Abstract:
The fundamental question which we deal with in this paper is: from which sources do organizations in Slovenia most frequently obtain new staff. We questioned 1,075 people who are employed. We discovered that more than 40% of them became employed through personal contacts. This means that they know someone at the organization they are employed in. This type of employment procedure is not typical in the contemporary world. It was established that those who became employed because of personal contacts are not promoted any faster than those who became employed by normal application procedures. Therefore, the method of recruiting does not influence promotion.

Keywords: human resources management, unemployment, recruiting, promotion, career

JEL Classification: J50, J64

1. Defining the Problem

Unemployment is usually treated as a social phenomenon. Daily newspapers and statistics usually report on the absolute numbers and unemployment percentages, the social problems of those who are unemployed and similar occurrences which can be really worrisome. Unemployment is also the subject of scientific studies. Sedej states: "One of the most obvious contradictions in contemporary society is that society itself is more and more based on work although at the same time it suffers because of the lack of it. The more it becomes a fundamental value the more it is also becoming a useful thing that is lacking" (1997, p. 8). Unemployment was not even unexpected here in our society. Brekić wrote still in the times of the former Yugoslavia: "Well, let us look at what the future holds for us regarding the employment of the unemployed? With regards to the prognosis the unemployed are going to have a very uncertain future. The level of unemployment will firstly increase. What opportunity is there for the youth?" (1990, p. 31).

Unemployment can also be treated as an economic category. ILO and the World Bank present yearly reports on one of the most complete overviews of unemploy-
ment from this standpoint (see World Bank, 2000). According to the Word Bank’s definition, the **actively employed population** is represented by people who can be potentially active economically and are between 15 and 64 years of age. The information on employment differs from country to country because different methodologies are used.

We are not only going to deal with unemployment in this paper but we are going to study and deal with the processes of employing personnel as one of the processes of the human resource function in organizations. This contribution tries to show some of the standpoints of employing personnel on Slovenia. With regards to the fact that we are constantly bombarded with reports on unemployment, our first interest is if organizations in Slovenia even employ new personnel and if they do what type of personnel. We are also going to try to find out if management in the organizations uses a method for forecasting the number of employees needed. **The fundamental question that we are dealing with is: from which sources and according to what information do organizations most frequently recruit new personnel.**

### 2. Theoretical Framework

The area of human resources in an organization does not only refer to the relationship between the organization and individual as a member of the organization but also wider. Beer and the co-authors (1985) state that human resource processes in the organization are interconnected in one way or the other in the following:

- the institution of management within the organization,
- individual employees,
- the owners or the founders,
- formal and informal groups of employed persons,
- the government,
- unions,
- and others.

We are only going to deal with the process of employment which form the standpoint of organization – individual relations. Today, of course, it is a general rule that human resource processes in organizations are a part of the management function. Belčič writes: “The employer used up a lot of time, money and effort in selecting the most qualified candidate. The complete process of employment was done in accordance with all the regulations and correctly. It was unfortunate that they had to reject so many candidates…” (2002, p. 202).

We are therefore interested in what falls under human resources, especially from the viewpoint of employment. Amongst concrete activities in human resources the following have already been included: the forecasting of the number of personnel needed and recruiting personnel. Hampton (1987) also understands this method of human resources in the organization. Hannagan (1995) also puts forecasting the number of personnel needed in first place. Some also add the personnel characteristics needed for those intended to be employed (we can find this in Haimann, Scott, Connor (1982).

Human resources are understood in a third way and in a much wider sense. The analysis of Mescon’s (1985) writing brings us to the conclusion that he understands human resources in an organization as: the forecasting of the personnel needed, recruiting personnel, selection, payment, training and career development. Brekić (1990) and Florjančič (1992) see human resources as somewhat complex.
Many methods were developed over the decade for forecasting the number of personnel needed. We mention this because in the research we wanted to establish to what degree organizations in Slovenia use these methods.

As already mentioned earlier, recruiting is also undoubtedly a human resource activity. This means "finding, selecting and including individuals in the organization" (Ivanovic, 1997, p. 195). The process of recruiting is also more or less analyzed in detail by different authors (which we have already mentioned in the previous chapter). Armstrong (1993) describes recruiting personnel in three phases in his book:

- defining the necessary characteristics of personnel which we want to recruit,
- inviting the candidates,
- selecting the candidate.

In performing different tasks, different characteristics of the personnel profile are more or less needed. Lipičnik has already written in the past: "In order to adequately hire personnel, different philosophies on proceeding with people who had certain characteristics have been formed throughout history. During the times of physical labour people were also physically examined in order to find out the most physically able. The strongest got the work and the weakest did not" (Lipičnik, in Možina, 1994, p. 446). We are interested in what the situation is like today. Does the same still hold true that the strongest gets the work easier and the weakest does not? Or perhaps the employers need personnel with different characteristics and maybe not physical strength. We presume that in the contemporary world those with higher education have more opportunity for employment. Let us mention the information from the World Bank on the structure of unemployed persons in some countries regarding the level of education. Table 1 shows the percentage of unemployed persons (%) out of the whole unemployed population regarding the level of education in some countries.

Table 1

| Country           | Percentage of unemployed with at least basic education | Percentage of unemployed with at least high school education | Percentage of unemployed with more than high school education |
|-------------------|-------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------|
| Slovenia          | 33.9                                                  | 62.9                                                       | 6.2                                                         |
| Austria           | 37.2                                                  | 57.8                                                       | 5.0                                                         |
| Italy             | 60.2                                                  | 31.7                                                       | 6.4                                                         |
| Hungary           | 41.1                                                  | 56.1                                                       | 2.8                                                         |
| Czech Republic    | 33.3                                                  | 63.7                                                       | 3.0                                                         |
| Finland           | 40.0                                                  | 50.2                                                       | 9.8                                                         |

Source: The World Bank, 2000, p. 55.

Within this context we are also interested in finding out if the opportunity for employment in Slovenia is in any way dependent on the level of education. Furthermore, we were also interested in sources of personnel; from which sources do organizations recruit their personnel. Theory states that organizations use two methods in recruiting personnel for working positions:
– recruiting from internal sources (transfers, reallocation, "borrowing");
– recruiting from external sources (see Florjančič, Ferjan, Bernik, 1999).

At this point we are going to deal with recruitment only by external sources. Personnel form external sources are recruited in the following ways: direct from school, with the help of agencies, via the unemployment office, via advertisements, via consultants and personal contacts. Criteria for comparing sources include the following:
– probability, that we find the "right one",
– costs,
– duration for recruiting the suitable person,
– the number of candidates, which we deal with during the recruitment period,
– other.

Personnel can be recruited directly from schools. The potential personnel and the employer can already in the phase of regular schooling become acquainted with in various ways:
– via scholarships,
– via co-operative education (dual system of education), which has once again been introduced in Slovenia in 1996, after it had been stopped in 1981,
– via summer work or work via student services,
– via participation at various competitions, which are sponsored by the companies,
– via teacher references and the school leadership,
– other ways.

The essence in understanding recruiting agencies is that they find a suitable candidate by a suitable payment plan (which is often multiple monthly salaries of the person being recruited). Therefore, this means seeking and selecting personnel which are qualified to take on professional, management and leading working positions. Usually, these vacancies are not advertised in other places.

These agencies have a long tradition, especially in the USA. These agencies have appeared in Slovenia after 1989. Currently there are more than ten that are active including branch offices of powerful multinationals. They especially deal with recruiting leading personnel with excellent management skills.

There is also an Unemployment Center in Slovenia just as there are in other countries. The Unemployment Center has records on people who are seeking employment. This represents a cost efficient way of quickly recruiting personnel for employers. This method is especially suitable for seeking out employees for less demanding tasks (see Devetak, Vukovič, 2002).

Advertising working positions in media is also a traditional method of inviting candidates in Slovenia. Today, we are familiar with numerous advertising media in Slovenia: working positions are advertised in print, on the radio, tele-text of the national TV program and pages on the internet. With regards to recruiting personnel it is necessary to be familiar with and at least formally respect the employment laws in Slovenia (see Vukovič, Ferjan, 2003):
– mandatory tender of working positions,
– mandatory announcement of working positions.

A public announcement of the working positions is mandatory in Slovenia. The obligations concerning the announcement are also defined by the new law which came into effect on January 1, 2003.

The candidates’ personal information is used in the most delicate environment where discretion is necessary. In theory it is. In the real world it means recruiting people who are going to perform very professional or very responsible tasks or work that is very important for the organizations in order for it to achieve its goals. Many other methods in establishing personal contacts include: social events, lobbying,
mutual contacts, sport events and others. Under the term "personal information" we should not comprehend "kinship or friendship contacts". It simply means that sometimes we must also expect that a person can be trusted at any time concerning the work demands. This characteristic is difficult to check out for potential candidates from the external environment; of course if we do not know them from before.

In the last decades some few research projects have been made around the world, which have tried to answer the questions about how organizations recruit new employees. However, the majority of them were very specific as they focused on either "non-profit organizations" (different religions, for example) or on specific professions (mostly the military or academic spheres). We were interested in the labour market as a whole. As far as we know such type of research has not been made in Slovenia yet.

The results of a research project which was very interesting for us have been published recently. The authors of the research (for example: Huo, Huang, Napier, 2002) especially focus on the employer's expectations in 13 countries across Europe, Asia, Australia and America. They have recognized very big differences amongst the different countries and cultures and especially the employer's expectations. Huo and the co-authors (2002) have created the hypothesis that "the culture in the environment has an influence on the process of recruiting personnel", however, the research does not prove these hypotheses. They even recognize some similarities between two such different countries like the USA and China, however, also differences between two such geographically close countries like Japan and South Korea. They do conclude that nevertheless in some countries there is obvious advantage given to personal sources (even relatives) in recruiting personnel for leading positions and in relation to this they recognize the differences between recruiting personnel for the state administration sector and for the profit sector.

The authors also report about the methods of selection in the mentioned article. Huo and the co-authors state that: "The criteria for selecting personnel in a democratic organization could have been formulated over many generations of employees. Usually this is a consequence of the analysis of good results and the organization's mistakes, which have happened "for many years. The employer's criteria are also restricted by different legal demands" (p. 32). The authors have come to the conclusion that the employer's expectations (demands) about the candidate can be arranged into two groups which are named:

- What is going on (now)?
- What would have been (in the future)?

Furthermore, the research results are presented and show how employers (from different countries and cultures) check if the criteria requirements are fulfilled. They recognize ten methods of establishing the characteristics of personnel. They have found out that the interview before employment is given almost all over the world except for China and still the most important method and only in some places it is second in importance for getting to know the candidate from the viewpoint of the requirement type "what is going on (now)". They also establish that the interview with the potential candidate is used less for checking out the requirements for the type "what would have been (in the future)".

3. About the Research

Within the context of this paper we were especially interested in the following:
a) does employment even exist in Slovenia? We are constantly being informed by the media about unemployment. That is why we were interested if employment perhaps also exists in Slovenia;
b) we were interested if companies use the current method for forecasting the number of personnel needed;

c) we were interested in how often Slovenians change their jobs related to this the following: where do people find out about the employer's needs or for which of the organization's sources do they recruit personnel;

d) we were also interested if employers have interviews with the candidates before employing them.

We did an extensive survey in order to get some responses. It was a survey which contained 28 closed type questions. The questionnaire also contained other types of questions referring to the following:

– to the beginning when employed at a new employer,
– to the career,
– to education and training,
– to leisure time,
– other questions.

The survey was done in May and June 2002. The participants received the proper instructions before the survey was launched. A random sample of the Slovenian population was asked. The only condition was that they were employed (part-time or full-time). There were 1,075 people asked which included 404 (37.6 %) men and 640 (59.5 %) women and 10 people didn't even answer this question. They also did not answer all the questions. Most of them answered the question about age (1,073 out of 1,075); only 986 people answered one of the questions correctly. The age and educational structure is shown in Table 2. We took into consideration 1,037 questionnaires out of 1,075 for the sample.

We processed the data from the survey with the computer program SPSS. We processed all the questionnaires; all those who were asked responded to more than

| Age (years) | Level of education |
|-------------|--------------------|
|             | I  | II | III | IV | V  | VI | VII | VII+ | Total |
| 18-30       | 2  | 4  | 5   | 57 | 149 | 56 | 85  | 9     | 367   |
| %           | 0.2| 0.4| 0.5 | 5.5| 14.4| 5.4| 8.2 | 0.9   | 35.4  |
| 30-55       | 14 | 17 | 32  | 99 | 240 | 116| 96  | 22    | 637   |
| %           | 1.4| 1.6| 3.1 | 9.5| 23.1| 11.2| 9.3 | 2.1   | 61.5  |
| 55-70       | 4  | 2  | 1   | 4  | 9   | 4  | 3   | 4     | 31    |
| %           | 0.4| 0.2| 0.1 | 0.4| 0.9 | 0.4| 0.3 | 0.4   | 3.0   |
| over 70     | 0  | 2  | 0   | 0  | 0   | 0  | 0   | 0     | 2     |
| %           | 0.0| 0.2| 0.0 | 0.0| 0.0 | 0.0| 0.0 | 0.0   | 0.2   |
| Total       | 20 | 25 | 38  | 160| 398 | 176| 184 | 35    | 1,037 |
| %           | 1.9| 2.4| 3.7 | 15.4| 38.4| 17.0| 17.7| 3.5   | 100.0 |

Table 2
The Age and Educational Structure of the Participants

Level of education: I – less than primary school; II – finished primary school, ... VII+ – postgraduate degree.
half of the questions and not all answered all of the questions. Therefore, we took into consideration a various number of responses for various questions.

4. Research Results

4.1 Statistical Data about the Need for Workers in Slovenia

There are approximately two million people living in Slovenia. On the basis of the data from the Republic of Slovenia’s (all the data was taken from the Employment Center’s Internet webpage at www.ess.gov.si on December 18, 2002) Employment Center there were 889,643 registered actively working citizens at the end of October 2002 and 785,144 of them were actively working, which is 0.1 % more than in September. There were 104,449 unemployed persons. The level of registered unemployment in October was 11.6 %; for the population of men it was 10.4 % and for women it was 13.3 %. Parallel to unemployment the need for personnel also occurred. There were 71,072 registered needs for employers, which is 3.6 % less than at the same time in 2001.

During the mid to late nineties the number of vacancies had increased. The movement turned into the other direction from the year 2000 on; comparing the data for the first half of 2000 to 2002 shows that the number of vacancies is slowly decreasing. Table 3 shows the "profession" structure of those registered. Table 4 shows

| The main professions SKP | Number | Structure (in %) | Percentage of needs for fixed period (in %) | Index Jan.-Jun. 2002/ Jan.-Jun. 2001 |
|-------------------------|--------|-----------------|-----------------------------------------------|--------------------------------------|
| Legislative officials, high officials, managers | 1,901 | 2.7 | 25.5 | 95.0 |
| Experts | 8,233 | 11.6 | 57.4 | 97.5 |
| Technicians and other professions | 9,043 | 12.7 | 64.9 | 104.5 |
| Officials | 4,574 | 6.4 | 72.6 | 94.3 |
| Tertiary professions | 12,008 | 16.9 | 74.1 | 101.9 |
| Farmers, Forest Rangers, Fishermen | 376 | 0.5 | 79.0 | 103.3 |
| Profession for non-industrial types of work | 12,814 | 18.0 | 78.5 | 91.5 |
| Machine operators, industrial producers and assemblers | 8,709 | 12.3 | 81.2 | 107.1 |
| Professions for simple work | 13,414 | 18.9 | 88.7 | 87.2 |
| Total | 71,072 | 100.0 | 74.1 | 96.5 |

Source: www.ess.gov.si.
the number of registered needs for new employees in Slovenia in the last few years.

From the above mentioned data we can conclude that unemployment exists in Slovenia. On the other hand personnel needs also exist. Finally, companies are also hiring!

4.2 What the Survey Has Established

First we wanted to find out how often we Slovenians change jobs. Table 5 shows the responses on the question "when did you start working for your current employer". In the table we compared how long people who are employed with diffe-

---

### Table 4
The Number of Vacancies in Slovenia

| Year   | 1992  | 1993  | 1994  | 1995  | 1996  |
|--------|-------|-------|-------|-------|-------|
| Number | 82,331| 108,808| 150,868| 155,220| 157,200|
| Year   | 1997  | 1998  | 1999  | 2000  | 2001  |
| Number | 133,824| 142,632| 148,494| 154,911| 143,149|

Source: Yearly Statistics for the Republic of Slovenia 2001, at http://www.gov.si/zrs/leto02, chapter 12, p. 23.

---

### Table 5
A Comparison of the Answers to the Question: "When Did You Start Working for Your Current Employer?" Depending on the Level of Education

| RESPONSE: | I | II | III | IV | V | VI | VII | VII+ | Total |
|-----------|---|----|-----|----|---|----|-----|-----|-------|
| a) Less than a year ago | Count | 3 | 6 | 3 | 23 | 48 | 19 | 32 | 10 | 144 |
| % | 0.3 | 0.6 | 0.3 | 2.3 | 4.9 | 1.9 | 3.3 | 1.0 | 14.6 |
| b) More than a year ago | Count | 1 | 1 | 7 | 12 | 55 | 27 | 40 | 3 | 146 |
| % | 0.1 | 0.1 | 0.7 | 1.2 | 5.6 | 2.7 | 4.1 | 0.3 | 14.8 |
| c) More than three years ago | Count | 6 | 5 | 3 | 27 | 63 | 33 | 19 | 4 | 160 |
| % | 0.6 | 0.5 | 0.3 | 2.7 | 6.4 | 3.4 | 1.9 | 0.4 | 16.3 |
| d) More than five years ago | Count | 0 | 1 | 7 | 26 | 78 | 29 | 23 | 9 | 174 |
| % | 0.0 | 0.1 | 0.7 | 2.6 | 7.9 | 2.9 | 2.3 | 0.9 | 17.7 |
| e) More than 10 years ago | Count | 11 | 12 | 14 | 69 | 127 | 57 | 48 | 8 | 345 |
| % | 1.1 | 1.2 | 1.4 | 7.0 | 12.9 | 5.8 | 4.9 | 0.8 | 35.1 |
| f) No response | Count | 0 | 0 | 2 | 2 | 4 | 0 | 7 | 0 | 15 |
| % | 0.0 | 0.0 | 0.2 | 0.2 | 0.4 | 0.0 | 0.7 | 0.0 | 1.5 |
| Total | Count | 21 | 26 | 36 | 159 | 375 | 165 | 168 | 34 | 984 |
| % | 2.1 | 2.6 | 3.7 | 16.2 | 38.1 | 16.8 | 172 | 3.5 | 100.0 |
rent levels of education have stayed with their employer. It is clear from the answers that the greatest percentage (more than one third) started working for their current employer more than ten years ago. More than half of those asked have been with their current employer for more than five years. Further analysis of the responses has showed that there are no significant differences between men and women.

From the data in Table 5 we can conclude that there is a great probability that people with a higher level of education change jobs more frequently and more easily than those with a lower level of education. We found out that:

– the percentage of those who have been with their employers for more than ten years is greater with those who have a lower education level (for example I) than those with a higher education (for example VII),

– on the contrary the percentage of those who had changed their jobs less than a year ago is higher with those who have a higher education than those with lower levels of education.

It has also been concluded that Slovenians do not change their jobs quite frequently!

We were also interested where the participants found out about the employer's needs. This means from which source the employer recruited personnel. The respon-

| Participant Responses to the Question: "Where Did You Find Out About the Employer's Needs?" Depending on the Level of Education |
|---------------------------------------------------------------|
| **Response** | I | II | III | IV | V | VI | VII | VII+ | Total |
|---------------|---|----|-----|----|---|----|-----|-----|-------|
| a) Media advertisement | Number | 3 | 2 | 8 | 27 | 96 | 46 | 57 | 12 | 251 |
| | % | 0.3 | 0.2 | 0.8 | 2.6 | 9.2 | 4.4 | 5.5 | 1.2 | 24.2 |
| b) At the school where I finished my education | Number | 8 | 6 | 4 | 12 | 24 | 9 | 7 | 4 | 74 |
| | % | 0.8 | 0.6 | 0.4 | 1.2 | 2.3 | 0.9 | 0.7 | 0.4 | 7.1 |
| c) From personal contacts | Number | 4 | 9 | 14 | 86 | 184 | 87 | 63 | 15 | 462 |
| | % | 0.4 | 0.9 | 1.3 | 8.3 | 17.7 | 8.4 | 6.1 | 1.4 | 44.5 |
| d) At the Unemployment Office | Number | 4 | 0 | 4 | 7 | 34 | 11 | 13 | 1 | 74 |
| | % | 0.4 | 0.0 | 0.4 | 0.7 | 3.3 | 1.1 | 1.3 | 0.1 | 7.1 |
| e) Via specialized agencies | Number | 0 | 2 | 3 | 4 | 1 | 1 | 1 | 1 | 13 |
| | % | 0.0 | 0.2 | 0.3 | 0.4 | 0.1 | 0.1 | 0.1 | 0.1 | 1.3 |
| f) Other ways | Number | 2 | 6 | 5 | 24 | 60 | 21 | 43 | 2 | 163 |
| | % | 0.2 | 0.6 | 0.5 | 2.3 | 5.8 | 2.0 | 4.1 | 0.2 | 15.7 |
| g) No response | Number | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 |
| | % | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.1 |
| Total | Number | 21 | 25 | 38 | 160 | 400 | 175 | 184 | 35 | 1,038 |
| | % | 2.0 | 2.4 | 3.7 | 15.4 | 38.5 | 16.8 | 17.7 | 3.4 | 100.0 |
ses to this question are shown in Table 6. Table 6 represents an overview of the answers to these questions according to educational groups.

A surprisingly large percentage of those asked found out about the employer’s needs from personal contacts. A detailed analysis had shown that there are no special differences amongst the age groups and not even between men and women. This is not typical around the world. There are also no statistically significant differences between those who have changed their jobs within different time periods (for example: less than a year ago, more than ten years ago).

We can see that the smallest percentage of the population with the lowest form of education finds out about the employer’s needs. With regards to the fact that this educational group changes jobs the least it is also worth mentioning the individual’s so-called “social network”. Simply put, it means how many and which people we know. School does not only have an educational function but also “around the school” activities offer socialising and getting to know people. People (at least sometimes) mutually help each other in life. Regarding the fact that Slovenia is a really small country and we are not all related to one another, the individual’s “social network” is obviously significant.

A surprisingly small percentage of those surveyed found employment merely by applying to a job advertisement. Relatively few of them found out about a job opening at the schools. This includes 7.1% of them. It is interesting that there is nearly half of this type of personnel in this group who were part of the old system (before 1981) and also part of the new dual system of education (after 1996). The first forms of dual system of education in Slovenia have been known since at least 1766. It was abolished in 1981 after a long tradition and then started once again in 1996. After the introduction of dual system of education once again, they expected that those with fourth level education would directly be recruited from schools in greater numbers. The results of the survey have shown that this is not the case.

We can clearly see in Table 6 that the Unemployment Centre is a typical source for recruitment when there is a need for personnel with fifth level education.

As we have already mentioned the questionnaire was made up of 28 questions. Some of them were also related to promotion. A detailed analysis of this part of the questionnaire brought us to the conclusion that there is no correlation between promotion and recruiting methods! This is clearly shown in Table 7. We hypothesised that those who found out about the employer’s needs via personal contacts were promoted faster: however, this is not the case. On the contrary! The information showed that those who found employment via personal contacts did not have any advantages for being promoted. 44.4% of them have not even been promoted yet which is even a somewhat greater percentage than the entire population of participants, 40.7% of the whole population (1,075) has not even progressed yet. Therefore we established that this group of personnel is most loyal to their employers as they have been employed by their current employer the longest. Alongside all of this it is also necessary to note that those who become employed through personal contacts on average have a higher level of education.

We were also interested if the company uses such methods for forecasting the number of personnel needed. In order to obtain the relative data about this an investigation must certainly be made in the company’s human resource department. Questioning people who are employed at least gives us some indication of this area. 30% of all those who were questioned stated that they do forecast the number of personnel needed in their company, 37.8% did not know this and the rest answered that they do not calculate those numbers. Nearly 10% of those asked and who are employed in a small company (up to ten people employed) stated that the number of personnel needed is forecasted in their company.
Of course we were also interested in finding out how the interview process takes place in Slovenia. The results have shown that there are interviews done in most cases. 84.3% of those questioned responded that they had an interview before getting the job. There are no significant differences as a result of the size of the employer. Interviews are done in smaller and bigger companies. We have also established that the interviews are done regardless of what level of education a candidate might have. Interviews are also done regardless of which source the employer used. At least a formal talk between the employer and candidate is made even if they personally know each other.

If the rule of thumb in the past was that those who were stronger got a job quicker, than today this includes those who are more educated in Slovenia. The research showed that these people have greater opportunity for employment, change jobs more frequently and are promoted more frequently.

The most interesting research result was finding out that 43.2% of more than 1,000 people who were questioned found employment through personal contacts. We often understand this type of method as being typical for environments in which special knowledge and qualifications are expected from people and especially when

---

**Table 7**

**Correlation between Promotion and Recruitment**

| Where did you find out about the current employers' needs? | When was the last time you were promoted by your current employer? |
|---------------------------------------------------------|---------------------------------------------------------------|
|                                                         | Less than a year ago | A few years ago | Never | No response | Total |
| From media advertisements                               | Count | 57 | 75 | 110 | 11 | 254 |
|                                                         | %     | 5.4 | 7.1 | 10.4 | 1.0 | 24.0 |
| At the school where I finished my education             | Count | 19 | 44 | 29 | 0 | 92 |
|                                                         | %     | 1.8 | 4.2 | 2.7 | 0.0 | 8.7 |
| From personal contacts                                  | Count | 93 | 158 | 202 | 2 | 455 |
|                                                         | %     | 8.8 | 14.9 | 19.1 | 0.2 | 43.0 |
| From the notice board at the unemployment center        | Count | 19 | 30 | 27 | 2 | 78 |
|                                                         | %     | 1.8 | 2.8 | 2.6 | 0.2 | 7.4 |
| Via specialized agencies                                | Count | 2 | 2 | 10 | 1 | 15 |
|                                                         | %     | 0.2 | 0.2 | 0.9 | 0.1 | 1.4 |
| Other ways                                              | Count | 31 | 60 | 71 | 1 | 163 |
|                                                         | %     | 2.9 | 5.7 | 6.7 | 0.1 | 15.4 |
| No response                                             | Count | 1 | 0 | 0 | 0 | 1 |
|                                                         | %     | 0.1 | 0.0 | 0.0 | 0.0 | 0.1 |
| Total                                                   | Count | 222 | 369 | 449 | 17 | 1,057 |
|                                                         | %     | 21.0 | 34.9 | 42.5 | 1.6 | 100.0 |

DOI: 10.18267/j.pep.231
we want to employ a trustworthy candidate; therefore, when there is a small chance that we are going to attract the most suitable person using other methods. The Slovenian phenomenon includes that organizations recruit personnel via personal contacts regardless of what kind of demands (for example education) need to be met. In a way, this is because Slovenia is so small. Of course, additional questions arise including those related to promotion. The results showed that all those related to promotion have no special advantages over others. Therefore, people in Slovenia very often find employment by knowing the right people but are promoted less frequently.

References

Armstrong, M. (1993), *A Handbook of Personnel Management Practice*. London: Kogan Page.
Beer, M., Spector, B., Lawrence, P. R., Mills, D. Q., Walton, R. E. (1985), *Human Resources Management*. London: Macmillian Publishers.
Belčič, F. (2002), *The Employment Process* (in Slovenian). Kranj: Moderna organizacija.
Bernardin, H. J. (1993), *Human Resources Management*. New York: McGraw-Hill.
Brekič, J. (1990), *The Process of Promotion* (in Serbo-Croatian). Zagreb: Globus.
Bruchon-Schweitzer, M., Lieves, S., Giosi, L. (1999), "Personnel Selection in Some European Countries". *Studi di Sociologia*, 28 (3), pp. 337-344.
Business Almanac and Sourcebook (1995), Boston: Houghton Mifflin Company.
Dictionary of Human Resources & Personnel Management (1998), London: Peter Colin Publishing Ltd.
Florjančič, J., Ferjan, M., Bernik, M. (1999), *Human Resources Management* (in Slovenian). Kranj: Moderna organizacija.
Haimann, T., Scott, W. G., Connor, E. (1982), *Management*. Boston: Houghton Mifflin Company.
Hampton, D. R. (1987), *Management*. London: McGraw-Hill.
Hannagan, T. (1995), *Management*. London: Financial Times (Pitman Publishing).
Huo, P. Y., Huang, H. J., Napier, N. K. (2002), "Divergence or Convergence: A Cross-national Comparision of Personnel Selection Practices". *Human Resource Management*, 41 (1).
Ivanović, A. (1997), *Dictionary of Human Resources & Personnel Management*. London: Peter Collin Publishing Ltd.
Kern, T. (1998), "The Process Organization – Designing of the Structure of the Business Systems Based on Renewed Business Processes". Kranj, University of Maribor (Doctoral Dissertation).
Mescon, M. H., Albert, M., Khedouri, F. (1985), *Management*. Cambridge: Harper&Row.
Možina, S. et al. (1994), *Management* (in Slovenian). Radovljica: Didakta.
Sedej, M. (1997), *The Methodes of Recruiting* (in Slovenian). Kranj: Moderna organizacija.
Vila, A. (1994), *Organization* (in Slovenian). Kranj: Moderna organizacija.
WB (2000), *World Development Indicators*. Washington: World Bank.