

CROATIA, KNOWLEDGE SOCIETY AND PERSPECTIVE OF STATE EMPLOYEES

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ABSTRACT

Globalization, an aging population and accelerated technological change, trends are encountered by the European Union, which requires adjustment of the society. To respond to these trends in a timely and a quality manner, and without the accompanying consequences, the European Union put the emphasis on lifelong learning (in further text as LLL) and creating a knowledge society.

Taking over a number of documents from the European Union, which are directed toward educational reforms, Croatia has clearly decided to follow her in the formation of a knowledge society, emphasizing the role and importance of the university, which should have significant impact on the state service.

Impact of the Bologna process on LLL for civil employees, especially the management of state services, is transparent and is reflected above all, through their current status in Croatia. Thereto, we are meeting certain changes of positive signs, but also certain ambiguities, which indicate the necessity for the adoption of adequate solutions to perceived problems.

Therefore, it imposes an important finding of quality solutions for perceived problems and the recognition of the actual status of civil employees involved in the LLL. This could result in the first place reducing the outflow of skilled and qualified personnel from government bodies in other Croatian companies and also companies in other countries. In that way profitability of investment in acquiring knowledge and skills would come to the fore through LLL process.

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1. INTRODUCTION

According to Bologna process, LLL is one of the most important priorities of the countries that have accepted it. In order to become a full member of EU, Croatia had put its knowledge and learning in the function of the main starter of growth and development. Changes at the global level are getting faster, therefore it coming to obsolescence of acquired knowledge and skills, which suggests the need for superstructure of the existing and acquire new ones. Knowledge economy is a new reality (Edvinsson, 2003:47). Knowledge and skills that have state employees are important for the overall quality in the production process of service as a products. Citizens are its everyday consumers, because human capital is the fact (Edvinsson, 2003:92) and experience of the labour is becoming the main weapon of competition (Thurow, 1997:34-35). According to Kotter, globalized economy is causing everyone higher risk and more options (2009:27).

Such an economy requires continuous upgrading of acquired knowledge and skills through the LLL process even from the state employees. The final goal is achieved in this way, which is reflected through the continuous improvement (Barković, 1999:32) and optimizing the transformation of available inputs into outputs.

At the time of a global restructuring of world markets, attention should be paid to human resources management (Noe, Hollenback, Wright, 2006:55). University have a significant role in the society development, which by its constant adaptation to its users, particularly through researches largely contribute to a better functioning of LLL, implementing the programme of various learning forms towards the interested buyer.

The purpose of this paper is to contribute to theoretical and practical discussion about how important is for Croatia to invest in involvement of state employees in the LLL process (with an emphasis on postgraduate study), then to invest in the status regulation (relevant legislation) of state employees with an additional, newly acquired knowledge and skills in order to be transparent mutual investments in LLL. Therefore, Croatia will need to persevere in the reform of public administration that are focused on knowledge-based institution.

2. LLL ROLE IN THE CREATION OF MODERN SOCIETY

Society development is based on science. The development of human capital is closely related to the concept of modern society. In any modern society healthy competition promotes emphasized efficiency of production factors on the basis of what can be said that capturing a large number of LLL citizens, especially through well designed research projects, is realistic assumption for meeting the set goal of economic development, especially if it is known that the greatest learning, often at a rate greater than 60% occurs in the highly complex tasks in which human inputs are predominant (Barković, 1999:241). In the creation of modern society LLL role can be recognized by the extent of areas of social services which include. LLL role takes place at the global level and should cover the entire lifetime of each member of the community ready for frequent changes in the labor market having an important role in the society development based on modern foundations. Through the acquirement of knowledge quality, development of LLL process will enable more citizens who will quickly adapt to new market needs in a particular region, which is very important for the country that is in transition. Knowledge disposal is in close connection with economic development, which is very important for the country that aspires to a modern society. Increased investment in human capital through LLL process is a necessity and should result in reducing unemployment and rapid economic development. Technological development forces companies to employ workers with high levels of acquired knowledge in order to be held on the market and through rapid development of society in all areas. Most of the developed EU countries is constantly increasing investment in designing and implementing programs in the fields of science to increase the level of social development based on quality LLL process. Due to the fact that the establishment of the EU came to the unification of diverse voice areas and cultures with the exception of adjustment to technological changes, the need of adjustment and social change is essential. LLL process must include the development of interest to study foreign languages and raising the level of knowledge as well as the skills related to information technology. LLL process in Croatia includes pre-school education as the first organized form of learning in human life, then the primary, secondary and high education as well as the adult education which should include the life period after retirement. Croatia is included in the „thematic presentation of OECD high education“ on the basis of what can be observed the state of high education in Croatia and achieve the set goals. Attention should be also paid to knowledge management because it determines not only the concept of learning, but more and more strategic use of

knowledge in order to achieve high levels of customer satisfaction and better market position (Sgetlija, Lamza - Maronić, 2002:235). This will facilitate the path towards a modern society.

3. CROATIA - KNOWLEDGE SOCIETY

During the employment at a time of global change, when market conditions are often diverting a company to change the activity, the labor market is increasingly coming to the fore higher level of acquired knowledge and willingness to change the current interest while the knowledge becomes fundametal capital and leverage development (Bahtijarević-šiber,1999:717). It is easier and faster to respond to this challenge if a large proportion of those involved in the process LLL are ready for changes at the labor market, having additional knowledge, skills and competencies. Recognizing the above, it is important to keep raising the level of knowledge in society where it is necessary that the process comprises the larger share of the country's population which is directed towards a knowledge society. Since the EU is aimed at creating a knowledge society and Croatia wants to become a full member of EU, Croatia is directed towards knowledge society in which the knowledge should be accessible to all. Orientation of Croatia towards a knowledge society is conditioned by the constant increase in the importance of gained knowledge in order to achieve certain goals. In the time of constant technological change, gain knowledge is most evident through the amount of time spent to complete the productional process and increasing difference in the amount of funds. Compared to conventional manual labor, labour based on knowledge is financed by these funds. In order to faster economic development the goal of Croatia as a knowledge society is to include as many citizens in a particular social processes with a process LLL. In the process of creating a knowledge society civil service should play an important role, which reflects the determination of the constant development of strategies, including a large number of employees in the process LLL.

4. INFLUENCE OF BOLOGNA PROCESS AND LISBON STRATEGY TO THE LLL PROCESS

The concept of LLL, which is used today was founded in 1970 by the European Council. It is a series of activities aimed at LLL, which have a goal to improve knowledge, skills and competencies within civil, social and business perspective. Bologna Declaration (1999), which was signed by Croatia, set a priority to increase

the level of knowledge through the LLL process. Through the LLL process the EU recognized the path to development and success in achieving common goals that are leading to a knowledge society and economy, as indicated in the Lisbon strategy adopted by the EU in the year 2000. Economic development is by the Lisbon strategy, based on human capital, equalization, and modernization of educational systems in all EU countries. In the EU the importance and necessity of LLL were highlighted in the Memorandum of LLL, which is issued by the Commission of the European Community in 2000. The European Commission has directed the development of knowledge by the programme for LLL. In 2002 EU Council adopted a resolution on LLL. In December 2007 in Sorbonne, European Universities Association held a seminar on LLL with the aim of making European Universities Charter on LLL, which is created in 2008 in Brussels. European budget scheduled for 2010 had increased by 3% compared to that from 2009, of which 60 billion euros was intend for programs for employment and education (available at http://www.mojposao.net/jsecker_wikiName=Cjelozivotno_obrazovanjeNasl..., accessed on January 22, 2009.).

5. LLL ROLE IN THE DEVELOPMENT OF HUMAN CAPITAL

According to Noe, Hollenback and Wright, employee development involves the acquisition of knowledge, skills and behaviors that improve employees' ability to respond to the challenges of different existing or future business (2006:55). LLL process is the base for economic growth and development of any country, in which the quality of human capital has the main role that creates a competitive advantage in modern society.

Knowledge workers are not labor but capital of the company (Drucker, 2007:95). Progress in technology demand creative employees with high levels of acquired knowledge and skills because knowledge is a basic prerequisite for higher productivity as well as for better management of available resources. Technically educated and innovative people have become very expensive (Drucker, 2007:178-179). Pološki Vokić and Grizelj have conducted research and found that with modern organizations, investment in employees by improving their skills and knowledge and in the same time, using those skills and knowledge could be worthwhile. (2007:853). In the examples of rapid social development in Finland and Ireland as well as Sweden, which threatened the primacy of Finland on a scale of competitiveness, we can see the transparency in investment in study and science. Given that

the quality of human capital depends on the level of knowledge and achievement of higher economic growth and social development depends on the quality of human resources, with the right one can say that the process LLL has the great importance in the development of human capital.

6. MANAGEMENT IN PUBLIC SERVICES AND THE PROCESS LLL

Managers are the key element of any production system, whose main task is to manage all its components as well as coordination with other company functions (Barković, 1999:18). Changes that occur in all segments of society (technology, labor market etc.) intensely affecting the area of management. Creativity and inventiveness as well as ability to motivate and humanity in dealing, increasingly coming to the fore as a characteristics of modern managers some of which require a high level of expertise, interest, awareness, flexibility and objectivity. Teamwork becomes the mechanism of the overall productivity and one of the important factors to attain objectives of each company. According to Weihrich, Koontz (1994:4), management is the process of forming and maintaining an environment in which the individual working together in groups, effectively achieves selected goals. Operational management for civil servants play an important role as it relates to the management of those business activities that produce or provide services (Barković, 1999:4). Selected targets will be achieved successfully with efficient management of production, finance and marketing as the basic business functions of every company. With the high level of quality control, management in the state service will directly contribute to the quality of service, which is the product of a state employee directed towards customers. It is a very complex job that in general requires participation in different managerial jobs. In every organization and every aspect of the production process, manager has to make decisions, which are extremely important for the quality and quantity of finished products. Manager's relationship to employees largely affects on the efficiency in the state service, which can not be strict. Managers are important factors in the inclusion of state employees in the process LLL because in most cases when the additional knowledge have been gained at the expense of the civil service, they make a decision on to which a state employee has to be determined. In such cases management should take care to avoid the neglect of certain state employees with a pronounced tendency towards additional learning on the one hand, but also need to find a suitable model to encourage further learning and those civil servants who are not prone to this on the other hand. Therefore today, they have to devote as much time as they can to the development of employ-

ees (Pološki, Vokić, 2008:728) and to their development as well. To achieve the above, managers in state services should have obligation to include in the process LLL. In order to be involve in the process LLL, managers of state services should with the knowledge and skills, acquire additional competencies in the direction of finding efficient techniques for hasten development of employees with adjustment to standards of developed EU countries.

7. STATE EMPLOYEES AND LIFELONG LEARNING (LLL)

Modern jobs require new competencies which are not important in traditional way of business (Bahtijarević, Šiber, 1999:719). Barković emphasises that a computer is important for data acquisition since those data and information are necessary for everyday work (1999:30). Lifelong learning is becoming more vital and economically favourable as for individual as organization too, since that the same process is involving more and more people, especially those who tend to improve their knowledge as well as to get some new skills and competencies (Župarić, 2009:257). There is a great number of state employees in Croatia, around 114.000, and they should be included into lifelong learning process. There are also two main reasons for that way of development of human resources who are state employees. The Lisbon Strategy emphasises that in these times of global competition the knowledge and innovations are the most precious property of EU. That is where the first reason is deriving from. It is based on globalisation because, as it is already said, it's based on competition advantage. Today, in many companies, the brains represent essential value (Edvinsson, 2003:92). The other reason is also of economy nature. Beside some other goals, state offices are to manage in the best way possible the transformation of the resources into the outputs. The management of state services will benefit if they invest in knowledge and skills development of their employees if they want to obtain optimalization and precipitate efficiency at the same time. The possibilities of learning should be accessible for every state employee, no meters on possible barriers they usually meet (lack of financial means, lack of free time, etc.). The management of state employees should develop financing programs i.e. investment in employees development, at all position, what will be the prerequisite of state services reform into institutions of knowledge.

8. INCLUSION STRATEGIES OF STATE EMPLOYEES INTO LIFELONG LEARNING PROCESS (LLL)

Inclusion of state employees into LLL can be directed towards personal development and profitability, while on the other side it is directed towards accomplishment of particular aims that one state service has. The state employee strive to personal development with intention to keep step with rapid technology changes and keep the status acquired, and its profitability is seen in cost effectiveness of investment into skills and knowledge acquire by moving up on working position with more responsibilities and authority, bonuses on payments etc. Inclusion of state employees into the LLL process, with the purpose of development and training, is based on requires of particular state service. State employee trainings and courses are based on various high school programs with vocational contest, colleges, BA and BS programs as well as post-diploma studies in accordance with Bologna process. Those trainings and courses result with the diplomas as a proof of particular knowledge acquire level as well as academy title. Other strategy of state employee inclusion into LLL process in Croatia is based on various refresher course, advising, symposiums, conferences, etc. and they result with certificates on successfully acquired knowledge and skills but without any grading of the knowledge level or any academy title. Considering the speed and constancy of technology changes and development as part of everyday life, in this strategy, besides vocational themes, the most important knowledge and skills are on foreign languages and computer usage. There is also strategy of individual learning of state employee. It is made through various self-educational programs (e-learning), where the state employee, by his own will decides to develop his knowledge and skills, so that he would be able to satisfy growing demands in labour market. In this case the employee is not using any of mentioned strategy of organizes inclusion into CŽLLL process.

9. COST EFFECTIVENESS OF INVESTMENT INTO LLL AND PERSPECTIVE OF STATE EMPLOYEE

Croatia has clearly decided to follow EU on the way to knowledge society and it is necessary to increase the number of those who are included into LLL process, intensively and constantly. Considering the representation of state employees in the total amount of the employed people, state employees should have more active role in the LLL process. Since they are the producers of the services whose final consumers are citizens of Croatia as well as many foreigners, they should be included into the LLL process as more as possible. The result will be optimalization of resources

used and increase of the quality and quantity of the service as the product. In the process of the goal achievements in these times of constant technology changes, the most visible is the TIME spent in production process and growing difference in the amount of the financial support given to the knowledge based producing process. Motivation and satisfaction of the employee should be one of the most important factors to the modern management, on the way to the goals accomplishment. What is the perspective of the state employees? Which factors affect the state employees' inclusion into LLL process? Career planning includes adjustment of one's ambitions with the opportunities reachable or potentially reachable in the organisation (Noe, Holenback, Wright; 2006:118).

On one side, essential aim of the management is the optimization and efficiency in the battle with recessive consequences. On the other side, aim of the state employee is the profit which is mirrored, as already mentioned, in promotion, moving up to the better position and in the bonus on payment. That bonus would be compensation for effort, time and education expenses given, if the decision on knowledge and skills acquire was self-produced. In this part, there are various obscurities and barriers in profitability achievement, which are priory the result of disharmony of particular regulations in Croatia with Bologna process. Namely, collective agreement of state employees hasn't predicted stimulation models of additional knowledge and skills acquire, except for the MA or MSc where the payment is increased for 8 % and for the P.H.D. with the increase of 15 % (Collective agreement, act 44, section 5). Here we have science levels which, after the Act on academic and professional titles, adjusted to the Bologna process, do not exist anymore. The Bologna process does not recognize post-diploma scientific studies but post-diploma specialist study (MA or MSc) and P.H.D. In this case, if a state employee, through the inclusion into LLL process, reached academic title of Master degree or University specialist, according to the collective agreement, he does not meet the conditions for the increase of 8% of the payment.

Almost identical situation is with the new position reorder because they are not predicted even by systematisation. These facts are telling about non-profitability of the individual and personal investments into education of state employees. This takes the perspective of inclusion of the same into LLL process to the unwished direction. That will grow negative consequences because people with the potential will be limited and micro-managed (Kotter, 2009:163)

10. FINAL NOTICES:

No modern society is possibly imaginable today if there is no awareness in informational and communicational technology, management and knowledge and skills in other areas which are important for development of living quality. That is reachable with inclusion into LLL process as many citizens as possible. Transparent role of LLL in creating and functioning of modern society is visible in the rise of the knowledge, skills and competency levels, which is again closely related to developing trends, especially economy development.

State employees, throughout mentioned possibilities of profitability, are trying to get investment return for their effort, free time and money they spent in additional education. If that is not possible because of some mentioned reasons, the consequence is that they will look for the new job in some other service or some private company. Their profitability (cost effectiveness) will be accomplished throughout the satisfactory working position or higher payment, and their creativity will come out. That is why is very important to make reforms in state services and to harmonise current acts and laws with Bologna process so that employees can have their rights given by education accomplished. In that way, motivation for high efficiency levels and optimalization in means available usage will be visible, and the aim would be to stop the outflow of quality personnel. Science and research, which will give results on efficiency of LLL process, positions of state employees after the additional education, academy title, and etc. should be emphasised. It is needed to increase the amount of the finances in the budget predicted for the additional education to gain wanted results. That model should be adjusted to the experiences of developed countries in EU because the investment into LLL process is the investment into future.

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