motivation and, consequently, facilitating effective organization management. The consequence of the employment reduction process is the employment reduction shock [Pocztowski, 2008, p. 176] which can be overcome in four stages. In the first stage, workers are updated on the employment reduction course of action. In the second stage negative emotions linked to the process are eliminated, so that the new look and motivation to further work can be achieved in the third one. The last, that is the fourth stage, consists in reorganization which, thanks to variable elements included in employment contracts, guarantees avoiding negative effects of prospective employment reduction in the future.

Employment reduction is a difficult process. On the one hand, it helps reducing costs and getting rid of employees who do not meet the leaders' expectations. On the other hand, however, in the face of a difficult economic situation, it may lead to the loss of precious workers who are hardly replaceable in the future. It may also generate severance pay costs or court trials and exert negative influence upon the remaining staff. Therefore, the importance of planning this process calls for a lot of attention. The most essential tasks in this respect are: determining the total number of people to be dismissed, specifying which departments they are in, and taking into account the natural employment changes connected with retirement, pension or longer holiday. Additionally, the choice of dismissal implementation dates and specifying dismissal implementation terms are vital matters [Armstrong, 2005, p. 425-426]. They should be convenient from the organization's point of view and should allow proper employee preparation. A univocal procedure of informing employees about the upcoming changes should be determined. Announcements should be directed both at the dismissed workers and employees who do not undergo reduction.

Employment reduction should include actions connected with appointing the most valuable employees and retaining them in an organisation. It frequently happens that highly qualified workers, knowing about the planned redundancies and the company's difficult position, decide to change their workplace on their own. Therefore, employment reduction and the consequential dismissals should be conducted by implementing clearly defined criteria. This, on the other hand, is not that simple. What seems to be a fair attitude is taking into account such aspects as: the number of years that a person worked in the company, their skills and achievements, but also individual factors like family situation or easiness of finding a new job [Sidor-Rządowska 2003, p.83]. Such criteria as location and importance of position in the structure are pointed out as well. Dismissal of a person who performs a crucial role in a team may not only disturb the team's functioning but simply lead to its utter paralysis.

Changes in reward systems

Remunerations are an especially sensitive area of the human resource management and they are susceptible to the influence of numerous factors, among others: changes in legal regulations, business conditions, labor markets state or socio-cultural factors. Economic slowdown noted in Poland in 2009 also influenced changes in the attitude to remunerating employees. It should be reminded at this point that the basic principles shaping remunerations in an organization are its business strategy as well as internal and external equity [Kessler, 2007, p. 159]. The empirical research carried out by the authors allowed for specifying the main factors determining changes in the remuneration system. Research shows that the factors connected with the company strategy, in this case the company policy and its financial situation, jointly constitute 41% of indications; factors connected with the market, such as business situation and labor market trends mentioned in the research constitute 35% of the answers, and internal factors, that is employee expectations, and trade unions' pressure - 24%.

Table 4. Factors evoking changes in remuneration systems

NO	FACTOR	% OF INDICATIONS
1.	Company policy	21
2.	Labor market trends	20
3.	Company financial situation	20
4.	Economic situation	15
5.	Employee expectations	12
6.	Trade unions' pressure	12

Source: [Trendy..., 2009, p.50]

The researchers attempted to define the influence of the financial market crisis and its consequential economic slowdown upon changes in people's attitudes to remunerations. Let us remind in the beginning that 15% of the respondents pointed to the economic situation as a factor determining employment system in an organization, while 20% pointed to the company's financial situation (Table 4). The answer to a general question whether economic slowdown was a factor inducing modification of the possessed remuneration strategies was positive for 42% of respondents and negative for 42% of companies; 16% of the enterprises did not respond to this question at all. As can be observed from the presented answer distribution, the influence of economic slowdown is clearly visible, although the proportion of the opposite indications was the same. It may indicate a selective influence of economic slowdown on the remuneration sphere, depending on the type of business which the companies operate in.

Changes in enterprise surrounding, including changes on the labor market, often constitute grounds for undertaking modifications of the existing human resource management systems, including the remuneration system as well. Depending on the level to which crisis situations influence competitive position of the companies, but also depending on specific management philosophy represented by the management, the range of the above-mentioned changes may be very different. The issue was also taken into account in the research and the results obtained can be seen in Table 5.

Table 5. Typical approach to remuneration during economic slowdown

NO	ATTITUDE CHARACTERISTICS	% OF COMPANIES
1.	Reactions to changes within the existing remuneration system	31
2.	Adjusting to changes by modifying certain elements of the remuneration system	58
3.	Using environment changes for thorough reconfiguration of the remuneration system	4
4.	No answer	7

Source: [Trendy..., 2009, p.53]

The above table shows that the majority of the surveyed companies (58%) are trying to use the crisis situation to introduce modifications in certain elements of their remuneration systems. What it implies is, for instance, developing new principles for awarding bonuses or granting different employee benefits. Such an attitude can be defined as a reduced activity strategy.

The second (with 31% of indications) ranked is an attitude which can be defined as a reactive-preservative strategy consisting in actions undertaken within the existing remuneration systems without their - at least - partial modification. The examples of such activities are: deferment of rises, bonuses and other benefits without changing the rules of granting them.

Only in two cases (4% of the surveyed companies) it was pointed out that changes in surrounding had been used for comprehensive reconfiguration of the existing remuneration systems through, e.g. changing rules, criteria or remuneration structure. Such actions point to the use of proactive remuneration strategy utilizing the crisis situation to introduce thorough changes, a specific revitalization of the existing remuneration system in order to make it an effective tool for building the company competitiveness for the future. As shown by the research, this type of attitude is exceptional, at least in the group of the surveyed companies.

Remuneration system changes introduced during economic slowdown may arise from various reasons and serve different aims. Analyzing this problem in a group of surveyed companies, the following results have been obtained and presented in the table below. Lowering remuneration costs was most often (48%) indicated by the companies as a priority change. 39% of the companies considered increasing the power of motivating influence of remuneration as their highest priority. Those two opinions have by far dominated in the survey as the most important aims in remuneration systems change. It is worth pointing out the answer distribution in case of lowering remuneration costs as a priority change in remunerations. Not only did it score the highest number of indications being the most important task, but it also scored a high number of indications as the least important task (35%). This seems to point to the selectiveness of the economic slowdown influence on the changes in employee remuneration systems. Those 35% clearly correspond to 42% of indications of economic slowdown not influencing remuneration system changes.

Securing employee earnings as a prerequisite for remuneration changes was mentioned in the third place. Last among prerequisites for introducing changes in remuneration systems came the 'concern about harmonious labor relations' - 48% of respondents pointed to this option as the least important.

Research results indicate that motivation function and cost function of remuneration dominate as prerequisites for introducing changes in remuneration systems during economic slowdown. Third came the profit-making function and fourth - the social function.

Table 6. Priorities of changes introduced in remuneration systems as a result of economic slowdown

NO	PRIORITIES OF CHANGES INTRODUCED IN REMUNERATION SYSTEMS	THE IMPORTANCE OF PARTICULAR CHANGES				WEIGHTED MEAN
		1	2	3	4	
1.	Securing employee earnings	13%	35%	39%	13%	2,5
2.	Increasing (maintaining) motivating function of remuneration	39%	26%	31%	4%	2,0
3.	Lowering remuneration costs	48%	17%	0%	35%	2,2
4.	Concern about creating harmonious labor relations	0%	22%	30%	48%	3,3

1 - most important task, 4 - least important task

Note: Only 51% of the surveyed companies responded to the above question.

Source: [Trendy..., 2009, p. 55]

The subject matter literature studies undertaken within the conducted research show that the last two constitute a strategic problem of the human resource management in contemporary organizations.

Research indicates as well that economic slowdown exerts influence on remuneration strategy, most often leading to reactive actions, that is actions adjusting the existing elements of remuneration to market changes or attempting at modifying certain elements of those systems to a limited extent.

Conclusions

The conducted research shows that the worsening of the economic situation and the related labor market changes influence personnel policy as well as human resource management practices applied within its framework to a large extent. This influence, however, is of a selective character, which is proved by the fact that along with enterprises forced to, for instance, reduce employment or lower remuneration costs as a result of crisis, there is an equally large group of enterprises where crisis effects are not noticeable to an extent which would lead to undertaking the above-mentioned actions. Real life observation gives right to state that economic slowdown has become an excuse for some enterprises to introduce the previously planned projects rationalizing employment and work organization. However, the dynamics of the occurring changes makes one careful when formulating conclusions. It requires further research in order to check the discovered tendencies within the human resource management strategies and methods.

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Abstrakt

Celem artykułu jest przedstawienie sposobów radzenia sobie przez przedsiębiorstwa z wyzwaniami w obszarze funkcji HR w okresie spowolnienia gospodarczego. Źródłem danych wykorzystanych w analizie były dwa badania empiryczne z wykorzystaniem techniki ankiety, przeprowadzone w 2009 roku. Pierwsze z nich dotyczyło kwestii płynności i retencji pracowników, a drugie trendów w systemach wynagrodzeń.

W obu tych badaniach podjęto próbę odpowiedzi na pytanie: w jaki sposób przedsiębiorstwa dostosowują politykę i praktykę zarządzania zasobami ludzkimi do zmian zachodzących w ich otoczeniu, w szczególności na rynku pracy. Autorzy przedstawili w kolejności ogólne strategie adaptacji praktyk HR do zmian by następnie skoncentrować się na wspomnianych wcześniej dwóch kwestiach tj. retencji i rotacji pracowników oraz systemach wynagrodzeń.

Wyniki badań wskazują, że do typowych działań w okresie spowolnienia gospodarczego należały: blokady etatów, cięcia budżetów szkoleniowych, zmiany w systemach wynagrodzeń, ograniczenia świadczeń dodatkowych, tzw. benefitów. Badania wskazały też, że zmiany na rynku pracy spowodowane spowolnieniem gospodarczym doprowadziły do redukcji zatrudnienia w 46% badanych firm, z drugiej strony w 41% badanych firm nie planowano takich działań. Na podstawie przeprowadzonych badań można stwierdzić, że zmiany w otoczeniu biznesowym funkcji HR powinny skłaniać menedżerów i specjalistów do spraw zarządzania zasobami ludzkimi do krytycznego spojrzenia na stosowane praktyki w dziedzinie funkcji HR.