

In this issue of Connection

Focus on:
Business & Academia
/ Labor Market & HR

12 Demand for payroll outsourcing is growing 

 A non-competitive clause in the employment agreement 13

14 Employment termination: Faster, cheaper 

 Working flexibly 15

16 Social networks: Not the place to slam your boss! 

 Performance counseling: Four strategies for success 17

18 International college and career guidance 

 Professional qualification a weapon in the fight for talent 19

29 Slovak business and Slovak academia: at a distance 

 Train the Trainers 30-31

32 Building an international network of mentors and young scientists 

 Getting regional 33

34 Winning as one 

 It may not be that easy 35

AmCham Updates

Member News	5-8
Policy & Legislative Highlights	10-11
Economic and financial news	36

AmCham Events

HR Conference 2011	20-21
Košice/Prešov Invest	22-23
Business Cocktails	24,27
Sports Day 2011	25
Business Seminar	26
Stars For Harmony Concert	28

AmCham Membership	38-39
Member to Member Discounts	40



Firms should raise their voice on the quality of education

Peter Goliaš,
Director of the Institute for Economic and Social Reforms (INEKO)

One of the main tasks of the educational system is to improve young people's chances to succeed in the labor market. How is this task being accomplished in Slovakia? Why not ask employers directly?

Actually, we did. The INEKO Institute in cooperation with the Business Alliance of Slovakia (Podnikateľská aliancia Slovenska), the American Chamber of Commerce, and the Slovak-Austrian Chamber of Commerce carried out a survey among local employers on their experience with graduates from secondary and tertiary educational institutions as well as on their demand for labor force qualifications in the next five years. We also asked firms about their cooperation with schools and barriers to improving this cooperation.

Together 87 firms with more than 37,000 employees took part in the survey from June to September 2011. Among respondents were businesses of all sizes including U.S. Steel Košice, Samsung, VUB, Peugeot, T-Systems and others. The survey is not representative, but in our opinion offers good general feedback from businesses about Slovakia's schools. Here are the main results:

- In general, businesses are not satisfied with the availability and the quality of graduates with the majority of qualifications which they seek. On average 60% of respondents expressed negative views.
- Almost one third of respondents participated in activities aimed at improving the link between schools and the labor market, and more than 80% of them report success. The size of the firm does not matter as almost half of actively participating companies are of medium size.
- There is a great variety of ways to cooperate. The most common are internships, but it is not unusual for firms to directly influence the curriculum, give lectures, create their own subjects or study programs, and offer personnel and materials to support them.
- Despite relative success, there are several barriers to better cooperation. The most common barrier is a lack of schools' motivation to change outdated curricula. Firms recommend making graduates' success on the labor market one of the criteria determining how public funds are distributed among schools. Other barriers include schools' rigid time and space requirements that do not meet firms' possibilities.
- Firms recognize differences in the quality of schools and study programs. For example, they are most satisfied with graduates in the following fields from these institutions:
 - Economic University in Bratislava (economics, financial controlling, management, hospitality services)
 - Komenius University in Bratislava – Faculty of Management (management, human resources, finance), Faculty of Mathematics, Physics and Informatics (computer programming, finance), Faculty of Law (legal staff, attorneys)
 - Slovak Technical University in Bratislava – Faculty of Electrical Engineering and Information Technology (computer programming, network management, electrical engineering), Faculty of Civil Engineering (civil engineering)
 - Technical University of Košice – Faculty of Electrical Engineering and Informatics (electrical engineering, electric power engineering, IT architecture, computer programming, operating systems and network management).

The results of our survey bring us to several recommendations which, in our opinion, could improve the communication between schools and business and thus the businesses' satisfaction with graduates' education.

Firstly, a considerable proportion of firms who are willing to invest in improving education get discouraged due to existing barriers. Distributing information on successful cooperation projects could encourage both schools and firms to overcome initial barriers.

Secondly, firms complain that schools are neither willing nor motivated to take their demands into consideration and educate students to meet the market's needs. Monitoring the employability of individual schools' and programs' graduates and making good results a determinant of public funding would put much needed pressure on schools to improve their performance and to cooperate with firms.

Finally, more information on the quality of schools from the employers' point of view should be made available to prospective students. The Ministry of Education recently launched a website providing information on average salaries of university graduates, comparable by university and field of study. This is a great step forward. However, the website only looks into the past and provides no information on employers' future needs. It also does not offer any information on secondary schools. Surveys of employers' needs and satisfaction with graduates could provide the missing information. In order to be effective, such surveys would have to be continual and work with a significant sample of businesses (a viable option might be collecting information through established channels, such as recruitment agencies or job websites). Like the previous two steps, publishing such information could help improve the quality of education in Slovakia.